NOTICE OF MEETING

and

MANAGEMENT INFORMATION CIRCULAR

for the

SPECIAL MEETING OF SECURITYHOLDERS

to be held on

June 23, 2023

DATED AS OF MAY 15, 2023

The accompanying management information circular and proxy is first being mailed to securityholders of ATAC Resources Ltd. on or about May 25, 2023.

The Board of Directors of ATAC Resources Ltd.
UNANIMOUSLY recommends that securityholders vote FOR the Arrangement Resolution.

ATAC RESOURCES LTD.

Suite 1500, 409 Granville Street, Vancouver, BC, V6C 1T2

May 15, 2023

Dear ATAC Securityholder:

You are invited to attend a special meeting (the "**Meeting**") of the holders ("**ATAC Shareholders**") of common shares ("**ATAC Shares**") in the capital of ATAC Resources Ltd. ("**ATAC**" or the "**Company**"), holders of ATAC Options (as defined below) ("**ATAC Optionholders**") and holders of ATAC Warrants (as defined below) ("**ATAC Warrantholders**") (collectively, the "**ATAC Securityholders**"), to be held at the offices of Stikeman Elliott LLP, Suite 1700, 666 Burrard Street, Vancouver, BC V6C 2X8 on June 23, 2023 at 10:00 a.m. (Vancouver Time).

At the Meeting, ATAC Securityholders will be asked, among other things, to consider and vote on a special resolution (the "**Arrangement Resolution**") approving a statutory plan of arrangement (the "**Plan of Arrangement**") pursuant to Section 288 of the *Business Corporations Act* (British Columbia) (the "**Arrangement**"), subject to the terms and conditions of an arrangement agreement dated April 5, 2023, as amended by an agreement dated May 12, 2023 (the "**Arrangement Agreement**"), entered into among ATAC, Hecla Mining Company ("**Hecla**") and Alexco Resource Corp. ("**Hecla Acquisition Subco**") and in furtherance of the Arrangement, a reduction of the stated capital account maintained for the ATAC Shares. Under the terms of the Arrangement Agreement, Hecla Acquisition Subco will acquire all of the outstanding ATAC Shares (including ATAC Shares issued to holders of In-the-Money ATAC Options (as defined herein) pursuant to the Arrangement), and ATAC Shareholders will receive, for each ATAC Share, consideration as set out in the Plan of Arrangement (the "**Arrangement Consideration**") consisting of: (i) 0.0166 shares of Hecla common stock ("**Hecla Shares**"); plus (ii) 0.100 of a share (the "**Cascadia Shares**") of Cascadia Minerals Ltd. ("**Cascadia**"), a new company formed to hold ATAC's rights and interests with respect to the Catch, Pil, Rosy and Idaho Creek properties.

Under the Arrangement, each: (a) option to acquire ATAC Shares (an "**ATAC Option**") that is outstanding immediately prior to the effective time of the Arrangement and is "in-the-money" (an "**In-the-Money ATAC Option**") shall be deemed to be fully vested and shall be exercised on a cashless basis for ATAC Shares, as further set out in the Plan of Arrangement, such ATAC Shares will then be subject to the reduction of stated capital in respect of which the Cascadia Shares will be distributed and thereafter the ATAC shares will be exchanged for the Hecla Shares; (b) ATAC Option that is not an In-the-Money ATAC Option shall be cancelled without any payment in respect thereof; and (c) common share purchase warrant exerciseable for an ATAC Share (an "**ATAC Warrants**") will be exchanged for 0.0166 common share purchase warrants of Hecla and 0.100 common share purchase warrants of Cascadia, as further set out in the Plan of Arrangement.

The Special Committee (as defined in the accompanying management information circular for the Meeting (the "**Circular**")) and the board of directors of the Company (the "**ATAC Board**") have unanimously determined that the Arrangement is in the best interests of the Company and that the Arrangement is fair to the ATAC Securityholders, and the ATAC Board has authorized the submission of the Arrangement Resolution to the ATAC Securityholders for their approval at the Meeting. **The ATAC Board has unanimously determined to recommend to ATAC Securityholders that they vote FOR the Arrangement Resolution to approve the Arrangement. All of the directors and senior officers of the Company have entered into agreements with Hecla to support the Arrangement**. In reaching its conclusion that the Arrangement is fair to ATAC Securityholders and that the Arrangement is in the best interests of the Company, the ATAC Board considered and relied upon a number of factors and reasons, including those described under the headings "*Part 7 – The Arrangement – Background to the Arrangement", "Part 7 – The Arrangement – Reasons for the Arrangement" and "Part 7 – The Arrangement – Fairness Opinion*" of the Circular.

To become effective, the Arrangement Resolution must be approved by at least two-thirds (66 2/3%) of the votes cast at the Meeting in person or by proxy by: (i) ATAC Shareholders; and (ii) ATAC Securityholders voting together as a single class. The Arrangement is also subject to certain other conditions, including the approval of the British Columbia Supreme Court.

In addition, at the Meeting, ATAC Shareholders will, among other things, be asked to consider and, if deemed advisable, to pass, with or without variation, an ordinary resolution to approve an omnibus equity incentive plan for Cascadia (the "**Omnibus Incentive Plan Resolution**"), as more particularly described in the accompanying Circular, provided that such resolution shall not become effective unless the Arrangement becomes effective. **The ATAC Board, after consultation with its legal counsel, has unanimously determined to recommend to ATAC Shareholders that they vote FOR the Omnibus Incentive Plan Resolution.**

To become effective, the Omnibus Incentive Plan Resolution must be approved by at least a simple majority of the votes cast by the ATAC Shareholders who vote in person or by proxy at the Meeting.

The accompanying notice of special meeting and Circular describe the Arrangement and include certain additional information to assist you in considering how to vote on the Arrangement Resolution. You are urged to read this information carefully and, if you require assistance, to consult your financial, legal, tax or other professional advisors.

Your vote is important regardless of the number of ATAC Shares, ATAC Options or ATAC Warrants (collectively, the "**Affected Securities**") that you own. Even if you are a registered holder of Affected Securities and plan to attend the Meeting in person, we encourage you to take the time now to follow the instructions on the enclosed forms of proxy so that your Affected Securities can be voted at the Meeting in accordance with your instructions. We encourage you to use the internet or telephone voting options to ensure your vote is received prior to the voting deadline. Alternatively, you can complete, sign, date and return the enclosed form by mail or fax. **Registered holders of ATAC Shares are asked to complete the form of proxy printed on green paper, registered holders of ATAC Options are asked to complete the form of proxy printed on pink paper and registered holders of ATAC Warrants are asked to complete the form of proxy printed on yellow paper. If you hold more than one type of Affected Security, you will need to complete the applicable form of proxy for each of the different types of Affected Securities held by you.**

If you hold your Affected Securities through a broker, trustee, financial institution or other intermediary, you will receive instructions from such intermediary, or Computershare Investor Services Inc. on the intermediary's behalf, on how to vote your Affected Securities. We encourage non-registered holders of Affected Securities to carefully follow such instructions so that your Affected Securities can be voted at the Meeting.

If you are a registered holder of ATAC Shares, we encourage you to complete, sign, date and return the enclosed Shareholder Letter of Transmittal (printed on white paper), along with the share certificate(s) representing your ATAC Shares, to the Company's depositary, Computershare Investor Services Inc., at the address specified in the Shareholder Letter of Transmittal. If you are a holder of ATAC Options or ATAC Warrants, we encourage you to complete, sign, date and return the enclosed Convertible Securityholder Letter of Transmittal (printed on grey paper) to the Company's depositary, Computershare Investor Services Inc., at the address specified in the Convertible Securityholder Letter of Transmittal. If you are a registered holder of ATAC Shares as well as ATAC Options and/or ATAC Warrants, you will have to submit both the Shareholder Letter of Transmittal (printed on white paper) as it relates to your ATAC Shares and the Convertible Securityholder Letter of Transmittal (printed on grey paper) as it relates to your ATAC Options and/or ATAC Warrants.

The Shareholder Letter of Transmittal and the Convertible Securityholder Letter of Transmittal (together, the "**Letter of Transmittal(s)**") each contain other procedural information relating to the Arrangement and should be reviewed carefully. It is recommended that you complete, sign and return the applicable Letter of Transmittal(s) (with accompanying ATAC Share and Warrant certificate(s) if you are a registered holder of ATAC Shares or ATAC Warrants) to Computershare Investor Services Inc., the Company's depositary, as soon as possible.

Subject to obtaining court approval and satisfying certain other conditions, including the approval of ATAC Securityholders, it is anticipated that the Arrangement will be completed in early July 2023, but no later than September 5, 2023 unless otherwise agreed to between ATAC and Hecla.

Neither completion of the Arrangement nor approval of the Arrangement Resolution is conditional upon the approval of the Omnibus Incentive Plan Resolution.

If you have any questions or need assistance in your consideration of the Arrangement or with the completion and delivery of your proxy, please contact the Company by telephone at 604-688-0111 or toll free at 1-877-688-0152 or by email at info@atacresources.com.

On behalf of the ATAC Board, I would like to thank all ATAC Securityholders for their ongoing support as we prepare to take part in this important event in the Company's history.

Sincerely,

On behalf of the Board of Directors,

(Signed) "Graham Downs"
Graham Downs
Director, President and Chief Executive Officer ATAC Resources Ltd.

ATAC RESOURCES LTD.

Suite 1500, 409 Granville Street, Vancouver, BC, V6C 1T2

NOTICE OF SPECIAL MEETING OF SECURITYHOLDERS

NOTICE is hereby given that the special meeting (the "**Meeting**") of the holders ("**ATAC Shareholders**") of common shares ("**ATAC Shares**") of ATAC Resources Ltd. (the "**Company**" or "**ATAC**"), holders of options to acquire ATAC Shares ("**ATAC Options**") and holders of common share purchase warrants to acquire ATAC Shares ("**ATAC Warrants**") (collectively, the "**ATAC Securityholders**" and the ATAC Shares, ATAC Options and ATAC Warrants, collectively, the "**Affected Securities**") will be held at the offices of Stikeman Elliott LLP, Suite 1700, 666 Burrard Street, Vancouver, BC V6C 2X8 on June 23, 2023 at 10:00 a.m. (Vancouver Time), for the following purposes:

1. To consider pursuant to an interim order of the British Columbia Supreme Court dated May 17, 2023 (the "**Interim Order**") and, if thought advisable, to pass, with or without amendment, a special resolution of the ATAC Securityholders (the "**Arrangement Resolution**"), the full text of which is set forth in Appendix "B" to the accompanying management information circular (the "**Circular**"), to approve a statutory plan of arrangement (the "**Plan of Arrangement**") under Section 288 of the *Business Corporations Act* (British Columbia) (the "**BCBCA**") (the "**Arrangement**"), subject to the terms and conditions of an arrangement agreement dated April 5, 2023, as amended by an agreement dated May 12, 2023, entered into among ATAC, Hecla Mining Company ("**Hecla**") and Alexco Resource Corp., a wholly-owned subsidiary of Hecla, and in relation thereto, to approve a reduction of the capital account maintained in respect of the common shares of ATAC under Section 74 of the BCBCA.
2. To consider and, if thought advisable, to pass, with or without amendment, an ordinary resolution of the ATAC Shareholders, the full text of which is set forth in Appendix "M" to the Circular, approving an omnibus equity incentive plan for Cascadia Minerals Ltd. (the "**Omnibus Incentive Plan Resolution**"), all as more particularly set forth in the Circular, provided that such resolution shall not become effective unless the Arrangement becomes effective.
3. To transact such further and other business as may properly come before the Meeting or any adjournment or adjournments thereof.

Neither completion of the Arrangement nor approval of the Arrangement Resolution is conditional upon the approval of the Omnibus Incentive Plan Resolution.

The directors of the Company have fixed the close of business on May 9, 2023 as the record date (the "**Record Date**") for the determination of the ATAC Securityholders entitled to receive this notice of the Meeting (this "**Notice of Meeting**"). An ATAC Securityholder wishing to be represented by proxy at the Meeting or any adjournment thereof must deposit his, her or its duly executed form of proxy with the Company's transfer agent and registrar, Computershare Investor Services Inc., by mail at 100 University Ave. 8th Floor, Toronto, ON M5J 2Y1, Attention: Proxy Department, or by facsimile to (416) 263-9524 or 1-(866) 249-7775, not later than 10:00 a.m. (Vancouver Time) on June 21, 2023 or, if the Meeting is adjourned, 48 hours (excluding Saturdays, Sundays and holidays) before any adjournment of the Meeting. An ATAC Securityholder may also vote by telephone or via the internet by following the instructions on the applicable form of proxy. If an ATAC Securityholder votes by telephone or via the internet, completion or return of the form of proxies is not needed. **Registered holders of ATAC Shares are asked to complete the form of proxy printed on green paper, registered holders of ATAC Options are asked to complete the form of proxy printed on pink paper and registered holders of ATAC Warrants are asked to complete the form of proxy printed on yellow paper. If you hold more than one type of Affected Security, you will need to complete the applicable form of proxy for each of the different types of Affected Securities held by you.**

If you are a non-registered ATAC Securityholder, please refer to "*Part 5 – General Proxy Information – Non-Registered ATAC Securityholders*" of the Circular for information on how to vote your ATAC Shares, ATAC Options, or ATAC Warrants, as applicable.

Take notice that, pursuant to the Interim Order, each registered ATAC Shareholder as of the Record Date has been granted the right to dissent in respect of the Arrangement Resolution and, if the Arrangement becomes effective, to be paid the fair value of the ATAC Shares in respect of which such registered ATAC Shareholder validly dissents, in

accordance with the dissent procedures contained in Division 2 of Part 8 of the BCBCA, as modified and supplemented by the Interim Order, the Plan of Arrangement (as defined in the Circular) and the Final Order (as defined in the Circular). To exercise such right: (a) a written notice of dissent with respect to the Arrangement Resolution from the registered ATAC Shareholder must be received by ATAC at its address for such purpose, c/o Stikeman Elliott LLP at Suite 1700, 666 Burrard Street, Vancouver, BC V6C 2X8, Attention: Neville McClure, by no later than 5:00 p.m. (Vancouver Time) on June 21, 2023, or two business days prior to any adjournment or postponement of the Meeting; (b) the registered ATAC Shareholder must not have voted in favour of the Arrangement Resolution; and (c) the registered ATAC Shareholder must have otherwise complied with the dissent procedures in Division 2 of Part 8 of the BCBCA, as modified and supplemented by the Interim Order, the Plan of Arrangement and the Final Order. The right to dissent is described in the Circular, and the text of each of the Plan of Arrangement, the Interim Order and Division 2 of Part 8 of the BCBCA is set forth in Appendix "D", Appendix "B" and Appendix "G", respectively, to the Circular.

Failure to strictly comply with the provisions of the BCBCA, as modified and supplemented by the Plan of Arrangement, the Interim Order and the Final Order, may result in the loss of any right of dissent.

DATED as of the 15th day of May, 2023.

By Order of the Board of Directors (signed)

"Graham Downs"
Graham Downs
Director, President and Chief Executive Officer ATAC Resources Ltd.

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FREQUENTLY ASKED QUESTIONS ABOUT THE ARRANGEMENT AND THE MEETING

The following are some questions that you, as an ATAC Securityholder, may have relating to the Meeting and answers to those questions. These questions and answers do not provide all of the information relating to the Meeting or the matters to be considered at the Meeting and are qualified in their entirety by the more detailed information contained elsewhere in, or incorporated by reference into, this Circular. You are urged to read this Circular in its entirety including the appendices to this Circular, any documents incorporated by reference herein, the forms of proxy and the applicable Letter of Transmittal(s) before making a decision related to your Affected Securities. All capitalized terms used but not defined herein have the meanings ascribed to them in the "Glossary of Terms" at Appendix "A" of this Circular.

Q: What am I voting on?

A: In connection with the Meeting, ATAC Securityholders are being asked to consider and vote on the Arrangement Resolution which, if approved and if the Arrangement is completed, will result in: (i) Hecla, through its wholly-owned subsidiary Hecla Acquisition Subco, acquiring all of the issued and outstanding ATAC Shares (including ATAC Shares issued to holders of In-the-Money ATAC Options pursuant to the Arrangement); and (ii) ATAC Shareholders (other than Dissenting Shareholders) receiving the Arrangement Consideration for each ATAC Share held by them.

In addition, ATAC Shareholders will be asked to vote on the Omnibus Incentive Plan Resolution which, if approved, will become effective when the Arrangement becomes effective. **Neither completion of the Arrangement nor approval of the Arrangement Resolution is conditional upon the approval of the Omnibus Incentive Plan Resolution.**

Q: When and where is the Meeting?

A: The Meeting will be held at the offices of Stikeman Elliott LLP, Suite 1700, 666 Burrard Street, Vancouver, BC V6C 2X8 on June 23, 2023 at 10:00 a.m. (Vancouver Time).

Q: What constitutes a quorum for the Meeting?

A: A quorum for the transaction of business at the Meeting is the presence of two persons who are, or who represent by proxy, ATAC Shareholders who, in the aggregate, hold at least 5% of the issued ATAC Shares entitled to be voted at the Meeting.

Q: Who is soliciting my proxy?

A: Your proxy is being solicited by senior management of ATAC. This Circular is furnished in connection with that solicitation. While it is anticipated that solicitation of proxies for the Meeting will be made primarily by mail, proxies may be solicited personally or by telephone by the directors and regular employees of ATAC at nominal cost paid by ATAC. If you have questions or need assistance completing your form of proxy or voting instruction form, please contact the Company by telephone at 604-688-0111 or toll free at 1-877-688-0152 or by email at info@atacresources.com.

Q: What is the recommendation of the ATAC Board with respect to the Arrangement Resolution?

A: After taking into consideration, among other things, the merits of the Arrangement, the Fairness Opinion and the unanimous recommendation of the Special Committee, **the ATAC Board has concluded that the Arrangement is in the best interests of ATAC and fair to the ATAC Securityholders, and unanimously recommends that ATAC Securityholders vote FOR the Arrangement Resolution to approve the Arrangement.**

Q: Why is the ATAC Board making this recommendation?

A: In reaching its conclusion that the Arrangement is fair to ATAC Securityholders and that the Arrangement is in the best interests of ATAC, the ATAC Board considered and relied upon a number of factors and reasons, including those

described under the headings "*Part 7 – The Arrangement – Background to the Arrangement*", "*Part 7 – The Arrangement – Reasons for the Arrangement*", "*Part 7 – The Arrangement – Fairness Opinions*" and "*Part 9 – Opinion of Fort Capital*" of this Circular.

Q: What is the recommendation of the ATAC Board with respect to the Omnibus Incentive Plan Resolution?

A: At the request of the proposed directors of Cascadia, and after taking into consideration, among other things, the role an omnibus equity incentive plan or similar share incentive plan plays in the motivation, attraction and retention of key employees, directors and consultants of Cascadia due to the opportunity offered to them to acquire a proprietary interest in Cascadia, and after consultation with its legal counsel, **the ATAC Board has unanimously determined to recommend to ATAC Shareholders that they vote FOR the Omnibus Incentive Plan Resolution.**

Q: Have the ATAC Directors and officers of ATAC entered into ATAC Support Agreements?

A: Yes. Hecla has entered into an ATAC Support Agreement with each of the ATAC Directors and the officers of ATAC, pursuant to which each of the ATAC Directors and officers of ATAC has agreed to, among other things, support the Arrangement and to vote their ATAC Shares and Other Affected Securities (including any ATAC Shares issued upon the exercise or exchange of any Other Affected Securities) in favour of the Arrangement Resolution.

As of the Record Date, 11,716,350 of the 254,630,296 outstanding Affected Securities were held by ATAC Directors or officers of ATAC that were subject to ATAC Voting Agreements and ATAC Support Agreements, representing approximately 4.60% of the votes which may be cast by ATAC Securityholders at the Meeting.

Q: Who can attend and vote at the Meeting?

A: Only ATAC Securityholders of record as of the close of business on May 9, 2023, being the Record Date for the Meeting, are entitled to receive notice of and to attend, and vote at, the Meeting or any adjournment(s) or postponement(s) of the Meeting. Registered holders of ATAC Shares will be entitled to vote with respect to all matters at the Meeting, whereas registered holders of Other Affected Securities will only be entitled to vote at the Meeting with respect to the Arrangement Resolution, and not with respect to any other matters at the Meeting.

Q: How many Affected Securities are entitled to be voted?

A: As of the Record Date, there were 221,500,943 ATAC Shares entitled to be voted at the Meeting. Each ATAC Shareholder is entitled to one vote for each ATAC Share held by such holder in respect of all matters at the Meeting. In addition, as of the Record Date, there were 9,925,000 ATAC Options outstanding, and 23,204,353 ATAC Warrants outstanding. Pursuant to the Interim Order, each ATAC Option and ATAC Warrant carries one vote with respect to the vote on the Arrangement Resolution. ATAC Options, and ATAC Warrants are not entitled to a vote on any matter at the Meeting other than the approval of the Arrangement Resolution.

Q: How do I vote if I am a Registered ATAC Securityholder?

A: If you are a Registered ATAC Securityholder, you can vote your Affected Securities:

(i) by voting in person at the Meeting;

(ii) by signing and returning the applicable enclosed proxy form by mail appointing the named persons or some other person you choose, who need not be An ATAC Securityholder, to represent you as proxyholder and vote your Affected Securities at the Meeting;

(iii) by telephone at 1(866) 732-VOTE (8683); or

(iv) via the internet at www.investorvote.com.

If you are a Registered ATAC Shareholder, you should complete the form of proxy printed on green paper. If you are a holder of ATAC Options, you should complete the form of proxy printed on pink paper. If you are a registered holder of ATAC Warrants, you should complete the form of proxy printed on yellow paper. If you hold more than one type of Affected Security, you will need to complete the applicable form of proxy for each of the different types of Affected Securities held by you.

Q: How do I vote if I am a Non-Registered ATAC Securityholder?

A: If you are a Non-Registered ATAC Securityholder, you should receive voting instructions from your nominee.

Q: If I am a Non-Registered ATAC Securityholder, can I vote in person at the Meeting?

A: Yes. To vote in person at the Meeting, print your own name in the space provided on the applicable proxy form or the voting instruction form sent to you by your nominee and return it by following the instructions included. In doing so you are instructing your nominee to appoint you as a proxyholder. Please register with ATAC's Transfer Agent and Registrar, Computershare Investor Services Inc., when you arrive at the Meeting as the Company has no access to the names of Non-Registered ATAC Securityholders; if you attend the meeting without following this procedure, the Company will have no record of your security holdings or entitlement to vote.

Q: How do I vote if I am both a Registered ATAC Securityholder and a Non-Registered ATAC Securityholder?

A: If you hold some Affected Securities as a Registered ATAC Securityholder and others as a Non-Registered ATAC Securityholder, you will have to use the separate voting methods described above, as applicable, for those of your Affected Securities for which you are a Registered ATAC Securityholder and for those of your Affected Securities for which you are a Non-Registered ATAC Securityholder.

Q: What will I receive under the Arrangement if I am an ATAC Shareholder?

A: Under the Arrangement, ATAC Shareholders will be entitled to receive, for each ATAC Share held: (i) the Hecla Consideration, consisting of 0.0166 of a Hecla Share; and (ii) the Cascadia Consideration, consisting of 0.100 of a Cascadia Share.

Q: What will I receive under the Arrangement if I am an ATAC Optionholder or ATAC Warrantholder?

A: Under the Arrangement:

(a) each In-the-Money ATAC Option outstanding immediately prior to the Effective Time will be deemed to be unconditionally vested and transferred to ATAC in exchange for that number of ATAC Shares (rounded down to the nearest whole number) obtained by dividing (i) the In-the-Money Amount of such option, by (ii) the Company Share Value, while each Out-of-the-Money ATAC Option will be cancelled without any payment therefor;

(b) each ATAC Series 1 Warrant outstanding immediately prior to the Effective Time will be cancelled in exchange for 0.0166 of a Hecla Series 1 Warrant and 0.100 of a Cascadia Series 1 Warrant; and

(c) each ATAC Series 2 Warrant outstanding immediately prior to the Effective Time will be cancelled in exchange for 0.0166 of a Hecla Series 2 Warrant and 0.100 of a Cascadia Series 2 Warrant,

all as more particularly set out in the Plan of Arrangement.

The exercise price of each Hecla Series 1 Warrant to acquire one Hecla Share is US$7.81, with an expiry date of March 31, 2024. The exercise price of each Hecla Series 2 Warrant to acquire one Hecla Share is US$8.53, with an expiry date of June 25, 2024.

The exercise price of each Cascadia Series 1 Warrant to acquire one Cascadia Share is $0.45, with an expiry date of March 31, 2024. The exercise price of each Cascadia Series 2 Warrant to acquire one Cascadia Share is $0.49, with an expiry date of June 25, 2024.

Each holder of In-the-Money ATAC Options who, pursuant to the Arrangement, receives ATAC Shares in exchange for their In-the-Money ATAC Options, will, pursuant to the Arrangement, be entitled to receive the Hecla Consideration and the Cascadia Consideration for each such ATAC Share to the same extent as ATAC Shareholders.

Q: Who is Hecla?

A: Hecla is a U.S.-based precious and base metals mining company engaged in the exploration, acquisition, development, production and marketing of silver, gold, lead and zinc. In business since 1891, Hecla is among the oldest U.S.-based precious metals mining companies and one of the lowest-cost primary silver producers in North America. Hecla produces both metal concentrates, which it sells to custom smelters, metal traders and third-party processors and unrefined gold and silver doré, which is sold to refiners and precious metals traders. Hecla has producing precious metals mining operations in Alaska, Idaho and Québec, and additional development and exploration projects throughout North America, including Keno Hill project in the Yukon which is expected to begin production of silver in the third quarter of 2023.

Hecla is a reporting issuer in each of the provinces and territories of Canada and its shares of common stock are registered with the SEC under the U.S. Exchange Act. Hecla is a company incorporated under, and governed by, the Laws of the State of Delaware. The principal executive office of Hecla is located at 6500 North Mineral Drive, Suite 200, Coeur d'Alene, Idaho, 83815-9408, United States of America, and the telephone number is (208) 769-4100. The Hecla Shares are listed for trading on the NYSE under the trading symbol "HL".

Q: What vote is required at the Meeting to approve the Arrangement Resolution?

A: The Arrangement Resolution must be approved by: (a) at least two-thirds (66 ⅔%) of the votes cast at the Meeting by ATAC Shareholders present in person or represented by proxy and entitled to vote at the Meeting; and (b) at least two-thirds (66 ⅔%) of the votes cast at the Meeting by ATAC Securityholders voting together as a single class, present in person or represented by proxy and entitled to vote at the Meeting.

Q. What vote is required at the Meeting to approve the Omnibus Incentive Plan Resolution?

A: To be effective, the Omnibus Incentive Plan Resolution must be approved by at least a simple majority of the votes cast at the Meeting by ATAC Shareholders, present in person or represented by proxy and entitled to vote at the Meeting.

See "*Part 5 – General Proxy Information – Voting Standards*" of this Circular.

Q: What if I return my proxy but do not mark it to show how I wish to vote?

A: If your proxy relating to your ATAC Shares is signed and dated and returned without specifying your voting choice (or specifying both voting choices), then your ATAC Shares will be voted **FOR**: (a) the Arrangement Resolution in accordance with the recommendation of the ATAC Board; (b) the Omnibus Incentive Plan Resolution; and (c) the transaction of such further and other business as may properly come before the Meeting or any adjournment or adjournments thereof, all in accordance with the recommendation of the ATAC Board.

If your proxy relating to any Other Affected Securities is signed and dated and returned without specifying your voting choice, then your Other Affected Securities will be voted **FOR** the Arrangement Resolution in accordance with the recommendation of the ATAC Board.

Q: When is the cut-off time for delivery of proxies?

A: Proxies must be delivered to ATAC's Transfer Agent and Registrar, Computershare Investor Services Inc., by mail to 100 University Ave. 8th Floor, Toronto, ON M5J 2Y1 or by fax to (416) 263-9524 or 1(866) 249-7775, not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time of the Meeting or any adjournment or postponement thereof. In this case, assuming no adjournment or postponement, the proxy-cut off time is 10:00 a.m. (Vancouver Time) on June 21, 2023. The deadline for deposit of proxies may be waived or extended by the Chairman of the Meeting at their discretion, without notice.

Q: Can I revoke my proxy or change my vote after I submit a signed proxy?

A: Yes. In addition to revocation in any other manner permitted by law, a proxy may be revoked by an instrument in writing executed by the ATAC Securityholder or by his or her attorney authorized in writing deposited either at the registered office of the Company at any time up to and including the last business day preceding the day of the Meeting, or any adjournment thereof, at which the proxy is to be used or with the Chairman of the Meeting on the day of the Meeting, or adjournment thereof, and upon either of such deposits, the proxy is revoked. If you revoke your proxy and do not replace it with another that is deposited with ATAC before the deadline for deposit of proxies set out above (see "*Q: When is the cut-off time for delivery of proxies?*"), then you can still vote your Affected Securities, but to do so, you must attend the Meeting in person.

Q. In addition to the approval of the ATAC Securityholders, are there any other approvals required for the Arrangement?

A: Yes. The Arrangement requires the approval of the Court and also is subject to the receipt of certain regulatory approvals.

See "*Part 7 – The Arrangement – Court Approval of the Arrangement*" and "*Part 11– Regulatory Matters*" of this Circular.

Q: Does Hecla need to obtain approval from its shareholders?

A: Hecla is not required to obtain shareholder approval for the Arrangement.

Q: Do any ATAC Directors or executive officers of ATAC have any interests in the Arrangement that are different from, or in addition to, those of the ATAC Securityholders?

A: In considering the unanimous recommendation of the ATAC Board to vote in favour of the matters discussed in this Circular, ATAC Securityholders should be aware that certain of the ATAC Directors and executive officers of ATAC may have interests in the Arrangement that are different from, or in addition to, the interests of ATAC Shareholders generally (including the Lump Sum Payments and/or proposed positions as directors and/or officers with Cascadia).

See "*Part 7 – The Arrangement – Interests of Certain Persons in the Arrangement*", "*Part 7 – The Arrangement – MI 61-101 Protection of Minority Security Holders in Special Transactions*", "*Part 10 – Securities Law Matters*" and "*Part 11 – Regulatory Matters*" of this Circular.

Q: Will the ATAC Shares continue to be listed on the TSXV after the Arrangement?

A: No. The ATAC Shares will be de-listed from the TSXV when the Arrangement is completed.

Q: Should I send in my Letter of Transmittal(s) now?

A: Yes. It is recommended that: (a) all Registered ATAC Shareholders complete, sign and return the Shareholder Letter of Transmittal (printed on white paper), together with accompanying ATAC Share certificate(s) or DRS Statement, to the Depositary as soon as possible; and (b) all registered holders ATAC Warrants complete, sign and return the

Convertible Securityholder Letter of Transmittal (printed on grey paper), together with accompanying ATAC Warrant certificate(s), to the Depositary as soon as possible.

Non-Registered ATAC Securityholders whose ATAC Shares, ATAC Options and ATAC Warrants, as applicable, are registered in the name of a broker, investment dealer, bank, trust company, trustee or other nominee should contact that nominee for assistance in depositing such securities and should follow the instructions of such nominee in order to make their election and deposit such securities.

See "*Part 15 – Procedure for Receipt of Arrangement Consideration*" of this Circular.

Q: When can I expect to receive the Arrangement Consideration for my Affected Securities?

A: If you are a holder of ATAC Shares, then, provided that a duly completed Shareholder Letter of Transmittal, along with the applicable ATAC Share certificate(s) or DRS Statement for such ATAC Shares and all other required documents, have been received by the Depositary, you should receive the Arrangement Consideration due to you under the Arrangement promptly after the Arrangement becomes effective.

If you are a holder of In-the-Money ATAC Options, you should receive the Arrangement Consideration due to you under the Arrangement promptly after the Arrangement becomes effective.

If you are a holder of ATAC Warrants, you should receive your certificates representing your Hecla Warrants and Cascadia Warrants due to you under the Arrangement promptly after the Arrangement becomes effective.

See "*Part 15 – Procedure for Receipt of Arrangement Consideration*" of this Circular.

Q: What assets will Cascadia hold?

A: Upon completion of the Arrangement, Cascadia will hold the Cascadia Assets, which among other things, includes all of the legal and beneficial right, title and interest in the Cascadia Properties, being primarily ATAC's Catch, Pil, Rosy and Idaho Creek properties.

Q: Who will be on the management team and board of directors of Cascadia?

A: The following individuals are anticipated to be on the management team of Cascadia: (a) Graham Downs, President and Chief Executive Officer; (b) Jasmine Lau, Chief Financial Officer; (c) Glenn Yeadon, Corporate Secretary; (d) Adam Coulter, VP Exploration; and (e) Andrew Carne, VP Corporate Development.

The following individuals are anticipated to be on the board of directors of Cascadia: Robert Carne (Chairman), Kurt Allen, Graham Downs, James Gray, James Sabala, Maureen Upton and Bruce Youngman.

Q: Will Cascadia Shares be publicly listed?

A: Cascadia has applied to have the Cascadia Shares listed on the TSXV. Listing is subject to the approval of the TSXV in accordance with its original listing requirements. The TSXV has not conditionally approved the listing of the Cascadia Shares on the TSXV and there is no assurance that the TSXV will approve the listing application. There is no present intention to list Cascadia Shares for trading on any national securities exchange in the United States.

Q: How will I know when the Arrangement will be implemented?

A: The Effective Date will only occur following satisfaction or waiver of all of the conditions to the completion of the Arrangement. If the Arrangement Resolution is approved at the Meeting, and all other required approvals are obtained and conditions satisfied or waived, then the Effective Date is expected to occur in early July 2023, but no later than September 5, 2023, unless otherwise agreed to between ATAC and Hecla. On the Effective Date, upon completion of the Arrangement, ATAC and Hecla will publicly announce that the Arrangement has been implemented.

Q: Are there risks I should consider in deciding whether to vote for the Arrangement Resolution?

A: Yes. ATAC Securityholders should carefully consider the risk factors relating to the Arrangement. Some of these risks include, but are not limited to the following: (a) Hecla and ATAC may not integrate successfully; (b) uncertainty surrounding the Arrangement could adversely affect ATAC's retention of suppliers and could negatively impact ATAC's future business and operations; (c) directors and executive officers of ATAC may have interests in the Arrangement that are different from, or in addition to, those of ATAC Securityholders generally (including the Lump Sum Payments and/or proposed positions as directors and/or officers with Cascadia); (d) the Arrangement Agreement may be terminated in certain circumstances, including in the event of a change having an ATAC Material Adverse Effect; (e) there can be no certainty that all conditions precedent to the Arrangement will be satisfied; (f) the exchange ratio is fixed and will not be adjusted to reflect any change in the market value of the Hecla Shares or ATAC Shares prior to the closing of the Arrangement; (g) ATAC will incur costs even if the Arrangement is not completed and may have to pay the Termination Fee to Hecla in certain circumstances; (h) if the Arrangement is not approved by the ATAC Securityholders, or the Arrangement is otherwise not completed, then the market price for ATAC Shares may decline; (i) if the Arrangement Resolution is not approved by the ATAC Securityholders, ATAC will continue as a standalone entity and will need to consider and secure financing alternatives; (j) owning Hecla Shares will expose ATAC Shareholders to different risks; (k) the value of the Cascadia Shares may fluctuate; and (l) the TSXV may not approve Cascadia's listing application. The foregoing list is not exhaustive. Please carefully read all of the risks disclosed elsewhere in this Circular as well as risks disclosed in ATAC's and Hecla's publicly disclosed documents available on SEDAR and EDGAR.

See "*Part 14 – Risks Factors Relating to the Arrangement*" of this Circular.

Q: What are the Canadian income tax consequences of the Arrangement?

A: For a summary of certain Canadian income tax consequences of the Arrangement applicable to an ATAC Shareholder, see "*Part 16 – Certain Canadian Federal Income Tax Considerations*". Such summary is not intended to be legal or tax advice to any particular ATAC Shareholder. ATAC Shareholders should consult their own tax advisors with respect to their particular circumstances. In addition, holders of Other Affected Securities should consult their own tax advisors with respect to their particular circumstances.

Q: What are the U.S. federal income tax consequences of the Arrangement?

A: For a summary of certain material U.S. federal income tax consequences of the Arrangement applicable to a

U.S. Holder (as defined herein) and a non-U.S. Holder (as defined herein), see "*Part 17 – Certain United States Federal Income Tax Considerations*". Such summary is not intended to be legal or tax advice to any particular ATAC Securityholders. ATAC Securityholders should consult their own tax advisors with respect to their particular circumstances.

Q: Am I entitled to Dissent Rights?

A: The Interim Order and Plan of Arrangement provides Registered ATAC Shareholders with Dissent Rights in connection with the Arrangement. **Registered ATAC Shareholders considering exercising Dissent Rights should seek the advice of their own legal counsel and tax and investment advisors and should carefully review the description of such rights set forth in this Circular, the Interim Order and the Plan of Arrangement, and must comply with the dissent procedures in Division 2 of Part 8 of the BCBCA, as modified and supplemented by the Interim Order, the Plan of Arrangement and the Final Order.** The right to dissent is described in this Circular, and the texts of each of the Plan of Arrangement, the Interim Order and Division 2 of Part 8 of the BCBCA is set forth in Appendix "D", Appendix "E" and Appendix "G", respectively, to this Circular.

See "*Part 13 – Dissenting Shareholders' Rights*" in this Circular.

ATAC RESOURCES LTD.

MANAGEMENT INFORMATION CIRCULAR

This management information circular (this "**Circular**") and accompanying forms of proxy are furnished in connection with the solicitation of proxies by the management of ATAC Resources Ltd. (the "**Company**" or "**ATAC**") for use at the special meeting (the "**Meeting**") of ATAC Securityholders to be held at the Offices of Stikeman Elliott LLP, Suite 1700, 666 Burrard Street, Vancouver, BC V6C 2X8 on June 23, 2023 at 10:00 a.m. (Vancouver Time), and at any adjournment or postponement thereof, for the purposes set forth in the accompanying notice of special meeting (the "**Notice of Meeting**"). All summaries of, and references to, the Arrangement Agreement, the Plan of Arrangement, the Arrangement Resolution and the Fairness Opinion in this Circular are qualified in their entirety by reference to the complete text of those documents, each of which is either included as an appendix to this Circular or filed under the Company's issuer profile on the System for Electronic Document Analysis and Retrieval ("**SEDAR**") at www.sedar.com. ATAC Securityholders are urged to carefully read the full text of these documents.

PART 1. GENERAL MATTERS

Defined Terms

In this Circular, unless otherwise indicated or the context otherwise requires, terms defined in Appendix "A" – *Glossary of Terms* shall have the meanings attributed thereto. Words importing the singular include the plural and vice versa and words importing gender include all genders.

Information Contained in this Circular

The information contained in this Circular, unless otherwise indicated, is given as of May 15, 2023.

No person has been authorized by the Company to give any information (including any representations) in connection with the matters to be considered at the Meeting other than the information contained in this Circular. This Circular does not constitute an offer to buy, or a solicitation of an offer to acquire, any securities, or a solicitation of a proxy, by any person in any jurisdiction in which such an offer or solicitation is not authorized or is unlawful. Information contained in this Circular should not be construed as legal, tax or financial advice, and ATAC Securityholders should consult their own professional advisors concerning the consequences of the Arrangement in their own circumstances.

This Circular and the transactions contemplated by the Arrangement Agreement and the Plan of Arrangement have not been approved or disapproved by any securities regulatory authority nor has any securities regulatory authority passed upon the fairness or merits of such transactions or upon the accuracy or adequacy of the information contained in this Circular. Any representation to the contrary is unlawful.

The technical and scientific information contained in this Circular was reviewed and approved in accordance with NI 43-101 by Adam Coulter, Vice-President Exploration for ATAC., and a "Qualified Person" as defined in NI 43-101.

Information Contained in this Circular Regarding Hecla

Certain information included or incorporated by reference in this Circular pertaining to Hecla Mining Company ("**Hecla**"), including, but not limited to, Hecla's Annual Report on Form 10-K filed on SEDAR on February 17, 2023, Hecla's Quarterly Report on Form 10-Q filed on SEDAR on May 10, 2023, Hecla's definitive proxy statement filed on SEDAR on April 11, 2023, and the information pertaining to Hecla set forth in Appendix "K" of this Circular, is derived from Hecla's public filings with the SEC or has been furnished by Hecla. With respect to this information, the Company has relied exclusively upon Hecla, without independent verification by the Company. Although the Company does not have any knowledge that would indicate that such information is untrue or incomplete, neither the Company nor any of its directors or officers assumes any responsibility for the accuracy or completeness of such information, or for the failure by Hecla to disclose events or information that may affect the completeness or accuracy of such information.

For further information regarding Hecla, please refer to Hecla's filings with the securities regulatory authorities which may be obtained under Hecla's issuer profile on SEDAR at www.sedar.com and Electronic Data Gathering, Analysis, and Retrieval system ("**EDGAR**") at www.sec.gov/edgar. See also Appendix "K" of this Circular.

Financial Information

Unless otherwise indicated, all historical financial statements included or incorporated by reference in this Circular relating to Hecla and the Combined Company are reported in United States dollars and prepared in accordance with U.S. GAAP. Unless otherwise indicated, all historical financial statements included or incorporated by reference in this Circular relating to ATAC and Cascadia are reported in Canadian dollars and prepared in accordance with IFRS.

Currency

All references to "$", "C$" or "dollars" set forth in this Circular are to Canadian dollars, and all references to "US$" set forth in this Circular are to United States dollars.

PART 2. NOTICE TO SECURITYHOLDERS IN THE UNITED STATES

THE ARRANGEMENT AND THE SECURITIES TO BE ISSUED IN CONNECTION WITH THE ARRANGEMENT HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SEC OR THE SECURITIES REGULATORY AUTHORITIES OF ANY STATE OF THE UNITED STATES, NOR HAS THE SEC OR THE SECURITIES REGULATORY AUTHORITIES OF ANY STATE OF THE UNITED STATES PASSED UPON THE FAIRNESS OR MERITS OF THE ARRANGEMENT OR UPON THE ADEQUACY OR ACCURACY OF THIS CIRCULAR. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE.

The Hecla Shares and the Cascadia Shares to be issued to ATAC Securityholders in connection with the Arrangement have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States, and such securities are being issued in reliance upon the exemption from the registration requirements of the U.S. Securities Act provided by Section 3(a)(10) thereof on the basis of the approval of the Court, which will consider, among other things, the fairness of the Arrangement to ATAC Securityholders as further described in "*Part 10 – Securities Law Matters – United States Securities Law Matters*" of this Circular, and in reliance on exemptions from or qualifications under the registration requirements under any applicable securities laws of any state of the United States. Section 3(a)(10) of the U.S. Securities Act provides an exemption from the registration requirements of the U.S. Securities Act for securities issued in exchange for one or more bona fide outstanding securities, or partly in such exchange and partly for cash, where the terms and conditions of the issuance and exchange of such securities have been approved by a court authorized to grant such approval after a hearing upon the fairness of the terms and conditions of the issuance and exchange at which all persons to whom the securities will be issued have the right to appear and have received adequate notice thereof.

The U.S. Securities Act imposes restrictions on the resale of Hecla Shares received pursuant to the Arrangement by persons who will be "affiliates" of Hecla after the Effective Time or who have been "affiliates" of Hecla within the 90 days preceding the Effective Time. The U.S. Securities Act also imposes restrictions on the resale of Cascadia Shares received pursuant to the Arrangement by persons who will be "affiliates" of Cascadia after the Effective Time or who have been "affiliates" of Cascadia within the 90 days preceding the Effective Time.

This Circular has been prepared in accordance with the requirements of the securities laws in effect in Canada, which differ in certain material respects from the disclosure requirements promulgated by the SEC. For example, the terms "mineral reserve", "proven mineral reserve", "probable mineral reserve", "mineral resource", "measured mineral resource", "indicated mineral resource" and "inferred mineral resource" are Canadian mining terms as defined in accordance with NI 43-101 and the CIM Definition Standards on mineral resources and mineral reserves, adopted by the CIM Council, as amended. These definitions differ from the definitions in the disclosure requirements promulgated by the SEC. Accordingly, information contained in this Circular, the documents attached hereto and the documents incorporated by reference herein, may not be comparable to similar information made public by U.S. companies reporting pursuant to SEC disclosure requirements.

Financial statements included or incorporated by reference in this Circular relating to Hecla and the Combined Company are reported in United States dollars and prepared in accordance with U.S. GAAP. Financial statements included or incorporated by reference in this Circular relating to ATAC and Cascadia are reported in Canadian dollars and prepared in accordance with IFRS.

ATAC Securityholders should be aware that the Arrangement described in this Circular may have tax consequences in both the United States and Canada. ATAC Shareholders who are resident in, or citizens of, the United States are advised to review the summaries contained in this Circular under the headings "*Part 16 – Certain Canadian Federal Income Tax Considerations*" and "*Part 17 – Certain United States Federal Income Tax Considerations*" and to consult their own tax advisors to determine the particular Canadian and United States tax consequences to them of the Arrangement in light of their particular situation, as well as any tax consequences that may arise under the laws of any other relevant foreign, state, local, or other taxing jurisdiction.

The enforcement by ATAC Securityholders of civil liabilities under U.S. Securities Laws may be affected adversely by the fact that ATAC is incorporated or organized outside the United States, that some of the Company's respective directors and officers and the experts named in this Circular are not residents of the United States and that a portion of the Company's assets and all or a substantial portion of the assets of said persons may be located outside the United States. As a result, ATAC Securityholders in the United States may be unable to effect service of process within the United States upon certain officers and directors or the experts named herein, or to realize against them upon judgments of courts of the United States predicated upon civil liabilities under the federal securities laws of the United States or any applicable securities laws of any state of the United States. In addition, ATAC Securityholders in the United States should not assume that the courts of Canada: (a) would enforce judgments of United States courts obtained in actions against such persons predicated upon civil liabilities under the federal securities laws of the United States or any applicable securities laws of any state of the United States; or (b) would enforce, in original actions, liabilities against such persons predicated upon civil liabilities under the federal securities laws of the United States or any applicable securities laws of any state of the United States.

PART 3. CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

This Circular and the documents incorporated into this Circular by reference contain "forward-looking statements" and "forward-looking information" within the meaning of applicable U.S. and Canadian securities legislation (forward-looking statements and forward-looking information being collectively referred to as "**forward-looking information**") that are based on expectations, estimates and projections as at the date of this Circular or the dates of the documents incorporated by reference, and as applicable, are intended to be covered by the safe harbors provided by such legislation. Forward-looking information may include, without limitation, statements and information concerning: the Arrangement; the anticipated timing for completion of the Arrangement; the anticipated benefits of the Arrangement; the likelihood of the Arrangement being completed; the principal steps of the Arrangement; statements made in, and based upon, Fairness Opinion; statements relating to the business and future activities of the Company and Hecla after the date of this Circular and prior to the Effective Time; statements relating to the business and future activities of Hecla and Cascadia after the Effective Time; ATAC Securityholder and Court approval of the Arrangement; regulatory approval of the Arrangement; and other statements that are not historical facts.

Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, identified by words or phrases such as "expects" or "does not expect", "is expected", "anticipates" or "does not anticipate", "believes", "budget", "scheduled", "forecasts" "plans", "projects", "estimates", "assumes", "intends", "strategy", "goals", "objectives", "potential", "possible" or variations thereof or stating that certain actions, events, conditions or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved, or the negative of any of these terms and similar expressions) are not statements of historical fact and may be forward- looking information and are intended to identify forward-looking information.

Forward-looking information is based on the beliefs, expectations and opinions of the management of ATAC and Hecla, as well as on assumptions and other factors, which management of ATAC and Hecla believes to be reasonable based on information available at the time such information was given. Such assumptions include, among other things, the satisfaction of the terms and conditions of the Arrangement, including the approval of the Arrangement and its fairness by the Court, and the receipt of the required governmental and regulatory approvals and consents.

By its nature, forward-looking information is based on assumptions and involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of ATAC and Hecla to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information, including, without limitation: the Arrangement Agreement may be terminated in certain circumstances; general economic conditions; industry conditions; volatility of commodity prices; currency fluctuations; environmental risks; competition from other industry participants; and stock market volatility. This list is not exhaustive of the factors that may affect any of the forward-looking information of ATAC and Hecla.

Forward-looking information is information about the future and is inherently uncertain. There can be no assurance that the forward-looking information will prove to be accurate. Actual results could differ materially from those reflected in the forward-looking information as a result of, among other things, the matters set out or incorporated by reference in this Circular generally and economic and business factors, some of which may be beyond the control of ATAC and Hecla. Some of the more important risks and uncertainties that could affect forward-looking information are described further under the heading "*Part 14 – Risk Factors Relating to the Arrangement*". Additional risks are discussed in filings by ATAC and Hecla with the SEC and with Canadian regulatory authorities on EDGAR and SEDAR, respectively, including under the heading "*Risks and Uncertainties*" in the Company's management discussion and analysis for the year ended December 31, 2022 filed on SEDAR and under the heading "*Item 1A. Risk Factors*" in Hecla's Annual Report on Form 10-K for the year ended December 31, 2022 and under the heading "*Part II – Item IA. Risk Factors*" in Hecla's Quarterly Report on Form 10-Q for the three months ended March 31, 2023, each of which is incorporated herein by reference. ATAC and Hecla expressly disclaim any intention or obligation to update or revise any information contained in this Circular (including forward-looking information) except as required by applicable laws, and ATAC Securityholders should not assume that any lack of update to information contained in this Circular means that there has been no change in that information since the date of this Circular and should not place undue reliance on forward-looking information.

PART 4. SUMMARY

The following is a summary of the principal features of the Arrangement and certain other matters and should be read together with the more detailed information contained elsewhere, or incorporated by reference, in this Circular, including the appendices hereto. Capitalized terms have the meanings ascribed to such terms in the "Glossary of Terms" included in Appendix "A" of this Circular. This summary is qualified in its entirety by the more detailed information appearing or referred to elsewhere herein.

The Meeting and Record Date

The Meeting will be held at the Offices of Stikeman Elliott LLP, Suite 1700, 666 Burrard Street, Vancouver, BC V6C 2X8 on June 23, 2023 at 10:00 a.m. (Vancouver Time).

The ATAC Board has fixed the close of business on May 9, 2023 as the Record Date for the determination of the ATAC Securityholders entitled to receive notice of, and vote at, the Meeting. Only ATAC Securityholders whose names have been entered in the applicable register of the Company as of the close of business on the Record Date will be entitled to receive notice of, and to vote at, the Meeting. Holders of Other Affected Securities will only be entitled to vote such securities with respect to the Arrangement, in the manner and to the extent provided for in the Interim Order, and not on any other matter to be considered at the Meeting.

Purpose of the Meeting

The purpose of the Meeting is for ATAC Securityholders to consider and vote upon the Arrangement Resolution. To be effective, the Arrangement Resolution must be approved by: (a) at least two-thirds (66 2/3%) of the votes cast at the Meeting by ATAC Shareholders, present in person or represented by proxy and entitled to vote at the Meeting; and (b) at least two-thirds (66 2/3%) of the votes cast at the Meeting by ATAC Securityholders voting together as a single class, present in person or represented by proxy and entitled to vote at the Meeting.

To be effective, the Omnibus Incentive Plan Resolution must be approved by at least a simple majority of the votes cast at the Meeting by ATAC Shareholders, present in person or represented by proxy and entitled to vote at the Meeting.

See "*Part 7 – The Arrangement – Approval of Arrangement Resolution*" and "*Part 5 – General Proxy Information – Voting Standards*" of this Circular.

Background to the Arrangement

The provisions of the Arrangement Agreement are the result of arm's length negotiations between representatives of ATAC and Hecla and their respective financial advisors and legal counsel. A summary of the material events leading up to the negotiation of the Arrangement Agreement and the material meetings, negotiations and discussions between the Company and Hecla that preceded the execution and public announcement of the Arrangement Agreement is set out under the heading "*Part 7 – The Arrangement – Background to the Arrangement*" of this Circular.

Fairness Opinion

Fort Capital was retained to advise the Special Committee in connection with the Arrangement. Fort Capital provided an oral fairness opinion to the Special Committee on April 3, 2023. The Fairness Opinion states that, as of the date of such Fairness Opinion, and subject to the assumptions, limitations and qualifications set out therein, the Arrangement Consideration to be received by ATAC Shareholders pursuant to the Arrangement, is fair, from a financial point of view, to the ATAC Shareholders. The full text of the Fairness Opinion, which sets forth, among other things, the assumptions made, matters considered and limitations on the review undertaken in connection with the Fairness Opinion, is attached as Appendix "C" of this Circular. ATAC Shareholders are urged to, and should, read the Fairness Opinions in their entirety. This summary is qualified in its entirety by reference to the full texts of the Fairness

Opinions. See "*Part 7 – The Arrangement – Fairness Opinion*" and "*Part 9 – Opinion of Fort Capital*" of this Circular.

Subject to the terms of their engagement, Fort Capital has consented to the inclusion in this Circular of the Fairness Opinion in its entirety, together with the summary herein and other information relating to Fort Capital. The Fairness Opinion was provided to the Special Committee for their exclusive use only in considering the Arrangement and may not be relied upon by any other person or for any other purpose or published or disclosed to any other person, relied upon by any other person or used for any other purpose without the express written consent of Fort Capital. The Fairness Opinion addresses only the fairness, from a financial point of view, of the Arrangement Consideration to be received by the ATAC Shareholders pursuant to the Arrangement, and is not, and should not be construed as, valuations of ATAC, Hecla or Cascadia (or any of their respective affiliates) or their respective assets, liabilities or securities or as a recommendation to any ATAC Securityholder as to how to vote with respect to the Arrangement Resolution or any other matter at the Meeting.

Recommendation of the ATAC Board

The ATAC Board, after careful consideration and having consulted with its financial co-advisors and legal counsel and having taken into account the Fairness Opinion delivered to the Special Committee and such other matters as it considered necessary and relevant, including the factors set out below under the heading "*Part 7 – The Arrangement – Reasons for the Arrangement*" and the unanimous recommendation of the Special Committee, has unanimously determined that the Arrangement is in the best interests of ATAC and is fair to the ATAC Securityholders. **Accordingly, the ATAC Board unanimously recommends that ATAC Securityholders vote <u>FOR</u> the Arrangement Resolution.**

All of the ATAC Directors and officers of ATAC have entered into ATAC Support Agreements with Hecla. Under the ATAC Support Agreements, each of the ATAC Directors and officers of ATAC has agreed to, among other things, support the Arrangement and to vote his or her ATAC Shares and Other Affected Securities (including any ATAC Shares issued upon the exercise or exchange of any Other Affected Securities) in favour of the Arrangement Resolution. See "*Part 7 – The Arrangement – Recommendation of the ATAC Board*", "*Part 7 – The Arrangement – Reasons for the Arrangement*" and "*Part 7 – The Arrangement – Support Agreements*" of this Circular.

Reasons for the Arrangement

The Special Committee and the ATAC Board reviewed and considered a significant amount of information and considered a number of factors relating to the Arrangement, with the benefit of advice from ATAC Senior Management, and the respective financial advisors and legal advisors of the Special Committee and the ATAC Board. **The following is a summary of the principal reasons for the unanimous recommendation of the Special Committee and the ATAC Board that ATAC Securityholders vote FOR the Arrangement Resolution. For the purposes of the following, references to ATAC Shareholders include holders of In-the-Money ATAC Options who receive ATAC Shares pursuant to the Arrangement:**

- **Significant Premium**. The Hecla Consideration represents a value of $0.14 per ATAC Share, which represents a premium of approximately 66% based on the 20-day VWAP of the ATAC Shares on the TSXV on February 17, 2023, the last trading day prior to the announcement of the LOI, or a 109% premium when including the value of Cascadia Shares received.
- **Ownership in a Stronger Combined Company that Can Better Maximize the Value of ATAC Assets**. Hecla's strong balance sheet, technical abilities and operating experience in the Yukon make it ideally suited to advance the Rackla Gold Property to the development stage.
- **Alternatives Considered**. The Special Committee and the ATAC Board considered the financing options and other potential alternatives and strategies available to ATAC if it did not enter into the Arrangement Agreement and continued with a stand-alone plan, the financial condition of ATAC, the fact that none of the potential investors that had been contacted appeared to be interested in making a strategic investment in ATAC in the near-term, that discussions with these counterparties were not progressing quickly and that

none of these entities had expressed an interest in acquiring all of ATAC, and determined that entering into the Arrangement Agreement was the best alternative for ATAC Securityholders and in the best interest of ATAC.

- **Enhanced Liquidity**. The Hecla Shares receivable under the Arrangement will provide ATAC Shareholders with enhanced liquidity compared to ATAC Shares. The Hecla Shares are listed on the NYSE, and Hecla has significantly greater balance sheet strength, market capitalization and trading liquidity than ATAC. As at April 5, 2023, Hecla's market capitalization was US$3.914 billion and ATAC's was $28.8 million. In addition, Hecla's average daily trading value during 2022 was US$41.82 million on the NYSE.
- **Ownership of Cascadia Shares**. ATAC's rights and interests with respect to the Catch, Pil, Rosy and Idaho Creek projects will be transferred to Cascadia and ATAC Shareholders will receive Cascadia Shares pursuant to the Arrangement. In addition, Hecla will subscribe for 5,502,957 Cascadia Shares and 5,502,927 warrants of Cascadia (together, the "**Cascadia Units**") at a price of $0.36 per Cascadia Unit, representing a 19.9% interest in the outstanding Cascadia Shares, providing important capital for Cascadia. The Cascadia Shares provide ATAC Shareholders with continued exposure to a portion of ATAC's Canadian assets. Cascadia has applied to have the Cascadia Shares listed on the TSXV. Listing is subject to the approval of the TSXV in accordance with its original listing requirements. The TSXV has not conditionally approved the listing of the Cascadia Shares on the TSXV and there is no assurance that the TSXV will approve the listing application. The listing of the Cascadia Shares on the TSXV or any other exchange is not a condition precedent to the completion of the Arrangement. There is no present intention to list Cascadia Shares for trading on any national securities exchange in the United States.
- **Fairness Opinion**. Fort Capital, financial advisor to the Special Committee, has provided the Fairness Opinion concluding that as of the date thereof, and subject to and based on the assumptions, limitations and qualifications set out therein, the Arrangement Consideration to be received by ATAC Shareholders pursuant to the Arrangement is fair, from a financial point of view, to the ATAC Shareholders.
- **Acceptance by ATAC Directors and Officers of ATAC**. All of the ATAC Directors and officers of ATAC have entered into ATAC Support Agreements with Hecla. Under the ATAC Support Agreements, each of the following ATAC Directors and officers of ATAC has agreed to, among other things, support the Arrangement and to vote their ATAC Shares and Other Affected Securities (including any ATAC Shares issued upon the exercise or exchange of any Other Affected Securities) in favour of the Arrangement Resolution: Robert C. Carne, Glenn R. Yeadon, Bruce A. Youngman, Don Poirier, James Gray, Maureen Upton, Graham N. Downs, Jasmine Lau, Adam Coulter, and Andrew Carne. Ian J. Talbot, who resigned from his capacity as an officer of ATAC on April 21, 2023, also entered into an ATAC Support Agreement.
- **Ability to Respond to Unsolicited Superior Proposals**. Under the terms of the Arrangement Agreement, the ATAC Board is able to respond to any unsolicited bona fide written proposal that, having regard to all of the terms and conditions of such proposal, if consummated in accordance with its terms, may lead to a Superior Proposal.
- **Negotiated Transaction**. The Arrangement Agreement is the result of an arm's length negotiation process and has been unanimously recommended by the Special Committee, consisting of independent directors.
- **Securityholder Approval**. The Arrangement must be approved by: (i) at least two-thirds (66 2/3%) of the votes cast at the Meeting by ATAC Shareholders, present in person or represented by proxy and entitled to vote at the Meeting; and (ii) at least two-thirds (66 2/3%) of the votes cast at the Meeting by ATAC Securityholders voting together as a single class, present in person or represented by proxy and entitled to vote at the Meeting.
- **Court Approval**. The Arrangement must be approved by the Court, which will consider, among other things, the substantive and procedural fairness and reasonableness of the Arrangement to ATAC Securityholders.
- **Dissent Rights**. The Interim Order provides that any Registered ATAC Shareholder may, upon strict compliance with certain conditions, exercise Dissent Rights and, if ultimately successful, receive the fair value of their Dissent Shares in accordance with the Plan of Arrangement.

The foregoing summary of the information considered by the ATAC Board is not, and is not intended to be, exhaustive. In view of the wide variety of factors and information considered in connection with their evaluation of the Arrangement, the ATAC Board did not find it practicable to, and therefore did not, quantify or otherwise attempt to assign any relative weight to each specific factor or item of information considered in reaching their conclusions and recommendations.

See "*Part 3 – Cautionary Statement Regarding Forward-Looking Information", "Part 7 – The Arrangement – Reasons for the Arrangement*" and "*Part 14 – Risk Factors Relating to the Arrangement*" of this Circular.

Arrangement Mechanics

Under the Plan of Arrangement, commencing at the Effective Time, the following principal steps shall occur and shall be deemed to occur, without any further act or formality, in the order and with the timing set out below.

(a) Each In-the-Money ATAC Option outstanding immediately prior to the Effective Time (whether vested or unvested) will, notwithstanding the terms of the ATAC Option Plan, be deemed to be fully vested and transferred to ATAC (free and clear of all Encumbrances) in exchange for that number of ATAC Shares (rounded down to the nearest whole number) obtained by dividing (i) the In-the-Money Amount of such option, by (ii) the Company Share Value, and upon such exchange the holder shall cease to have any rights as a holder in respect of such In-the-Money ATAC Option (other than the right to participate in the remainder of the Arrangement as a holder of the ATAC Shares received in exchange for such In-the-Money ATAC Option).

(b) Each Out-of-the-Money ATAC Option outstanding immediately prior to the Effective Time (whether vested or unvested) will, notwithstanding the terms of the ATAC Option Plan, be cancelled without any payment therefor, and the holder shall cease to have any rights in respect of such Out-of-the-Money ATAC Option.

(c) The ATAC Option Plan will be terminated.

(d) Each ATAC Series 1 Warrant, notwithstanding the terms of any such ATAC Series 1 Warrants or any exercise provisions to which they otherwise may be subject, will be transferred from the holder thereof to ATAC (free and clear of all Encumbrances) and cancelled in exchange for 0.0166 of a Hecla Series 1 Warrant and 0.100 of a Cascadia Series 1 Warrant.

(e) Each ATAC Series 2 Warrant, notwithstanding the terms of any such ATAC Series 2 Warrants or any exercise provisions to which they otherwise may be subject, will be transferred from the holder thereof to ATAC (free and clear of all Encumbrances) and cancelled in exchange for 0.0166 of a Hecla Series 2 Warrant and 0.100 of a Cascadia Series 2 Warrant.

(f) Each of the rights issued or issuable under the ATAC Shareholder Rights Plan, notwithstanding the terms thereof, will be cancelled without any payment or consideration therefor.

(g) The ATAC Shareholder Rights Plan will be terminated.

(h) Each ATAC Share held by a Dissenting Shareholder will be deemed to be surrendered to ATAC (free and clear of all Encumbrances) and cancelled, and such Dissenting Shareholder will cease to have any rights as a holder of ATAC Shares other than a claim to be paid the fair value of such ATAC Share by ATAC in accordance with Article 4 of the Plan of Arrangement.

(i) ATAC shall distribute to each Participating Former Securityholder 0.100 Distribution Cascadia Shares for every one ATAC Share held by such Participating Former Securityholder as a return of capital pursuant to a reorganization of ATAC's business and in respect of the transfer of the

Cascadia Assets.

(j) The Initial Cascadia Share held by ATAC will be cancelled without any payment thereon.

(k) Each ATAC Share held by a Participating Former Securityholder who: (i) duly and validly completes and delivers Letter of Transmittal(s); or (ii) exercises Dissent Rights and is ultimately not entitled, for any reason, to be paid fair value for its ATAC Shares, will be deemed to be transferred to Hecla Acquisition Subco (free and clear of all Encumbrances) in exchange for the Hecla Consideration, being 0.0166 of a Hecla Share.

(l) Hecla Acquisition Subco shall issue to Hecla, as consideration for the issue of Hecla Shares comprising the Hecla Share Consideration, one fully-paid and non-assessable Hecla Acquisition Subco Common Share to Hecla for each such Hecla Share.

(m) The resignations of those persons who are directors of the Company immediately prior to the Effective Time, and the appointment of the New ATAC Directors, shall be deemed to be effective immediately following the transfers of the ATAC Shares to Hecla Acquisition Subco.

(n) ATAC will file with the CRA a tax election to cease to be a public corporation and shall make and file any and all tax elections in respect of the transfer and cancellation of In-the-Money ATAC Options pursuant to paragraph (a) above, and provide former holders of such In-the-Money ATAC Options with evidence of the same.

(o) In consideration of the payment of $2,000,000, Cascadia will issue the number of Cascadia Shares to Hecla equal to the number resulting from applying the following formula: (0.199 x total number of Cascadia Shares issued to ATAC as consideration for the transfer of certain property and assets from ATAC to Cascadia under the Cascadia Contribution Agreement) / 0.801. Cascadia will also issue a sufficient number of warrants of Cascadia to permit Hecla to acquire such number of Cascadia Shares which is equal to the number of the Cascadia Shares issued by applying the formula in the preceding sentence at an exercise price of $0.36 per Cascadia Shares for five years after the Effective Date.

See Appendix "D" of this Circular for a copy of the Plan of Arrangement.

Spin-off Transaction

Pursuant to the Cascadia Contribution Agreement, ATAC will transfer all of its legal and beneficial right, title and interest in and to the Cascadia Assets to Cascadia in consideration for the issuance by Cascadia to ATAC of the Distribution Cascadia Shares and the Cascadia Warrants prior to the commencement of the principal arrangement steps detailed above. Pursuant to the Plan of Arrangement, the Cascadia Warrants will be distributed to ATAC Warrantholders pursuant to paragraphs (d) and (e) above and the Distribution Cascadia Shares will be distributed to holders of ATAC Shares as part of a reorganization of the capital of ATAC pursuant to paragraph (i) above. Further pursuant to the Plan of Arrangement, Hecla will then subscribe for Cascadia Units in exchange for cash consideration of $2,000,000, so that immediately following the completion of the Arrangement, Hecla will hold approximately 19.9% of the issued and outstanding Cascadia Shares, while former holders of ATAC Shares (including any ATAC Shares issued to holders of In-the-Money ATAC Options pursuant to the Arrangement) will hold approximately 80.1% of the issued and outstanding Cascadia Shares.

See "*Part 7 – The Arrangement – Spin-off Transaction*" of this Circular.

Support Agreements

Effective April 5, 2023, Hecla entered into ATAC Support Agreements with each of the ATAC Directors and officers of ATAC. The ATAC Support Agreements set forth, among other things, the agreement of the ATAC Locked-up

Securityholders to vote their ATAC Shares and Other Affected Securities in favour of the Arrangement Resolution.

As of the Record Date, 11,716,350 of the 254,630,296 outstanding Affected Securities were held by ATAC Directors or officers of ATAC that were subject to ATAC Voting Agreements and ATAC Support Agreements, representing approximately 4.60% of the votes which may be cast by ATAC Securityholders at the Meeting.

See "*Part 7 – The Arrangement – Support Agreements*" of this Circular.

Information Concerning the Company

ATAC is a Canadian company focused on exploring for gold and copper in the Yukon and British Columbia. ATAC's sole material property is the ~1,700 km^2 Rackla Gold Property located in the Yukon. Work on the Rackla Gold Property has resulted in the discovery of the Osiris Deposit and the Tiger Deposit, both of which are described below. ATAC also holds the early stage Connaught, Catch, Rosy, and Idaho Creek properties in Yukon, and the Pil Property in British Columbia.

ATAC's head office is located at 1500-409 Granville St, Vancouver, BC, V6C 1T2 and registered office is located at 1710 – 1177 West Hastings Street, Vancouver, BC V6E 2L3.

ATAC was incorporated under the laws of the Province of British Columbia on October 15, 1998, and it is a reporting issuer under the securities laws of the provinces of British Columbia and Alberta. The ATAC Shares are listed and posted for trading on the TSXV under the symbol "ATC", and on the OTCQB market under the symbol "ATADF".

For further information regarding ATAC, see "*Part 19 – Information Concerning the Company*" of this Circular.

Information Concerning Cascadia

Pursuant to the Cascadia Contribution Agreement, ATAC will transfer all of its entire legal and beneficial right, title and interest in and to the Cascadia Assets to Cascadia in consideration for the Distribution Cascadia Shares and the Cascadia Warrants, following which the Distribution Cascadia Shares and Cascadia Warrants will be distributed to former ATAC Shareholders and former ATAC Warrantholders, respectively, pursuant to the Plan of Arrangement. Additionally, Hecla will subscribe for Cascadia Units in the aggregate amount of $2,000,000.

On completion of the Arrangement, former ATAC Shareholders will own approximately 80.1% of Cascadia and Hecla will own approximately 19.9% of Cascadia. After completion of the Arrangement, the business and operations of Cascadia will be managed and operated as a stand-alone corporation. The principal executive office of Cascadia will be located at 409 Granville Street, Suite 1500, Vancouver, British Columbia, V6C 1T2.

For more information on Cascadia, see "*Part 20 – Information Concerning Cascadia*" of this Circular and Appendix "I" of this Circular.

Information Concerning Hecla

Hecla is a U.S.-based precious and base metals mining company engaged in the exploration, acquisition, development, production and marketing of silver, gold, lead and zinc. In business since 1891, Hecla is among the oldest U.S.-based precious metals mining companies and one of the lowest-cost primary silver producers in North America. Hecla produces both metal concentrates, which it sells to custom smelters, metal traders and third-party processors and unrefined gold and silver doré, which is sold to refiners and precious metals traders. Hecla has producing precious metals mining operations in Alaska, Idaho and Québec, and additional development and exploration projects throughout North America, including Keno Hill project in the Yukon which is expected to begin production of silver in the third quarter of 2023.

Hecla is a reporting issuer in each of the provinces and territories of Canada and its shares of common stock are registered with the SEC under the U.S. Exchange Act. Hecla is a company incorporated under, and governed by, the

Laws of the State of Delaware. The principal executive office of Hecla is located at 6500 North Mineral Drive, Suite 200, Coeur d'Alene, Idaho, 83815-9408, United States of America, and the telephone number is (208) 769-4100.

The Hecla Shares are listed for trading on the NYSE under the trading symbol "HL".

For more information on Hecla, see "*Part 21 – Information Concerning Hecla*" of this Circular and Appendix "K" of this Circular.

Information Concerning Hecla Following the Arrangement

On completion of the Arrangement, Hecla will directly or indirectly own all of the issued and outstanding shares in the capital of ATAC. After completion of the Arrangement, the business and operations of ATAC will be managed and operated as a subsidiary of Hecla. Hecla expects that the business and operations of Hecla and ATAC will be consolidated and the principal executive office of the Combined Company will be located at Hecla's current principal executive office, being 6500 North Mineral Drive, Suite 200, Coeur d'Alene, Idaho, 83815-9408, United States of America, and the telephone number will be (208) 769-4100.

For more information on the Combined Company, see "*Part 22 – Information Concerning Hecla Following the Arrangement*" of this Circular.

Interests of Certain Persons in the Arrangement

In considering the unanimous recommendation of the ATAC Board with respect to the Arrangement, ATAC Securityholders should be aware that certain members of ATAC Senior Management and the ATAC Board may have certain interests in connection with the Arrangement that may present them with actual or potential conflicts of interest in connection with the Arrangement. The ATAC Board is aware of these interests and considered them along with other matters described under "*Part 7 – The Arrangement – Reasons for the Arrangement*" of this Circular.

Fees and Expenses

All expenses incurred in connection with the Arrangement and the transactions contemplated thereby shall be paid by the party incurring such expense, subject to an Expense Reimbursement Event. The estimated fees, costs and expenses of ATAC in connection with the Arrangement, including without limitation, financial advisors' fees, filing fees, legal and accounting fees, proxy solicitation fees, run-off insurance and other administrative and professional fees and printing and mailing costs, are anticipated to be approximately $1.8 million (excluding any success fees), based on certain assumptions.

See "*Part 7 – The Arrangement – Fees and Expenses*" of this Circular.

Court Approval of the Arrangement

An arrangement under the BCBCA requires Court approval.

Interim Order

On May 17, 2023, ATAC obtained the Interim Order providing for the calling and holding of the Meeting, the Dissent Rights and certain other procedural matters. The text of the Interim Order is set out in Appendix "E" of this Circular.

Final Order

Subject to the terms of the Arrangement Agreement, provided the Arrangement Resolution is approved by ATAC Securityholders at the Meeting in the manner required by the Interim Order, ATAC intends to make an application to the Court for the Final Order.

The application for the Final Order approving the Arrangement is currently scheduled for June 28, 2023 at 9:45 a.m. (Vancouver Time), or as soon thereafter as counsel may be heard, at the Vancouver Law Courts located at 800 Smithe Street, Vancouver, British Columbia, or at any other date and time as ATAC may advise or the Court may direct. Any ATAC Securityholder or any other interested party who wishes to appear or be represented and to present evidence or arguments at that hearing of the application for the Final Order must file and serve a response to petition and any evidence upon which they intend to rely no later than 4:00 p.m. (Vancouver Time) on June 26, 2023 along with any other documents required, all as set out in the Interim Order and the Notice of Petition, the text of which are set out in Appendix "E" and Appendix "F" to this Circular, and satisfy any other requirements of the Court. Such persons should consult with their legal advisors as to the necessary requirements. In the event that the hearing is adjourned, then, subject to further order of the Court, only those persons having previously filed and served a response to petition will be given notice of the adjournment.

The Court has broad discretion under the BCBCA when making orders with respect to the Arrangement. The Court will consider, among other things, the fairness and reasonableness of the Arrangement, both from a substantive and a procedural point of view. The Court may approve the Arrangement, either as proposed or as amended, on the terms presented or may approve it subject to such terms and conditions as the Court shall deem fit. Depending upon the nature of any required amendments, ATAC and/or Hecla may determine not to proceed with the Arrangement.

The Hecla Shares and the Cascadia Shares to be issued to ATAC Securityholders pursuant to the Arrangement have not been and will not be registered under the U.S. Securities Act or the Securities Laws of any state of the United States and will be issued and exchanged in reliance upon the exemption from the registration requirements of the U.S. Securities Act provided by Section 3(a)(10) thereof and exemptions provided from the Securities Laws of each state of the United States in which ATAC Securityholders reside. Section 3(a)(10) of the U.S. Securities Act exempts the issuance of any securities issued in exchange for one or more bona fide outstanding securities from the general requirement of registration where the terms and conditions of the issuance and exchange of such securities have been approved by a court of competent jurisdiction that is expressly authorized by law to grant such approval, after a hearing upon the fairness of the terms and conditions of such issuance and exchange at which all persons to whom it is proposed to issue the securities have the right to appear and receive timely and adequate notice thereof. The Court will be advised prior to the hearing of the application for the Final Order that if the terms and conditions of the Arrangement, and the fairness thereof, are approved by the Court, the Hecla Shares and Cascadia Shares to be received by ATAC Securityholders pursuant to the Arrangement will not require registration under the U.S. Securities Act. Accordingly, the Final Order of the Court will, if granted, constitute a basis for the exemption from the registration requirements of the U.S. Securities Act with respect to the issuance and exchange of the Hecla Shares for the ATAC Shares and the issuance of the Cascadia Shares pursuant to the Arrangement.

See "*Part 10 – Securities Law Matters – United States Securities Law Matters*" of this Circular. For a copy of the Interim Order, see Appendix "E" of this Circular and for a copy of the petition to the Court and the Notice of Petition in respect of the Final Order, see Appendix "F" of this Circular.

The Arrangement Agreement

A description of certain provisions of the Arrangement Agreement is included in this Circular under the heading "*Part 8 – The Arrangement Agreement*". The description is not comprehensive and is qualified in its entirety by the full text of the Arrangement Agreement which has been filed and is available under the Company's issuer profile on SEDAR at www.sedar.com.

Regulatory Matters

The ATAC Shares are listed and posted for trading on the TSXV and the Hecla Shares are listed and posted for trading on the NYSE. It is a condition of the Arrangement that the NYSE shall have approved for listing the Hecla Shares to be issued in connection with the Arrangement. NYSE approval for the listing of the Hecla Shares to be issued in connection with the Arrangement is required to be obtained prior to the closing of the Arrangement. Hecla will apply to have the Hecla Shares listed on the NYSE. Listing is subject to the approval of the NYSE in accordance with its

original listing requirements, and there is no assurance that the NYSE will approve the listing application.

Cascadia has applied to have the Cascadia Shares listed on the TSXV. Listing is subject to the approval of the TSXV in accordance with its original listing requirements. The TSXV has not conditionally approved the listing of the Cascadia Shares on the TSXV and there is no assurance that the TSXV will approve the listing application. Listing of the Cascadia Shares on the TSXV or any other exchange is not a condition to the completion of the Arrangement. There is no present intention to list Cascadia Shares for trading on any national securities exchange in the United States.

For more information regarding the Interim Order and the Final Order, see "*Part 7 – The Arrangement – Court Approval of the Arrangement*" and Appendix "E" and Appendix "F" of this Circular.

Securities Law Matters

The Hecla Shares and the Cascadia Shares will generally be freely transferable under United States federal securities laws, except for restrictions on affiliates.

ATAC Shareholders are urged to obtain independent advice in respect of the consequences to them of the Arrangement having regard to their particular circumstances. Each ATAC Shareholder is urged to consult his or her professional advisors to determine the conditions and restrictions applicable to trades in Hecla Shares and Cascadia Shares.

For more information, see "*Part 10 – Securities Law Matters – Canadian Securities Law Matters*" and "*Part 10 – Securities Law Matters – United States Securities Law Matters*" of this Circular.

Dissenting ATAC Shareholders' Rights

The Interim Order expressly provides Registered ATAC Shareholders with the right to dissent with respect to the Arrangement Resolution. Each Dissenting Shareholder is entitled to be paid the fair value (determined immediately before the Arrangement Resolution is approved) of all, but not less than all, of the holder's ATAC Shares, provided that the holder validly dissents to the Arrangement Resolution and the Arrangement becomes effective.

To exercise Dissent Rights, an ATAC Shareholder must dissent with respect to all ATAC Shares of which he, she or it is the registered and beneficial owner. A Registered ATAC Shareholder who wishes to dissent must deliver a written notice of dissent to ATAC and such notice of dissent must strictly comply with the requirements of Section 242 of the BCBCA, as modified and supplemented by the Plan of Arrangement, the Interim Order and the Final Order. **Any failure by an ATAC Shareholder to fully comply with the provisions of the BCBCA, as modified and supplemented by the Plan of Arrangement, the Interim Order and the Final Order, may result in the loss of that holder's Dissent Rights. Voting against the Arrangement Resolution does not satisfy the notice requirements under Division 2 of Part 8 of the BCBCA.** Non-Registered ATAC Shareholders who wish to exercise Dissent Rights must cause each Registered ATAC Shareholder holding their ATAC Shares to deliver the notice of dissent, or, alternatively, make arrangements to become a Registered ATAC Shareholder.

To exercise Dissent Rights, a Registered ATAC Shareholder must prepare a separate notice of dissent for himself, herself or itself, if dissenting on his, her or its own behalf, and for each other Non-Registered ATAC Shareholder who beneficially owns ATAC Shares registered in the Registered ATAC Shareholder's name and on whose behalf the Registered ATAC Shareholder is dissenting; and must dissent with respect to all of the ATAC Shares registered in his, her or its name or if dissenting on behalf of a Non-Registered ATAC Shareholder, with respect to all of the ATAC Shares registered in his, her or its name and beneficially owned by the Non-Registered ATAC Shareholder on whose behalf the Registered ATAC Shareholder is dissenting. The notice of dissent must set out the number of ATAC Shares in respect of which the Dissent Rights are being exercised (the "**Notice Shares**") and: (a) if such Notice Shares constitute all of the ATAC Shares of which the ATAC Shareholder is the registered and beneficial owner and the ATAC Shareholder owns no other ATAC Shares beneficially, a statement to that effect; (b) if such Notice Shares constitute all of the ATAC Shares of which the ATAC Shareholder is both the registered and beneficial owner, but the

ATAC Shareholder owns additional ATAC Shares beneficially, a statement to that effect, including the names of the Registered ATAC Shareholder(s) of such additional ATAC Shares, the number of such additional ATAC Shares held by each such Registered ATAC Shareholder and a statement that written notices of dissent are being or have been sent with respect to such other ATAC Shares; or (c) if the Dissent Rights are being exercised by a Registered ATAC Shareholder who is not the beneficial owner of such Notice Shares, a statement to that effect including the name and address of the Non-Registered ATAC Shareholder(s) of such ATAC Shares and a statement that each such Registered ATAC Shareholder is dissenting with respect to all ATAC Shares of the Non-Registered ATAC Shareholder registered in such Registered ATAC Shareholder's name.

Each ATAC Shareholder wishing to avail himself, herself or itself of Dissent Rights should carefully consider and comply with the provisions of the Interim Order and Division 2 of Part 8 of the BCBCA, which are attached to this Circular as Appendix "E" and Appendix "G", respectively, and seek his, her or its own legal advice.

It is a condition of the Arrangement that holders of no more than 5% of the issued and outstanding ATAC Shares shall have exercised Dissent Rights, or have instituted proceedings to exercise Dissent Rights, in connection with the Arrangement.

See "*Part 13 – Dissenting Shareholders' Rights*" of this Circular.

Risk Factors Relating to the Arrangement

ATAC Securityholders should carefully consider the risk factors relating to the Arrangement. Some of these risks include, but are not limited to: (a) Hecla and ATAC may not integrate successfully; (b) uncertainty surrounding the Arrangement could adversely affect ATAC's retention of suppliers and could negatively impact ATAC's future business and operations; (c) directors and executive officers of ATAC may have interests in the Arrangement that are different from, or are in addition to, those of ATAC Securityholders generally; (d) the Arrangement Agreement may be terminated in certain circumstances, including in the event of a change having an ATAC Material Adverse Effect; (e) there can be no certainty that all conditions precedent to the Arrangement will be satisfied; (f) the exchange ratio is fixed and will not be adjusted to reflect any change in the market value of the Hecla Shares or ATAC Shares prior to the closing of the Arrangement; (g) ATAC will incur costs even if the Arrangement is not completed and may have to pay the Termination Fee to Hecla in certain circumstances; (h) if the Arrangement is not approved by the ATAC Securityholders, or the Arrangement is otherwise not completed, then the market price for ATAC Shares may decline; (i) if the Arrangement Resolution is not approved by the ATAC Securityholders, ATAC will continue as a standalone entity and will need to consider and secure financing alternatives; (j) owning Hecla Shares will expose ATAC Shareholders to different risks; (k) the value of the Cascadia Shares may fluctuate; and (l) the TSXV may not approve Cascadia's listing application.

See "*Part 3 – Cautionary Statement Regarding Forward-Looking Information*" and "*Part 14 – Risk Factors Relating to the Arrangement*" of this Circular.

Additional risks and uncertainties, including those currently unknown or considered immaterial by ATAC, may also adversely affect the trading price of the ATAC Shares, the Hecla Shares, the Cascadia Shares and/or the businesses of ATAC, Hecla and Cascadia following the Arrangement. In addition to the risk factors relating to the Arrangement set out below, ATAC Securityholders should also carefully consider the risk factors associated with the businesses of ATAC and Hecla included in this Circular. See "*Part 14 – Risk Factors Relating to the Arrangement*" of this Circular and "*Part 19 – Information Concerning the Company*" of this Circular. See Appendix "I" of this Circular for a description of these risks relating to Cascadia and Appendix "K" of this Circular for a description of these risks relating to Hecla.

Procedure for Receipt of Arrangement Consideration

On the Effective Date, each Participating Former Securityholder will, following completion of the transactions described under the heading "*Part 7 – The Arrangement – Arrangement Mechanics*" of this Circular, be entitled to

receive, and the Depositary will deliver to such Participating Former Securityholder following the Effective Time, certificates representing the Arrangement Consideration that such Participating Former Securityholder is entitled to receive in accordance with the terms of the Arrangement.

After the Effective Time and until surrendered for cancellation, each certificate or DRS Statement that immediately prior to the Effective Time represented one or more ATAC Shares following completion of the transactions described under the heading "*Part 7 – The Arrangement – Arrangement Mechanics*" of this Circular will be deemed at all times to represent only the right to receive in exchange therefor, certificates representing the Hecla Consideration and Cascadia Consideration that the holder of such certificate or DRS Statement is entitled to receive in accordance with the terms of the Arrangement.

An ATAC Shareholder who holds ATAC Shares registered in the name of a broker, investment dealer, bank, trust company or other Intermediary should contact the Intermediary for instructions and assistance in providing details for registration and delivery of certificates representing the Arrangement Consideration which the Registered ATAC Shareholder is entitled to receive on the non-Registered ATAC Shareholder's behalf.

See "*Part 15 – Procedure for Receipt of Arrangement Consideration*" of this Circular.

Fractional Interests

No fractional Hecla Shares or Cascadia Shares shall be issued to any Participating Former Securityholder pursuant to the Arrangement. The number of Hecla Shares and Cascadia Shares to be issued to a Participating Former Securityholder shall in each case be rounded down to the nearest whole number of shares, and such Participating Former Securityholder shall not be entitled to any compensation in respect of any such fractional Hecla Share or Cascadia Share.

Withholding Rights

ATAC, Hecla, Hecla Acquisition Subco, Cascadia and the Depositary will be entitled to deduct and withhold from any consideration otherwise payable to any Former Securityholder under the Plan of Arrangement and from any and all dividends or other distributions otherwise payable to any Former Securityholder (including any payment to Dissenting Shareholders) such amounts as they are required to deduct and withhold with respect to such payment under the Tax Act, the U.S. Tax Code or any provision of any applicable federal, provincial, state, local or foreign tax law or treaty, in each case, as amended, and may sell on behalf of any Former Securityholder any Hecla Shares or Cascadia Shares deliverable to such Former Securityholder, in order to remit to a taxing authority a sufficient amount to comply with such tax laws. To the extent that amounts are so withheld, such withheld amounts shall be treated for all purposes hereof as having been paid to the particular person, provided that such amounts are actually remitted to the appropriate Governmental Authority by or on behalf of ATAC, Hecla, Hecla Acquisition Subco, Cascadia or the Depositary, as the case may be.

Conditions to the Arrangement Becoming Effective

In order for the Arrangement to become effective, certain conditions must have been satisfied or waived which conditions are summarized below.

Mutual Conditions

The respective obligations of ATAC and Hecla to complete the Arrangement are subject to the satisfaction, or mutual waiver by the Parties, on or before the Effective Date, of, among other things, each of the following conditions:

(a) the Arrangement Resolution has been approved by the Affected Securityholders at the Meeting, in accordance with the Interim Order and applicable Laws;

(b) each of the Interim Order and Final Order (i) will have been obtained in form and substance

satisfactory to each of ATAC and Hecla, each acting reasonably; and (ii) will not have been set aside or modified in any manner unacceptable to either ATAC or Hecla, each acting reasonably, on appeal or otherwise;

(c) the Arrangement Filings required to be sent to the Registrar in accordance with the Arrangement Agreement and the BCBCA, will be in form and content satisfactory to ATAC and Hecla, each acting reasonably;

(d) there will not be any Law or Order in effect (whether temporary, preliminary or permanent) that has the effect of prohibiting the consummation of the Arrangement, and no litigation instituted by any Governmental Authority seeking to prohibit the consummation of the Arrangement will be pending; and

(e) ATAC and Cascadia shall have entered into the Cascadia Contribution Agreement in accordance with ATAC's covenants under the Arrangement Agreement. See "*Part 8 – The Arrangement Agreement – ATAC Covenants*" below for additional detail.

The foregoing conditions are for the mutual benefit of the Parties and may be waived by mutual consent of ATAC and Hecla in writing at any time.

See "*Part 8 – The Arrangement Agreement – Conditions to the Arrangement Becoming Effective*" of this Circular.

ATAC Conditions

The obligation of ATAC to complete the Arrangement is subject to the satisfaction, or waiver by ATAC, of, among other things, the following additional conditions on or before the Effective Date:

(a) Hecla and Hecla Acquisition Subco will have complied in all material respects with their obligations, covenants and agreements in the Arrangement Agreement to be performed and complied with on or before the Effective Date;

(b) the representations and warranties of Hecla will be true and correct, subject to certain exceptions as set forth in the Arrangement Agreement;

(c) no (i) Law will have been enacted, issued, promulgated, enforced, made, entered, issued or applied; or (ii) proceeding will have been taken, or be pending or threatened under any Laws or by any Governmental Authority (whether temporary, preliminary or permanent), that makes the Arrangement illegal or otherwise directly or indirectly cease trades, enjoins, restrains or otherwise prohibits completion of the Arrangement;

(d) Hecla will have delivered evidence satisfactory to ATAC of the approval of the listing and posting for trading on the NYSE of the Hecla Shares, subject only to satisfaction of the standard listing conditions, including notice of issuance; and

(e) Hecla will have complied with its payment obligations under the Arrangement Agreement to deliver to the Depositary the Hecla Shares payable to Affected Securityholders pursuant to the Arrangement and the Hecla Cascadia Subscription Amount, and the Depositary shall have confirmed receipt of such Hecla Shares and Hecla Cascadia Subscription Amount;

(f) ATAC will have received a certificate of Hecla (i) signed by a senior officer of Hecla; and (ii) dated the Effective Date, certifying that the conditions set out in sections 7.2(a) and 7.2(b) of the Arrangement Agreement have been satisfied, which certificate will cease to have any force and effect after the Effective Time; and

(g) a Hecla Material Adverse Effect will not have occurred prior to the Effective Time.

The foregoing conditions are for the exclusive benefit of ATAC and may be waived by ATAC in whole or in part, in its sole discretion, at any time without prejudice to any other rights that ATAC may have.

See "*Part 8 – The Arrangement Agreement – Conditions to the Arrangement Becoming Effective*" of this Circular.

Hecla and Hecla Acquisition Subco Conditions

The obligations of Hecla and Hecla Acquisition Subco to complete the Arrangement are subject to the satisfaction, or waiver by Hecla, of, among other things, the following additional conditions on or before the Effective Date:

(a) ATAC shall have complied in all material respects with its obligations, covenants and agreements in the Arrangement Agreement to be performed and complied with on or before the Effective Date;

(b) the representations and warranties of ATAC will be true and correct, subject to certain exceptions as set forth in the Arrangement Agreement;

(c) no Law shall have been enacted, issued, promulgated, enforced, made, entered, issued or applied and no Proceeding shall otherwise have been taken, or be pending or threatened under any Laws or by any Governmental Authority (whether temporary, preliminary or permanent) that: (i) makes the Arrangement illegal or otherwise directly or indirectly cease trades, enjoins, restrains or otherwise prohibits completion of the Arrangement or the payment of the Consideration; (ii) prohibits, restricts or imposes terms or conditions on the ownership or operation by Hecla of the business or assets of Hecla, their affiliates and related entities, ATAC or any of ATAC's subsidiaries and related entities; (iii) compels Hecla to dispose of or hold separate any of the business or assets of Hecla, their affiliates and related entities, ATAC or any of ATAC's subsidiaries and related entities as a result of the Arrangement; or (iv) materially impedes, prevents or delays the consummation of the Arrangement, or if the Arrangement were to be consummated, has an ATAC Material Adverse Effect;

(d) Hecla will have received a certificate of ATAC (i) signed by a senior officer of ATAC; and (ii) dated the Effective Date, certifying that the conditions set out in section 7.3(a) and section 7.3(b) of the Arrangement Agreement have been satisfied, which certificate will cease to have any force and effect after the Effective Time;

(e) Hecla will have received a certificate of ATAC (i) signed by a senior officer of ATAC; and (ii) dated the Effective Date, certifying that appended thereto are: (iii) true and complete copies of the constating documents of each of ATAC and its subsidiaries (other than Cascadia) including their respective notice of articles, articles, certificate of incorporation, bylaws or equivalent; (iv) certificates of good standing (or equivalent) issued by the relevant corporate registry or secretary of state confirming the existence and good standing of each of ATAC and its subsidiaries (other than Cascadia) as of a date no earlier than two Business Days prior to the Effective Date; (v) certified copies of resolutions of the Board of Directors approving the entering into of the Arrangement Agreement and the consummation of the transactions contemplated by the Arrangement Agreement; (vi) a certificate of incumbency of ATAC;

(f) in connection with the Arrangement, the ATAC Shares in respect of which ATAC Shareholders have either (i) exercised Dissent Rights; or (ii) have instituted proceedings to exercise Dissent Rights, will not exceed five percent (5%) of the ATAC Shares then outstanding;

(g) Hecla will have received the confirmations or acknowledgements from the counterparties to the Retained Property Option Agreements and the Transferred Property Option Agreements in form satisfactory to Hecla as contemplated by the Arrangement Agreement, including, without limitation,

acknowledgement and agreement from the counterparties as to the form of consideration in the form of Hecla Shares or Cascadia securities, as applicable, being substituted in lieu of any obligation to issue ATAC Shares to such counterparties;

(h) payment to the ATAC Board's financial advisor and Fort Capital shall have been made by ATAC in accordance with the terms of the engagement letters disclosed to Hecla and ATAC shall have provided evidence of payment in such amounts as set forth in the engagement letters and no greater amount has been paid or is owed to the ATAC Board Financial Advisor and Fort Capital;

(i) Hecla acting reasonably, shall not have determined that any response by any Governmental Authority having jurisdiction arising from or pertaining to the matters described in schedule 7.3 of the ATAC Disclosure Letter, is likely to result in a material monetary obligation on the part of any of ATAC, Hecla or any of their respective affiliates; and

(j) there will not have occurred, prior to the Effective Time: (i) an ATAC Material Adverse Effect; or (ii) any event, occurrence, circumstance or development that could reasonably be expected to have an ATAC Material Adverse Effect.

The foregoing conditions are for the exclusive benefit of Hecla and may be waived by Hecla in whole or in part, in its sole discretion, at any time without prejudice to any other rights that Hecla may have.

See "*Part 8 – The Arrangement Agreement – Conditions to the Arrangement Becoming Effective*" of this Circular.

Non-Solicitation of Acquisition Proposals

Pursuant to the Arrangement Agreement, ATAC has agreed not to, directly or indirectly, solicit, initiate, encourage or facilitate any Acquisition Proposals. However, the ATAC Board does have the right to consider and accept a Superior Proposal under certain conditions. Hecla has the right to offer to amend the terms of the Arrangement Agreement in response to any Acquisition Proposal that the ATAC Board has determined is a Superior Proposal in accordance with the Arrangement Agreement. If ATAC accepts a Superior Proposal and either party terminates the Arrangement Agreement, then ATAC must pay Hecla the Termination Fee.

See "*Part 8 – The Arrangement Agreement – Non-Solicitation Covenant*" of this Circular.

Termination of Arrangement Agreement and Termination Fee

The Arrangement Agreement may be terminated prior to the Effective Time in certain circumstances, many of which lead to payment by ATAC to Hecla of the Termination Fee. Hecla is entitled to be paid the Termination Fee in the amount of $1.65 million upon the occurrence of any of the following events:

(a) each of the following has occurred: (i) the Arrangement Agreement has been terminated as a result of the Arrangement failing to be completed by the Outside Date or the Arrangement Resolution not being approved by the ATAC Shareholders, and (A) prior to such termination, another person has publicly announced an Acquisition Proposal or a proposed or intended Acquisition Proposal (and it was not withdrawn), and (B) within 365 days of the termination, either (A) an Acquisition Proposal is consummated, or (B) ATAC or one or more of its subsidiaries has entered into an Acquisition Agreement in respect of any Acquisition Proposal, which Acquisition Proposal is subsequently consummated, provided, however, that for the purposes of this paragraph all references to "20% or more" in the definition of Acquisition Proposal will be changed to "50% or more";

(b) the Arrangement Agreement has been terminated by Hecla as a result of a breach of a representation, warranty, covenant or agreement under the Arrangement Agreement, and within 365 days following the date of such termination, either (A) a an Acquisition Proposal is consummated, or (B) ATAC or one or more of its subsidiaries, directly or indirectly, in one or more transactions,

enters into a contract in respect of an Acquisition Proposal and such Acquisition Proposal is subsequently consummated at any time thereafter, provided, however, that for the purposes of this paragraph all references to "20% or more" in the definition of Acquisition Proposal shall be changed to "50% or more";

(c) the Arrangement Agreement has been terminated by Hecla as a result of a Change of Recommendation, other than a Change of Recommendation in connection with a Hecla Material Adverse Effect;

(d) the Arrangement Agreement has been terminated by Hecla as a result of a withdrawal in recommendation by ATAC, the ATAC Board or any committee thereof;

(e) the Arrangement Agreement has been terminated by Hecla as a result of an endorsement of any Acquisition Proposal by ATAC, the ATAC Board or any committee thereof; or

(f) the Arrangement Agreement has been terminated by ATAC as a result of the ATAC Board approving or authorizing a definitive agreement for the implementation of a Superior Proposal, provided ATAC has otherwise complied with its obligations in that regard.

See "*Part 8 – The Arrangement Agreement – Termination*" and "*Part 8 – The Arrangement Agreement – Termination Fee*" of this Circular.

Limitation and Proscription After Three Years

To the extent that a Participating Former Securityholder has not complied with the provisions of the Plan of Arrangement described under the heading "*Part 15 – Procedure for Receipt of Arrangement Consideration*" of this Circular, on or before the date that is three years after the Effective Date, then the Hecla Shares, Hecla Warrants, Cascadia Shares and Cascadia Warrants that such Participating Former Securityholder was entitled to receive shall be automatically cancelled without any repayment of capital in respect thereof and the certificates representing such securities shall be delivered by the Depositary to Hecla or Cascadia, as applicable, and the interest of the Participating Former Securityholder in such securities to which it was entitled shall be terminated.

Effects of the Arrangement on ATAC Shareholders' Rights

ATAC Shareholders receiving Hecla Shares under the Arrangement will become stockholders of Hecla. Hecla is incorporated under the laws of the State of Delaware.

The rights of a stockholder of a Delaware corporation differ from the rights of a shareholder of a BCBCA corporation. See Appendix "N" of this Circular for a summary comparison of the rights of ATAC Shareholders and stockholders of Hecla. The rights of ATAC Shareholders are governed by the BCBCA and by ATAC's notice of articles and articles. Following the Arrangement, ATAC Shareholders who receive Hecla Shares as part of the Arrangement will become stockholders of Hecla and as such their rights will be governed by the Delaware General Corporation Law, as amended (the "**DGCL**") and by Hecla's certificate of incorporation and by-laws. ATAC Shareholders are encouraged to consult with their legal advisors for greater detail with respect to these differences.

Certain Canadian Federal Income Tax Considerations

For a summary of the principal Canadian federal income tax considerations generally applicable under the Tax Act to certain ATAC Shareholders who exchange their ATAC Shares for the Arrangement Consideration pursuant to the Arrangement, see "*Part 16 – Certain Canadian Federal Income Tax Considerations*" of this Circular.

The summary at "*Part 16 – Certain Canadian Federal Income Tax Considerations*" of this Circular is not intended to be legal or tax advice to any particular ATAC Shareholder. Accordingly, ATAC Shareholders are

urged to consult their own tax advisors with respect to their particular circumstances.

Holders of Other Affected Securities should consult their own tax advisors with respect to the Canadian federal income tax considerations applicable to them in connection with the exchange of their Other Affected Securities pursuant to the Arrangement.

Certain United States Federal Income Tax Considerations

For a summary of the principal United States federal income tax considerations generally applicable to U.S. Holders who exchange their ATAC Shares for the Arrangement Consideration pursuant to the Arrangement, see "*Part 17 – Certain United States Federal Income Tax Considerations*" of this Circular.

The summary at "*Part 17 – Certain United States Federal Income Tax Considerations*" of this Circular is not intended to be legal or tax advice to any particular ATAC Securityholder. Accordingly, U.S. Holders should consult their own tax advisors with respect to their particular circumstances.

Holders of Other Affected Securities should consult their own tax advisors with respect to the United States federal income tax considerations applicable to them in connection with the exchange of their Other Affected Securities pursuant to the Arrangement.

PART 5. GENERAL PROXY INFORMATION

Solicitation of Proxies

This Circular and the accompanying forms of proxy are furnished in connection with the solicitation of proxies by management of the Company for use at the Meeting to be held on June 23, 2023, at the time and place and for the purposes set forth in the accompanying Notice of Meeting. It is expected that the solicitation of proxies will be primarily made by mail and may be supplemented by telephone or other personal contact by the directors, officers and employees of the Company. Directors, officers and employees of the Company will not receive any extra compensation for such activities. The cost of solicitation by management will be borne by the Company and the Company may retain other persons as it deems necessary to aid in the solicitation of proxies with respect to the Meeting. It is expected that this Circular, the accompanying Notice of Meeting, the forms of proxy and Letter of Transmittal(s) will first be made available to ATAC Securityholders on or about May 25, 2023.

Appointment and Revocation of Proxies

The persons named in the enclosed forms of proxy are directors and officers of the Company. An ATAC Securityholder desiring to appoint some other person (who need not be an ATAC Securityholder) to represent the ATAC Securityholder at the Meeting and any adjournment thereof may do so either by inserting such person's name in the blank space provided in the applicable form of proxy or by completing another proper form of proxy and, in either case, depositing his or her duly executed form of proxy with the Company's Transfer Agent and Registrar, Computershare Investor Services Inc., by mail at 100 University Ave. 8th Floor, Toronto, ON M5J 2Y1 Attention: Proxy Department, or by facsimile to (416) 263-9524 or 1-866-249-7775 not later than 10:00 a.m. (Vancouver Time) on June 21, 2023 or, if the Meeting is adjourned, 48 hours (excluding Saturdays, Sundays and holidays) before any adjournment of the Meeting. An ATAC Securityholder may also vote by telephone or via the internet by following the instructions on the applicable form of proxy. An ATAC Securityholder voting by telephone or via the internet shall not complete or return the proxy form by mail.

Registered ATAC Shareholders are asked to complete the form of proxy printed on green paper, registered holders of ATAC Options are asked to complete the form of proxy printed on pink paper and registered holders of ATAC Warrants are asked to complete the form of proxy printed on yellow paper. If you hold more than one type of Affected Security, you will need to complete the applicable form of proxy for each of the different types of Affected Securities held by you.

In addition to revocation in any other manner permitted by law, a proxy may be revoked by an instrument in writing executed by the ATAC Securityholder or by his or her attorney authorized in writing deposited either at the registered office of the Company at any time up to and including the last business day preceding the day of the Meeting, or any adjournment thereof, at which the proxy is to be used or with the Chairman of the Meeting on the day of the Meeting, or adjournment thereof, and upon either of such deposits, the proxy is revoked. If you revoke your proxy and do not replace it with another that is deposited with the Company before the deadline, then you can still vote your Affected Securities, but to do so, you must attend the Meeting in person.

Exercise of Discretion by Proxies

The person named in the enclosed forms of proxy will vote or withhold from voting in respect of the Affected Securities in respect of which he or she is appointed in accordance with the direction of the appointing ATAC Securityholder. If the ATAC Securityholder specifies a choice with respect to any matter to be acted upon, the Affected Securities will be voted accordingly.

Affected Securities held or represented by proxy by persons present at the Meeting in respect of which the ATAC Securityholder or proxy holder does not vote with respect to any resolution are counted for purposes of establishing a quorum. When a beneficial owner holds Affected Securities through an intermediary (an "**Intermediary**"), such as a bank, trust company, securities dealer or broker and trustee or administrator of self- administered registered retirement savings plans, registered retirement income funds, registered education savings plans and similar plans, the beneficial owner is considered to be a non-registered holder (a "**Non-Registered ATAC Securityholder**") who holds their

Affected Securities in "street name". When a Non-Registered ATAC Securityholder does not provide the Intermediary with voting instructions as to any matter on which the Intermediary is not permitted to exercise its discretion and without specific instruction, a "broker non-vote" occurs, in which case the Intermediary informs the scrutineer of the Meeting that it does not have the authority to vote on the matter with respect to those Affected Securities. Broker non-votes will be counted for purposes of establishing a quorum. If a quorum is present, broker non-votes will not be counted as votes in favor of such matter and also will not be counted as Affected Securities voting on such matter. Absent instructions from the beneficial owner of Affected Securities, an Intermediary is not entitled to vote shares held for a beneficial owner on certain matters that are considered "non-routine". All matters to be decided at the Meeting are considered non-routine matters. Accordingly, ATAC Securityholders holding Affected Securities in street name must arrange to exercise their voting rights if such ATAC Securityholders want their votes to count on the Arrangement Resolution and the Adjournment Resolution. ATAC Shareholders must arrange to exercise their voting rights if such ATAC Shareholders want their votes to count on all matters to be decided at the Meeting.

The enclosed forms of proxy confer discretionary authority upon the person named therein with respect to the matters identified in the Notice of Meeting, as well as with respect to any amendments, variations or other matters which may properly come before the Meeting. As of the date hereof, management of the Company knows of no such amendments, variations or other matters to come before the Meeting. However, if any such amendment, variation or other matter properly comes before the Meeting, the enclosed forms of proxy, when properly completed and delivered and not revoked, will confer discretionary authority upon the person named therein to vote on such other business in accordance with his or her best judgment, subject to any limitations imposed by applicable Law.

A form of proxy must be signed by the ATAC Securityholder or the duly appointed attorney thereof authorized in writing or, if the ATAC Securityholder is a corporation, by an authorized officer of such corporation. A form of proxy signed by the person acting as attorney of the ATAC Securityholder or in some other representative capacity, including an officer of a corporation which is an ATAC Securityholder, should indicate the capacity in which such person is signing. An ATAC Securityholder or his or her attorney may sign the form of proxy or a power of attorney authorizing the creation of a proxy by electronic signature provided that the means of electronic signature permits a reliable determination that the document was created or communicated by or on behalf of such ATAC Securityholder or by or on behalf of his or her attorney, as the case may be.

Voting Standards

The following chart describes the proposals to be considered at the meeting, the voting options, the vote required for each matter, and the manner in which votes will be counted:

Matter	Voting Options	Required Vote	Impact of Broker Non-Votes
Arrangement Resolution	For; Against	Special majority, as follows: (a) At least two-thirds (66⅔%) of the votes cast at the Meeting by ATAC Shareholders, voting together as a single class present in person or by proxy; ***and*** (b) At least two-thirds (66⅔%) of votes cast at the Meeting by ATAC Securityholders, voting together as a single class present in person or by proxy.	No effect
Omnibus Incentive Plan Resolution	For; Against	Simple majority of ATAC Shares represented in person or by proxy and entitled to vote at the Meeting.	No effect

Non-Registered ATAC Securityholders

Only Registered ATAC Securityholders or the person they appoint as their proxy are entitled to attend and vote at the Meeting. The Affected Securities beneficially owned by a Non-Registered ATAC Securityholder are registered either: (i) in the name of an Intermediary with whom the Non-Registered ATAC Securityholder deals in respect of the Affected Securities; or (ii) in the name of a clearing agency (such as CDS & Co.) of which the Intermediary is a participant. In accordance with the requirements of NI 54-101, the Company will have distributed copies of the Notice of Meeting, this Circular and the forms of proxy (collectively, the "**meeting materials**") to the clearing agencies and Intermediaries for onward distribution to Non-Registered ATAC Securityholders. The Company does not intend to pay for Intermediaries to forward objecting beneficial owners under NI 54-101 the proxy-related materials and Form 54-101F7 – Request for Voting Instructions Made by Intermediary.

Non-Registered ATAC Securityholders who have not waived the right to receive meeting materials will receive either a voting instruction form or, less frequently, a form of proxy. The purpose of these forms is to permit Non-Registered ATAC Securityholders to direct the voting of the Affected Securities they beneficially own. Non-Registered ATAC Securityholders should follow the procedures set out below, depending on which type of form they receive.

1. **Voting Instruction Form.** In most cases, a Non-Registered ATAC Securityholder will receive, as part of the meeting materials, a voting instruction form. If the Non-Registered ATAC Securityholder does not wish to attend and vote at the Meeting in person (or have another person attend and vote on the Non-Registered ATAC Securityholder's behalf), the voting instruction form must be completed, signed and returned in accordance with the directions on the form. Voting instruction forms in some cases permit the completion of the voting instruction form by telephone or through the internet. If a Non-Registered ATAC Securityholder wishes to attend and vote at the Meeting in person (or have another person attend and vote on the Non-Registered ATAC Securityholder's behalf), the Non-Registered ATAC Securityholder must complete, sign and return the voting instruction form in accordance with the directions provided and a form of proxy giving the right to attend and vote will be forwarded to the Non-Registered ATAC Securityholder.

2. **Form of Proxy.** Less frequently, a Non-Registered ATAC Securityholder will receive, as part of the meeting materials, a form of proxy that has already been signed by the Intermediary (typically by a facsimile, stamped signature) which is restricted as to the number of Affected Securities beneficially owned by the Non-Registered ATAC Securityholder but which is otherwise uncompleted. If the Non-Registered ATAC Securityholder wishes to vote but does not wish to attend and vote at the Meeting in person (or have another person attend and vote on the Non-Registered ATAC Securityholder's behalf), the Non-Registered ATAC Securityholder must complete the applicable form of proxy and deposit it with the Corporate Secretary of the Company c/o Computershare Investor Services Inc., Attention: Proxy Department, 100 University Ave. 8th Floor, Toronto, ON M5J 2Y1, or by facsimile to (416) 263-9524 or 1(866) 249-7775 or vote by telephone or internet as described above. If a Non-Registered ATAC Securityholder wishes to attend and vote at the Meeting in person (or have another person attend and vote on the Non-Registered ATAC Securityholder's behalf), the Non-Registered ATAC Securityholder must strike out the names of the persons named in the proxy and insert the Non-Registered ATAC Securityholder's (or such other person's) name in the blank space provided.

Non-Registered ATAC Securityholders should follow the instructions on the forms they receive and contact their Intermediaries promptly if they need assistance.

PART 6. VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

Record Date and Voting Securities

The record date for the determination of ATAC Securityholders entitled to receive the Notice of Meeting has been fixed as May 9, 2023 (the "**Record Date**"). Only ATAC Securityholders of record at the close of business on the Record Date who either attend the Meeting in person or complete, sign and deliver a voting instruction form or applicable form of proxy in the manner and subject to the provisions described above will be entitled to vote or to have their Affected Securities voted at the Meeting. A quorum for the transaction of business at the Meeting is the presence

of two persons who are, or who represent by proxy, ATAC Shareholders who, in the aggregate, hold at least 5% of the issued ATAC Shares entitled to be voted at the Meeting.

The authorized capital of the Company consists of an unlimited number of ATAC Shares. As of the Record Date, the Company had outstanding an aggregate of 221,500,943 ATAC Shares, each carrying the right to one vote per ATAC Share with respect to all matters to be voted on at the Meeting. No cumulative rights are authorized, and dissenters' rights are not applicable to the matters being voted upon, except for the Arrangement Resolution.

As of the Record Date, there were 9,925,000 ATAC Options outstanding, and 23,204,353 ATAC Warrants outstanding. Pursuant to the Interim Order, each ATAC Option, and ATAC Warrant carries one vote with respect to the vote on the Arrangement Resolution. ATAC Options and ATAC Warrants are not entitled to a vote on any other matter at the Meeting.

Principal Holders of Voting Securities

To the knowledge of the directors and senior officers of the Company, as at the Record Date no persons beneficially own or exercise control or direction over 10% or more of the votes attached to the ATAC Shares, except Barrick Gold Corporation, who beneficially owns 27,886,960 ATAC Shares or 10.95% of the outstanding ATAC Shares.

PART 7. THE ARRANGEMENT

At the Meeting, ATAC Securityholders will be asked to consider, and, if determined advisable, to pass, the Arrangement Resolution to approve the Arrangement under the BCBCA pursuant to the terms of the Arrangement Agreement and the Plan of Arrangement. The Arrangement, the Plan of Arrangement and the terms of the Arrangement Agreement are summarized below. This summary does not purport to be complete and is qualified in its entirety by reference to the Arrangement Agreement, which has been filed under ATAC's issuer profile on SEDAR at www.sedar.com, and the Plan of Arrangement, which is attached to this Circular as Appendix "D".

In order to become effective, the Arrangement Resolution must be approved by: (a) at least two-thirds (66 2/3%) of the votes cast at the Meeting by the ATAC Shareholders, present in person or represented by proxy and entitled to vote at the Meeting; and (b) at least two-thirds (66 2/3%) of the votes cast at the Meeting by ATAC Securityholders voting together as a single class, present in person or represented by proxy and entitled to vote at the Meeting. A copy of the Arrangement Resolution is set out in Appendix "B" of this Circular. The Arrangement is also subject to certain other conditions, including the approval of the Court.

Unless otherwise directed, it is ATAC Senior Management's intention to vote **FOR** the Arrangement Resolution. If you do not specify how you want your Affected Securities voted, the persons named as proxyholders will cast the votes represented by your proxy at the Meeting **FOR** the Arrangement Resolution.

If the Arrangement is approved at the Meeting and the Final Order approving the Arrangement is issued by the Court and the other applicable conditions to the completion of the Arrangement are satisfied or waived, the Arrangement will take effect commencing at the Effective Time (which will be at 12:01 a.m. (Vancouver Time)) on the Effective Date (which is expected to occur in early July 2023, but in any event no later than September 5, 2023 unless otherwise agreed to between ATAC and Hecla).

Background to the Arrangement

The Arrangement, including the provisions of the Arrangement Agreement, are the result of arm's length discussions between representatives of ATAC and Hecla and their respective financial and legal advisors under the supervision of the Special Committee – in the case of ATAC, that were principally conducted in the first quarter of 2023. The following is a summary of the principal events, meetings, negotiations, discussions and actions between the Parties leading up to the execution of the Arrangement Agreement and the public announcement of the Arrangement.

Prior to the Victoria Offer

The ATAC Board and ATAC Senior Management seek to advance ATAC's business interests and enhance shareholder value, and from time to time consider potential financings or other strategic transactions to achieve these goals.

Commencing in mid-2021, ATAC Senior Management heightened its efforts to advance its flagship Rackla Gold Project and approached an extensive list of domestic and international industry participants regarding various potential transactions. These included the potential sale of the Rackla Gold Project or a joint venture for its further exploration and development, the potential optioning of the Rackla Gold Project and potential royalty sales. Despite entering into confidentiality agreements and discussions with a number of potentially interested parties, no transactions resulted from these efforts. While these efforts were ongoing, ATAC completed several financings in difficult markets to permit it to continue exploring the Rackla Gold Project and its other copper projects in Yukon and British Columbia while seeking a long term solution.

The Victoria Offer

On January 12, 2023, ATAC received a non-binding proposal from Victoria Gold Corp. ("**Victoria**") proposing the acquisition of all of ATAC's issued and outstanding common shares at a price of $0.12 per ATAC Share, payable in common shares of Victoria (the "**Victoria Offer**"). Upon receipt of the Victoria Offer, ATAC engaged Stikeman Elliott LLP ("**Stikeman**") as legal counsel and Agentis Capital Mining Partners ("**Agentis**") as financial advisor to assist ATAC in considering and responding to the Victoria Offer. Agentis began preparing an analysis of the Victoria Offer and considering potential alternative acquirors. In the afternoon of January 12, 2023, ATAC held a Board meeting with its legal counsel to discuss the Victoria Offer and to consider next steps.

On January 16, 2023, ATAC established the Special Committee comprising three independent directors of ATAC, who were given the mandate of supervising management in the negotiation of a transaction with Victoria or any alternative transaction involving the potential acquisition of ATAC, and to make its recommendations regarding any such transaction to the Board.

On January 17 and 18, 2023, the Special Committee and management held numerous meetings with its financial advisor and legal counsel, to review the offer and consider ATAC's alternatives. The ATAC Board met during this period and was kept informed of the progress of these meetings and discussions. After careful consideration of the Victoria Offer and on the analysis of the transaction conducted by Agentis and its advice, the Special Committee concluded that their proposed transaction did not fully capture the value of ATAC, including the district-scale precious and critical metals potential of the Rackla Gold Project and ATAC's other properties in Yukon and British Columbia. On the recommendations of the Special Committee, the ATAC Board decided to reject the Victoria Offer.

On January 19, 2023, ATAC communicated this decision to Victoria. ATAC acknowledged that there may be strategic merit in combining the Rackla Gold Project with Victoria and communicated ATAC's willingness to discuss a transaction that fairly valued ATAC and provided other value to ATAC Shareholders.

On January 25, ATAC's and Victoria's financial advisors spoke to explore potential transaction scenarios that would work for both parties. Victoria's advisors undertook to discuss feedback provided with Victoria but indicated that Victoria would not consider granting a net smelter return royalty on the Rackla Gold Project – something ATAC wanted as part of any transaction. The ATAC Board and Special Committee both met on January 26 to discuss the status of the exchanges with Victoria and next steps. It was agreed that ATAC would attempt to reach out to Victoria management for an in-person meeting during the following week.

On the morning of January 29, ATAC's Chief Executive Officer, Graham Downs, and Vice President, Corporate Development, Andrew Carne, met with Victoria's Chief Executive Officer and Vice President of Business Development to discuss the potential of improved consideration that would work for both parties. Victoria's management again said they would not revise the Victoria Offer. On February 7, 2023, ATAC sent Victoria a letter reiterating that the Victoria Offer did not fully capture the significant value of ATAC and its assets, and again expressed a preference for a transaction involving the sale of the Rackla Gold Project with ATAC retaining a royalty interest.

During the ongoing discussions with Victoria, Agentis approached other potential acquirers of ATAC or the Rackla Gold Project. Hecla was identified as a potentially interested party and a technical and corporate review session involving ATAC and certain members of Hecla management was held on February 9, 2023. Ongoing project and corporate review continued for several days following this review session.

On February 13, 2023, Victoria issued a news release announcing it had made an offer to ATAC on January 12, 2023, and that ATAC had rejected this offer. The news release also stated that Victoria was extending the expiry date of its offer to February 17, 2023, to provide ATAC with time to reconsider its rejection of the Victoria Offer. Later on February 13, 2023, ATAC responded with a news release acknowledging the rejection of the Victoria Offer, and stating that it had been rejected because it did not reflect ATAC's value.

Hecla's Initial Offer

On February 15, 2023, Hecla presented ATAC with a non-binding offer to acquire all of the issued and outstanding shares of ATAC for a total aggregate consideration of $33 million or $0.15 per share, payable by Hecla in Hecla Shares (the "**First Hecla Offer**"). The $0.15 per share consideration represented a premium of 58% to ATAC's closing price of $0.095 per share on February 15, 2023, and a premium of 79% to the 20-day volume weighted average price of $0.0840 per share. The offer was contingent on certain customary conditions and completing an Arrangement Agreement.

On the morning of February 16, 2023, the Special Committee met with ATAC Senior Management, Stikeman and Agentis to discuss the First Hecla Offer. All participants acknowledged that Hecla's offer was superior to the Victoria Offer and that discussions with Hecla should be advanced. The Special Committee directed Mr. Downs to approach Mr. Robert Brown, Hecla's Vice President, Corporate Development and Sustainability, to discuss the merits of a spin-out transaction and seek a royalty on the Rackla Gold Project. Later that morning, Mr. Downs met with Mr. Phillips S. Baker Jr., Hecla's President and Chief Executive Officer, and Mr. Brown to discuss the possibility of including in the potential transaction a spin-out company which would acquire certain of ATAC's properties and a royalty on the Rackla Gold Project.

On the evening of February 16, 2023, Hecla presented ATAC with a revised non-binding offer (the "**Second Hecla Offer**") to acquire all of the issued and outstanding shares of ATAC for $0.14 per ATAC Share, payable in Hecla Shares. Under the Second Hecla Offer, ATAC Shareholders would also receive shares in, Cascadia, a new exploration company which would hold ATAC's rights and interests with respect to the Cascadia Properties, as well as ATAC's cash balance following completion of the proposed transaction. Hecla would retain a right of first refusal on the Cascadia Properties, would acquire a 19.9% ownership of Cascadia via a $2 million seed financing and would have the right to two of seven seats on the Cascadia Board. Consistent with the discussions between ATAC and Hecla earlier in the day, the Second Hecla Offer did not include a Rackla royalty for Cascadia. The Second Hecla Offer granted Hecla exclusivity until March 15, 2023. The transaction proposed in the Second Hecla Offer represented consideration to ATAC shareholders of $31 million in Hecla Shares and a value of approximately $8 million in Cascadia Shares based on Hecla's $2 million investment. Based solely on the value of the Hecla Shares to be issued to ATAC Shareholders, the improved transaction terms provided ATAC Shareholders with a premium of 66% based on ATAC's 20-day volume-weighted average price of $0.0845 as of February 17, 2023, increased to a 109% premium when including the value of Cascadia.

On the morning of February 17, 2023, the Special Committee, certain members of ATAC Senior Management, Stikeman and Agentis met to discuss the Second Hecla Offer. Agentis provided an analysis of the revised offer and a comparative analysis to the Victoria Offer. Stikeman provided comments related to customary legal conditions of the agreement. There was consensus that the Second Hecla Offer was in the best interest of ATAC Shareholders and superior to the Victoria Offer. Immediately following the Special Committee meeting, the ATAC Board met to receive the views of the Special Committee, ATAC Senior Management and advisors on the Second Hecla Offer, and authorized and directed ATAC Senior Management to sign the Second Hecla Offer and proceed to negotiate a binding agreement with Hecla. ATAC and Hecla signed the Second Hecla Offer and a confidentiality agreement during the course of the day on February 17, 2023.

On February 20, 2023, Victoria announced that its proposed offer to ATAC had expired and was no longer open for acceptance by the Board of Directors of ATAC.

On February 21, 2023, ATAC announced that it had signed the non-binding letter of intent setting out the Second Hecla Offer (the "**LOI**").

On February 23, 2023, the Special Committee met to consider retaining a firm to provide a fairness opinion to the Special Committee. It was agreed that a fairness opinion should be provided by a firm other that ATAC's acting financial advisor.

On February 28, 2023, the Special Committee engaged Fort Capital to provide the Fairness Opinion to the Special Committee.

During the period from the signing of LOI until March 14, 2023, ATAC, Hecla and their respective legal counsel worked to complete due diligence and prepare binding agreements for the Arrangement Agreement. As these efforts were advancing well, ATAC and Hecla agreed to extend the exclusivity period in the LOI from March 15, 2023 to the earlier of: (i) the date an Arrangement Agreement was executed, or (ii) April 14, 2023.

On March 14, 2023 and again on March 27, 2023, the Special Committee met with ATAC Senior Management, Stikeman and Agentis for an update on the status of the negotiations and drafting of the Arrangement Agreement and other outstanding issues. At a further Special Committee meeting which took place on April 3, 2023, Fort Capital presented the Fairness Opinion to the Special Committee, stating its conclusion that the transaction with Hecla was fair, from a financial point of view to ATAC Shareholders.

On April 4, 2023, the ATAC Board met to review the Arrangement Agreement and discuss outstanding final terms. At this meeting ATAC's legal counsel provided a summary of the Arrangement Agreement and informed the ATAC Board that with the assistance of management they would be finalizing the Arrangement Agreement subject to the final discussed terms being updated. The Chair of the Special Committee presented the ATAC Board with the Special Committee's recommendation that ATAC enter into the Arrangement Agreement, and described the process the Special Committee had undertaken with the assistance of Fort Capital, Agentis and Stikeman in reaching this conclusion. At the conclusion of the meeting, the ATAC Board, on the unanimous recommendation of the Special Committee, unanimously approved the Arrangement Agreement subject to final terms being updated by ATAC Senior Management and Stikeman. The Arrangement Agreement was executed on April 5, 2023 and announced prior to the market open on April 6th, 2023.

On May 8, 2023, the ATAC Board approved this Circular, the date for the Meeting, other matters related to the Meeting, subject to any amendments agreed to by the Chief Executive Officer and Chairman of the ATAC Board, and unanimously reconfirmed their approval of the Arrangement Agreement and recommendation that ATAC Shareholders vote in favour of the Arrangement Resolution.

On May 12, 2023, the parties entered into an agreement amending the Arrangement Agreement and the Plan of Arrangement appended thereto in connection with certain tax and structuring considerations.

Fairness Opinion

Pursuant to the Fort Capital Engagement Letter, Fort Capital was retained to advise the Special Committee in connection with the Arrangement. Under the Fort Capital Engagement Letter, as consideration for the services provided by Fort Capital, ATAC agreed to pay a fixed fee to Fort Capital for rendering the Fairness Opinion. The fee was not conditioned on whether or not the Fairness Opinion was favourable or the transaction that the Fairness Opinion relates to is completed.

On April 3, 2023, the Special Committee received the oral opinion of Fort Capital, to the effect that, as of April 3, 2023, subject to the assumptions, limitations and qualifications set out therein, the Arrangement Consideration is fair, from a financial point of view, to the ATAC Shareholders. The oral opinion was subsequently confirmed by delivery of the written Fairness Opinion. The Special Committee reviewed and accepted the Fairness Opinion.

This summary is qualified in its entirety by reference to the full text of the Fairness Opinion. The full text of the Fairness Opinion, which set forth, among other things, the respective assumptions made, matters considered

and limitations and qualifications set out therein, is attached as Appendix "C" to this Circular. ATAC Shareholders are urged to, and should, read the Fairness Opinion in its entirety. For more information, see "*Part 9 – Opinion of Fort Capital Partners*" of this Circular.

Under the terms of its engagement, ATAC has agreed to reimburse Fort Capital for its reasonable out-of-pocket expenses, whether or not the Arrangement is completed, and to indemnify Fort Capital against certain potential liabilities and expenses arising from its engagement.

Subject to the terms of its engagement, Fort Capital Partners has consented to the inclusion in this Circular of its Fairness Opinion in its entirety, together with the summary herein and other information relating to Fort Capital. The Fairness Opinion was provided to the ATAC Board and Special Committee, as applicable, for its exclusive use only in considering the Arrangement, and may not be relied upon by any other person or for any other purpose or published or disclosed to any other person, without the express written consent of Fort Capital, as applicable. The Fairness Opinion addresses only the fairness, from a financial point of view, of the Arrangement Consideration to be received by the ATAC Shareholders pursuant to the Arrangement and is not and should not be construed as valuations of ATAC, Hecla or Cascadia (or any of their respective affiliates) or their respective assets, liabilities or securities or as a recommendation to any ATAC Securityholder as to how to vote with respect to the Arrangement or any other matter at the Meeting.

Recommendation of the ATAC Board

The ATAC Board, after consultation with its financial advisors and legal counsel and having taken into account the Fairness Opinion and such other matters as it considered necessary and relevant, including the factors set out below under the heading "*Part 7 – The Arrangement – Reasons for the Arrangement*" and the unanimous recommendation of the Special Committee, has unanimously determined that the Arrangement is in the best interests of ATAC and is fair to the ATAC Securityholders. **Accordingly, the ATAC Board unanimously recommends that ATAC Securityholders vote <u>FOR</u> the Arrangement Resolution.**

All of the ATAC Directors and officers of ATAC intend to vote all of their Affected Securities in favour of the Arrangement Resolution, subject to the terms of the Arrangement Agreement and the ATAC Support Agreements, as applicable. Hecla has entered into ATAC Support Agreements with each of Robert C. Carne, Glenn R. Yeadon, Bruce A. Youngman, Don Poirier, James Gray, Maureen Upton, Graham N. Downs, Jasmine Lau, Adam Coulter, and Andrew Carne, pursuant to which each of the aforementioned ATAC Directors and officers of ATAC has agreed to, among other things, support the Arrangement and to vote their ATAC Shares and Other Affected Securities (including any ATAC Shares issued upon the exercise or exchange of any Other Affected Securities) in favour of the Arrangement Resolution. Ian J. Talbot, who resigned from his capacity as officer of ATAC on April 21, 2023, also entered into an ATAC Support Agreement with Hecla.

Reasons for the Arrangement

The Special Committee and the ATAC Board reviewed and considered a significant amount of information and considered a number of factors relating to the Arrangement, with the benefit of advice from ATAC Senior Management, and the respective financial advisors and legal advisors of the Special Committee and the ATAC Board. **The following is a summary of the principal reasons for the unanimous recommendation of the Special Committee and the ATAC Board that ATAC Securityholders vote FOR the Arrangement Resolution. For the purposes of the following, references to ATAC Shareholders include holders of In-the-Money ATAC Options who receive ATAC Shares pursuant to the Arrangement:**

- **Significant Premium.** The Hecla Consideration represents a value of $0.14 per ATAC Share, which represents a premium of approximately **66%** based on the 20-day VWAP of the ATAC Shares on the TSXV on February 17, 2023, the last trading day prior to the announcement of the LOI, or a **109%** premium when including the value of Cascadia Shares received.
- **Ownership in a Stronger Combined Company that Can Better Maximize the Value of ATAC Assets.** Hecla's strong balance sheet, technical abilities and operating experience in the Yukon make it ideally suited to advance the Rackla Gold Property to the development stage.

- **Alternatives Considered.** The Special Committee and the ATAC Board considered the financing options and other potential alternatives and strategies available to ATAC if it did not enter into the Arrangement Agreement and continued with a stand-alone plan, the financial condition of ATAC, the fact that none of the potential investors that had been contacted appeared to be interested in making a strategic investment in ATAC in the near-term, that discussions with these counterparties were not progressing quickly and that none of these entities had expressed an interest in acquiring all of ATAC, and determined that entering into the Arrangement Agreement was the best alternative for ATAC Securityholders and in the best interest of ATAC.

- **Enhanced Liquidity.** The Hecla Shares receivable under the Arrangement will provide ATAC Shareholders with enhanced liquidity compared to ATAC Shares. The Hecla Shares are listed on the NYSE, and Hecla has significantly greater balance sheet strength, market capitalization and trading liquidity than ATAC. As at April 5, 2023, Hecla's market capitalization was US$3.914 billion and ATAC's was $28.8 million. In addition, Hecla's average daily trading value during 2022 was US$41.82 million on the NYSE.

- **Ownership of Cascadia Shares.** ATAC's rights and interests with respect to the Catch, Pil, Rosy and Idaho Creek projects will be transferred to Cascadia and ATAC Shareholders will receive Cascadia Shares pursuant to the Arrangement. In addition, Hecla will subscribe for 5,502,957 Cascadia Units at a price of $0.36 per Cascadia Unit, representing a 19.9% interest in the outstanding Cascadia Shares, providing important capital for Cascadia. The Cascadia Shares provide ATAC Shareholders with continued exposure to a portion of ATAC's Canadian assets. Cascadia has applied to have the Cascadia Shares listed on the TSXV. Listing is subject to the approval of the TSXV in accordance with its original listing requirements. The TSXV has not conditionally approved the listing of the Cascadia Shares on the TSXV and there is no assurance that the TSXV will approve the listing application. The listing of the Cascadia Shares is not a condition to the completion of the Arrangement. There is no present intention to list Cascadia Shares for trading on any national securities exchange in the United States.

- **Fairness Opinions.** Fort Capital, financial advisor to the Special Committee, has provided a fairness opinion concluding that as of the date thereof, and subject to and based on the assumptions, limitations and qualifications set out therein, the Arrangement Consideration to be received by ATAC Shareholders pursuant to the Arrangement is fair, from a financial point of view, to the ATAC Shareholders.

- **Acceptance by ATAC Directors and Officers of ATAC.** All of the ATAC Directors and officers of ATAC have entered into ATAC Support Agreements with Hecla. Under the ATAC Support Agreements, each of the following ATAC Directors and officers of ATAC has agreed to, among other things, support the Arrangement and to vote their ATAC Shares and Other Affected Securities (including any ATAC Shares issued upon the exercise or exchange of any Other Affected Securities) in favour of the Arrangement Resolution: Robert C. Carne, Glenn R. Yeadon, Bruce A. Youngman, Don Poirier, James Gray, Maureen Upton, Graham N. Downs, Jasmine Lau, Adam Coulter, and Andrew Carne. Ian J. Talbot, who resigned from his capacity as an officer of ATAC on April 21, 2023, also entered into an ATAC Support Agreement.

- **Ability to Respond to Unsolicited Superior Proposals.** Under the terms of the Arrangement Agreement, the ATAC Board is able to respond to any unsolicited bona fide written proposal that, having regard to all of the terms and conditions of such proposal, if consummated in accordance with its terms, may lead to a Superior Proposal.

- **Negotiated Transaction.** The Arrangement Agreement is the result of an arm's length negotiation process and has been unanimously recommended by the Special Committee, consisting of independent directors.

- **Securityholder Approval.** The Arrangement must be approved by: (a) at least two-thirds (66 ⅔%) of the votes cast at the Meeting by the ATAC Shareholders, present in person or represented by proxy and entitled to vote at the Meeting; and (b) at least two-thirds (66 ⅔%) of the votes cast at the Meeting by ATAC Securityholders voting together as a single class, present in person or represented by proxy and entitled to vote at the Meeting.

- **Court Approval.** The Arrangement must be approved by the Court, which will consider, among other things, the substantive and procedural fairness and reasonableness of the Arrangement to ATAC Securityholders.

- **Dissent Rights.** The Interim Order provides that any Registered ATAC Shareholder may, upon strict compliance with certain conditions, exercise Dissent Rights and, if ultimately successful, receive the fair value of their Dissent Shares in accordance with the Plan of Arrangement.

The foregoing summary of the information considered by the ATAC Board is not, and is not intended to be, exhaustive. In view of the wide variety of factors and information considered in connection with their evaluation of the Arrangement, the ATAC Board did not find it practicable to, and therefore did not, quantify or otherwise attempt to assign any relative weight to each specific factor or item of information considered in reaching their conclusions and recommendations.

Arrangement Mechanics

Under the Plan of Arrangement, commencing at the Effective Time, the following principal steps shall occur and shall be deemed to occur, without any further act or formality, in the order and with the timing set out below.

(a) Each In-the-Money ATAC Option outstanding immediately prior to the Effective Time (whether vested or unvested) will, notwithstanding the terms of the ATAC Option Plan, be deemed to be fully vested and transferred to ATAC (free and clear of all Encumbrances) in exchange for that number of ATAC Shares (rounded down to the nearest whole number) obtained by dividing (i) the In-the-Money Amount of such option, by (ii) the Company Share Value, and upon such exchange the holder shall cease to have any rights as a holder in respect of such In-the-Money ATAC Option (other than the right to participate in the remainder of the Arrangement as a holder of the ATAC Shares received in exchange for such In-the-Money ATAC Option).

(b) Each Out-of-the-Money ATAC Option outstanding immediately prior to the Effective Time (whether vested or unvested) will, notwithstanding the terms of the ATAC Option Plan, be cancelled without any payment therefor, and the holder shall cease to have any rights in respect of such Out-of-the-Money ATAC Option.

(c) The ATAC Option Plan will be terminated.

(d) Each ATAC Series 1 Warrant, notwithstanding the terms of any such ATAC Series 1 Warrants or any exercise provisions to which they otherwise may be subject, will be transferred from the holder thereof to ATAC (free and clear of all Encumbrances) and cancelled in exchange for 0.0166 of a Hecla Series 1 Warrant and 0.100 of a Cascadia Series 1 Warrant.

(e) Each ATAC Series 2 Warrant, notwithstanding the terms of any such ATAC Series 2 Warrants or any exercise provisions to which they otherwise may be subject, will be transferred from the holder thereof to ATAC (free and clear of all Encumbrances) and cancelled in exchange for 0.0166 of a Hecla Series 2 Warrant and 0.100 of a Cascadia Series 2 Warrant.

(f) Each of the rights issued or issuable under the ATAC Shareholder Rights Plan, notwithstanding the terms thereof, will be cancelled without any payment or consideration therefor.

(g) The ATAC Shareholder Rights Plan will be terminated.

(h) Each ATAC Share held by a Dissenting Shareholder will be deemed to be surrendered to ATAC (free and clear of all Encumbrances) and cancelled, and such Dissenting Shareholder will cease to have any rights as a holder of ATAC Shares other than a claim to be paid the fair value of such ATAC Share by ATAC in accordance with Article 4 of the Plan of Arrangement.

(i) ATAC shall distribute to each Participating Former Securityholder 0.100 Distribution Cascadia Shares for every one ATAC Share held by such Participating Former Securityholder as a return of capital pursuant to a reorganization of ATAC's business.

(j) The Initial Cascadia Share held by ATAC will be cancelled without any payment thereon.

(k) Each ATAC Share held by a Participating Former Securityholder who: (i) duly and validly completes and delivers Letter of Transmittal(s); or (ii) exercises Dissent Rights and is ultimately not

entitled, for any reason, to be paid fair value for its ATAC Shares, will be deemed to be transferred to Hecla Acquisition Subco (free and clear of all Encumbrances) in exchange for the Hecla Consideration, being 0.0166 of a Hecla Share.

(l) Hecla Acquisition Subco shall issue to Hecla, as consideration for the issue of Hecla Shares comprising the Hecla Share Consideration, one fully-paid and non-assessable Hecla Acquisition Subco Common Share to Hecla for each such Hecla Share.

(m) The resignations of those persons who are ATAC Directors immediately prior to the Effective Time, and the appointment of the New ATAC Directors, shall be deemed to be effective immediately following the transfers of the ATAC Shares to Hecla Acquisition Subco.

(n) ATAC will file with the CRA a tax election to cease to be a public corporation and shall make and file any and all tax elections in respect of the transfer and cancellation of In-the-Money ATAC Options pursuant to paragraph (a) above, and provide former holders of such In-the-Money ATAC Options with evidence of the same.

(o) In consideration of the payment of $2,000,000, Cascadia will issue the number of Cascadia Shares to Hecla equal to the number resulting from applying the following formula: (0.199 x total number of Cascadia Shares issued to ATAC as consideration for the transfer of the Cascadia Assets from ATAC to Cascadia under the Cascadia Contribution Agreement) / 0.801), which is expected to be 5,502,957 Cascadia Shares. Cascadia will also issue warrants of Cascadia to permit Hecla to acquire such number of Cascadia Shares which is equal to the number of the Cascadia Shares issued by applying the formula in the preceding sentence at an exercise price of $0.36 per Cascadia Shares for five years after the Effective Date.

See Appendix "D" of this Circular for a copy of the Plan of Arrangement.

Fractional Interests

To the extent the aggregate number of Hecla Shares, Hecla Warrants, Cascadia Shares or Cascadia Warrants that an ATAC Securityholder would otherwise be entitled to receive under the Arrangement includes a fractional share, the actual number of Hecla Shares, Hecla Warrants, Cascadia Shares or Cascadia Warrants as applicable, to be received by the ATAC Securityholder will, without additional compensation, be rounded down to the nearest whole number of shares.

Treatment of ATAC Options

Under the Arrangement, each In-the-Money ATAC Option outstanding immediately prior to the Effective Time will be deemed to be unconditionally vested and transferred to ATAC in exchange for that number of ATAC Shares (rounded down to the nearest whole number) obtained by dividing (i) the In-the-Money Amount of such option, by (ii) the Company Share Value. Each holder of In-the-Money ATAC Options who, pursuant to the Arrangement, receives ATAC Shares in exchange for their In-the-Money ATAC Options will, pursuant to the Arrangement, be entitled to receive the Hecla Consideration and the Cascadia Consideration for each such ATAC Share to the same extent as an ATAC Shareholder.

Under the Arrangement, each Out-of-the-Money ATAC Option outstanding immediately prior to the Effective Time (whether vested or unvested) will, notwithstanding the terms of the ATAC Option Plan, be cancelled without any payment therefor, and neither ATAC nor Hecla will be obligated to pay the holder thereof any amount in respect of such Out-of-the-Money ATAC Option.

Treatment of ATAC Warrants

Under the Arrangement, each ATAC Series 1 Warrant and ATAC Series 2 Warrant outstanding immediately prior to the Effective Time will be transferred to ATAC. Holders of ATAC Series 1 Warrants will be entitled to receive 0.0166

of a Hecla Series 1 Warrant and 0.100 of a Cascadia Series 1 Warrant for each ATAC Series 1 Warrant. Holders of ATAC Series 2 Warrants will be entitled to receive 0.0166 of a Hecla Series 2 Warrant and 0.100 of a Cascadia Series 2 Warrant for each ATAC Series 2 Warrant.

Each whole Hecla Series 1 Warrant entitles the holder to acquire one Hecla Share at an exercise price of US$7.81 on or before March 31, 2024, while each whole Hecla Series 2 Warrant entitles the holder to acquire one Hecla Share at an exercise price of US$8.53 on or before June 25, 2024.

Each whole Cascadia Series 1 Warrant entitles the holder to acquire one Cascadia Share at an exercise price of $0.45 on or before March 31, 2024, while each whole Cascadia Series 2 Warrant entitles the holder to acquire one Cascadia Share at an exercise price of $0.49 before June 25, 2024.

See "*Description of Cascadia Securities – Cascadia Warrants*" in Appendix "I" of this Circular for more information on the Cascadia Warrants.

Spin-off Transaction

Pursuant to the Cascadia Contribution Agreement and in connection with the Plan of Arrangement, ATAC will transfer all of its legal and beneficial right, title and interest in and to the Cascadia Assets to Cascadia in consideration for the issuance by Cascadia to ATAC of the Distribution Cascadia Shares and the Cascadia Warrants. The Distribution Cascadia Shares will then be distributed to holders of ATAC Shares as part of a reorganization of the capital of ATAC pursuant to the Plan of Arrangement and the Cascadia Warrants will be distributed to holders of ATAC Warrants pursuant to the Plan of Arrangement. Hecla will then subscribe for Cascadia Units in exchange for cash consideration of $2,000,000, so that immediately following the completion of the Arrangement, Hecla will hold approximately 19.9% of the issued and outstanding Cascadia Shares.

Approval of Arrangement Resolution

At the Meeting, ATAC Securityholders will be asked to consider, and if thought advisable, to approve the Arrangement Resolution, the full text of which is set out in Appendix "B" of this Circular. In order for the Arrangement to become effective, as provided in the Interim Order and by the BCBCA, the Arrangement Resolution must be approved by: (a) at least two-thirds (66 2/3%) of the votes cast on the Arrangement Resolution at the Meeting by ATAC Shareholders, present in person or represented by proxy and entitled to vote at the Meeting; and (b) at least two-thirds (66 2/3%) of the votes cast at the Meeting by ATAC Securityholders voting together as a single class, present in person or represented by proxy and entitled to vote at the Meeting (see "*Part 10 – Securities Law Matters – Canadian Securities Law Matters*" and "*Part 11 – Regulatory Matters*" of this Circular). If the Arrangement Resolution is not approved at the Meeting by the requisite majorities as provided above, the Arrangement will not be completed.

The ATAC Board has approved the terms of the Arrangement Agreement and the Plan of Arrangement and unanimously recommends that ATAC Securityholders vote FOR the Arrangement Resolution.

See "*Part 7 – The Arrangement – Recommendation of the ATAC Board*" of this Circular above.

Support Agreements

Effective April 5, 2023, Hecla entered into ATAC Support Agreements with each of the ATAC Directors and officers of ATAC. The ATAC Support Agreements set forth, among other things, the agreement of the ATAC Directors and officers of ATAC to support the Arrangement and vote their ATAC Shares and Other Affected Securities in favour of the Arrangement Resolution and against any Acquisition Proposal and/or any action that could reasonably be expected to impede, interfere with, delay or discourage the consummation of the Arrangement. As of the Record Date, 11,716,350 of the 254,630,296 outstanding Affected Securities were held by ATAC Directors or officers (including Ian J. Talbot, who resigned as an officer of ATAC on April 21) of ATAC that were subject to ATAC Voting Agreements and ATAC Support Agreements, representing approximately 4.60% of the votes which may be cast by ATAC Securityholders at the Meeting.

The ATAC Support Agreements, also prohibit the ATAC Directors and officers of ATAC who signed them from exercising Dissent Rights at any time prior to the completion of the Arrangement.

The Directors and officers of ATAC who entered into ATAC Support Agreements are: Robert C. Carne, Glenn R. Yeadon, Bruce A. Youngman, Don Poirier, James Gray, Maureen Upton, Graham N. Downs, Jasmine Lau, Adam Coulter, and Andrew Carne. Ian J. Talbot, who resigned from his capacity as officer of ATAC on April 21, 2023, also entered into an ATAC Support Agreement with Hecla.

Under the terms of the ATAC Support Agreements, Hecla has acknowledged that all ATAC Locked-up Securityholders are bound under the ATAC Support Agreements, only in such person's capacity as an ATAC Securityholder, and not in his or her capacity as an ATAC Director or officer of ATAC.

The ATAC Support Agreements terminate upon, among other things: (a) mutual agreement; (b) the election of the ATAC Locked-up Securityholder if Hecla and ATAC amend the terms of the Arrangement Agreement in a manner that reduces the amount of consideration payable to such securityholder without such securityholder's prior written consent; (c) a party's election following a breach of the other party's covenant, representation or warranty; (d) the completion of the Arrangement; and (e) the date of termination of the Arrangement Agreement in accordance with the terms thereof.

Interests of Certain Persons in the Arrangement

In considering the unanimous recommendation of the ATAC Board with respect to the Arrangement, ATAC Securityholders should be aware that certain members of ATAC Senior Management and the ATAC Board have certain interests in connection with the Arrangement that may present them with actual or potential conflicts of interest in connection with the Arrangement. The ATAC Board is aware of these interests and considered them along with other matters described under "*Part 7 – The Arrangement – Reasons for the Arrangement*" of this Circular above.

As of the Record Date, ATAC Senior Management and the ATAC Directors beneficially own, directly or indirectly, or exercise control or direction over, in the aggregate:

- 3,565,164 ATAC Shares (excluding ATAC Shares issuable upon the exercise of Affected Securities), representing approximately 1.61% of the 221,500,943 ATAC Shares;
- 6,795,000 ATAC Options, representing approximately 68.46% of the 9,925,000 ATAC Options; and
- 245,186 ATAC Warrants, representing 1.06% of the 23,204,353 ATAC Warrants.

All of the Affected Securities held by ATAC Senior Management and the ATAC Directors will be treated in the same fashion under the Arrangement as Affected Securities held by any other ATAC Securityholder. For a summary of the Affected Securities beneficially owned or controlled or directed by each of the members of ATAC Senior Management and each ATAC Director, see "*Part 19 – Information Concerning the Company – Ownership of Securities*". Certain members of ATAC Senior Management have "change of control" or severance provisions (also referred to as "change-in-control" provisions) as part of their employment agreements, as applicable, with the Company. Upon completion of the Arrangement, ATAC Senior Management will be entitled to change of control or severance payments to the extent that following the Effective Date their employment is terminated following a change of control of the Company. Listed below is a summary of the estimated lump sum change of control and severance payments (the "**Lump Sum Payments**") applicable to the members of ATAC Senior Management as of the date of this Circular:

Person	Role	Lump Sum Payment
Graham Downs	President & CEO	$450,000
Adam Coulter	VP Exploration	$80,000
Andrew Carne	VP Corporate & Project Development	$80,000

Indemnification and Insurance

Consistent with standard practice in similar transactions, in order to ensure that ATAC Directors do not lose or forfeit their protection under liability insurance policies maintained by ATAC, the Arrangement Agreement provides for the maintenance of such protection for six years.

Pursuant to the Arrangement Agreement, prior to the Effective Time, ATAC may purchase prepaid non-cancellable "run-off" directors' and officers' liability insurance providing coverage for a period of six years from the Effective Date with respect to claims arising from or related to facts or events which occur on or prior to the Effective Date, provided that the total cost of such run-off directors' and officers' liability insurance shall not exceed 250% of ATAC's current annual aggregate premium for directors' and officers' liability insurance currently maintained by ATAC and its subsidiaries, as disclosed to Hecla prior to the date of the Arrangement Agreement.

Hecla and ATAC have agreed that all rights to indemnification existing in favour of the present and former ATAC directors and officers of ATAC (each such present or former director or officer of the Company being herein referred to as an "**Indemnified Party**" and such persons collectively being referred to as the "**Indemnified Parties**") as provided by contracts or agreements to which the Company is a party and in effect as of the date of the Arrangement Agreement, will: (i) survive, and continue in full force and effect following, the completion of the transaction contemplated by the Arrangement Agreement; and (ii) shall not be modified by such completion, and from and after the Effective Time, Hecla will and will cause the Company and any successor to the Company to continue to honour such rights of indemnification and indemnify the Indemnified Parties pursuant thereto, with respect to actions or omissions of the Indemnified Parties occurring prior to the Effective Time, for six years following the Effective Date.

ATAC Options and ATAC Warrants

Under the Arrangement, each In-the-Money ATAC Option outstanding immediately prior to the Effective Time (whether vested or unvested) will, notwithstanding the terms of the ATAC Option Plan, be deemed to be fully vested and will be exchanged for that number of ATAC Shares (rounded down to the nearest whole number) obtained by dividing: (i) the In-the-Money Amount of such option, by (ii) the Company Share Value. Holders of such In-the-Money ATAC Options will be entitled to participate in the Arrangement in respect of the ATAC Shares received by them to the same extent as other ATAC Shareholders.

Under the Arrangement, each Out-of-the-Money ATAC Option outstanding immediately prior to the Effective Time (whether vested or unvested) will, notwithstanding the terms of the ATAC Option Plan, be cancelled without any payment therefor, and neither ATAC nor Hecla will be obligated to pay the holder any amount in respect of such Out-of-the-Money ATAC Option.

In exchange for the cancellation of each ATAC Series 1 Warrant and ATAC Series 2 Warrant, holders thereof will be entitled to receive 0.0166 of a Hecla Series 1 Warrant or Hecla Series 2 Warrant, respectively, and 0.100 of a Cascadia Series 1 Warrant or Cascadia Series 2 Warrant, respectively. See "*Description of Capital Securities – Cascadia Warrants*" in Appendix "I" of this Circular.

MI 61-101 Protection of Minority Security Holders in Special Transactions

MI 61-101 is intended to regulate certain transactions to ensure equality of treatment among shareholders, generally requiring enhanced disclosure, approval by a majority of shareholders excluding interested or related parties, independent valuations and, in certain instances, approval and oversight of the transaction by a special committee of independent directors. The protections of MI 61-101 apply to a reporting issuer proposing to carry out a "business combination" (as defined in MI 61-101).

A transaction such as the Arrangement constitutes a "business combination" for purposes of MI 61-101 if, at the time the Arrangement is agreed to, a "related party" of the Company, such as an ATAC Director, a member of ATAC Senior Management or a 10% ATAC Shareholder, is entitled to receive, as a consequence of the transaction, a "collateral benefit".

A "collateral benefit" is broadly defined for purposes of MI 61-101 and means, subject to certain specified exclusions, any benefit that a related party of the issuer is entitled to receive, directly or indirectly, as a consequence of the transaction, including, without limitation, an increase in salary, a lump sum payment, a payment for surrendering securities or other enhancement in benefits related to past or future services as an employee, director or consultant of the issuer or of another person, regardless of the existence of any offsetting costs to the related party or whether the benefit is provided, or agreed to, by the issuer or another party to the transaction.

The definition of "collateral benefit" contains certain exclusions. In that regard, a benefit received by a related party of the Company is not considered to be a collateral benefit if the benefit is received solely in connection with the related party's services as an employee, director or consultant of the Company or an affiliated entity and: (i) the benefit is not conferred for the purpose, in whole or in part, of increasing the value of the consideration paid to the related party for securities relinquished under the Arrangement; (ii) the conferring of the benefit is not, by its terms, conditional on the related party supporting the Arrangement in any manner; (iii) full particulars of the benefit are disclosed in this Circular; and (iv) either (A) at the time the Arrangement was agreed to, the related party and its associated entities beneficially own or exercise control or direction over less than 1% of the outstanding ATAC Shares, or (B) (a) if the transaction is a "business combination", the related party discloses to the Special Committee the amount of consideration that the related party expects it will be beneficially entitled to receive, under the terms of the Arrangement, in exchange for equity securities beneficially owned by the related party, (b) the Special Committee, acting in good faith, determines that the value of the benefit, net of any offsetting costs to the related party, is less than 5% of the value referred to in (a), and (c) the Special Committee's determination is disclosed in this Circular.

As set out under the heading "*Part 7 – The Arrangement – Interests of Certain Persons in the Arrangement*" of this Circular above, certain members of ATAC Senior Management may be entitled to change of control payments, severance payments and/or other benefits in connection with the completion of the Arrangement. The Lump Sum Payments to which certain members of ATAC Senior Management are entitled to are set out in "*Part 7 – The Arrangement – Interests of Certain Persons in the Arrangement*" of this Circular.

None of the Lump Sum Payments were conferred for the purpose, in whole or in part, of increasing the value of the consideration paid to such individuals for securities relinquished under the Arrangement and the making of such payments is not conditional on any of such individuals supporting the Arrangement. The Lump Sum Payments will be effected pursuant to each individual's existing employment agreement.

As no member of the ATAC Senior Management and the ATAC Directors beneficially owns or exercises control or direction over more than 1% of the outstanding ATAC Shares, any Lump Sum Payments to which such individuals are or may be entitled do not constitute a "collateral benefit" for purposes of MI 61-101.

Given that the Arrangement does not constitute a "business combination" under which a "related party" of the Company, such as an ATAC Director, a member of ATAC Senior Management or a 10% ATAC Shareholder, is entitled to receive, as a consequence of the transaction, a "collateral benefit", MI 61-101 does not apply to the Arrangement.

Fees and Expenses

All expenses incurred in connection with the Arrangement and the transactions contemplated thereby shall be paid by the party incurring such expense, subject to an Expense Reimbursement Event or Termination Fee Event. The estimated fees, costs and expenses of ATAC in connection with the Arrangement, including without limitation, financial advisors' fees, filing fees, legal and accounting fees, proxy solicitation fees, run-off insurance and other administrative and professional fees and printing and mailing costs, are anticipated to be approximately $1.8 million (excluding any success fees), based on certain assumptions.

Court Approval of the Arrangement

An arrangement under the BCBCA requires Court approval.

Interim Order

On May 17, 2023, ATAC obtained the Interim Order providing for the calling and holding of the Meeting, the Dissent Rights and certain other procedural matters. The text of the Interim Order is set out in Appendix "E" of this Circular.

Final Order

Subject to the terms of the Arrangement Agreement, provided the Arrangement Resolution is approved by ATAC Securityholders at the Meeting in the manner required by the Interim Order, ATAC intends to make an application to the Court for the Final Order.

The application for the Final Order approving the Arrangement is currently scheduled for June 28, 2023 at 9:45 a.m. (Vancouver Time), or as soon thereafter as counsel may be heard, at the Vancouver Law Courts located at 800 Smithe Street, Vancouver, British Columbia, or at any other date and time as ATAC may advise or the Court may direct. Any ATAC Securityholder or any other interested party who wishes to appear or be represented and to present evidence or arguments at that hearing of the application for the Final Order must file and serve a response to petition and any evidence upon which they intend to rely no later than 4:00 p.m. (Vancouver Time) on June 26, 2023 along with any other documents required, all as set out in the Interim Order and the Notice of Petition the text of which are set out in Appendix "E" and Appendix "F" to this Circular, and satisfy any other requirements of the Court. Such persons should consult with their legal advisors as to the necessary requirements. In the event that the hearing is adjourned, then, subject to further order of the Court, only those persons having previously filed and served a response to petition will be given notice of the adjournment.

The Court has broad discretion under the BCBCA when making orders with respect to the Arrangement. The Court will consider, among other things, the fairness and reasonableness of the Arrangement, both from a substantive and a procedural point of view. The Court may approve the Arrangement, either as proposed or as amended, on the terms presented or may approve it subject to such terms and conditions as the Court shall deem fit. Depending upon the nature of any required amendments, ATAC and/or Hecla may determine not to proceed with the Arrangement.

The Hecla Shares and the Cascadia Shares to be issued pursuant to the Arrangement have not been and will not be registered under the U.S. Securities Act or the Securities Laws of any state of the United States and will be issued and exchanged in reliance upon the exemption from the registration requirements of the U.S. Securities Act provided by Section 3(a)(10) thereof and exemptions provided from the Securities Laws of each state of the United States in which ATAC Securityholders reside. Section 3(a)(10) of the U.S. Securities Act exempts the issuance of any securities issued in exchange for one or more bona fide outstanding securities from the general requirement of registration where the terms and conditions of the issuance and exchange of such securities have been approved by a court of competent jurisdiction that is expressly authorized by law to grant such approval, after a hearing upon the fairness of the terms and conditions of such issuance and exchange at which all persons to whom it is proposed to issue the securities have the right to appear and receive timely and adequate notice thereof. The Court will be advised prior to the hearing of the application for the Final Order that if the terms and conditions of the Arrangement, and the fairness thereof, are approved by the Court, the Hecla Shares and Cascadia Shares to be received by ATAC Securityholders pursuant to the Arrangement will not require registration under the U.S. Securities Act. Accordingly, the Final Order of the Court will, if granted, constitute a basis for the exemption from the registration requirements of the U.S. Securities Act with respect to the issuance and exchange of the Hecla Shares for the ATAC Shares and the issuance of the Cascadia Shares pursuant to the Arrangement.

Completion of the Arrangement

Subject to the provisions of the Arrangement Agreement, the Arrangement will become effective at the Effective Time on the Effective Date, being the date upon which all of the conditions to completion of the Arrangement as set out in the Arrangement Agreement have been satisfied or waived in accordance with the Arrangement Agreement, all documents agreed to be delivered thereunder have been delivered to the satisfaction of the recipient, acting reasonably, and the filings required under the BCBCA have been filed with the Registrar. Completion of the Arrangement is expected to occur in early July, 2023, but in any event no later than September 5, 2023 unless otherwise agreed to between ATAC and Hecla.

Withholding Rights

ATAC, Hecla, Hecla Acquisition Subco, Cascadia and the Depositary will be entitled to deduct and withhold from any consideration otherwise payable to any Former Securityholder under the Plan of Arrangement and from any and all dividends or other distributions otherwise payable to any Former Securityholder (including any payment to Dissenting Shareholders) such amounts as they are required to deduct and withhold with respect to such payment under the Tax Act, the U.S. Tax Code or any provision of any applicable federal, provincial, state, local or foreign tax law or treaty, in each case, as amended, and may sell on behalf of any Former Securityholder any Hecla Shares or Cascadia Shares deliverable to such Former Securityholder, in order to remit to a taxing authority a sufficient amount to comply with such tax laws. To the extent that amounts are so withheld, such withheld amounts shall be treated for all purposes hereof as having been paid to the particular person, provided that such amounts are actually remitted to the appropriate Governmental Authority by or on behalf of ATAC, Hecla, Hecla Acquisition Subco, Cascadia or the Depositary, as the case may be.

Limitation and Proscription After Three Years

To the extent that a Participating Former Securityholder has not complied with the provisions of the Plan of Arrangement described under the heading "*Part 15 – Procedure for Receipt of Arrangement Consideration*" of this Circular, on or before the date that is three years after the Effective Date, then the Hecla Shares, Hecla Warrants, Cascadia Shares and Cascadia Warrants (if then still exercisable) that such Participating Former Securityholder was entitled to receive shall be automatically cancelled without any repayment of capital in respect thereof and the certificates representing such securities shall be delivered by the Depository to Hecla or Cascadia, as applicable, and the interest of the Participating Former Securityholder in such Hecla Shares, Cascadia Shares, Hecla Warrants and Cascadia Warrants to which it was entitled shall be terminated.

None of ATAC or Hecla, or any of their respective successors, will be liable to any person in respect of any Arrangement Consideration (including any consideration previously held by the Depositary in trust for any such former holder) which is forfeited to ATAC or Hecla or delivered to any public official pursuant to any applicable abandoned property, escheat or similar law. **Accordingly, former ATAC Shareholders who deposit with the Depositary ATAC Share certificates or a DRS Statement representing ATAC Shares after the third anniversary of the Effective Date will not receive Hecla Shares, Cascadia Shares or any other consideration in exchange therefor and will not own any interest in ATAC, Cascadia or Hecla, and will not be paid any compensation.**

Effects of the Arrangement on ATAC Securityholders' Rights

ATAC Shareholders receiving Hecla Shares under the Arrangement will become stockholders of Hecla. Hecla is incorporated under the Laws of the State of Delaware.

The rights of a stockholder of a Delaware corporation differ from the rights of a shareholder of a BCBCA corporation. See Appendix "N" of this Circular for a summary comparison of the rights of ATAC Shareholders and stockholders of Hecla. The rights of ATAC Shareholders are governed by the BCBCA and by ATAC's notice of articles and articles. Following the Arrangement, ATAC Shareholders who receive Hecla Shares as part of the Arrangement will become stockholders of Hecla and as such their rights will be governed by the DGCL and by Hecla's certificate of incorporation and by-laws. ATAC Shareholders are encouraged to consult with their legal advisors for greater detail with respect to these differences.

PART 8. THE ARRANGEMENT AGREEMENT

The description of the Arrangement Agreement, both below and elsewhere in this Circular, is a summary only, is not exhaustive, is not intended as a substitute for reviewing the Arrangement Agreement, and is qualified in its entirety by reference to the full text of the Arrangement Agreement, which can be found under the Company's issuer profile on SEDAR at www.sedar.com.

The Arrangement Agreement has been included in this Circular to provide ATAC Securityholders with information regarding terms of the Arrangement. It is not intended to provide any other factual information about the Parties to the

Arrangement Agreement or their respective subsidiaries or affiliates. See "*Part 8 – The Arrangement Agreement – Representations and Warranties*" below for additional detail.

Effective Date and Conditions of Arrangement

If the Arrangement Resolution is passed, the Final Order of the Court is obtained approving the Arrangement, every requirement of the BCBCA relating to the Arrangement has been complied with and all other conditions to the Arrangement Agreement as summarized under "*Part 8 – The Arrangement Agreement – Conditions to the Arrangement Becoming Effective*" are satisfied or waived, the Arrangement will become effective at 12:01 a.m. (Pacific Daylight Time) on the Effective Date.

Representations and Warranties

The Arrangement Agreement contains representations and warranties made by ATAC to Hecla and representations and warranties made by Hecla to ATAC. Those representations and warranties were made solely for purposes of the Arrangement Agreement and may be subject to important qualifications, limitations and exceptions agreed to by the Parties in connection with negotiating its terms. In particular, some of the representations and warranties are subject to a contractual standard of materiality or ATAC Material Adverse Effect or Hecla Material Adverse Effect standard, which is different from that generally applicable to public disclosure to ATAC Securityholders, or are used for the purpose of allocating risk between the Parties to the Arrangement Agreement. ATAC Securityholders are not third-party beneficiaries under the Arrangement Agreement and should not rely on the representations and warranties contained in the Arrangement Agreement as statements of factual information at the time they were made or otherwise.

The representations and warranties provided by ATAC in favour of Hecla are extensive and relate to, among other things, organization and qualification, standing and power, charter documents, minutes, subsidiaries, books and records, capital structure, authority relative to the Arrangement Agreement, required filings, approvals and consents, no violation, compliance with laws, compliance with Securities Laws, compliance with anti-bribery and anti-money laundering laws, expropriation, permits, securities filings, financial statements, affiliate transactions, absence of certain changes, employees and benefits, material contracts, litigation, environmental matters, real property, personal property, ATAC Concessions, technical reports, Taxes, data privacy and security, intellectual property, insurance, this Circular, insolvency, material relationships, expropriation and Aboriginal matters, confidentiality agreements, brokers, take-over statutes, appraisal rights, fairness opinions, the Special Committee and ATAC Board approval, arrangements with securityholders, regulatory filings, access to information, disclaimers, data room information, ATAC's budget, and public reporting requirements.

The representations and warranties provided by Hecla in favour of ATAC relate to organization and qualification, charter documents, capitalization, authority relative to the Arrangement Agreement, Hecla Board approval, no conflict, required approvals and consents, no violation, orders, brokers, this Circular, securities filings, compliance with Securities Laws, stock exchanges, financial statements, internal controls, disclosure controls and procedures, off-balance sheet arrangements, Sarbanes-Oxley Act compliance, litigation, environmental matters, technical reports, compliance with laws, compliance with anti-bribery and anti-money laundering laws, expropriation, permits, insolvency, the Hecla Shares, absence of certain changes, and sufficient funds.

Conditions to the Arrangement Becoming Effective

In order for the Arrangement to become effective, certain conditions must have been satisfied or waived which conditions are summarized below.

Mutual Conditions

The respective obligations of ATAC and Hecla to complete the Arrangement are subject to the satisfaction, or mutual waiver by the Parties, on or before the Effective Date, of, among other things, each of the following conditions:

(a) the Arrangement Resolution has been approved by the Affected Securityholders at the Meeting, in accordance with the Interim Order and applicable Laws;

(b) each of the Interim Order and Final Order (i) will have been obtained in form and substance satisfactory to each of ATAC and Hecla, each acting reasonably; and (ii) will not have been set aside or modified in any manner unacceptable to either ATAC or Hecla, each acting reasonably, on appeal or otherwise;

(c) the Arrangement Filings required to be sent to the Registrar in accordance with the Arrangement Agreement and the BCBCA, will be in form and content satisfactory to ATAC and Hecla, each acting reasonably;

(d) there will not be any Law or Order in effect (whether temporary, preliminary or permanent) that has the effect of prohibiting the consummation of the Arrangement, and no litigation instituted by any Governmental Authority seeking to prohibit the consummation of the Arrangement will be pending; and

(e) ATAC and Cascadia shall have entered into the Cascadia Contribution Agreement in accordance with ATAC's covenants under the Arrangement Agreement. See "*Part 8 – The Arrangement Agreement – ATAC Covenants*" below for additional detail.

The foregoing conditions are for the mutual benefit of the Parties and may be waived by mutual consent of ATAC and Hecla in writing at any time.

ATAC Conditions

The obligation of ATAC to complete the Arrangement is subject to the satisfaction, or waiver by ATAC, of, among other things, the following additional conditions on or before the Effective Date:

(a) Hecla and Hecla Acquisition Subco will have complied in all material respects with their obligations, covenants and agreements in the Arrangement Agreement to be performed and complied with on or before the Effective Date;

(b) the representations and warranties of Hecla will be true and correct, subject to certain exceptions as set forth in the Arrangement Agreement;

(c) no (i) Law will have been enacted, issued, promulgated, enforced, made, entered, issued or applied; or (ii) proceeding will have been taken, or be pending or threatened under any Laws or by any Governmental Authority (whether temporary, preliminary or permanent), that makes the Arrangement illegal or otherwise directly or indirectly cease trades, enjoins, restrains or otherwise prohibits completion of the Arrangement;

(d) Hecla will have delivered evidence satisfactory to ATAC of the approval of the listing and posting for trading on the NYSE of the Hecla Shares, subject only to satisfaction of the standard listing conditions, including notice of issuance; and

(e) Hecla will have complied with its payment obligations under the Arrangement Agreement to deliver to the Depositary the Hecla Shares payable to Affected Securityholders pursuant to the Arrangement and the Hecla Cascadia Subscription Amount, and the Depositary shall have confirmed receipt of such Hecla Shares and Hecla Cascadia Subscription Amount;

(f) ATAC will have received a certificate of Hecla (i) signed by a senior officer of Hecla; and (ii) dated the Effective Date, certifying that the conditions set out in sections 7.2(a) and 7.2(b) of the Arrangement Agreement have been satisfied, which certificate will cease to have any force and effect after the Effective Time; and

(g) a Hecla Material Adverse Effect will not have occurred prior to the Effective Time.

The foregoing conditions are for the exclusive benefit of ATAC and may be waived by ATAC in whole or in part, in its sole discretion, at any time without prejudice to any other rights that ATAC may have.

Hecla and Hecla Acquisition Subco Conditions

The obligations of Hecla and Hecla Acquisition Subco to complete the Arrangement are subject to the satisfaction, or waiver by Hecla, of, among other things, the following additional conditions on or before the Effective Date:

(a) ATAC shall have complied in all material respects with its obligations, covenants and agreements in the Arrangement Agreement to be performed and complied with on or before the Effective Date;

(b) the representations and warranties of ATAC will be true and correct, subject to certain exceptions as set forth in the Arrangement Agreement;

(c) no Law shall have been enacted, issued, promulgated, enforced, made, entered, issued or applied and no proceeding shall otherwise have been taken, or be pending or threatened under any Laws or by any Governmental Authority (whether temporary, preliminary or permanent) that: (i) makes the Arrangement illegal or otherwise directly or indirectly cease trades, enjoins, restrains or otherwise prohibits completion of the Arrangement or the payment of the Hecla Consideration; (ii) prohibits, restricts or imposes terms or conditions on the ownership or operation by Hecla of the business or assets of Hecla, their affiliates and related entities, ATAC or any of ATAC's subsidiaries and related entities; (iii) compels Hecla to dispose of or hold separate any of the business or assets of Hecla, their affiliates and related entities, ATAC or any of ATAC's subsidiaries and related entities as a result of the Arrangement; or (iv) materially impedes, prevents or delays the consummation of the Arrangement, or if the Arrangement were to be consummated, has an ATAC Material Adverse Effect;

(d) Hecla will have received a certificate of ATAC (i) signed by a senior officer of ATAC; and (ii) dated the Effective Date, certifying that the conditions set out in section 7.3(a) and section 7.3(b) of the Arrangement Agreement have been satisfied, which certificate will cease to have any force and effect after the Effective Time;

(e) Hecla will have received a certificate of ATAC (i) signed by a senior officer of ATAC; and (ii) dated the Effective Date, certifying that appended thereto are: (iii) true and complete copies of the constating documents of each of ATAC and its subsidiaries (other than Cascadia) including their respective notice of articles, articles, certificate of incorporation, bylaws or equivalent; (iv) certificates of good standing (or equivalent) issued by the relevant corporate registry or secretary of state confirming the existence and good standing of each of ATAC and its subsidiaries (other than Cascadia) as of a date no earlier than two Business Days prior to the Effective Date; (v) certified copies of resolutions of the Board of Directors approving the entering into of the Arrangement Agreement and the consummation of the transactions contemplated by the Arrangement Agreement; (vi) a certificate of incumbency of ATAC;

(f) in connection with the Arrangement, the ATAC Shares in respect of which ATAC Shareholders have either (i) exercised Dissent Rights; or (ii) have instituted proceedings to exercise Dissent Rights, will not exceed five percent (5%) of the ATAC Shares then outstanding;

(g) Hecla will have received the confirmations or acknowledgements from the counterparties to the Retained Property Option Agreements and the Transferred Property Option Agreements in form satisfactory to Hecla as contemplated by the Arrangement Agreement, including, without limitation, acknowledgement and agreement from the counterparties as to the form of consideration in the form of Hecla Shares or Cascadia securities, as applicable, being substituted in lieu of any obligation to issue ATAC Shares to such counterparties;

(h) payment to the ATAC Board's financial advisor and Fort Capital shall have been made by ATAC in accordance with the terms of the engagement letters disclosed to Hecla and ATAC shall have provided evidence of payment in such amounts as set forth in the engagement letters and no greater amount has been paid or is owed to the ATAC Board Financial Advisor and Fort Capital;

(i) Hecla acting reasonably, shall not have determined that any response by any Governmental Authority having jurisdiction arising from or pertaining to the matters described in schedule 7.3 of the ATAC Disclosure Letter, is likely to result in a material monetary obligation on the part of any of ATAC, Hecla or any of their respective affiliates; and

(j) there will not have occurred, prior to the Effective Time: (i) an ATAC Material Adverse Effect; or (ii) any event, occurrence, circumstance or development that could reasonably be expected to have an ATAC Material Adverse Effect.

The foregoing conditions are for the exclusive benefit of Hecla and may be waived by Hecla in whole or in part, in its sole discretion, at any time without prejudice to any other rights that Hecla may have.

Covenants of ATAC

Covenants relating to Conduct of Business

ATAC has made certain covenants to Hecla, including that, during the period from the date of the Arrangement Agreement until the earlier of the Effective Time and the time that the Arrangement Agreement is terminated in accordance with its terms, except (i) as disclosed in the ATAC Disclosure Letter, (ii) as expressly permitted or specifically contemplated by the Arrangement Agreement or the Plan of Arrangement, (iii) as is otherwise required by applicable Law, or (iv) unless Hecla otherwise consents in writing (to the extent that such consent is permitted by applicable Law):

(a) ATAC will: (i) conduct the business of ATAC and its subsidiaries only in the ordinary course, and in accordance with the ATAC Budget, and with applicable Law; (ii) comply in all material respect with the terms of all Contracts of ATAC and its subsidiaries; (iii) use commercially reasonably best efforts to maintain and preserve intact its and its subsidiaries' business organizations, assets, properties, rights and goodwill; (iv) maintain satisfactory business relationships with suppliers, customers, distributors, contractual counterparties, contractors, employees, Governmental Authorities, Aboriginal Peoples and others having business relationships with it and its subsidiaries; and (v) duly and timely file all forms, reports, schedules, statements, and other documents required to be filed pursuant to any applicable Laws or Securities Laws, provided however that ATAC shall in any event consult with Hecla prior to making any filing required pursuant to applicable Securities Laws or issuing any news releases, providing in such cases Hecla with a reasonable opportunity to review and comment on any such filing or news release.

(b) ATAC will immediately notify Hecla orally and then promptly notify Hecla in writing of any: (i) change in any "material fact" or any "material change" (as defined in the Securities Act) in relation to ATAC or its subsidiaries; (ii) event, circumstance or development that has had or would reasonably be expected to have, individually or in the aggregate, an ATAC Material Adverse Effect; (iii) notice or other communication from any person alleging that the consent (or waiver, permit, exemption, order, approval, agreement, amendment or confirmation) of such person (or another person) is or may be required in connection with the Arrangement Agreement or the Arrangement; (iv) notice or other communication from any Governmental Authority in connection with the Arrangement Agreement (and contemporaneously provide a copy of any such written notice or communication to Hecla); (v) filings, actions suits, claims, investigations or proceedings commenced or, to its knowledge, threatened against, relating to or involving or otherwise affecting ATAC and its subsidiaries or its material assets including the Material Properties; (vi) breach of the Arrangement Agreement by ATAC; or (vii) event occurring after the date of the Arrangement Agreement that would (A) render a representation or warranty, if made on that date or the Effective Date, untrue or inaccurate such that any of the conditions in Section 7.3(b) of the Arrangement Agreement would

not be satisfied; or (B) resulting the failure of ATAC to comply with or satisfy any covenant, condition or agreement (without giving effect to, applying or taking into consideration any qualification already contained in such covenant, condition or agreement) to be complied with or satisfied prior to the Effective Time.

(c) ATAC will use its commercially reasonable efforts to cause the current insurance (or re-insurance) policies maintained by ATAC, including directors' and officers' insurance, not to be cancelled or terminated and to prevent any of the coverage thereunder from lapsing, unless at the time of such termination, cancellation or lapse, replacement policies underwritten by insurance or re-insurance companies of nationally recognized standing having comparable deductions and providing coverage comparable to or greater than the coverage under the cancelled, terminated or lapsed policies for substantially similar premiums are in full force and effect, provided, however, that, except as contemplated by the Arrangement Agreement, ATAC will not obtain or renew any insurance (or re-insurance) policy for a term exceed 12 months, except that renewal steps may be taken in advance of expiry.

(d) ATAC will use commercially reasonable efforts to retain the services of its and its subsidiaries' existing employees and consultants (including the ATAC Senior Management) until the Effective Time.

(e) ATAC will not, directly or indirectly: (i) alter or amend its Charter Documents or the Charter Documents of its subsidiaries; (ii) declare, set aside or pay any dividend on or make any distribution or payment or return of capital in respect of the ATAC Shares (other than dividends, distributions, payments or return of capital made to ATAC by any of its subsidiaries); (iii) split, divide, consolidate, combine, reclassify, nor undertake any other capital reorganization in respect of the ATAC Shares or any other securities of ATAC or its subsidiaries; (iv) reduce the stated capital of the ATAC Shares or any other securities of ATAC or its subsidiaries; (v) other than as required by the Arrangement Agreement, increase any coverage under any directors' and officer's insurance policy; (vi) issue, grant, sell, pledge or otherwise encumber, or authorize or approve or agree to issue, grant, sell, pledge or otherwise encumber any ATAC Shares or other securities of ATAC or its subsidiaries, or securities convertible into or exchangeable or exercisable for, or otherwise evidencing a right to acquire, ATAC Shares or other securities of ATAC or its subsidiaries, including but not limited to the issue or award of any ATAC Options or ATAC Warrants but excluding issuances of ATAC Shares pursuant to the exercise of outstanding ATAC Options or ATAC Warrants; (vii) redeem, purchase or otherwise acquire (or offer to redeem, purchase or otherwise acquire) any of its outstanding ATAC Shares or other securities or securities convertible into or exchangeable or exercisable for ATAC Shares or any such other securities or any shares or other securities of its subsidiaries except according to their terms; (viii) amend the terms of any securities of ATAC or its subsidiaries, or amend the terms of any outstanding indebtedness of ATAC or its subsidiaries; (ix) adopt a plan of liquidation or resolution providing for the liquidation or dissolution of ATAC or its subsidiaries; (x) reorganize, recapitalize, restructure, amalgamate or merge with any other person and will not cause or permit its subsidiaries to reorganize, recapitalize, restructure, amalgamate or merge with any other person; (xi) create any subsidiary or enter into any Contracts or other arrangements regarding the control or management of the operations, or the appointment of governing bodies or enter into any Joint Ventures; (xii) engage in any transaction with any related parties other than with its wholly-owned subsidiaries in the ordinary course; (xiii) make any changes to any of its accounting policies, principles, methods, practices or procedures (including by adopting any new accounting policies, principles, methods, practices or procedures), except as disclosed in the ATAC Public Disclosure Record, as required by applicable Laws or under Canadian GAAP; or (xiv) enter into, modify or terminate any Contract with respect to any of the foregoing.

(f) ATAC will not, and will not cause or permit its subsidiaries to, directly or indirectly, except in connection with the Arrangement Agreement: (i) sell, pledge, lease, surrender, license, lose the right to use, mortgage, dispose of or encumber any assets or properties of ATAC or its subsidiaries, other than inventory or immaterial personal property in the ordinary course of business; (ii) other than in the ordinary course, acquire or commit to acquire (by merger, amalgamation, consolidation,

arrangement or acquisition of shares or other equity securities or interests or assets or otherwise) any corporation, partnership, association or other business organization or division thereof or any property or assets, or make any investment by the purchase of securities, contribution of capital, property transfer, or purchase of any property or assets of any other person, in each case, directly or indirectly, in one transaction or a series of transactions; (iii) other than intercompany loans and advances in the ordinary course of business, not to exceed amounts set out in the ATAC Budget, incur any indebtedness or create or issue any debt securities, or assume, guarantee, endorse or otherwise become liable or responsible for such obligations or the obligations of any other person, or make any loans or advances (other than intercompany loans or advances in the ordinary course of business); (iv) incur or commit to capital expenditures or development expenses unless such capital expenditures or development expenses have been approved prior to the date hereof by the ATAC Board in the ordinary course of business or are contemplated by the ATAC Budget; (v) enter into any interest rate, currency, equity or commodity swaps, hedges, derivatives, forward sales contracts or similar financial instruments other than in the ordinary course of business consistent with past practice; (vi) make any Tax election, information schedule, return or designation, except as required by Law and in a manner consistent with past practice; (vii) settle or compromise any Tax claim, assessment, reassessment or liability; (viii) file any amended Tax Return; (ix) enter into any agreement with a Governmental Authority with respect to Taxes; (x) surrender any right to claim a Tax abatement, reduction, deduction, exemption, credit or refund, consent to the extension or waiver of the limitation period applicable to any material Tax matter; (xi) amend or change any of its methods or reporting income, deductions or accounting for income Tax purposes except as may be required by Law; (xii) pay, discharge or satisfy any claim, liability, indebtedness or obligation prior to the same being due, other than the payment, discharge or satisfaction of the same, in the ordinary course, in accordance with their terms; (xiii) voluntarily waive, release, assign, settle or compromise any Proceeding; or (xiv) engage in any new business, enterprise or other activity that is inconsistent with the existing business of ATAC in the manner such existing businesses generally have been carried on or (as disclosed in the ATAC Public Disclosure Record) planned or proposed to be carried on prior to the date of the Arrangement Agreement, or authorize any of the foregoing, or enter into or modify any Contract to do any of the foregoing. Notwithstanding the foregoing or any other term of the Arrangement Agreement, Hecla acknowledges that Cascadia is considering undertaking an equity financing which will close after the Effective Date, the terms and timing of which have not yet been determined. Hecla agrees that Cascadia may engage in discussions with prospective sources of such financing prior to the Effective Date, provided that Cascadia does not enter into any agreements with any person to provide such financing or which would involve the issuance of any securities of Cascadia or any interest therein to any person other than as contemplated in this Arrangement Agreement prior to the Effective Date.

(g) ATAC will not, and will not cause or permit its subsidiaries to, directly or indirectly, except in the ordinary course of business: (i) terminate, fail to renew, cancel, waive, release, grant or transfer any rights, including: (A) any existing contractual rights; (B) any Permit; or (C) any other legal rights or claims, in respect of the Material Properties; (ii) except in connection with matters otherwise permitted under section 4.1 of the Arrangement Agreement: (A) enter into any Contract which would be a Material Contract if in existence on the date of the Arrangement Agreement; or (B) terminate, cancel, extend, renew or amend, modify or change any Material Contract; (iii) enter into any lease or sublease of real property (whether as lessor, sublessor, lessee or sublessee); (iv) modify, amend or exercise any right to renew any lease or sublease of real property or acquire any interest in real property; or (v) enter into any transaction or perform any act which could reasonably be expected to materially impede, prevent or delay, or be inconsistent with, the successful completion of the transactions contemplated in the Arrangement Agreement.

(h) Neither ATAC nor its subsidiaries will, except pursuant to any existing Contracts or employment, pension, supplemental pension, termination or compensation arrangements or policies or plans in effect on the date hereof and as is necessary to comply with applicable Laws: (i) grant to any officer, director, employee or consultant of ATAC or its subsidiaries an increase in compensation in any form; (ii) grant any general salary increase, fee or pay any other compensation to the directors, officers, employees or consultants of ATAC and its subsidiaries, other than the payment of salaries,

fees and benefits in the ordinary course; (iii) take any action with respect to the grant or increase of any severance, change of control, retirement, retention or termination pay; (iv) enter into or modify any employment or consulting agreement with any employee, consultant, officer or director of ATAC or its subsidiaries; (v) terminate the employment or consulting arrangement of any senior management employees (including the ATAC Senior Management), except for cause or as contemplated in the Arrangement Agreement; (vi) increase any benefits payable under its current severance or termination pay policies; (vii) adopt or amend or make any contribution to or any award under any bonus, profit sharing, pension, retirement, deferred compensation, insurance, incentive compensation, compensation or other similar plan, agreement, trust, fund or arrangement for the benefit of any director, officer, or employee or any former director, officer, or employee of ATAC or its subsidiaries; or (viii) take any action to accelerate the time of payment of any compensation or benefits, amend or waive any performance or vesting criteria or accelerate vesting under the ATAC Option Plan, except as contemplated in Section 2.11 of the Arrangement Agreement and the Plan of Arrangement.

(i) ATAC will not and will not cause or permit its subsidiaries to make any loan to any officer, director, employee or consultant of ATAC or its subsidiaries.

(j) ATAC will not and will not cause or permit its subsidiaries to: (i) except as disclosed in section 4.1(j) of the ATAC Disclosure Letter, make any application to amend, terminate, allow to expire or lapse or otherwise modify any of its Permits; take any action or fail to take any action which action or failure to act would: (A) result in the loss, expiration or surrender of, or the loss of any benefit; or (B) be reasonably be expected to cause any Governmental Authority to institute proceedings for the suspension, revocation or limitation of rights, under any Permit necessary to conduct its business as now being conducted.

(k) ATAC will not, and will not cause or permit its subsidiaries to, settle or compromise any action, claim or other Proceeding: (i) brought against it for damages or providing for the grant of injunctive relief or other non-monetary remedy ("**Litigation**"); or (ii) brought by any present, former or purported holder of its securities, in connection with the transactions contemplated by the Arrangement Agreement or the Arrangement.

(l) ATAC will not, and will not cause or permit its subsidiaries to, commence any Litigation, other than the Litigation in connection with (i) the collection of accounts receivable; (ii) the enforcement of the terms of the Arrangement Agreement or the Confidentiality Agreement; (iii) the enforcement of other obligations of Hecla; or (iv) Litigation commenced against ATAC.

(m) ATAC will not, and will not cause or permit its subsidiaries to, enter into or renew any Contract (i) containing: (A) any limitation or restriction on the ability of ATAC or its subsidiaries or, following completion of the transactions contemplated by the Arrangement Agreement, the ability of Hecla or any of its affiliates, to engage in any type of activity or business; (B) any limitation or restriction on the manner in which, or the localities in which, all or any portion of the business of ATAC or its subsidiaries or, following consummation of the transactions contemplated by the Arrangement Agreement, all or any portion of the business of Hecla or any of its affiliates, is or would be conducted; or (C) any limit or restriction on the ability of: (I) ATAC or its subsidiaries; or (II) following the completion of the transactions contemplated by the Arrangement Agreement, the ability of Hecla or any of its affiliates to solicit customers or employees; or (ii) that would reasonably be expected to materially impede, prevent or delay the completion of the Arrangement.

(n) ATAC will not, and will not cause or permit any of its subsidiaries to, take any action which would render, or which reasonably may be expected to render, any representation or warranty made by ATAC in the Arrangement Agreement untrue or inaccurate in any respect at any time prior to the Effective Date if then made.

(o) as is applicable, ATAC will not, and will not cause or permit its subsidiaries to, agree, announce, resolve, authorize or commit to do any of the matters to which the negative covenants in sections 4.1(e) to 4.1(n) of the Arrangement Agreement inclusive pertain.

Covenants relating to the Arrangement

ATAC has also agreed with Hecla that it will and will cause its subsidiaries to perform all obligations required to be performed by ATAC under the Arrangement Agreement, cooperate with Hecla in connection therewith, and use commercially reasonable efforts to do such other acts and things as may be necessary or desirable in order to complete the Arrangement and the other transactions contemplated by the Arrangement Agreement, including:

(a) publicly announcing the execution of this Arrangement Agreement, support of the ATAC Board of the Arrangement (including the voting intentions of each director and officer of ATAC referred to in section 2.4(d)(v)) of the Arrangement Agreement, recommendation of the ATAC Board to the ATAC Shareholders to vote in favour of the Arrangement Resolution, and support of each of the Directors and ATAC Senior Management pursuant to the ATAC Support Agreements; and

(b) using its commercially reasonable efforts to obtain and maintain all third party or other consents, waivers, permits, exemptions, orders, approvals, agreements, amendments or confirmations that are (i) necessary or advisable under the Material Contracts in connection with the Arrangement; or (ii) required in order to maintain the Material Contracts in full force and effect following completion of the Arrangement,

in each case, on terms that are reasonably satisfactory to Hecla, and without paying, and without committing itself or Hecla to pay, any consideration or incur any liability or obligation without the prior written consent of Hecla.

In the event that Hecla reasonably concludes that it is necessary or desirable to proceed with another form of transaction (such as a formal take-over bid or amalgamation) whereby Hecla or its affiliates would effectively acquire all of the ATAC Shares within approximately the same time periods and on economic terms and other terms and conditions which are equivalent to or better than those contemplated by the Arrangement Agreement (an "**Alternative Transaction**"), ATAC agrees to support the completion of such Alternative Transaction in the same manner as the Arrangement and shall otherwise fulfill its covenants contained in the Arrangement Agreement in respect of such Alternative Transaction. In particular, but without limitation, ATAC agrees that the "initial deposit period" in respect of any such Alternative Transaction that is structured as a formal take-over bid shall be the period determined by Hecla so long as it is not less than 35 days. In the event of any proposed Alternative Transaction, any reference in the Arrangement Agreement to the Arrangement shall refer to the Alternative Transaction to the extent applicable, all terms, covenants, representations and warranties of the Arrangement Agreement shall be and shall be deemed to have been made in the context of the Alternative Transaction and all references to time periods regarding the Arrangement, including the Effective Time, of the Arrangement Agreement shall refer to the date of closing of the transactions contemplated by the Alternative Transaction (as such date may be extended from time to time).

Covenants of Hecla

Covenants relating to Conduct of Business

Hecla has made certain covenants to ATAC, including that, during the period from the date of the Arrangement Agreement until the earlier of the Effective Time and the time that the Arrangement Agreement is terminated in accordance with its terms, unless ATAC shall otherwise agree in writing, such agreement not to be unreasonably withheld or delayed, or as is otherwise expressly permitted or contemplated by the Arrangement Agreement:

(a) Hecla will promptly notify ATAC orally and then promptly notify ATAC in writing of (i) any event, circumstance or development that has had or would reasonably be expected to have, individually or in the aggregate, a Hecla Material Adverse Effect; (ii) any notice or other communication from any person alleging that the consent (or waiver, permit, exemption, order, approval, agreement, amendment or confirmation) of such person (or another person) is or may be required in connection

with the Arrangement Agreement or the Arrangement; (iii) any notice or other material communication from any Governmental Authority in connection with the Arrangement Agreement (and contemporaneously provide a copy of any such written notice or communication to ATAC); (iv) any breach of the Arrangement Agreement by Hecla or Hecla Acquisition Subco; or (v) any event occurring after the date of the Arrangement Agreement that would: (A) render a representation or warranty, if made on that date or the Effective Date, untrue or inaccurate such that any of the conditions in section 7.2(b) of the Arrangement Agreement would not be satisfied; or (B) result in the failure in any material respect of Hecla to comply with or satisfy any covenant, condition or agreement (without giving effect to, applying or taking into consideration any qualification already contained in such covenant, condition or agreement) to be complied with or satisfied prior to the Effective Time; and

(b) Hecla shall not, directly or indirectly, do or permit any of the following: (i) make any amendment to its Charter Documents that would have a material adverse effect on its ability to consummate the transactions contemplated by the Arrangement Agreement or change its authorized share capital; (ii) split, combine, subdivide or reclassify its capital stock; (iii) acquire, by merger, consolidation, acquisition of stock or assets, or otherwise, any business or Person or division thereof or make any loans, advances, or capital contributions to or investments in any Person, in each case that would reasonably be expected to materially prevent, impede, or delay the consummation of the Arrangement or other transactions contemplated by the Arrangement Agreement; (iv) adopt or effect a plan of complete or partial liquidation, dissolution, restructuring, recapitalization or other reorganization; (v) take any action that is intended to individually or in the aggregate materially prevent, impede or delay the consummation of the Arrangement or the other transactions contemplated by the Arrangement Agreement, or (vi) agree or commit to do any of the foregoing.

Covenants relating to the Arrangement

Hecla has agreed with ATAC that it will perform, and will cause Hecla Acquisition Subco to perform, all obligations required to be performed under the Arrangement Agreement and the Plan of Arrangement, and cooperate with ATAC in connection therewith, and use commercially reasonable efforts to do such other acts and things as may be necessary or desirable in order to complete the Arrangement and the other transactions contemplated by the Arrangement Agreement, including:

(a) cooperating with ATAC in connection with, and using its commercially reasonable efforts to assist ATAC in obtaining certain waivers, consents and approvals;

(b) applying for and using commercially reasonable efforts to obtain conditional approval of the listing and posting for trading on the NYSE of the Hecla Shares;

(c) using its commercially reasonable efforts to effect all necessary registrations, filings and submissions required by any Governmental Authority relating to the Arrangement required to be completed prior to the Effective Time; and

(d) forthwith carrying out the terms of the Interim Order and Final Order to the extent applicable to it and Hecla Acquisition Subco.

Mutual Covenants

Hecla, ATAC and Hecla Acquisition Subco have also agreed, that subject to the terms and conditions of the Arrangement Agreement, until the earlier of the Effective Time and the time that the Arrangement Agreement is terminated in accordance with its terms, it will:

(a) use commercially reasonable efforts to satisfy (or cause the satisfaction of) the conditions precedent to its obligations under the Arrangement Agreement as set forth in the Arrangement Agreement to the extent the same is within its control;

(b) use commercially reasonable efforts to take, or cause to be taken, all other action and to do, or cause to be done, all other things necessary and commercially reasonable to permit the completion of the Arrangement in accordance with its obligations under the Arrangement Agreement, the Plan of Arrangement and applicable Laws and cooperate with the other Parties in connection therewith, including using commercially reasonable efforts to: (i) effect or cause to be effected all necessary registrations, filings and submissions of information requested by Governmental Authorities required to be effected by it in connection with the Arrangement; (ii) oppose, lift or rescind any injunction or restraining order against it or other order or action against it seeking to stop, or otherwise adversely affecting its ability to make and complete, the Arrangement; (iii) defend all lawsuits or other legal, regulatory or other proceedings against the other Party or its directors or officers challenging or affecting the Arrangement Agreement or the completion of the Arrangement; and (iv) cooperate with the other Party in connection with the performance by it of its obligations under the Arrangement Agreement;

(c) use commercially reasonable efforts to not take or cause to be taken any action which is inconsistent with the Arrangement Agreement or which would reasonably be expected to materially impede, prevent or delay the completion of the Arrangement; and

(d) use commercially reasonable efforts to execute and do all acts, further deeds, things and assurances as may be required in the reasonable opinion of the other Party's legal counsel to permit the completion of the Arrangement.

Non-Solicitation Covenant

ATAC has agreed with Hecla that ATAC and its subsidiaries, will not, directly or indirectly, through any of their Representatives or otherwise, and will not permit any such person to, except as permitted in the Arrangement Agreement:

(a) make, initiate, solicit or encourage (including by way of furnishing or affording access to information or any site visit), or otherwise take any other action that facilitates, directly or indirectly, any inquiry, proposal or offer that constitutes, or that could reasonably be expected to lead to, an Acquisition Proposal;

(b) enter into or otherwise engage or participate in any discussions or negotiations with, furnish information to, or otherwise co-operate in any way with, any person (other than Hecla and its subsidiaries) regarding an Acquisition Proposal or any inquiry, proposal or offer that could reasonably be expected to lead to an Acquisition Proposal provided, however, that ATAC or its Representatives may communicate with such person for the sole purpose of advising such person that the terms of such Acquisition Proposal do not constitute or are not reasonably likely to result in a Superior Proposal;

(c) take no position or remain neutral with respect to, or agree to, accept, approve, endorse or recommend, or propose publicly to agree to accept, approve, endorse or recommend any Acquisition Proposal (it being understood that publicly taking no position or a neutral position with respect to an Acquisition Proposal for a period exceeding three Business Days after such Acquisition Proposal has been publicly announced shall be deemed to constitute a violation of this covenant);

(d) make or propose publicly to make a Change of Recommendation;

(e) accept, enter into, or propose publicly to accept or enter into, any agreement, understanding or arrangement effecting or related to any Acquisition Proposal or potential Acquisition Proposal (other than an Acceptable Confidentiality Agreement permitted by and in accordance with this covenant); or

(f) make any public announcement or take any other action inconsistent with the approval, recommendation or declaration of advisability of the ATAC Board of the transactions contemplated by the Arrangement Agreement.

ATAC and its Representatives have also agreed that they will and will cause its subsidiaries and their Representatives to, immediately cease and terminate, and cause to be terminated, any solicitation, encouragement, discussion or negotiations with any person (other than Hecla and its Representatives) with respect to any Acquisition Proposal or inquiry, proposal or offer that could reasonably be expected to lead to an Acquisition Proposal and, in connection therewith, ATAC will:

(a) immediately discontinue access of any such person to any confidential information concerning ATAC and its subsidiaries, including access to any data room, virtual or otherwise; and

(b) within two Business Days after the date of the Arrangement Agreement, to the extent such information has not previously been returned or destroyed, promptly request, and exercise all rights it has to require, the return or destruction of all copies of any confidential information regarding ATAC and its subsidiaries provided to any person other than Hecla and its Representatives and the return or destruction of all material including or incorporating or otherwise reflecting such confidential information regarding ATAC or its subsidiaries, using commercially reasonable efforts to ensure that such requests are fully complied with in accordance with the terms of such rights.

ATAC further agreed not to release (or allow any of its subsidiaries to release) any person from, grant any permission under or terminate, modify, amend or waive the terms of, any confidentiality agreement or standstill agreement or standstill or similar provisions in any such confidentiality agreement (it being acknowledged and agreed that the automatic termination of any standstill provisions of any such agreement as the result of the entering into an announcement of the Arrangement Agreement shall not be a violation of this section); and to cause each of its subsidiaries to, take all necessary action to enforce on a timely basis each confidentiality, standstill or similar agreement or restriction to which ATAC or any subsidiary is a party.

ATAC has agreed to promptly (and, in any event, within 24 hours) notify Hecla orally and in writing, of any Acquisition Proposal received by ATAC, any inquiry, proposal, offer or request (or any amendment or supplement thereto) received by ATAC, relating to an Acquisition Proposal or any request for discussions or negotiations or other communications relating to or that could reasonably be expected to lead to an Acquisition Proposal, or any request received by ATAC, its subsidiaries or any Representatives for non-public information relating to ATAC (or any of its subsidiaries or any of their Representatives) or for access to properties, books, records or the provision of a list of securityholders of ATAC by any person in connection with, or that reasonably could be expected to result in, an Acquisition Proposal. This written notification must include a copy of the Acquisition Proposal, inquiry, proposal, offer or request and any amendments thereto, a description of its material terms and conditions, the identity of the person making such Acquisition Proposal, inquiry, proposal, offer or request, and details of all related communications. ATAC must also promptly provide to Hecla such other information concerning such Acquisition Proposal, inquiry or request as Hecla may reasonably request, and promptly and fully inform Hecla of the status and details of any such Acquisition Proposal, inquiry, proposal, offer or request.

Notwithstanding anything to the contrary contained in the Arrangement Agreement, if ATAC receives a bona fide written Acquisition Proposal from any person after the date of the Arrangement Agreement and prior to the Meeting that did not result from a breach of the Arrangement Agreement, and subject to ATAC's compliance with the Arrangement Agreement, ATAC and its Representatives may contact such person solely to clarify the terms and conditions of such Acquisition Proposal so as to determine whether such Acquisition Proposal is, or could reasonably be expected to lead to, a Superior Proposal, furnish information with respect to it to such person pursuant to an Acceptable Confidentiality Agreement, allow such person a single ten (10) calendar day period to conduct a due diligence investigation of ATAC and participate in discussions or negotiations regarding such Acquisition Proposal, if and only if: (i) prior to any such contacting, furnishing or participation described above, the ATAC Board determines, in good faith, after consultation with its financial advisors and outside legal counsel, that such Acquisition Proposal is or is reasonably likely to result in a Superior Proposal; (ii) such person was not restricted from making such Acquisition Proposal pursuant to an existing confidentiality agreement, standstill, permitted use, business purpose or similar restriction with ATAC or any of its subsidiaries or Representatives; (iii) ATAC has been, and continues to be, in

compliance with its obligations under the Arrangement Agreement; and (iv) prior to or concurrently with providing any such copies, access, or disclosure, ATAC: (A) enters into and provides a copy of an Acceptable Confidentiality Agreement to Hecla promptly (and in any event within 24 hours thereafter) upon its execution; and (B) contemporaneously provides to Hecla a list of and access to all information concerning ATAC that is provided to such person which was not already provided to Hecla or its Representatives.

Right to Match

If ATAC receives a bona fide Acquisition Proposal that is a Superior Proposal from any person after the date hereof and prior to the Meeting, then the ATAC Board may, prior to the Meeting, withdraw, modify, qualify or change in a manner adverse to Hecla its approval or recommendation of the Arrangement and/or approve or recommend such Superior Proposal and/or enter into an Acquisition Agreement with respect to such Superior Proposal if and only if:

(a) the person making the Superior Proposal was not restricted from making such Superior Proposal pursuant to an existing confidentiality, standstill, use, business purpose or similar restriction with ATAC or any of its subsidiaries;

(b) ATAC did not breach any of the non-solicitation provisions of the Arrangement Agreement in connection with the preparation or making of such Acquisition Proposal and ATAC has been and continues to be in compliance with the non-solicitation provisions of the Arrangement Agreement;

(c) ATAC has given written notice to Hecla that it has received such Superior Proposal and that the ATAC Board has determined that: (i) such Acquisition Proposal constitutes a Superior Proposal; and (ii) the ATAC Board intends to withdraw, modify, qualify or change in a manner adverse to Hecla its approval or recommendation of the Arrangement (including the recommendation that the ATAC Shareholders vote in favour of the Arrangement Resolution); and/or enter into an Acquisition Agreement with respect to such Superior Proposal (in each case, promptly following the making of such determination), and written notice from ATAC Board regarding the value and financial terms that the ATAC Board, in consultation with its financial advisors, has determined should be ascribed to any non-cash consideration offered under any such Acquisition Proposal, it being acknowledged and agreed that the financial value ascribed by the Board to such non-cash consideration shall be expressed as a single value and not a range of values;

(d) ATAC has provided Hecla with: (i) a copy of the proposed Acquisition Agreement, and (ii) all supporting materials, including any financing documents supplied to ATAC in connection therewith;

(e) a period of five full Business Days (such period being the "**Superior Proposal Notice Period**") has elapsed from the later of the date Hecla received the notice from ATAC and the date on which Hecla received the copy of the Acquisition Proposal and supporting materials;

(f) during any Superior Proposal Notice Period, Hecla has been provided with the right to propose to amend the terms of the Arrangement Agreement and the Arrangement in order for such Acquisition Proposal to cease to be a Superior Proposal;

(g) after the Superior Proposal Notice Period, the ATAC Board has determined, after consultation with its outside legal counsel and financial advisors, and otherwise in accordance with section 5.1(g) of the Arrangement Agreement, and advised Hecla in writing that: (i) such Acquisition Proposal remains a Superior Proposal compared to the Arrangement as proposed to be amended by Hecla; and (ii) the failure by the ATAC Board to recommend that Hecla enter into the Acquisition Agreement with respect to such Superior Proposal would be inconsistent with its fiduciary duties;

(h) ATAC concurrently terminates the Arrangement Agreement; and

(i) ATAC has previously, or concurrently has, paid to Hecla the Termination Fee.

ATAC has agreed with Hecla that during the Superior Proposal Notice Period, the ATAC Board will review promptly, diligently and in good faith any offer made Hecla to amend the terms of the Arrangement Agreement and the Arrangement in order to determine, in consultation with its financial advisors and outside legal counsel, whether the proposed amendments would, upon acceptance, result in the Acquisition Proposal previously constituting a Superior Proposal ceasing to be a Superior Proposal. Subject to ATAC's disclosure obligations under applicable Securities Laws, the fact of the making of, and each of the terms of, any such proposed amendments, shall be kept strictly confidential and shall not be disclosed to any person (including without limitation, the person having made the Superior Proposal), other than ATAC's Representatives, without Hecla's prior written consent.

If the ATAC Board determines that such Acquisition Proposal would cease to be a Superior Proposal as a result of the amendments proposed by Hecla, then ATAC will forthwith so advise Hecla and promptly thereafter accept the offer by Hecla to amend the terms of the Arrangement Agreement, and the Arrangement, and the Parties agree to take such actions and execute such documents as are necessary to give effect to the foregoing.

If the ATAC Board continues to believe in good faith, after consultation with its financial advisors and outside legal counsel, that such Acquisition Proposal remains a Superior Proposal and therefore rejects Hecla's offer to amend the Arrangement Agreement and the Arrangement, if any, then ATAC may, subject to compliance with the other provisions of the Arrangement Agreement, terminate the Arrangement Agreement, in accordance with section 6.1(d)(i) of the Arrangement Agreement, and enter into an Acquisition Agreement in respect of such Superior Proposal.

The ATAC Board will reaffirm its recommendation in favour of the Arrangement by news release promptly after (a) the ATAC Board has determined that any Acquisition Proposal is not a Superior Proposal, if the Acquisition Proposal has been publicly announced or made; or (b) the ATAC Board makes the determination that an Acquisition Proposal that has been publicly announced or made and which previously constituted a Superior Proposal has ceased to be a Superior Proposal, and ATAC shall provide Hecla and its outside legal counsel a reasonable opportunity to review and comment on the form and content of any such news release and give reasonable consideration to all amendments to such news release requested by Hecla and its counsel, such news release to state that the ATAC Board has determined that such Acquisition Proposal is not a Superior Proposal.

ATAC and/or any of its subsidiaries will not become a party to any Contract with any person subsequent to the date hereof that limits or prohibits ATAC from providing or making available to (a) Hecla and its affiliates and Representatives any information provided or made available to such person or its officers, directors, employees, consultants, advisors, agents or other representatives (including solicitors, accountants, investment bankers and financial advisors) pursuant to any confidentiality agreement described in section 5.1 of the Arrangement Agreement; or (b) Hecla and its affiliates and Representatives with any other information required to be given to it by ATAC under section 5.1 of the Arrangement Agreement.

Notwithstanding any of the provisions of section 5.1 of the Arrangement Agreement, the ATAC Board has the right to respond, within the time and in the manner required by applicable Securities Laws, to any take-over bid made for the ATAC Shares that it determines is not a Superior Proposal, provided that (a) the ATAC Directors, acting in good faith and upon the advice of outside legal counsel, shall have first determined that the failure to so respond would result in a breach of applicable Securities Laws; (b) Hecla and its counsel has been provided with a reasonable opportunity to review and comment on any such response and the ATAC Board shall give reasonable consideration to such comments; and (c) notwithstanding that the ATAC Board may be permitted to respond in the manner set out in the Arrangement Agreement to an Acquisition Proposal, the ATAC Board shall not be permitted to withdraw, modify, change or qualify its approval or recommendation to vote in favour of the Arrangement Resolution in any manner adverse to Hecla or to make any disclosure that is inconsistent with such approval and recommendation except in accordance with the terms of section 5.1(g) or section 5.1(k)(ii) of the Arrangement Agreement.

Prior to the Meeting, ATAC and the ATAC Board shall not be prohibited from making a Change in Recommendation if (a) a Hecla Material Adverse Effect has occurred and is continuing; and (b) the ATAC Board has reasonably determined in good faith after consultation with ATAC's outside legal counsel that the failure to do so would be inconsistent with the duties of the members of the ATAC Board under applicable Law.

Other Covenants

Insurance and Indemnification

The Parties agreed that all rights to indemnification existing in favour of the present and former directors and officers of ATAC (each such present or former director or officer of ATAC being herein referred to as an "**Indemnified Party**" and such persons collectively being referred to as the "**Indemnified Parties**") as provided by contracts or agreements to which ATAC is a party and in effect as of the date hereof, copies of which are included in the ATAC Diligence Information, will: (i) survive, and continue in full force and effect following, the completion of the transaction contemplated by the Arrangement Agreement; and (ii) shall not be modified by such completion, and from and after the Effective Time Hecla will, and will cause ATAC and any successor to ATAC (including any Surviving Company) to continue to honour such rights of indemnification and indemnify the Indemnified Parties pursuant thereto, with respect to actions or omissions of the Indemnified Parties occurring prior to the Effective Time, for six years following the Effective Date.

ATAC may purchase prepaid non-cancellable run-off directors' and officers' liability insurance providing coverage for a period of six years from the Effective Date with respect to claims arising from or related to facts or events which occur on or prior to the Effective Date, provided that the total cost of such run-off directors' and officers' liability insurance shall not exceed 250% of the current annual aggregate premium for directors' and officers' liability insurance currently maintained by ATAC and its subsidiaries, as disclosed to Hecla before the date of the Arrangement Agreement.

Resignation of Board and Senior Management

ATAC has agreed with Hecla to use commercially reasonable efforts, and it shall cause any of its subsidiaries to use commercially reasonable efforts to cause:

(a) all directors of ATAC and its subsidiaries to provide resignations on the Effective Date, which resignations shall become effective immediately following the acquisition by Hecla of all of the issued and outstanding shares in the capital of ATAC pursuant to the Plan of Arrangement;

(b) all directors of ATAC and its subsidiaries to execute and deliver full and final releases of ATAC and its subsidiaries from all liability and obligations in favour of ATAC (excluding any indemnification obligations set out in the Arrangement Agreement) and in form and substance satisfactory to Hecla, acting reasonably; and

(c) terminate the employment its executive officers and any consultants providing personal services to ATAC effective as at the Effective Time, in exchange for (i) the payments, if any, set forth in schedule 4(b)(iv) of the ATAC Disclosure Letter (which payments, for greater certainty, shall be made by and for the account of ATAC from ATAC's cash on hand and which shall not be an obligation of Hecla or Hecla Acquisition Subco), and (ii) the execution of full and final releases, by the executive officers and consultants in favour of ATAC and its subsidiaries, from all liability and obligations (excluding any indemnification obligations set out in the Arrangement Agreement) and in form and substance satisfactory to Hecla, acting reasonably.

ATAC has also agreed with Hecla that from and after the Effective Time, Cascadia will honour and comply with, or cause its subsidiaries and any successor to Cascadia to honour and comply with the terms of all of the severance payment obligations of ATAC or its subsidiaries under the existing employment, consulting, change of control and severance agreements of ATAC or its subsidiaries.

Covenants regarding Pre-Spinout Reorganization

ATAC has covenanted that on the day prior to the Effective Date, provided that certain conditions as described in the Arrangement Agreement have been satisfied or waived, ATAC shall, and shall cause Cascadia to, enter into an agreement of purchase and sale substantially in the form attached as Schedule F to the Arrangement Agreement (the

"**Cascadia Contribution Agreement**"), pursuant to which ATAC shall agree to transfer the Cascadia Assets to Cascadia on the Effective Date.

Covenants regarding Ancillary Rights Agreement

ATAC has also agreed with Hecla that, on the day prior to the Effective Date, provided that Hecla has confirmed that all conditions in its favour in the Arrangement Agreement have been satisfied or waived and ATAC has confirmed that all conditions in its favour in the Arrangement Agreement have been satisfied or waived (except, in each case, any conditions that are not required to have been, or cannot be completed by the day prior to the Effective Date), ATAC shall cause Cascadia to enter into an agreement regarding certain rights of Hecla substantially in the form attached as Schedule J to the Arrangement Agreement (the "**Ancillary Rights Agreement**"), pursuant to which Hecla shall be granted certain rights to nominate directors to the Cascadia Board, a right of first refusal with respect to the Cascadia Properties and certain other rights with respect to joint ventures with Cascadia. See "*Description of the Business – Ancillary Rights Agreement*" in Appendix "I" of this Circular.

Property Option Agreements

ATAC has agreed it will continue to be responsible for its obligations under those certain property option agreements dated November 20, 2020 regarding the "Blackbear" claims (collectively, the "**Retained Property Option Agreements**") provided that ATAC shall cause Hecla to issue Hecla Shares to such counterparties in lieu of ATAC Shares on the basis of the Hecla Share Consideration. ATAC and Hecla shall cooperate regarding providing notice to and obtaining any necessary consent or acknowledgement from such counterparties in form satisfactory to Hecla as to the issuance Hecla Shares to such counterparties in lieu of ATAC Shares on the basis of the Hecla Share Consideration.

ATAC agrees that Cascadia shall assume all obligations of ATAC under those certain property option agreements dated January 20, 2022 regarding the "Catch" and February 21, 2022 as amended February 28, 2022 and April 28, 2023 regarding the "Pil" claims (collectively, the "**Transferred Property Option Agreements**") including, without restriction, the obligations of ATAC to issue shares as consideration under such agreements and that Cascadia shall issue Cascadia securities to such counterparties in lieu of ATAC Shares. The Company and Hecla shall cooperate regarding providing notice to and obtaining any necessary consent or acknowledgement from such counterparties in form satisfactory to Hecla as to the issuance Cascadia Shares to such counterparties in lieu of ATAC Shares.

Qualified Expenditure Balance

The ATAC Budget shall set forth the Company's proposed expenditure of qualified expenditures during the period commencing on the date of the Arrangement Agreement to the Effective Date. All such expenditures shall be CEE that will qualify as Flow-Through Mining Expenditures, and the Company shall not actually incur any such proposed expenditures other than provided in the ATAC Budget without the prior written consent of Hecla (such consent not to be unreasonably withheld), the aggregate amount of such expenditures duly and actually incurred prior to the Effective Time being referred to herein as the "**Accepted Expenditures**". A cash amount equal to the Qualified Expenditure Balance less the Accepted Expenditures shall be retained by the Company and shall be deducted from the cash forming part of the assets conveyed to Cascadia under the Cascadia Contribution Agreement.

Pre-Acquisition Reorganization

ATAC agrees that, upon the request of Hecla, ATAC shall: (i) perform such additional reorganizations of its corporate structure, capital structure, business, operations and assets or such other transactions as Hecla may request, acting reasonably (each a "**Pre-Acquisition Reorganization**"), and (ii) cooperate with Hecla and its advisors to determine the nature of any Pre-Acquisition Reorganization that might be undertaken and the manner in which such Pre-Acquisition Reorganization would most effectively be undertaken.

Hecla must provide written notice to ATAC of any proposed Pre-Acquisition Reorganization at least ten (10) Business Days prior to the Effective Date.

Hecla agrees that it will be responsible for all costs and expenses (including any professional fees and expenses) associated with any Pre-Acquisition Reorganization to be carried out at its request and shall indemnify and save harmless ATAC and its affiliates from and against any and all liabilities, losses, damages, claims, costs, taxes, expenses, interest awards, judgements and penalties suffered or incurred by any of them in connection with or as a result of any such Pre-Acquisition Reorganization if after participating in any Pre-Acquisition Reorganization the Arrangement is not completed other than due to a breach by ATAC of the terms and conditions of the Arrangement Agreement.

Hecla acknowledges and agrees that the Pre-Acquisition Reorganization shall not: (i) materially impede, prevent or delay completion of the Arrangement; (ii) in the opinion of ATAC, acting reasonably, prejudice the ATAC Shareholders in any respect; (iii) require ATAC to obtain the approval of the ATAC Shareholders or contravene any applicable Laws, ATAC's constating documents or any Material Contract; (iv) unreasonably interfere in any material operations of ATAC or its subsidiaries prior to the Effective Time; (v) be considered in determining whether a representation, warranty or covenant of ATAC has been breached; (vi) require ATAC or any subsidiary to contravene any Laws, their respective organizational documents or any Material Contract; or (vii) result in any Taxes being imposed on, or any adverse Tax or other consequences to, any securityholder of ATAC incrementally greater than the Taxes or other consequences to such party in connection with the consummation of the Arrangement in the absence of any Pre-Acquisition Reorganization.

Control of Business

Nothing in the Arrangement Agreement gives either Party, directly or indirectly, the right to control or direct the operations of the other Party prior to the Effective Time. Prior to the Effective Time, each Party shall exercise, consistent with the terms and conditions of the Arrangement Agreement, complete control and supervision over its and each of its subsidiaries' respective operations.

Certain Filings

ATAC shall contact the appropriate Governmental Authority to initiate the filing process contemplated by Schedule 7.3 of the ATAC Disclosure Letter within three Business Days after the date of the Arrangement Agreements and shall as soon as practicable thereafter cause such filing to be to be completed and shall provide Hecla with written confirmation thereof.

Termination

The Arrangement Agreement may be terminated prior to the Effective Time in certain circumstances, including:

1. by mutual written agreement of Hecla and ATAC;

2. by either Hecla or ATAC, if:

    (a) the Effective Time does not occur on or before the Outside Date, provided that this right to terminate the Arrangement Agreement shall not be available to any Party whose failure to fulfil any of its covenants or obligations or breach of any of its representations and warranties under the Arrangement Agreement has been a principal cause of, or resulted in, the failure of the Effective Time to occur by such date;

    (b) the Meeting is held and the Arrangement Resolution is not approved by the Affected Securityholders in accordance with applicable Laws and the Interim Order; or

    (c) any Law is enacted, made, enforced or amended, as applicable, that makes the completion of the Arrangement or the transactions contemplated by the Arrangement Agreement illegal or otherwise prohibited, and such Law has become final and non-appealable, provided that this right to terminate the Arrangement Agreement shall not be available to any Party unless such Party has used its

commercially reasonable efforts to, as applicable, appeal or overturn such Law or otherwise have it lifted or rendered non-applicable in respect of the Arrangement.

3. by Hecla, if:

   (a) the ATAC Board or any committee thereof (A) fails to publicly make a recommendation that ATAC Shareholders vote in favour of the Arrangement Resolution as contemplated in the Arrangement Agreement; or (B) fails to reaffirm its recommendation that the ATAC Shareholders vote in favour of the Arrangement Resolution by the third Business Day of an event under the Arrangement Agreement or following receipt of a request by Hecla to do so (and in each case if the Meeting is scheduled to occur within such three Business Day period, then prior to the third Business Day prior to the date of the Meeting) (each of the foregoing a "**Change of Recommendation**");

   (b) ATAC or the ATAC Board or any committee thereof (A) withdraws, modifies, qualifies or changes, in a manner adverse to Hecla, its approval or recommendation of the Arrangement; or (B) accepts, approves, endorses or recommends any Acquisition Proposal; or (C) takes no position or remains neutral with respect to any publicly announced or otherwise publicly disclosed Acquisition Proposal for a period exceeding three Business Days (or, if the Meeting is scheduled to occur within such three Business Day period, then for a period beyond the third Business Day prior to the date of the Meeting); or (D) publicly proposes or announces its intention to do any of the foregoing;

   (c) ATAC (A) enters into an Acquisition Agreement in respect of any Acquisition Proposal (other than an Acceptable Confidentiality Agreement permitted by the Arrangement Agreement); or (B) breaches any of its material obligations or material covenants set forth in the Arrangement Agreement;

   (d) subject to compliance with the Arrangement Agreement, ATAC breaches any of its representations, warranties, covenants or agreements contained in the Arrangement Agreement, which breach would cause any of the conditions set forth in the Arrangement Agreement in favour of Hecla not to be satisfied, and such breach is incapable of being cured or is not cured in accordance with the terms the Arrangement Agreement, provided, however, that Hecla is not then in breach of the Arrangement Agreement so as to cause any of the conditions set forth in the Arrangement Agreement in favour of ATAC not to be satisfied; or

   (e) an ATAC Material Adverse Effect has occurred and is continuing.

4. By ATAC, if:

   (a) at any time prior to the approval of the Arrangement Resolution, if the ATAC Board approves and authorizes ATAC to enter into a definitive agreement providing for the implementation of a Superior Proposal in accordance with the Arrangement Agreement, subject to ATAC: (A) complying with the terms of section 5.1 of the Arrangement Agreement; and (B) paying the Termination Fee;

   (b) at any time prior to the Effective Time, subject to compliance with the Arrangement Agreement, if Hecla breaches any of its representations, warranties, covenants or agreements contained in the Arrangement Agreement, which breach would cause any of the conditions set forth in the Arrangement Agreement in favour of ATAC not to be satisfied, and such breach is incapable of being cured or is not cured in accordance with the terms of the Arrangement Agreement, provided, however, that ATAC is not then in breach of the Arrangement Agreement so as to cause any of the conditions set forth in the Arrangement Agreement in favour of Hecla not to be satisfied; or

   (c) a Hecla Material Adverse Effect has occurred and is continuing.

Termination Fee

Hecla is entitled to be paid by ATAC a termination fee of $1.65 million (the "**Termination Fee**") upon the occurrence of any of the following events:

(a) each of the following has occurred: (i) the Arrangement Agreement has been terminated as a result of the Arrangement failing to be completed by the Outside Date or the Arrangement Resolution not being approved by the ATAC Shareholders, and (A) prior to such termination, another person has publicly announced an Acquisition Proposal or (B) a proposed or intended Acquisition Proposal is made, publicly announced or otherwise publicly disclosed by any person (and it was not withdrawn), and (ii) within 365 days of the termination, either (C) an Acquisition Proposal is consummated, or (D) ATAC or one or more of its subsidiaries has entered into an Acquisition Agreement in respect of any Acquisition Proposal, which Acquisition Proposal is subsequently consummated, provided, however, that for the purposes of this paragraph all references to "20% or more" in the definition of Acquisition Proposal will be changed to "50% or more";

(b) the Arrangement Agreement has been terminated by Hecla as a result of a breach of a representation, warranty, covenant or agreement under the Arrangement Agreement, and within 365 days following the date of such termination, either (A) a an Acquisition Proposal is consummated, or (B) ATAC or one or more of its subsidiaries, directly or indirectly, in one or more transactions, enters into a contract in respect of an Acquisition Proposal and such Acquisition Proposal is subsequently consummated at any time thereafter, provided, however, that for the purposes of this paragraph all references to "**20% or more**" in the definition of Acquisition Proposal shall be changed to "**50% or more**";

(c) the Arrangement Agreement has been terminated by Hecla as a result of a Change of Recommendation, other than a Change of Recommendation in connection with a Hecla Material Adverse Effect;

(d) the Arrangement Agreement has been terminated by Hecla as a result of a withdrawal in recommendation by ATAC, the ATAC Board or any committee thereof;

(e) the Arrangement Agreement has been terminated by Hecla as a result of an endorsement of any Acquisition Proposal by ATAC, the ATAC Board or any committee thereof; or

(f) the Arrangement Agreement has been terminated by ATAC as a result of the ATAC Board approving or authorizing a definitive agreement for the implementation of a Superior Proposal, provided ATAC has otherwise complied with its obligations in that regard.

If Hecla terminates the Arrangement Agreement due to actions by ATAC which result in ATAC's breach of its representations, warranties, covenants or agreements under the Arrangement Agreement, this termination is considered a "**Purchaser Expense Reimbursement Event**".

In the case of the occurrence of a Purchaser Expense Reimbursement Event, ATAC will timely reimburse Hecla for the Hecla's reasonable and documented out-of-pocket expenses incurred in connection with the transactions contemplated by the Arrangement Agreement, including all legal, accounting, taxation, technical and engineering and investment banking fees and disbursements. In the event ATAC pays Hecla the Termination Fee, no fees for Hecla Expense Reimbursement Event will be reimbursed by ATAC. To the extent that Hecla is obligated to pay the Termination Fee upon the subsequent occurrence of an event under paragraph (b) above, the amount of the Termination Fee will be reduced by the amount of the expenses reimbursed to Hecla by ATAC pursuant to the first sentence of this paragraph.

If ATAC terminates the Arrangement Agreement due to actions by Hecla which result in Hecla's breach of its representations, warranties, covenants or agreements under the Arrangement Agreement, this termination is considered a "**Company Expense Reimbursement Event**".

In the case of the occurrence of a Company Expense Reimbursement Event, Hecla shall timely reimburse ATAC for ATAC's reasonable and documented out-of-pocket expenses incurred in connection with the transactions contemplated by the Arrangement Agreement, including all legal, accounting, taxation, technical and engineering and investment banking fees and disbursements.

PART 9. OPINION OF FORT CAPITAL

The Special Committee engaged Fort Capital as a financial advisor. In connection with this engagement, the Special Committee requested that Fort Capital render an opinion to the Special Committee as to the fairness, from a financial point of view, of the Arrangement Consideration to be received by ATAC Shareholders pursuant to the Arrangement. On April 3, 2023, the Special Committee held a meeting to evaluate the Arrangement. Fort Capital rendered an oral opinion, which was confirmed by delivery of a written opinion dated April 3, 2023, to the Special Committee that, as of April 3, 2023 and based on and subject to assumptions made, procedures followed, matters considered and qualifications and limitations on the review undertaken described in the Fairness Opinion, the Arrangement Consideration to be received by ATAC Shareholders pursuant to the Arrangement was fair, from a financial point of view, to such holders.

The full text of Fort Capital's written opinion, dated April 3, 2023, which describes the assumptions made, procedures followed, matters considered and qualifications and limitations on the review undertaken, is attached as Appendix "C" to this Circular. The description of the Fairness Opinion set forth in this Circular is qualified in its entirety by reference to the full text of the Fairness Opinion, which is incorporated by reference herein in its entirety. Fort Capital believes that its analyses must be considered as a whole, and that selecting portions of the analyses, or the factors considered by Fort Capital, without considering all factors and analyses together, could create a misleading view of the process underlying the Fort Capital Fairness Opinion. The preparation of a fairness opinion is a complex process and is not necessarily susceptible to partial analysis or summary description. Any attempt to do so could lead to undue emphasis on any particular factor or analysis. The Fairness Opinion was for the benefit of the Special Committee (in its capacity as such) in connection with its evaluation of the Arrangement and did not address any terms or other aspects of the Arrangement other than the Arrangement Consideration to the extent expressly specified in the Fairness Opinion. The Fairness Opinion did not address the relative merits of the Arrangement as compared to any other transaction or business strategy in which ATAC might engage or the merits of the underlying decision by ATAC to engage in the Arrangement. The Fairness Opinion is not intended to and does not constitute a recommendation to any ATAC Securityholder as to how any such ATAC Securityholder should vote or act with respect to the Arrangement or any matter relating thereto.

Scope of Review

In preparing the Fairness Opinion, Fort Capital, among other things, reviewed, considered, and relied upon, without attempting to verify independently the completeness or accuracy thereof, the following:

(g) A draft of the Arrangement Agreement, including relevant schedules, dated March 31, 2023;

(h) A draft of the Plan of Arrangement dated March 31, 2023;

(i) The executed LOI dated February 16, 2023 between ATAC and Hecla;

(j) Certain publicly available information relating to the business, operations, financial condition and trading history of ATAC, Hecla and other selected public companies that Fort Capital considered relevant;

(k) Consolidated draft annual financial statements of ATAC for the years ended December 31, 2022, 2021 and 2020, together with the notes thereto and the auditors' reports thereon;

(l) Relevant regulatory requirements and national instruments, and relevant corporate and public market information, in relation to Hecla's share classification as a "**Liquid Market**";

(m) Management's discussion and analysis of the results of operations and financial condition of ATAC for the years ended December 31, 2022, 2021 and 2020;

(n) Interim financial statements of the Company for the periods ending September 30, 2022, June 30, 2022 and March 31, 2022 along with the management's discussion and analysis for those periods;

(o) Technical report (NI 43-101) dated February 27, 2020 on the Tiger Deposit, Rackla Gold Project (the "**Tiger PEA**");

(p) The underlying Tiger PEA financial model, and tax adjustments made thereto, for the Tiger Deposit;

(q) Technical report (NI 43-101) dated June 7, 2022 on the Osiris Project;

(r) Details of historical spending on certain wholly owned, partially owned, and optioned properties; and

(s) Discussion and inquiry of ATAC Senior Management.

Approach to Fairness

In support of the Fairness Opinion, Fort Capital performed certain financial analyses with respect to ATAC based on methodologies and assumptions that we considered appropriate in the circumstances for the purposes of providing the Fairness Opinion.

In considering the fairness, from a financial point of view, of the Arrangement Consideration to ATAC Shareholders, Fort Capital performed sum-of-the-parts analysis to determine a range of indicative value range of the ATAC Shares, by aggregating estimates of value for each asset and liability of ATAC. Fort Capital considered various forms of analysis with respect to valuing ATAC's mineral properties in its sum-of-the-parts analysis, including the following:

- Net asset value analysis, using the forecast from the Tiger PEA, updated for certain assumptions (applied to the Rackla (Rau) projects);
- Comparable company analysis, focusing on comparable gold developers with assets in North America (applied to the Rackla (Rau) and Rackla (Nadaleen) projects);
- Precedent transaction analysis, focusing on comparable transactions over the last six years (applied to the Rackla (Rau) and Rackla (Nadaleen) projects);
- Historical spend, for assets that lack a defined resource or economic study (applied to the Connaught, Catch, Pil and Rosy projects); and
- Other considerations Fort Capital deemed relevant.

Fairness Considerations

Fort Capital's assessment of the fairness of the Arrangement Consideration to be paid by Hecla to the ATAC Shareholders pursuant to the Arrangement, from a financial point of view, was based upon several quantitative and qualitative factors including, but not limited to:

(a) a comparison of the Consideration relative to the range of share prices for the ATAC Shares derived from sum-of-the-parts analysis;

(b) the trading liquidity of the ATAC Shares, and the liquidity provided to ATAC Shareholders pursuant to the contemplated transaction;

(c) the premia implied by the Consideration to the unaffected closing price and 10-day volume weighted average price on the TSXV of the ATAC Shares as at February 17, 2023, which were 75% and 89%, respectively;

(d) the ongoing exposure to some of ATAC's assets through a meaningful ownership in Cascadia; and

(e) the overall value discovery and strategic review process, which included a publicly disclosed unsolicited non-binding takeover offer.

PART 10. SECURITIES LAW MATTERS

The following is a brief summary of the securities law considerations applicable to the Arrangement and transactions contemplated thereby. This summary is of a general nature only and is not intended to be, and should not be construed to be, legal or business advice to any particular ATAC Shareholder. This summary does not include any information regarding securities law considerations for jurisdictions other than Canada and the United States. ATAC Shareholders are urged to obtain independent advice in respect of the consequences to them of the Arrangement having regard to their particular circumstances.

Canadian Securities Law Matters

Each ATAC Securityholder is urged to consult his or her professional advisors to determine the Canadian conditions and restrictions applicable to trades in Hecla Shares.

Status under Canadian Securities Laws

ATAC is a reporting issuer in the provinces of British Columbia and Alberta. The ATAC Shares currently trade on the TSXV. Following the Effective Date, the ATAC Shares will be delisted from the TSXV (anticipated to be effective two Business Days following the Effective Date) and Hecla expects to apply to the applicable Canadian securities regulators to have ATAC cease to be a reporting issuer.

Hecla is a reporting issuer in each of the provinces and territories of Canada. Pursuant to National Instrument 71-102 – *Continuous Disclosure and Other Exemptions Relating to Foreign Issuers*, Hecla will be generally exempt from Canadian statutory financial and other continuous and timely reporting requirements, including the requirement for insiders of Hecla to file reports with respect to trades of Hecla securities, provided Hecla complies with the requirements of U.S. Securities Laws and U.S. market requirements in respect of all financial and other continuous and timely reporting matters and Hecla files with the relevant provincial securities regulatory authorities copies of its documents filed with the SEC under the U.S. Exchange Act. The Hecla Shares are listed on the NYSE.

Upon completion of the Arrangement, Cascadia will become a reporting issuer in the provinces of British Columbia and Alberta and will become subject to informational reporting requirements under applicable Canadian Securities Laws. Cascadia Shares to be issued to ATAC Shareholders pursuant to the Arrangement may be subject to certain trading restrictions under U.S. Securities Laws. Further information applicable to ATAC U.S. Shareholders is disclosed under the heading "*Part 2 – Notice to Securityholders in the United States*" of this Circular.

Distribution and Resale of Hecla Shares and/or Cascadia Shares under Canadian Securities Laws

The distribution of the Hecla Shares and Cascadia Shares pursuant to the Arrangement will constitute a distribution of securities that is exempt from the prospectus requirements of Canadian securities legislation and is exempt from or otherwise is not subject to the registration requirements under applicable securities legislation. The Hecla Shares and Cascadia Shares received pursuant to the Arrangement will not be legended and may be resold in each of the provinces and territories of Canada provided that: (i) the trade is not a "control distribution" (as defined in National Instrument 45-*102 Resale of Securities*); (ii) no unusual effort is made to prepare the market or to create a demand for Hecla Shares and Cascadia Shares; (iii) no extraordinary commission or consideration is paid to a person in respect of such sale; and (iv) if the selling securityholder is an insider or officer of Hecla or Cascadia, as applicable and as the case may be, the selling securityholder has no reasonable grounds to believe that Hecla or Cascadia, as applicable and as the case may be, is in default of applicable Canadian Securities Laws.

MI 61-101 Protection of Minority Security Holders in Special Transactions

Under the Plan of Arrangement, all ATAC Shareholders are treated identically and no ATAC Shareholder receives any "collateral benefit" as defined in MI 61-101. Pursuant to the individual employment agreements or equivalent agreements ATAC has entered into with certain members of the ATAC Senior Management, the completion of the Arrangement will also result in the payment by ATAC of the Lump Sum Payments. Any Lump Sum Payments to which each of the members of the ATAC Senior Management are or may be entitled to do not constitute a "collateral benefit" for purposes of MI 61-101.

See "*Part 7 – The Arrangement – Interests of Certain Persons in the Arrangement*" and "*Part 7 – The Arrangement – MI 61-101 Protection of Minority Security Holders in Special Transactions*" of this Circular.

United States Securities Law Matters

The following discussion is a general overview of certain requirements of U.S. federal Securities Laws that may be applicable to ATAC U.S. Shareholders. All ATAC U.S. Shareholders are urged to consult with their own legal counsel to ensure that any subsequent resale of Hecla Shares to be received in exchange for their ATAC Shares pursuant to the Arrangement complies with applicable securities legislation.

Further information applicable to ATAC U.S. Shareholders is disclosed under the heading "*Part 2 – Notice to Securityholders in the United States*" of this Circular.

The following discussion does not address the Canadian Securities Laws that will apply to the issue of Hecla Shares or the resale of these securities within Canada by ATAC Shareholders in the United States. ATAC Shareholders in the United States reselling their Hecla Shares in Canada must, in addition to complying with U.S. Securities Laws, comply with all applicable Canadian Securities Laws. See "*Part 10 – Securities Law Matters – Canadian Securities Law Matters – Distribution and Resale of Hecla Shares and/or Cascadia Shares under Canadian Securities Laws*" of this Circular.

Exemption from the Registration Requirements of the U.S. Securities Act

The Hecla Shares and the Cascadia Shares to be received by ATAC Shareholders in exchange for their ATAC Shares pursuant to the Arrangement will not be registered under the U.S. Securities Act or the Securities Laws of any state of the United States and will be issued and exchanged in reliance upon the exemption from registration provided by Section 3(a)(10) of the U.S. Securities Act and exemptions from or qualifications under the registration requirements under the Securities Laws of applicable states of the United States. Section 3(a)(10) of the U.S. Securities Act exempts the issuance of any securities issued in exchange for one or more bona fide outstanding securities, or partly in such exchange and partly for cash, from the registration requirements of the U.S. Securities Act, where the terms and conditions of the issuance and exchange of such securities have been approved by a court of competent jurisdiction that is expressly authorized by law to grant such approval, after a hearing upon the substantive and procedural fairness of the terms and conditions of such issuance and exchange at which all persons to whom it is proposed to issue the securities have the right to appear and have received timely and adequate notice thereof. The Court is authorized to conduct a hearing at which the fairness of the terms and conditions of the Arrangement will be considered. Accordingly, the Final Order will, if granted, constitute a basis for the exemption from the registration requirements of the U.S. Securities Act provided by Section 3(a)(10) thereof with respect to the Hecla Shares to be received by ATAC Shareholders in exchange for their ATAC Shares and the issuance of the Cascadia Shares pursuant to the Arrangement.

Resales of Hecla Shares After the Effective Date

The Hecla Shares to be received by ATAC Shareholders in exchange for their ATAC Shares pursuant to the Arrangement will be freely transferable under U.S. federal Securities Laws, except by persons who are "affiliates" of Hecla after the Effective Date, or were "affiliates" of Hecla within 90 days prior to the Effective Date. Persons who may be deemed to be "affiliates'" of an issuer include individuals or entities that control, are controlled by, or are under common control with, the issuer, whether through the ownership of voting securities, by contract or otherwise, and generally include executive officers and directors of the issuer as well as principal shareholders of the issuer.

Resale of Hecla Shares by such affiliate (or, if applicable, former affiliates) may be subject to additional restrictions under applicable U.S. Securities Laws absent an exemption such as Rule 144.

Resales of Cascadia Shares After the Effective Date

The Cascadia Shares to be received by ATAC Shareholders in exchange for their ATAC Shares pursuant to the Arrangement will be freely transferable under U.S. federal Securities Laws, except by persons who are "affiliates" of Cascadia after the Effective Date, or were "affiliates" of Cascadia within 90 days prior to the Effective Date.

Any resale of Cascadia Shares by such an affiliate (or, if applicable, former affiliate) may be subject to additional restrictions under the U.S. Securities Act, absent an exemption therefrom such as Rule 144 or Rule 904.

Resales by Affiliates after the Completion of the Arrangement

Affiliates – Rule 144

In general, under Rule 144, persons who are "affiliates" of Hecla or Cascadia after the Arrangement or who have been "affiliates" of Hecla or Cascadia within 90 days of the Effective Date will be entitled to sell the Hecla Shares or Cascadia Shares, as applicable, that they receive in connection with the Arrangement, provided that the number of such securities sold during any three-month period does not exceed the greater of 1% of the then outstanding securities of such class or, if such securities are listed on a United States securities exchange, the average weekly trading volume of such securities during the four-week period preceding the date of sale, subject to specified restrictions on the manner of sale, notice requirements, aggregation rules and the availability of current public information about Hecla or Cascadia, as applicable. Persons who are "affiliates" of Hecla or Cascadia after the Arrangement will continue to be subject to the resale restrictions described in this paragraph for so long as they continue to be "affiliates" of such entity.

Affiliates – Regulation S

In general, under Rule 904 of Regulation S, persons who are "affiliates" of Hecla or Cascadia following the Effective Date solely by virtue of their status as an officer or director of Hecla or Cascadia may sell their the Hecla Shares or Cascadia Shares, as applicable, outside the United States in an "offshore transaction" (which would include a sale through the TSXV, if applicable) if neither the seller, an affiliate nor any person acting on its behalf engages in "directed selling efforts" in the United States and provided that no selling commission, fee or other remuneration is paid in connection with such sale other than the usual and customary broker's commission that would be received by a person executing such transaction as agent. For purposes of Regulation S, "directed selling efforts" means any activity undertaken for the purpose of, or that could reasonably be expected to have the effect of, conditioning the market in the United States for any of the securities being offered. Also, under Regulation S, subject to certain exceptions contained in Regulation S, an "offshore transaction" is a transaction in which the offer of the applicable securities is not made to a person in the United States, and either (a) at the time the buy order is originated, the buyer is outside the United States or the seller reasonably believes that the buyer is outside of the United States, or (b) the transaction is executed in, on or through the facilities of a designated offshore securities market (which would include a sale on the TSXV). Certain additional restrictions, set forth in Rule 903 of Regulation S, are applicable to sales outside the United States by a holder of Hecla Shares or Cascadia Shares who is an "affiliate" of such entity upon completion of the Arrangement other than by virtue of his or her status as an officer or director of such entity.

United States Reporting Obligations of Cascadia

Cascadia expects to qualify for the exemption from reporting provided by Rule 12g3-2(b) under the U.S. Exchange Act, and as a result, does not expect to be a reporting company under the U.S. Exchange Act following the Arrangement.

New York Stock Exchange Approval

Hecla Shares currently trade on the NYSE. Hecla will apply to list the Hecla Shares issuable by Hecla under the Arrangement on the NYSE.

Section 16 Matters

Prior to the Effective Time, ATAC intends to take all actions to cause any dispositions of equity securities of ATAC (including any derivative securities with respect to any equity securities of ATAC) pursuant to the transactions contemplated by the Arrangement by each individual who is a director or officer of ATAC, and who would otherwise be subject to Rule 16b-3 under the U.S. Exchange Act, to be exempt under U.S. Exchange Act Rule 16b-3.

PART 11. REGULATORY MATTERS

The ATAC Shares are listed and posted for trading on the TSXV and the Hecla Shares are listed and posted for trading on the NYSE. It is a condition of the Arrangement that the NYSE shall have approved for listing, the Hecla Shares to be issued in connection with the Arrangement. NYSE approval for the listing of the Hecla Shares to be issued in connection with the Arrangement is required to be obtained prior to the closing of the Arrangement. Hecla will apply to have the Hecla Shares listed on the NYSE. Listing is subject to the approval of the NYSE in accordance with its original listing requirements, and there is no assurance that the NYSE will approve the listing application.

Cascadia has applied to have the Cascadia Shares listed on the TSXV. Listing is subject to the approval of the TSXV in accordance with its original listing requirements. The TSXV has not conditionally approved the listing of the Cascadia Shares on the TSXV and there is no assurance that the TSXV will approve the listing application. Listing of the Cascadia Shares on the TSXV (or any other exchange) is not a condition to the completion of the Arrangement. There is no present intention to list Cascadia Shares for trading on any national securities exchange in the United States.

Other Regulatory Approvals

Other than the Final Order and the necessary conditional approvals, or approvals, as the case may be, of the NYSE having been obtained, ATAC is not aware of any material approval, consent or other action by any federal, provincial, state or foreign government or any administrative or regulatory agency that would be required to be obtained in order to complete the Arrangement. In the event that any such approvals or consents are determined to be required, such approvals or consents will be sought. Any such additional requirements could delay the Effective Date or prevent the completion of the Arrangement. While there can be no assurance that any regulatory consents or approvals that are determined to be required will be obtained, ATAC currently anticipates that any such consents and approvals that are determined to be required will have been obtained or otherwise resolved by the Effective Date. Subject to approval of the Arrangement Resolution at the Meeting in accordance with the Interim Order, receipt of the Final Order and the satisfaction or waiver of all other conditions specified in the Arrangement Agreement, the Effective Date is expected to occur in early July 2023, but no later than September 5, 2023 unless otherwise agreed to between ATAC and Hecla.

PART 12. STOCK EXCHANGE DE-LISTING AND REPORTING ISSUER STATUS

It is expected that the ATAC Shares will be de-listed from the TSXV following the consummation of the Arrangement, subject to the rules of the TSXV. Hecla will also seek a ruling of applicable Canadian securities regulators that ATAC cease to be a reporting issuer under applicable Securities Laws following completion of the Arrangement.

PART 13. DISSENTING SHAREHOLDERS' RIGHTS

The following is a summary of the provisions of the BCBCA relating to a Registered ATAC Shareholder's dissent and appraisal rights in respect of the Arrangement Resolution. Such summary is not a comprehensive statement of the procedures to be followed by a Dissenting Shareholder who seeks payment of the fair value of his, her or its ATAC Shares and is qualified in its entirety by reference to the full text of Division 2 of Part 8 of the BCBCA (which is attached to this Circular as Appendix "G"), as modified and supplemented by the Plan of Arrangement, the Interim Order and the Final Order.

The statutory provisions dealing with the right of dissent are technical and complex. Any Dissenting Shareholders should seek independent legal advice, as failure to comply strictly with the provisions of Division 2 of Part 8 of the BCBCA, as modified and supplemented by the Plan of Arrangement, the Interim Order and the Final Order, may result in the loss of all Dissent Rights.

The Interim Order expressly provides Registered ATAC Shareholders with the right to dissent with respect to the Arrangement Resolution. Each Dissenting Shareholder is entitled to be paid the fair value (determined immediately before the Arrangement Resolution is approved) of all, but not less than all, of the holder's ATAC Shares, provided that the holder validly dissents to the Arrangement Resolution and the Arrangement becomes effective.

Holders of ATAC Options and ATAC Warrants will not be entitled to exercise Dissent Rights in respect of their ATAC Options or ATAC Warrants. When a beneficial owner holds ATAC Shares through an Intermediary such as a bank, trust company, securities dealer or broker and trustee or administrator of self- administered registered retirement savings plans, registered retirement income funds, registered education savings plans and similar plans, the beneficial owner is considered to be a non-registered holder (a "**Non-Registered ATAC Shareholder**"). In many cases, ATAC Shares beneficially owned by a holder are registered either: (i) in the name of an Intermediary that the Non-Registered ATAC Shareholder deals with in respect of such shares, such as, among others, banks, trust companies, securities brokers, trustees and other similar entities; or (ii) in the name of a depository, such as CDS & Co., of which the Intermediary is a participant. Accordingly, a Non-Registered ATAC Shareholder will not be entitled to exercise his, her or its rights of dissent directly (unless the ATAC Shares are reregistered in the Non-Registered ATAC Shareholder's name).

With respect to ATAC Shares subject to the Arrangement, pursuant to the Interim Order, a Registered ATAC Shareholder as of the Record Date, other than an affiliate of ATAC, may exercise rights of dissent under Division 2 of Part 8 of the BCBCA, as modified and supplemented by the Plan of Arrangement, the Interim Order and the Final Order; provided that, notwithstanding Section 242(2) of the BCBCA, the written objection to the Arrangement Resolution must be sent to ATAC c/o Stikeman Elliott LLP at Suite 1700, 666 Burrard Street, Vancouver, BC V6C 2X8, Attention: Neville McClure, by not later than 5:00 p.m. (Vancouver Time) on June 21, 2023 or on the date which is two Business Days prior to any adjournment or postponement of the Meeting.

To exercise Dissent Rights, an ATAC Shareholder must dissent with respect to all ATAC Shares of which he, she or it is the registered and beneficial owner. A Registered ATAC Shareholder who wishes to dissent must deliver a written notice of dissent to ATAC and such notice of dissent must strictly comply with the requirements of Section 242 of the BCBCA, as modified and supplemented by the Plan of Arrangement, the Interim Order and the Final Order. **Any failure by an ATAC Shareholder to fully comply with the provisions of the BCBCA, as modified and supplemented by the Plan of Arrangement, the Interim Order and the Final Order, may result in the loss of that holder's Dissent Rights. Voting against the Arrangement Resolution does not satisfy the notice requirements under Division 2 of Part 8 of the BCBCA.** Non-Registered ATAC Shareholders who wish to exercise Dissent Rights must cause each Registered ATAC Shareholder holding their ATAC Shares to deliver the notice of dissent, or, alternatively, make arrangements to become a Registered ATAC Shareholder.

To exercise Dissent Rights, a Registered ATAC Shareholder must prepare a separate notice of dissent for himself, herself or itself, if dissenting on his, her or its own behalf, and for each other Non-Registered ATAC Shareholder who beneficially owns ATAC Shares registered in the Registered ATAC Shareholder's name and on whose behalf the Registered ATAC Shareholder is dissenting; and must dissent with respect to all of the ATAC Shares registered in his, her or its name or if dissenting on behalf of a Non-Registered ATAC Shareholder, with respect to all of the ATAC Shares registered in his, her or its name and beneficially owned by the Non-Registered ATAC Shareholder on whose behalf the Registered ATAC Shareholder is dissenting.

The notice of dissent must set out the number of Notice Shares and: (a) if such Notice Shares constitute all of the ATAC Shares of which the ATAC Shareholder is the registered and beneficial owner and the ATAC Shareholder owns no other ATAC Shares beneficially, a statement to that effect; (b) if such Notice Shares constitute all of the ATAC Shares of which the ATAC Shareholder is both the registered and beneficial owner, but the ATAC Shareholder owns additional ATAC Shares beneficially, a statement to that effect, including the names of the Registered ATAC Shareholder(s) of such additional ATAC Shares, the number of such additional ATAC Shares held by each such Registered ATAC Shareholder and a statement that written notices of dissent are being or have been sent with respect to such other ATAC Shares; or (c) if the Dissent Rights are being exercised by a Registered ATAC Shareholder who is not the beneficial owner of such Notice Shares, a statement to that effect including the name and address of the Non-Registered ATAC Shareholder(s) of such ATAC Shares and a statement that each such Registered ATAC Shareholder is dissenting with respect to all ATAC Shares of the Non-Registered ATAC Shareholder registered in such Registered ATAC Shareholder's name.

If the Arrangement Resolution is approved at the Meeting, ATAC will notify registered holders of Notice Shares of ATAC's intention to act upon the Arrangement Resolution, and pursuant to Section 243 of the BCBCA, in order to exercise Dissent Rights, such ATAC Shareholder must, within one month after ATAC gives such notice, send to ATAC or its Transfer Agent and Registrar a written notice that such holder requires the purchase of all of the Notice Shares. Such written notice must be accompanied by the certificate or certificates or DRS Statement representing those Notice Shares (including a written statement prepared in accordance with Section 244(2) of the BCBCA if the dissent is being exercised by the Registered ATAC Shareholder on behalf of a Non-Registered ATAC Shareholder). Upon such written notice, and subject to the provisions of the BCBCA relating to the termination of Dissent Rights, the ATAC Shareholder becomes a Dissenting Shareholder, and is bound to sell and ATAC (or any successor by amalgamation) is bound to purchase all of those Notice Shares. Such Dissenting Shareholder may not vote, or exercise or assert any rights of an ATAC Shareholder in respect of such Notice Shares, other than the rights set forth in Sections 237 to 247 of the BCBCA, as modified and supplemented by the Plan of Arrangement, the Interim Order and the Final Order.

Dissenting Shareholders who exercise Dissent Rights and who are: (a) ultimately entitled to be paid fair value for their ATAC Shares, will be paid an amount equal to such fair value by ATAC (or any successor by amalgamation), and will be deemed to have irrevocably transferred such ATAC Shares to ATAC as of the Effective Time, free and clear of all Encumbrances; or (b) ultimately not entitled, for any reason, to be paid fair value for their ATAC Shares, will be deemed to have participated in the Arrangement, as of the Effective Time, on the same basis as a non-Dissenting Shareholder.

If a Dissenting Shareholder is ultimately entitled to be paid by ATAC for their Dissent Shares, then such Dissenting Shareholder may enter into an agreement with ATAC (or any successor by amalgamation) for the fair value of such Dissent Shares. If such Dissenting Shareholder does not reach an agreement regarding the fair value of their Dissent Shares, then such Dissenting Shareholder, or ATAC, may apply to the Court, and the Court may determine the payout value of the Dissent Shares and make consequential orders and give directions as the Court considers appropriate. There is no obligation on ATAC to make an application to the Court. The Dissenting Shareholder will be entitled to receive the fair value that the ATAC Shares had immediately before the Arrangement Resolution is approved. After a determination of the fair value of the Dissent Shares, ATAC must then promptly pay that amount to the Dissenting Shareholder.

In no case will Hecla, ATAC, the Depositary or any other person be required to recognize Dissenting Shareholders as ATAC Shareholders after the Effective Time, and the names of such Dissenting Shareholders will be deleted from the central securities register as ATAC Shareholders at the Effective Time.

In no circumstances will Hecla, ATAC, or any other person be required to recognize a person as a Dissenting Shareholder: (a) unless such person is the holder of the ATAC Shares in respect of which Dissent Rights are purported to be exercised immediately prior to the Effective Time and has strictly complied with the procedures for exercising Dissent Rights set out in Division 2 of Part 8 of the BCBCA, as modified and supplemented by the Plan of Arrangement, the Interim Order and the Final Order and does not withdraw such notice of dissent prior to the Effective Time; or (b) if such person has voted or instructed a proxy holder to vote such Notice Shares in favour of the Arrangement Resolution.

Dissent Rights with respect to Notice Shares will terminate and cease to apply to the Dissenting Shareholder if, before full payment is made for the Notice Shares, the Arrangement is abandoned or by its terms will not proceed, a court permanently enjoins or sets aside the corporate action approved by the Arrangement Resolution, the Dissenting Shareholder withdraws the notice of dissent with ATAC's written consent, or any of the other events set out in Section 246 of the BCBCA occur. If any of these events occur, Hecla must return the share certificate(s) or DRS Statement representing the ATAC Shares to the Dissenting Shareholder, the Dissenting Shareholder regains the ability to vote and exercise its rights as an ATAC Shareholder and the Dissenting Shareholder must return any money paid to the Dissenting Shareholder in respect of the Notice Shares.

The discussion above is only a summary of the Dissent Rights, which are technical and complex. An ATAC Shareholder who intends to exercise Dissent Rights must strictly adhere to the procedures established in Division 2 of Part 8 of the BCBCA, as modified and supplemented by the Plan of Arrangement, the Interim Order and the Final Order, and failure to do so may result in the loss of all Dissent Rights.

Persons who have their ATAC Shares registered in the name of an Intermediary, or in some other name, who wish to exercise Dissent Rights should be aware that only the registered owner of such ATAC Shares is entitled to dissent.

If you dissent, then there can be no assurance that the amount you receive as fair value for your ATAC Shares will be more than or equal to the Arrangement Consideration under the Arrangement.

Each ATAC Shareholder wishing to avail himself, herself or itself of Dissent Rights should carefully consider and comply with the provisions of the Interim Order and Division 2 of Part 8 of the BCBCA, which are attached to this Circular as Appendix "E" and Appendix "G", respectively, and seek his, her or its own legal advice.

It is a condition of the Arrangement that holders of no more than 5% of the issued and outstanding ATAC Shares shall have exercised Dissent Rights, or have instituted proceedings to exercise Dissent Rights, in connection with the Arrangement.

See "*Part 8 – The Arrangement Agreement – Conditions to the Arrangement Becoming Effective*" of this Circular.

PART 14. RISK FACTORS RELATING TO THE ARRANGEMENT

In evaluating the Arrangement, ATAC Securityholders should carefully consider the following risk factors relating to the Arrangement. The following risk factors are not a definitive list of all risk factors associated with the Arrangement. Additional risks and uncertainties, including those currently unknown or considered immaterial by ATAC, may also adversely affect the trading price of the ATAC Shares, the Hecla Shares, the Cascadia Shares and/or the businesses of ATAC, Hecla and Cascadia following the Arrangement. In addition to the risk factors relating to the Arrangement set out below, ATAC Securityholders should also carefully consider the risk factors associated with the businesses of ATAC, Hecla and Cascadia included in this Circular and in the documents incorporated by reference herein, including the risks found under the heading "*Risks and Uncertainties*" in the Company's management discussion and analysis for the year ended December 31, 2022 filed on SEDAR and under the heading "*Item 1A. Risk Factors*" in Hecla's Annual Report on Form 10-K for the year ended December 31, 2022 and under the heading "*Part II – Item IA. Risk Factors*" in Hecla's Quarterly Report on Form 10-Q for the three months ended March 31, 2023. If any of the risk factors materialize, the expectations, and the predictions based on them, may need to be re-evaluated. The risks associated with the Arrangement include:

Hecla and ATAC may not integrate successfully.

If approved, the Arrangement will involve the integration of companies that previously operated independently. As a result, the Arrangement will present challenges to management, including the integration of the operations, systems and personnel of the two companies, and special risks, including possible unanticipated liabilities, unanticipated costs, diversion of management's attention and the loss of key employees.

The difficulties management encounters in the transition and integration process could have an adverse effect on the revenues, level of expenses and operating results of the Combined Company. As a result of these factors, it is possible that any benefits expected from the Arrangement will not be realized.

Uncertainty surrounding the Arrangement could adversely affect ATAC's retention of suppliers and could negatively impact ATAC's future business and operations.

Because the Arrangement is dependent upon satisfaction of certain conditions, its completion is subject to uncertainty. In response to this uncertainty, ATAC's suppliers may delay or defer decisions concerning ATAC. Any delay or deferral of those decisions by suppliers could have an adverse effect on the business and operations of ATAC, regardless of whether the Arrangement is ultimately completed.

Directors and executive officers of ATAC may have interests in the Arrangement that are different from those of ATAC Securityholders generally.

Certain executive officers and directors of ATAC may have interests in the Arrangement that may be different from, or in addition to, the interests of ATAC Securityholders generally, including, but not limited to, the receipt of the Lump Sum Payments and/or proposed positions as directors and/or officers with Cascadia. The ATAC Board established a Special Committee comprised of independent directors to evaluate the Arrangement and advise the full ATAC Board on whether the Arrangement is in the best interests of ATAC and fair to the ATAC Securityholders. The Special Committee also had its own independent financial advisor in Fort Capital. The Special Committee and the ATAC Board each recommended in favour of the Arrangement. Nevertheless, ATAC Securityholders should consider these interests in connection with their vote on the Arrangement Resolution, including whether these interests may have influenced ATAC's executive officers and directors to recommend or support the Arrangement.

The Arrangement Agreement may be terminated in certain circumstances, including in the event of a change having an ATAC Material Adverse Effect.

Each of ATAC and Hecla has the right to terminate the Arrangement Agreement and Arrangement in certain circumstances. Accordingly, there is no certainty, nor can ATAC provide any assurance, that the Arrangement Agreement will not be terminated by either ATAC or Hecla before the completion of the Arrangement. For example, Hecla has the right, in certain circumstances, to terminate the Arrangement Agreement if changes occur that, in the aggregate, have an ATAC Material Adverse Effect. There is no assurance that a change having an ATAC Material Adverse Effect will not occur before the Effective Date, in which case Hecla could elect to terminate the Arrangement Agreement and the Arrangement would not proceed.

There can be no certainty that all conditions precedent to the Arrangement will be satisfied.

The completion of the Arrangement is subject to a number of conditions precedent, certain of which are outside the control of ATAC, including receipt of the Final Order and receipt of other regulatory approvals. There can be no certainty, nor can ATAC provide any assurance, that these conditions will be satisfied or, if satisfied, when they will be satisfied.

The exchange ratio is fixed and will not be adjusted to reflect any change in the market value of the Hecla Shares or ATAC Shares prior to the closing of the Arrangement.

Under the Arrangement, ATAC Shareholders will, in addition to the Cascadia Consideration, receive the Hecla Consideration. Because the number of Hecla Shares to be received in respect of each ATAC Share under the Arrangement will not be adjusted to reflect any change in the market price of the Hecla Shares, the value of the Hecla Shares received under the Arrangement may vary significantly from the closing price of the Hecla Shares as of the date of the Arrangement Agreement. If the market price of the Hecla Shares increases or decreases, the value of the Hecla Shares included in the Hecla Consideration that ATAC Shareholders receive pursuant to the Arrangement will correspondingly increase or decrease. There can be no assurance that the market price of the Hecla Shares on the Effective Date will not be lower than the price used to calculate the number of Hecla Shares issued as a component of the Arrangement Consideration. In addition, the number of Hecla Shares being issued as a component of the Arrangement Consideration will not change as a result of decreases or increases in the market price of the ATAC Shares or Hecla Shares. Many of the factors that affect the market price of the Hecla Shares and the ATAC Shares are beyond the control of Hecla and ATAC, respectively. These factors include fluctuations in commodity prices, fluctuations in currency exchange rates, changes in the regulatory environment, adverse political developments, prevailing conditions in the capital markets and interest rate fluctuations.

ATAC will incur costs even if the Arrangement is not completed and has agreed to pay the Termination Fee to Hecla in certain circumstances.

Certain costs related to the Arrangement, such as legal, accounting and certain financial advisor fees, must be paid by ATAC and Hecla even if the Arrangement is not completed. ATAC and Hecla are each liable for their own costs incurred in connection with the Arrangement. If the Arrangement is not completed, ATAC may be required to pay

Hecla the Termination Fee of $1.65 million if the Arrangement Agreement is terminated in certain circumstances. See "*Part 8 – The Arrangement Agreement –Termination*" of this Circular.

The Termination Fee may discourage other parties from attempting to acquire ATAC Shares or otherwise making an Acquisition Proposal to ATAC, even if those parties would otherwise be willing to offer greater value to ATAC Securityholders than that offered by Hecla under the Arrangement.

If the Arrangement is not approved by the ATAC Securityholders, or the Arrangement is otherwise not completed, then the market price for the ATAC Shares may decline.

If the Arrangement is not approved by the ATAC Securityholders, or the Arrangement is otherwise not completed, then the market price of the ATAC Shares may decline to the extent that the current market price of the ATAC Shares reflects an assumption by the market that the Arrangement will be completed. If the Arrangement Resolution is not approved and the ATAC Board decides to seek another merger or Arrangement, there can be no assurance that it will be able to find a party willing to pay an equivalent or more attractive price than the total Arrangement Consideration to be paid pursuant to the Arrangement.

If the Arrangement Resolution is not approved by the ATAC Securityholders, ATAC will continue as a standalone entity and will need to consider and secure financing alternatives.

If the Arrangement Resolution is not approved and ATAC continues as a standalone entity, it will need to consider and secure financing alternatives. The development and exploration of the properties of ATAC may require substantial additional capital above and beyond what ATAC currently expects in 2023 and later years. Current global financial conditions have been subject to significant volatility, and access to public financing, particularly for resource companies, has been negatively impacted in recent years. These factors may impact ATAC's ability to obtain equity or debt financing in the future and additional financing may not be available if needed or, if available, the terms of such financing may be unfavorable to ATAC. Failure to obtain sufficient financing may result in the delay or indefinite postponement of exploration, development or production on any or all of ATAC's properties, or even a loss of property interest.

Owning Hecla Shares will expose ATAC Shareholders to different risks.

Hecla is subject to different risks than those to which ATAC is subject: for a full description of such risks please see the section "*Risk Factors*" in Hecla's Annual Report on Form 10-K for the year ended December 31, 2022, dated February 17, 2023 and the section "*Risk Factors*" in Hecla's Quarterly Report on Form 10-Q for the three months ended March 31, 2023, dated May 10, 2023, each of which is incorporated by reference herein. Hecla conducts some of its operations outside of Canada and the U.S., and as such Hecla's operations are exposed to various risks normally associated with the conduct of business in foreign countries, including various levels of political and economic risk and other risks and uncertainties. The existence or occurrence of one or more of the following circumstances or events could have a material adverse impact on Hecla's profitability or the viability of Hecla's affected foreign operations, which could have a Hecla Material Adverse Effect on Hecla's future cash flows earnings, results of operations and financial condition. These risks related to doing business in foreign jurisdictions vary from country to country and include but are not limited to: uncertain or unpredictable political, legal or economic environments; delays in obtaining or the inability to obtain necessary governmental permits; labour disputes; invalidation of governmental orders; war, acts of terrorism and civil disturbances; changes in laws or policies of particular countries; taxation; government seizure of land or mining claims; limitations on ownership of property or mining rights; restrictions on the convertibility of currencies; limitations on the repatriation of earnings; and increased financing costs.

The value of the Cascadia Shares may fluctuate.

Under the Arrangement, ATAC Shareholders will be entitled to receive, for each ATAC Share held, the Cascadia Consideration, consisting of 0.100 of a Cascadia Share. There is currently no public market for Cascadia Shares and there can be no assurance that an active trading market for Cascadia Shares will develop as a result of the spin-off transaction or be sustained in the future. The lack of an active market may make it more difficult to sell Cascadia Shares and could lead to the price of Cascadia Shares being depressed or more volatile. The price at which Cascadia

Shares may trade after the spin-off transaction is uncertain. The market price for Cascadia Shares may fluctuate widely, depending on many factors, some of which may be beyond Cascadia's control, including, actual or anticipated fluctuations in operating results due to factors related to Cascadia's business, the success or failure of Cascadia's business strategies, Cascadia's ability to obtain third-party financing as needed, the failure of securities analysts to cover Cascadia Shares following the spin-off transaction, the operating and share price performance of other comparable companies, changes in Laws and regulations affecting Cascadia's business, general economic conditions and other external factors. Additionally, stock markets in general have experienced volatility that has often been unrelated to the operating performance of a particular company. These broad market fluctuations could adversely affect the trading price of Cascadia Shares.

The TSXV may not approve Cascadia's listing application.

Cascadia has applied to have the Cascadia Shares listed on the TSXV. Listing is subject to the approval of the TSXV in accordance with its original listing requirements. The TSXV has not conditionally approved Cascadia's listing application and there is no assurance that the TSXV will approve the listing application. The listing of the Cascadia Shares on the TSXV (or any other exchange) is not a condition to the completion of the Arrangement.

PART 15. PROCEDURE FOR RECEIPT OF ARRANGEMENT CONSIDERATION

Consideration

For purposes of the following, references to ATAC Shareholders include holders of In-the-Money ATAC Options who receive ATAC Shares pursuant to the Arrangement. Under the Arrangement, ATAC Shareholders will be entitled to receive, for each ATAC Share held: (a) the Hecla Consideration, consisting of 0.0166 of a Hecla Share and (b) the Cascadia Consideration, consisting of 0.100 of a Cascadia Share.

Exchange Procedure

On the Effective Date, each Participating Former Securityholder will, following completion of the transactions described above under the heading "*Part 7 – The Arrangement – Arrangement Mechanics*" of this Circular, be entitled to receive, and the Depositary will deliver to such Participating Former Securityholder following the Effective Time, certificates representing the Arrangement Consideration that such Participating Former Securityholder is entitled to receive in accordance with the terms of the Arrangement.

After the Effective Time and until surrendered for cancellation, each certificate or DRS Statement that immediately prior to the Effective Time represented one or more ATAC Shares following completion of the transactions described above under the heading "*Part 7 – The Arrangement – Arrangement Mechanics*" of this Circular will be deemed at all times to represent only the right to receive in exchange therefor, certificates representing the Hecla Consideration and Cascadia Consideration that the holder of such certificate or DRS Statement is entitled to receive in accordance with the terms of the Arrangement.

An ATAC Shareholder who holds ATAC Shares registered in the name of a broker, investment dealer, bank, trust company or other Intermediary should contact the Intermediary for instructions and assistance in providing details for registration and delivery of certificates representing the Arrangement Consideration which the Registered ATAC Shareholder is entitled to receive on the non-Registered ATAC Shareholder's behalf.

ATAC Shareholders

A Shareholder Letter of Transmittal (printed on white paper) is being mailed, together with this Circular, to each person who was a Registered ATAC Shareholder on the Record Date.

Each such Registered ATAC Shareholder must forward a properly completed and signed Shareholder Letter of Transmittal (with accompanying ATAC Share certificate(s) or DRS Statement) to the Depositary in order to receive the Arrangement Consideration to which such Registered ATAC Shareholder is entitled under the Arrangement. It is

recommended that Registered ATAC Shareholders complete, sign and return the Shareholder Letter of Transmittal (with accompanying ATAC Share certificate(s) or DRS Statement) to the Depositary as soon as possible.

Copies of the Shareholder Letter of Transmittal may be obtained by contacting the Depositary. The Shareholder Letter of Transmittal will also be available under ATAC's issuer profile on SEDAR at www.sedar.com.

ATAC and Hecla reserve the right to waive or not to waive any and all errors or other deficiencies in any Shareholder Letter of Transmittal or other document and any such waiver or non-waiver will be binding upon the Registered ATAC Shareholder. The granting of a waiver to one or more Registered ATAC Shareholders does not constitute a waiver for any other Registered ATAC Shareholder. ATAC and Hecla reserve the right to demand strict compliance with the terms of the Shareholder Letter of Transmittal. The method used to deliver the Shareholder Letter of Transmittal and any accompanying certificates or DRS Statement representing ATAC Shares is at the option and risk of the holder surrendering them, and delivery will be deemed effective only when such documents are actually received by the Depositary. ATAC recommends that the necessary documentation be hand delivered to the Depositary, and a receipt obtained therefor; otherwise the use of registered mail with return receipt requested, and with proper insurance obtained, is recommended.

Non-Registered ATAC Shareholders whose ATAC Shares are registered in the name of a broker, investment dealer, bank, trust company, trustee or other nominee should contact that nominee for assistance in depositing their ATAC Shares and should follow the instructions of such nominee in order to deposit their ATAC Shares.

Holders of ATAC Warrants

A Convertible Securityholder Letter of Transmittal (printed on grey paper) is being mailed, together with this Circular, to each person who was a registered holder of ATAC Warrants (each a "**Registered ATAC Warrantholder**") on the Record Date.

Each such Registered ATAC Warrantholder must forward a properly completed and signed Convertible Securityholder Letter of Transmittal (with accompanying ATAC Warrant certificate(s)) to the Depositary in order to receive the Warrant Consideration to which such Registered ATAC Warrantholder is entitled under the Arrangement. It is recommended that Registered ATAC Warrantholder complete, sign and return the Convertible Securityholder Letter of Transmittal (with accompanying ATAC Warrant certificate(s)) to the Depositary as soon as possible.

Copies of the Convertible Securityholder Letter of Transmittal may be obtained by contacting the Depositary. The Convertible Securityholder Letter of Transmittal will also be available under ATAC's issuer profile on SEDAR at www.sedar.com.

ATAC and Hecla reserve the right to waive or not to waive any and all errors or other deficiencies in any Convertible Securityholder Letter of Transmittal or other document and any such waiver or non-waiver will be binding upon the Registered ATAC Warrantholder. The granting of a waiver to one or more Registered ATAC Warrantholders does not constitute a waiver for any other Registered ATAC Warrantholder. ATAC and Hecla reserve the right to demand strict compliance with the terms of the Convertible Securityholder Letter of Transmittal. The method used to deliver the Convertible Securityholder Letter of Transmittal and any accompanying certificates representing ATAC Warrants is at the option and risk of the holder surrendering them, and delivery will be deemed effective only when such documents are actually received by the Depositary. ATAC recommends that the necessary documentation be hand delivered to the Depositary, and a receipt obtained therefor; otherwise the use of registered mail with return receipt requested, and with proper insurance obtained, is recommended.

Non-registered ATAC Warrantholders whose ATAC Warrants are registered in the name of a broker, investment dealer, bank, trust company, trustee or other nominee should contact that nominee for assistance in depositing their ATAC Warrants and should follow the instructions of such nominee in order to deposit their ATAC Warrants.

Lost Certificates

If any ATAC Share or Warrant certificate, that immediately prior to the Effective Time represented one or more outstanding ATAC Shares or Warrants, as applicable, has been lost, stolen or destroyed, then, upon the making of an affidavit of that fact by the person claiming such ATAC Share or Warrant certificate to be lost, stolen or destroyed, the Depositary will, in exchange for such lost, stolen or destroyed ATAC Share or Warrant certificate, issue the certificates representing the Arrangement Consideration which such Registered ATAC Shareholder is entitled to receive in accordance with the terms of the Arrangement.

When authorizing such payment in exchange for any lost, stolen or destroyed certificate, the person to whom such consideration is to be delivered shall, as a condition precedent to the delivery of such payment: (a) give a bond satisfactory to Hecla, Cascadia and the Depositary (acting reasonably) in such sum as Hecla, Cascadia and the Depositary may direct; or (b) indemnify Hecla, Cascadia, the Depositary and ATAC in a manner satisfactory to each of them (acting reasonably), against any claim that may be made against Hecla, Cascadia, the Depositary or ATAC with respect to the certificate alleged to have been lost, stolen or destroyed.

Holders of In-the-Money ATAC Options

Under the Arrangement, holders of In-the-Money ATAC Options will be entitled to receive: (i) ATAC Shares for their In-the-Money ATAC Options; and (ii) the Hecla Consideration and Cascadia Consideration for each such ATAC Share to the same extent as an ATAC Shareholder. However, under the Plan of Arrangement, no ATAC Share certificates will be issued in respect of the ATAC Shares to be received by holders of In-the-Money ATAC Options. Accordingly, holders of In-the-Money ATAC Options will not be required to deliver a Shareholder Letter of Transmittal to the Depositary in order to receive the Arrangement Consideration to which they are otherwise entitled under the Plan of Arrangement.

Fractional Interests

To the extent the aggregate number of Hecla Shares, Hecla Warrants, Cascadia Shares or Cascadia Warrants that an ATAC Securityholder would otherwise be entitled to receive under the Arrangement includes a fractional share or warrant, the actual number of Hecla Shares, Hecla Warrants, Cascadia Shares or Cascadia Warrants, as applicable, to be received by the ATAC Securityholder will, without additional compensation, be rounded down to the nearest whole number of shares or warrants.

PART 16. CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

The following is, as of the date of this Circular, a summary of the principal Canadian federal income tax considerations generally applicable under the Tax Act to ATAC Shareholders who, for purposes of the Tax Act and at all relevant times, (i) deal at arm's length with ATAC, Hecla, Hecla Acquisition SubCo and Cascadia, (ii) are not and will not be affiliated with ATAC, Hecla, Hecla Acquisition SubCo or Cascadia, and (iii) beneficially own and hold ATAC Shares, and will hold Hecla Shares and Cascadia Shares (collectively, the "**ATAC Share Consideration**") at all relevant times as capital property (a "**Holder**"). Generally, the ATAC Share Consideration will be considered to be capital property to a Holder thereof provided such securities are not held in the course of carrying on a business of trading or dealing in securities or otherwise as part of a business of buying and selling securities and the Holder has not acquired such securities in one or more transactions considered to be an adventure or concern in the nature of trade.

This summary is not applicable to a Holder: (i) that is a partnership; (ii) that is a member of a partnership that holds ATAC Shares; (iii) that is a "financial institution" (as defined in the Tax Act for the purposes of the mark-to-market rules); (iv) an interest in which is a "tax shelter investment" (as defined in the Tax Act); (v) that is a "specified financial institution" (as defined in the Tax Act); (vi) that makes or has made a "functional currency" election under section 261 of the Tax Act; (vii) that has received, or receives, ATAC Shares upon the exercise or deemed exercise of an In-The-Money ATAC Option; (viii) that has entered into, or enters into, a "derivative forward agreement" or "synthetic disposition arrangement" (each as defined in the Tax Act) with respect to their ATAC Shares, Hecla Shares or Cascadia Shares; (ix) that receives dividends on their ATAC Shares, Hecla Shares or Cascadia Shares under or as part of a "dividend rental arrangement" (as defined in the Tax Act); (x) in relation to which Hecla or any of its subsidiaries is or

will be a "foreign affiliate" (as defined in the Tax Act); or (xi) that holds ATAC Shares which are "flow-through shares" (as defined in the Tax Act). Additional considerations, not discussed herein, may apply to a Holder that is a corporation resident in Canada, and is or becomes (or does not deal at arm's length for purposes of the Tax Act with a corporation resident in Canada that is or becomes), as part of a transaction or event or series of transactions or events that includes the Arrangement, controlled by a non-resident person or a group of persons comprised of any combination of non-resident corporations, non-resident individuals or non-resident trusts that do not deal with each other at arm's length for purposes of the "foreign affiliate dumping" rules in section 212.3 of the Tax Act. **Such holders should consult their own tax advisors.**

This summary also does not apply to ATAC Optionholders, ATAC Warrantholders or holders of any rights issued or issuable under the ATAC Shareholder Rights Plan. Such holders should consult their own tax advisors.

This summary is based upon the provisions of the Tax Act in force on the date of this Circular and ATAC and Hecla's understanding of the current published administrative policies and assessing practices of the CRA made publicly available prior to the date of this Circular. Subject to the immediately following paragraph, this summary takes into account all specific proposals to amend the Tax Act which have been publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date of this Circular (the "**Proposed Amendments**") and assumes that the Proposed Amendments will be enacted in their current form; however, no assurance can be given that any of the Proposed Amendments will be enacted in the form proposed, or at all. Except for the Proposed Amendments, this summary does not take into account or anticipate any changes in law, whether by legislative, governmental or judicial decision or action, or changes in the administrative or assessing practices and policies of the CRA, nor does it take into account other federal or any provincial, territorial or foreign tax legislation or considerations, which may differ significantly from the Canadian federal income tax considerations discussed herein.

This summary is not exhaustive of all possible Canadian federal income tax considerations applicable to a Holder in respect of the transactions described herein. The income or other tax consequences will vary depending on the particular circumstances of the Holder, including the province or provinces in which the Holder resides or carries on business. Accordingly, this summary is of a general nature only and is not intended to be, nor should it be construed to be, legal or tax advice to any particular Holder, and no representations with respect to the income tax consequences to any particular Holder are made. Moreover, no advance income tax ruling has been applied for or obtained from the CRA to confirm the tax consequences of any of the transactions described herein. Holders should consult their own legal and tax advisors for advice with respect to the tax consequences of the transactions described in this Circular based on their particular circumstances.

Currency Conversion

For purposes of the Tax Act, all amounts relating to the acquisition, holding or disposition of ATAC Shares, Cascadia Shares, or Hecla Shares, including interest, dividends, adjusted cost base and proceeds of disposition must be converted into Canadian dollars based on the relevant exchange rate on the applicable date (as determined in accordance with the Tax Act) of the related acquisition, disposition or recognition of income.

Holders Resident in Canada

The following portion of this summary is generally applicable to a Holder who at all relevant times, for purposes of the Tax Act, is or is deemed to be resident in Canada (a "**Resident Holder**"). The following portion of this summary, other than the portion under the heading "*Part 16 – Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada – Dissenting Shareholders*", applies to Resident Holders that are not Dissenting Shareholders.

Certain Resident Holders who might not otherwise be considered to hold their ATAC Share Consideration as capital property may, in certain circumstances, be entitled to have their ATAC Shares, Cascadia Shares and any other "Canadian security" (as defined in the Tax Act) owned by such Resident Holders in the taxation year in which the election is made, and in all subsequent taxation years, treated as capital property by making the irrevocable election permitted by subsection 39(4) of the Tax Act. This election does not apply to Hecla Shares. **Resident Holders should consult their own tax advisors regarding the potential application and consequences of this election in their particular circumstances.**

Distribution of Cascadia Shares by ATAC

Distributions of capital made by corporations that are "public corporations" for purposes of the Tax Act are generally characterized as taxable dividends for the purposes of the Tax Act pursuant to Subsection 84(4.1) of the Tax Act, unless a specific exemption applies. In this regard Subsection 84(4.1) of the Tax Act will not apply where Subsection 84(2) of the Tax Act applies, or where the amount of the distribution of capital may reasonably be considered to have been derived from proceeds of disposition realized by the corporation, or by a person or partnership in which the corporation had a direct or indirect interest at the time the proceeds were realized, from a transaction that occurred (i) outside the ordinary course of the business of the corporation or the person or partnership that realized the proceeds, and (ii) within the period that commenced 24 months before the payment. Subsection 84(2) of the Tax Act provides, in effect, that a distribution made to shareholders on a "winding up, discontinuance or reorganization of its ATAC business", will not be taxed as a dividend so long as the amount or value of the funds or property distributed does not exceed the amount by which the "paid-up capital", as defined for the purposes of the Tax Act (the "**PUC**"), of the relevant shares is reduced on the distribution. Generally, PUC is the aggregate of all amounts received by a corporation upon the issuance of its shares (by class), adjusted in certain circumstances in accordance with the Tax Act. PUC may differ from the adjusted cost base ("**ACB**") of ATAC Shares to any particular Resident Holder because ACB is calculated based on the amount paid by a Resident Holder to acquire the ATAC Shares, whether on issuance by the corporation or from a third party through the marketplace, as adjusted by the Tax Act.

Under the Arrangement, Resident Holders will receive 0.100 of a Cascadia Share with respect to each ATAC Share held as a distribution of capital from ATAC on the reduction of the stated capital of the ATAC Shares. This distribution of capital is being made as part of a reorganization of the assets of ATAC which includes the transfer of the Cascadia Assets to Cascadia in return for the Cascadia Shares and Cascadia Warrants and ATAC is of the view that the distribution can reasonably be considered to be derived from proceeds of disposition realized by ATAC or a person or partnership in which ATAC has a direct or indirect interest from a transaction that occurred outside the ordinary course of business of ATAC or that person or partnership and, as a result, that Subsection 84(4.1) should not apply to deem the amount paid to Resident Holder in respect of the distribution of capital to be a dividend. Additionally, the distribution of capital is being made as part of a reorganization of the business of ATAC which includes the transfer of the Cascadia Assets and ATAC is of the view that such transfer constitutes a reorganization of ATAC's business for purposes of Subsection 84(2) of the Tax Act. These determinations are not free from doubt and no legal opinion or advance tax ruling has been sought or obtained in this regard. If the distribution of capital is deemed to be a dividend pursuant to Subsection 84(4.1) of the Tax Act, the provisions of the Tax Act regarding taxable dividends from a taxable Canadian corporation would apply and the summary above would not be applicable.

This summary is based on the assumption that the fair market value of the Cascadia Shares distributed under the Arrangement will not exceed the PUC of the ATAC Shares. ATAC has advised that the PUC of the ATAC Shares immediately prior to the distribution should be in excess of the fair market value of the Cascadia Shares to be so distributed. Based on this assumption and ATAC's advice with respect to the PUC of the ATAC Shares, no portion of the amount so distributed should be deemed to be a dividend for purposes of the Tax Act and the ACB to a Resident Holder of its ATAC Shares should be reduced by an amount equivalent to the fair market value at the Effective Time of the Cascadia Shares received by such Resident Holder on the distribution of capital. If such fair market value of such Cascadia Shares received by a Resident Holder exceeds the ACB to the Resident Holder of its ATAC Shares immediately before the distribution, such Resident Holder will be deemed to realize a capital gain from a deemed disposition of its ATAC Shares equal to the amount of such excess, and the ACB to the Resident Holder of its ATAC Shares will immediately thereafter be deemed to be nil. The tax treatment of capital gains is discussed below under "*Part 16 – Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada – Taxation of Capital Gains and Capital Losses*".

The cost of the Cascadia Shares acquired by a Resident Holder on the distribution of capital should be equal to the fair market value of the Cascadia Shares at the time of such distribution.

Disposition of ATAC Shares Pursuant to the Arrangement

Under the Arrangement, Resident Holders will transfer their ATAC Shares to Hecla Acquisition Subco in exchange for Hecla Shares. A Resident Holder will be considered to have disposed of their ATAC Shares for proceeds of disposition equal to the fair market value of the Hecla Shares received by such Resident Holder for their ATAC Shares. A Resident

Holder generally will realize a capital gain (or capital loss) equal to the amount by which such proceeds of disposition, net of any reasonable costs of disposition, exceeds (or is less than) the ACB, as determined for purposes of the Tax Act, to the Resident Holder of ATAC Shares immediately before the exchange (as described above). See "*Part 16 – Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada – Taxation of Capital Gains and Capital Losses*" below for a general description of the treatment of capital gains and capital losses under the Tax Act. The cost to a Resident Holder of any Hecla Shares acquired on such an exchange will be equal to the fair market value of such Hecla Shares at the time of the exchange, and generally will be averaged with the ACB of any other Hecla Shares held at that time by the Resident Holder as capital property for the purpose of determining the Resident Holder's ACB of such Hecla Shares.

Disposition of Hecla Shares or Cascadia Shares Following Completion of the Arrangement

The disposition or deemed disposition of Hecla Shares or Cascadia Shares by a Resident Holder following the completion of the Arrangement will generally result in a capital gain (or capital loss) equal to the amount by which the proceeds of disposition, net of any reasonable costs of disposition, exceeds (or is less than) the ACB to the Resident Holder of those shares immediately before the disposition. See "*Part 16 – Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada – Taxation of Capital Gains and Capital Losses*" below for a general description of the treatment of capital gains and capital losses under the Tax Act.

Foreign tax, if any, levied on any gain realized on a disposition of the Hecla Shares may be eligible for a foreign tax credit or deduction under the Tax Act to the extent and under the circumstances described in the Tax Act. **Resident Holders should consult their own tax advisors with respect to the availability of a foreign tax credit or deduction, having regard to their own particular circumstances.**

Taxation of Capital Gains and Capital Losses

Generally, a Resident Holder will be required to include in computing their income for a taxation year, one-half of any capital gain (a "**taxable capital gain**") realized by such Resident Holder. Subject to and in accordance with the rules contained in the Tax Act, a Resident Holder is required to deduct one-half of any capital loss (an "**allowable capital loss**") realized by a Resident Holder in a particular taxation year against taxable capital gains realized by the Resident Holder in the taxation year. Allowable capital losses in excess of taxable capital gains realized in a taxation year may be carried back and deducted in any of the three preceding taxation years or carried forward and deducted in any subsequent taxation year and deducted against net taxable capital gains in those other years, to the extent and in the circumstances specified in the Tax Act.

A capital loss realized on the disposition of an ATAC Share, or Cascadia Share by a Resident Holder that is a corporation may, to the extent and under the circumstances specified by the Tax Act, be reduced by the amount of dividends received or deemed to have been received by the applicable corporation on such shares (or on a share for which such share is substituted or exchanged). Similar rules may apply where the corporation is a member of a partnership or a beneficiary of a trust that owns such shares, or where a partnership or trust of which the corporation is a member or beneficiary is a member of a partnership or a beneficiary of a trust that owns such shares. Resident Holders to whom these rules may be relevant should consult their own tax advisors.

Dividends on Hecla Shares

A Resident Holder will be required to include in computing such Resident Holder's income for a taxation year the amount of any dividends, if any, received (or deemed to be received) on the Hecla Shares, including amounts deducted for foreign withholding tax. Dividends received on Hecla Shares by a Resident Holder who is an individual will not be subject to the gross-up and dividend tax credit rules in the Tax Act normally applicable to taxable dividends received from "taxable Canadian corporations" (as defined in the Tax Act). A Resident Holder that is a corporation will not be entitled to deduct the amount of such dividends in computing its taxable income.

To the extent that foreign withholding tax is payable by a Resident Holder in respect of any dividends received on the Hecla Shares, the Resident Holder may be eligible for a foreign tax credit or deduction under the Tax Act to the extent

and under the circumstances described in the Tax Act. Resident Holders should consult their own tax advisors regarding the availability of a foreign tax credit or deduction, having regard to their particular circumstances.

Dividends on Cascadia Shares

A Resident Holder will be required to include in computing income for a taxation year any dividends received, or deemed to be received, in the year by the Resident Holder on the Cascadia Shares. In the case of a Resident Holder who is an individual (other than certain trusts), dividends received or deemed to be received on their Cascadia Shares will be included in computing the individual's income and will be subject to the gross-up and dividend tax credit rules normally applicable to taxable dividends received from taxable Canadian corporations, including the enhanced dividend tax credit rules applicable to any dividends designated as "eligible dividends" (as defined in the Tax Act). There may be limitations on the ability of Cascadia to designate dividends as eligible dividends.

In the case of a Resident Holder that is a corporation, the amount of a taxable dividend (including a deemed dividend) that is included in its income for a taxation year will generally be deductible in computing its taxable income for that taxation year. In certain circumstances, subsection 55(2) of the Tax Act will treat a taxable dividend received (or deemed to be received) by a Resident Holder that is a corporation as proceeds of disposition or a capital gain. Resident Holders that are corporations should consult their own tax advisors in this regard.

A "private corporation" (as defined in the Tax Act), or any other corporation controlled, whether because of a beneficial interest in one or more trusts or otherwise, by or for the benefit of an individual (other than a trust) or a related group of individuals (other than trusts) may be liable to pay a refundable tax under Part IV of the Tax Act on dividends received or deemed to be received on such shares to the extent such dividends are deductible in computing the corporation's taxable income for the year.

Additional Refundable Tax on Canadian-Controlled Private Corporations

A Resident Holder that is, throughout the relevant taxation year, a "Canadian-controlled private corporation" (as defined in the Tax Act) may be liable to pay an additional tax (refundable in certain circumstances) on certain investment income, including any dividends or deemed dividends that are not deductible in computing the Resident Holder's taxable income and amounts in respect of net taxable capital gains. Proposed Amendments announced by the Minister of Finance (Canada) on April 7, 2022 are intended to extend this additional tax and refund mechanism in respect of "aggregate investment income" to "substantive CCPCs" as defined in such Proposed Amendments and draft legislation implementing such Proposed Amendments that was released on August 9, 2022. Resident Holders are advised to consult their own tax advisors regarding the possible implications of these Proposed Amendments in their particular circumstances.

Minimum Tax

Capital gains realized or dividends received or deemed to be received by individuals and certain trusts may give rise to the alternative minimum tax under the Tax Act. Resident Holders should consult their own tax advisors in this regard.

Offshore Investment Fund Property Rules

The Tax Act contains rules which, in certain circumstances, may require a Resident Holder to include an amount in income in each taxation year in respect of the acquisition and holding of Hecla Shares if (a) the value of the Hecla Shares may reasonably be considered to be derived, directly or indirectly, primarily from portfolio investments in: (i) shares of the capital stock of one or more corporations, (ii) indebtedness or annuities, (iii) interests in one or more corporations, trusts, partnerships, organizations, funds or entities, (iv) commodities, (v) real estate, (vi) Canadian or foreign resource properties, (vii) currency of a country other than Canada, (viii) rights or options to acquire or dispose of any of the foregoing, or (ix) any combination of the foregoing (collectively "**Investment Assets**") and (b) it may reasonably be concluded that one of the main reasons for the Resident Holder acquiring, or holding Hecla Shares was to derive a benefit from portfolio investments in Investment Assets in such a manner that the taxes, if any, on the income, profits and gains from such Investment Assets for any particular year are significantly less than the tax that

would have been applicable under Part I of the Tax Act if the income, profits and gains had been earned directly by the Resident Holder.

In determining whether these rules may apply, regard must be had to all of the circumstances, including (i) the nature, organization and operation of any non-resident entity, including Hecla, and the form of, and the terms and conditions governing, the Resident Holder's interest in, or connection with, any such non-resident entity, (ii) the extent to which any income, profit and gains that may reasonably be considered to be earned or accrued, whether directly or indirectly, for the benefit of any non-resident entity, including Hecla, are subject to an income or profits tax that is significantly less than the income tax that would be applicable to such income, profits and gains if they were earned directly by the Resident Holder, and (iii) the extent to which any income, profits and gains of any non-resident entity, including Hecla, for any fiscal period are distributed in that or the immediately following fiscal period.

If applicable, these rules would generally require a Resident Holder to include in income for each taxation year in which the Resident Holder owns a Hecla Share (i) an imputed return for the taxation year computed on a monthly basis and determined by multiplying the Resident Holder's "designated cost" (as defined in the Tax Act) of the Hecla Share at the end of the month, by 1/12th of the sum of the applicable prescribed rate for the period that includes such month plus 2%, less (ii) the Resident Holder's income for the year (other than a capital gain) from the Hecla Share determined without reference to these rules. Any amount required to be included in computing a Resident Holder's income under these rules will be added to the ACB to the Resident Holder of the applicable Hecla Shares.

The CRA has taken the position that the term "portfolio investment" should be given a broad interpretation. While it should be unlikely that the value of the Hecla Shares should be regarded as being derived primarily from portfolio investments in Investment Assets, there is a possibility that the CRA may take a different view. Even if the value of the Hecla Shares may reasonably be considered to be derived, directly or indirectly, primarily from portfolio investments in Investment Assets, these rules will apply to a Resident Holder only if it is reasonable to conclude that one of the main reasons for the Resident Holder acquiring, holding or having the Hecla Shares was to derive a benefit from Investment Assets in such a manner that the taxes, if any, on the income, profits and gains from such Investment Assets for any particular year are significantly less than the tax that would have been applicable under Part I of the Tax Act if the income, profits and gains had been earned directly by the Resident Holder.

These rules are complex and their application depends, to a large extent, in part, on the reasons for a Resident Holder acquiring or holding Hecla Shares. **Resident Holders are urged to consult their own tax advisors regarding the application and consequences of these rules in their own particular circumstances.**

Foreign Property Information Reporting

A Resident Holder may be subject to certain foreign property information reporting obligations under section 233.4 of the Tax Act in respect of their Hecla Shares, as described briefly below.

A Resident Holder that is a "specified Canadian entity" (as defined in the Tax Act) for a taxation year or a fiscal period and whose total "cost amount" of "specified foreign property" (as such terms are defined in the Tax Act) at any time in the year or fiscal period exceeds $100,000 will be required to file an information return for the year or period disclosing prescribed information. Subject to certain exceptions, a taxpayer resident in Canada, other than a corporation or trust exempt from tax under Part I of the Tax Act, will be a "specified Canadian entity", as will certain partnerships. The Hecla Shares generally will constitute "specified foreign property" of a Resident Holder. Penalties may apply where a Resident Holder fails to file the required information return in respect of such Resident Holder's "specified foreign property" on a timely basis in accordance with the Tax Act.

The reporting rules in the Tax Act relating to "specified foreign property" are complex and this summary does not purport to address all circumstances in which reporting may be required by a Resident Holder. **Resident Holders should consult their own tax advisors regarding compliance with these rules.**

Dissenting Shareholders

The following portion of this summary applies to Resident Holders that exercise Dissent Rights in respect of their ATAC Shares and are ultimately entitled to be paid the fair value of such ATAC Shares by ATAC. A Resident Holder who, as a result of the exercise of Dissent Rights, is entitled to be paid the fair value of their ATAC Shares by ATAC will be deemed to have received a dividend equal to the amount, if any, by which the payment received exceeds the PUC attributable to such ATAC Shares immediately before their surrender to ATAC pursuant to the Arrangement. The amount of any such deemed dividend will be included in calculating such Resident Holder's income for the taxation year and will reduce the proceeds of disposition for purposes of computing the Resident Holder's capital gain or capital loss on the disposition of their ATAC Shares.

The Dissenting Shareholder will also realize a capital gain (or a capital loss) equal to the amount by which the payment (excluding any interest awarded by a court and the amount of any deemed dividend) exceeds (or is exceeded by) the aggregate of the Resident Holder's ACB of their ATAC Shares determined immediately before the time of disposition and any reasonable costs of disposition. Any such capital gain or capital loss realized by a Dissenting Shareholder that is a Resident Holder will be treated in the same manner as described above under the heading "*Part 16 – Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada – Taxation of Capital Gains and Capital Losses*".

Interest (if any) awarded by a court to a Dissenting Shareholder that is a Resident Holder will be included in such Dissenting Shareholder's income for purposes of the Tax Act.

Dissenting Shareholders who are contemplating exercising Dissent Rights should consult their own tax advisors.

Holders Not Resident in Canada

The following portion of this summary is generally applicable to a Holder who at all relevant times, for purposes of the Tax Act, (i) is not resident in Canada or is deemed not to be resident in Canada, (ii) does not use or hold, and is not deemed to use or hold, their ATAC Shares (and any Hecla Shares or Cascadia Shares) in, or in the course of carrying on, a business in Canada, (iii) is not a person who carries on an insurance business in Canada and elsewhere, and (iv) is not an "authorized foreign bank" (as defined in the Tax Act), (v) is not a "foreign affiliate" (as defined in the Tax Act) of a person resident in Canada at the end of the Holder's taxation year in which the Effective Time occurs and (vi) is not, and does not deal at non-arm's length (for purposes of the Tax Act) with, a "specified shareholder" (as defined in the Tax Act) of ATAC, Hecla Acquisition Subco or Cascadia (a "**Non-Resident Holder**"). The following portion of this summary, other than the portion under the heading "*Part 16 – Certain Canadian Federal Income Tax Considerations – Holders Not Resident in Canada – Dissenting Shareholders*", applies to Non-Resident Holders that are not Dissenting Shareholders.

Distribution of Cascadia Shares by ATAC

A Non-Resident Holder will be subject to the same considerations in respect of the treatment of distributions of capital by public corporations as Resident Holders described above under the heading "*Part 16 – Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada – Distribution of Cascadia Shares by ATAC*".

Based on the assumption that no part of the distribution of capital which will be effected to distribute the Cascadia Shares will be deemed to be a dividend pursuant to Subsection 84(4.1) of the Tax Act and the further assumption (and based on ATAC's advice) that the fair market value of the Cascadia Shares distributed under the Arrangement will not exceed the PUC of the ATAC Shares, no portion of the amount so distributed should be deemed to be a dividend for purposes of the Tax Act and the ACB to a Non-Resident Holder of its ATAC Shares should be reduced by the fair market value at the Effective Time of the Cascadia Shares received by such Non-Resident Holder. If such fair market value exceeds the ACB to the Non-Resident Holder of its ATAC Shares immediately before the distribution, the Non-Resident Holder should be deemed to realize a capital gain from a disposition of its ATAC Shares equal to the amount of such excess and the ACB to the Non-Resident Holder of its ATAC Shares should immediately thereafter be deemed to be nil. A Non-Resident Holder will not be subject to tax under the Tax Act on any capital gain realized on such deemed disposition of their ATAC Shares unless such ATAC Shares are "taxable Canadian property" of the Non-

Resident Holder and the Non-Resident Holder is not entitled to relief under an applicable income tax treaty or convention. See the discussion above under the heading "*Part 16 – Certain Canadian Federal Income Tax Considerations – Holders Not Resident in Canada – Disposition of ATAC Shares Pursuant to the Arrangement*".

Disposition of ATAC Shares Pursuant to the Arrangement

A Non-Resident Holder will not be subject to tax under the Tax Act on any capital gain realized in respect of a deemed disposition of ATAC Shares resulting from the distribution of the Cascadia Shares by ATAC or on the transfer of ATAC Shares to Hecla Acquisition Subco, unless such ATAC Shares are "taxable Canadian property" (as defined in the Tax Act) of the Non-Resident Holder at the time of such exchange or transfer and the Non-Resident Holder is not entitled to relief under an applicable income tax treaty or convention.

Provided that, at the Effective Time, the ATAC Shares are listed on a "designated stock exchange" (as defined in the Tax Act), which currently includes the TSXV, the ATAC Shares disposed of by a Non-Resident Holder pursuant to the Arrangement generally will only be "taxable Canadian property" of the Non-Resident Holder if, at any time during the 60-month period immediately preceding the disposition, (i) one or any combination of (A) the Non-Resident Holder, (B) persons with whom the Non-Resident Holder did not deal at arm's length for purposes of the Tax Act, and (C) partnerships in which the Non-Resident Holder or a person described in (B) held a membership interest directly or indirectly through one or more partnerships, owned 25% or more of the issued shares of any class or series of the capital stock of ATAC, and (ii) more than 50% of the fair market value of the ATAC Shares at such time was derived directly or indirectly from one or any combination of real or immovable property situated in Canada, "Canadian resource properties" or "timber resource properties" (each as defined in the Tax Act), or an option in respect of, or interests in, or for civil law rights in, any such properties whether or not such property exists. An ATAC Share may be deemed to be "taxable Canadian property" in certain other circumstances (generally where such shares have been acquired on a tax-deferred rollover basis in exchange for another share or shares that constituted "taxable Canadian property" at the time of such exchange). **Non-Resident Holders should consult their own tax advisors in this regard.**

Even if the ATAC Shares are "taxable Canadian property" of a Non-Resident Holder, such Non-Resident Holder may be exempt from Canadian tax on any capital gain realized on the disposition of such shares by virtue of an applicable income tax treaty or convention to which Canada is a signatory. Non-Resident Holders whose ATAC constitute "taxable Canadian property" should consult their own tax advisors in this regard.

If the ATAC Shares constitute "taxable Canadian property" of a Non-Resident Holder and such Non-Resident Holder is not eligible for relief pursuant to an applicable income tax treaty or convention, then the disposition of the Non-Resident Holder's ATAC Shares pursuant to the Arrangement will generally be subject to the same Canadian tax consequences applicable to a Resident Holder with respect to the disposition of such Resident Holder's ATAC Shares pursuant to the Arrangement as discussed above under the heading "*Part 16 – Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada – Disposition of ATAC Shares Pursuant to the Arrangement*".

Disposition of Hecla Shares or Cascadia Shares Following Completion of the Arrangement

A Non-Resident Holder will not be subject to tax under the Tax Act on any capital gain realized on a disposition of their Hecla Shares or Cascadia Shares acquired pursuant to the Arrangement unless, at the time of disposition, such shares are "taxable Canadian property" (as defined in the Tax Act) of the Non-Resident Holder and the Non-Resident Holder is not entitled to relief under an applicable income tax treaty or convention.

Provided that the Hecla Shares or Cascadia Shares, as applicable, are listed on a "designated stock exchange" (as defined in the Tax Act), which currently includes the NYSE and the TSXV, at the time they are disposed of by the Non-Resident Holder, the considerations applicable to determining whether the Hecla Shares or Cascadia Shares constitute "taxable Canadian property" of the Non-Resident Holder will be similar to those discussed above with respect to a Non-Resident Holder's ATAC Shares under the heading "*Part 16 – Certain Canadian Federal Income Tax Considerations – Holders Not Resident in Canada – Disposition of ATAC Shares Pursuant to the Arrangement*".

Even if the Hecla Shares or Cascadia Shares are "taxable Canadian property" of a Non-Resident Holder, such Non-Resident Holder may be exempt from Canadian tax on any capital gain realized on the disposition of such shares by virtue of an applicable income tax treaty or convention to which Canada is a signatory. **Non-Resident Holders should consult their own tax advisors in this regard.**

If the Hecla Shares or Cascadia Shares, as applicable, constitute "taxable Canadian property" of a Non-Resident Holder and such Non-Resident Holder is not eligible for relief pursuant to an applicable income tax treaty or convention, the Non-Resident Holder will generally be subject to the same Canadian tax consequences applicable to a Resident Holder with respect to the disposition of such Resident Holder's the Hecla Shares or Cascadia Shares as discussed above under the heading "*Part 16 – Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada – Disposition of Hecla Shares or Cascadia Shares Following Completion of the Arrangement*".

Dividends on Cascadia Shares

Dividends paid, deemed to be paid, or credited on Cascadia Shares to a Non-Resident Holder will be subject to Canadian non-resident withholding tax. Under the Tax Act, the rate of withholding is 25% of the gross amount of the dividend. The withholding rate may be reduced pursuant to the provisions of an applicable income tax treaty or convention. Under the Canada – U.S. Tax Treaty, the withholding rate on any such dividend beneficially owned by a Non-Resident Holder that is a resident of the United States for purposes of the Canada – U.S. Tax Treaty and fully entitled to the benefits of such treaty is generally reduced to 15%.

Dissenting Shareholders

The following portion of this summary applies to Non-Resident Holders that exercise Dissent Rights in respect of their ATAC Shares and are ultimately entitled to be paid the fair value of such ATAC Shares by ATAC. A Non-Resident Holder who, as a result of the exercise of Dissent Rights, is entitled to be paid the fair value of their ATAC Shares by ATAC will be deemed to have received a dividend equal to the amount, if any, by which such payment exceeds the PUC attributable to such ATAC Shares immediately before their surrender to ATAC pursuant to the Arrangement. Any such deemed dividend will be subject to non-resident withholding tax under the Tax Act at a rate of 25% of the gross amount of the dividend, unless the rate is reduced by an applicable income tax treaty or convention.

A Non-Resident Holder that is a Dissenting Shareholder will not be subject to tax under the Tax Act on any capital gain realized on the disposition of their ATAC Shares unless such ATAC Shares are "taxable Canadian property" of the Non-Resident Holder and the Non-Resident Holder is not entitled to relief under an applicable income tax treaty or convention. See the discussion above under the heading "*Part 16 – Certain Canadian Federal Income Tax Considerations – Holders Not Resident in Canada – Disposition of ATAC Shares Pursuant to the Arrangement*". For purposes of computing the amount of any capital gain on the disposition of ATAC Shares by a Non-Resident Holder that is a Dissenting Shareholder, the Non-Resident Holder's proceeds of disposition will be reduced by the amount of any deemed dividend received by the Non-Resident Holder as described in the immediately preceding paragraph.

Eligibility for Investment

Based on the provisions of the Tax Act in force on the date of this Circular, Hecla Shares and Cascadia Shares received by ATAC Shareholders pursuant to the Arrangement will be "qualified investments" under the Tax Act at a particular time for a trust governed by a registered retirement savings plan, registered retirement income fund, registered education savings plan, registered disability savings plan, tax-free savings account, first home savings accounts (collectively, "**Registered Plans**") or a trust governed by a deferred profit sharing plan ("**DPSP**"); provided, at the particular time, the Hecla Shares or Cascadia Shares, as applicable, are listed on a "designated stock exchange" (as defined in the Tax Act), which currently includes the NYSE and the TSXV, or Hecla or Cascadia, as applicable, is a "public corporation", as defined in the Tax Act.

If the Cascadia Shares are not listed on a "designated stock exchange" at the Effective Time, Cascadia may qualify at the Effective Time as a "public corporation" provided that on or before the filing due date of Cascadia's Canadian federal income tax return for its first taxation year, the Cascadia Shares are listed on a "designated stock exchange" (as defined in the Tax Act) and Cascadia makes an election to be deemed to have been a public corporation from its date of

incorporation. The making of such an election would have the retroactive effect of making the Cascadia Shares a qualified investment for Registered Plans and DPSPs on the Effective Date. Cascadia intends to list the Cascadia Shares and make such election.

Notwithstanding that the Hecla Shares or Cascadia Shares, as the case may be, may be "qualified investments" under the Tax Act for Registered Plans as described above, the holder of, or annuitant or subscriber under, a Registered Plan (the "**Controlling Individual**") will be subject to a penalty tax in respect of the Hecla Shares or Cascadia Shares held in a Registered Plan if such securities are a "prohibited investment" for the particular Registered Plan. A Hecla Share or Cascadia Share, as applicable, generally will be a "prohibited investment" for a Registered Plan if the Controlling Individual does not deal at arm's length with Hecla or Cascadia, as applicable, for purposes of the Tax Act or the Controlling Individual has a "significant interest" (as defined in subsection 207.01(4) of the Tax Act) in Hecla or Cascadia, as applicable. Notwithstanding the foregoing, the Hecla Shares or Cascadia Shares, as applicable, generally will not be a "prohibited investment" for a Registered Plan if the Hecla Shares or Cascadia Shares, as applicable, are "excluded property" as defined in subsection 207.01(1) of the Tax Act for a Registered Plan. **ATAC Shareholders who hold their ATAC Shares through a Registered Plan should consult their own tax advisors as to whether any Hecla Shares or Cascadia Shares receivable pursuant to the Arrangement will be a "prohibited investment" in their particular circumstances.**

PART 17. CERTAIN UNITED STATES FEDERAL INCOME TAX CONSIDERATIONS

The following is a general summary of certain anticipated U.S. federal income tax considerations applicable to a U.S. Holder (as defined below) and to a non-U.S. Holder (as defined below) with respect to the Arrangement and the ownership and disposition of Hecla Shares received pursuant to the Arrangement, and to a U.S. Holder with respect to the ownership and disposition of Cascadia Shares received pursuant to the Arrangement. This summary is for general information purposes only and does not purport to be a complete analysis or listing of all potential U.S. federal income tax considerations that may apply to a U.S. Holder or a non-U.S. Holder as a result of the Arrangement. This summary does not take into account the individual facts and circumstances of any particular holder that may affect the U.S. federal income tax consequences to such holder, including specific tax consequences to a holder under an applicable income tax treaty. Accordingly, this summary is not intended to be, and should not be construed as, legal or U.S. federal income tax advice with respect to any holder. This summary does not address the U.S. federal alternative minimum, U.S. federal estate and gift, U.S. state and local, and non-U.S. tax consequences to U.S. Holders and non-U.S. Holders of the Arrangement or the ownership and disposition of Hecla Shares received pursuant to the Arrangement, or to U.S. Holders of the ownership and disposition of Cascadia Shares received pursuant to the Arrangement. Except as discussed below, this summary does not discuss reporting requirements. Each U.S. Holder and non-U.S. Holder should consult its own tax advisors regarding the U.S. federal, U.S. federal alternative minimum, U.S. federal estate and gift, U.S. state and local, and non-U.S. tax consequences of the Arrangement and the ownership and disposition of Hecla Shares and Cascadia Shares received pursuant to the Arrangement.

No legal opinion from U.S. legal counsel or ruling from the IRS has been requested, or will be obtained, regarding the U.S. federal income tax consequences of the Arrangement and the ownership and disposition of Hecla Shares or Cascadia Shares received pursuant to the Arrangement. This summary is not binding on the IRS, and the IRS is not precluded from taking a position that is different from, and contrary to, the positions taken in this summary. In addition, because the authorities on which this summary is based are subject to various interpretations, the IRS and the U.S. courts could disagree with one or more of the positions taken in this summary.

Scope of Disclosure

Authorities

This summary is based on the U.S. Tax Code, U.S. Treasury Regulations (whether final, temporary, or proposed), published rulings of the IRS, published administrative positions of the IRS, the Canada – U.S. Tax Treaty, and U.S. court decisions that are applicable and, in each case, as in effect and available, as of the date of this Circular. Any of the authorities on which this summary is based could be changed in a material and adverse manner at any time, and any such change could be applied on a retroactive or prospective basis which could affect the U.S. federal income tax considerations described in this summary. This summary does not discuss the potential effects, whether adverse or beneficial, of any proposed legislation that, if enacted, could be applied on a retroactive or prospective basis.

U.S. Holders

For purposes of this summary, the term "**U.S. Holder**" means a beneficial owner of ATAC Shares (or, after the Arrangement, Hecla Shares and Cascadia Shares) participating in the Arrangement or exercising Dissent Rights pursuant to the Arrangement that is:

- an individual who is treated as a citizen or resident of the United States for U.S. federal income tax purposes;
- a corporation (or other entity taxable as a corporation for U.S. federal income tax purposes) created or organized in or under the laws of the United States, any state thereof or the District of Columbia;
- an estate, the income of which is subject to U.S. federal income taxation regardless of its source; or
- a trust that: (i) is subject to the primary supervision of a court within the U.S. and the control of one or more persons for all substantial decisions; or (ii) has a valid election in effect under applicable
- U.S. Treasury Regulations to be treated as a U.S. person.

Non-U.S. Holders

For purposes of this summary, a "**non-U.S. Holder**" is a beneficial owner of ATAC Shares participating in the Arrangement or exercising Dissent Rights that is neither a U.S. Holder nor a partnership (or entity or arrangement treated as a partnership) for U.S. federal income tax purposes. This summary is limited to a discussion regarding the U.S. federal income tax consequences applicable to non-U.S. Holders arising from the Arrangement and the ownership and disposition of Hecla Shares received pursuant to the Arrangement, but does not address the U.S. federal income tax consequences applicable to non-U.S. Holders arising from the ownership and disposition of Cascadia Shares received pursuant to the Arrangement. Non-U.S. Holders should consult their own tax advisors regarding the U.S. federal, U.S. state and local, and non U.S. tax consequences (including the potential application of and operation of any income tax treaties) and other tax consequences relating to the Arrangement and the ownership and disposition of Hecla Shares and Cascadia Shares received pursuant to the Arrangement.

Transactions Not Addressed

This summary does not address the U.S. federal income tax consequences of transactions effected prior or subsequent to, or concurrently with, the Arrangement (whether or not any such transactions are undertaken in connection with the Arrangement), and does not address the following:

- any conversion into ATAC Shares, Hecla Shares or Cascadia Shares of any notes, debentures or other debt instruments;
- any vesting, conversion, assumption, disposition, exercise, exchange, or other transaction involving any rights to acquire ATAC Shares, Hecla Shares or Cascadia Shares, including the ATAC Options and ATAC Warrants; and
- any transaction, other than the Arrangement, in which ATAC Shares, Hecla Shares or Cascadia Shares are acquired.

Holders Subject to Special U.S. Federal Income Tax Rules Not Addressed

This summary does not address the U.S. federal income tax considerations of the Arrangement or the ownership and disposition of Hecla Shares and Cascadia Shares received pursuant to the Arrangement applicable to holders that are subject to special provisions under the U.S. Tax Code, including, but not limited to, holders that: (a) are tax exempt organizations, qualified retirement plans, individual retirement accounts, or other tax deferred accounts; (b) are financial institutions, underwriters, insurance companies, real estate investment trusts, or regulated investment companies; (c) are controlled foreign corporations or passive foreign investment companies; (d) are brokers or dealers in securities or currencies or holders that are traders in securities that elect to apply a mark-to-market accounting method; (e) have a "functional currency" other than the U.S. dollar; (f) own ATAC Shares (or after the Arrangement, Hecla Shares or Cascadia Shares) as part of a straddle, hedging transaction, conversion transaction, constructive sale, or other arrangement involving more than one position; (g) acquired ATAC Shares (or after the Arrangement, Hecla

Shares or Cascadia Shares) in connection with the exercise of employee stock options or otherwise as compensation for services; (h) hold ATAC Shares (or after the Arrangement, Hecla Shares or Cascadia Shares) other than as a capital asset within the meaning of Section 1221 of the U.S. Tax Code (generally, property held for investment purposes); (i) are partnerships and other pass-through entities (and investors in such partnerships and entities); (j) are required to accelerate the recognition of any item of gross income with respect to ATAC Shares (or after the Arrangement, Hecla Shares or Cascadia Shares) as a result of such income being recognized on an applicable financial statement; or (k) own, have owned or will own (directly, indirectly, or by attribution) 10% or more of the total combined voting power or value of the Company's outstanding shares. This summary also does not address the U.S. federal income tax considerations applicable to U.S. Holders who are: (a) U.S. expatriates or former long term residents of the U.S.; (b) persons that have been, are, or will be resident or deemed to be resident in Canada for purposes of the *Tax Act*; (c) persons that use or hold, will use or hold, or that are or will be deemed to use or hold ATAC Shares (or after the Arrangement, Hecla Shares or Cascadia Shares) in connection with carrying on a business in Canada; (d) persons whose ATAC Shares (or after the Arrangement, Hecla Shares or Cascadia Shares) constitute "taxable Canadian property" under the *Tax Act*; or (e) persons that have a permanent establishment in Canada for the purposes of the Canada-U.S. Tax Treaty. Holders that are subject to special provisions under the U.S. Tax Code, including holders described immediately above, should consult their own tax advisors regarding the U.S. and non-U.S. tax consequences relating to the Arrangement and the ownership and disposition of Hecla Shares and Cascadia Shares received pursuant to the Arrangement.

If an entity that is classified as a partnership (or "**pass through**" entity) for U.S. federal income tax purposes holds ATAC Shares (or after the Arrangement, Hecla Shares and Cascadia Shares), the U.S. federal income tax consequences to such entity and the owners of such entity of participating in the Arrangement and the ownership and disposition of Hecla Shares or Cascadia Shares received pursuant to the Arrangement generally will depend in part on the activities of the entity and the status of such owners. This summary does not address the tax consequences to any such owner or entity. Owners of entities that are classified as partnerships or pass-through entities for U.S. federal income tax purposes should consult their own tax advisors regarding the U.S. federal income tax consequences of the Arrangement and the ownership and disposition of Hecla Shares or Cascadia Shares received pursuant to the Arrangement.

U.S. Federal Income Tax Consequences of the Arrangement to U.S. Holders

Characterization of the Exchange of ATAC Shares for Hecla Shares and Cascadia Shares

ATAC intends, and this summary assumes, that the exchange by the ATAC Shareholders of the ATAC Shares for Hecla Shares and Cascadia Shares will properly be treated as a distribution by ATAC of the Cascadia Shares. However, it is possible that the receipt of Cascadia Shares could be treated for U.S. federal income tax purposes as additional consideration to a U.S. Holder for the ATAC Shares exchanged for Hecla Shares pursuant to the Arrangement, in which case the receipt of Cascadia Shares would be taxable to a U.S. Holder in a manner similar to the receipt of the Hecla Consideration as described in "*Part 17 – Certain United States Federal Income Tax Considerations – U.S. Federal Income Tax Consequences of the Arrangement to U.S. Holders – Exchange of ATAC Shares for the Hecla Consideration*". There can be no assurance that the IRS will not challenge this view of the transfer of the Cascadia Shares to the ATAC Shareholders and related transactions or that a U.S. court would not agree with the IRS if this treatment were challenged. Each U.S. Holder should consult its own tax advisor regarding the proper U.S. federal income tax treatment of the receipt of Cascadia Shares in connection with the Arrangement.

Tax Consequences of the Transfer of the Cascadia Shares to ATAC Shareholders

A U.S. Holder of ATAC Shares which receives Cascadia Shares will be required to include the amount of such distribution of Cascadia Shares in gross income as a dividend (without reduction for any non-U.S. tax withheld from the distribution) to the extent of ATAC's current or accumulated earnings and profits (as determined for U.S. federal income tax purposes). If such distribution to such U.S. Holder exceeds ATAC's current and accumulated earnings and profits as determined for U.S. federal income tax purposes, then to the extent of the excess, such distribution generally will be treated first as a non-taxable return of capital with respect to an ATAC Share to the extent of such U.S. Holder's adjusted tax basis in each ATAC Share and thereafter as gain from the sale or exchange of each such ATAC Share. Such gain generally will be long-term capital gain if such U.S. Holder held such ATAC Shares for more than one year at the time of disposition. Certain non-corporate U.S. Holders are entitled to preferential treatment for net long-term capital gains. As a result, a U.S. Holder will generally be required to include the entire amount of any such distribution

income first as a dividend to the extent of ATAC's current earnings and profits (as determined for U.S. federal income tax purposes), with any excess treated first as a non-taxable return of capital, if any, with respect to an ATAC Share to the extent of such U.S. Holder's adjusted tax basis in each ATAC Share and thereafter as gain from the sale or exchange of each such ATAC Share. Each such U.S. Holder will have a basis in such Cascadia Shares received equal to the fair market value of such Cascadia Shares on the Effective Date, and the holding period for such Cascadia Shares received will begin on the day after the Effective Date.

A distribution to a U.S. Holder with respect to an ATAC Share that is treated as a dividend generally will constitute income from sources outside the United States and generally will be categorized for U.S. foreign tax credit purposes as "passive category income" or, in the case of some U.S. Holders, as "general category income". Distributions treated as dividends that are received by certain non-corporate U.S. persons (including individuals) in respect of stock of a non-U.S. corporation (other than a corporation that is, in the taxable year during which the distributions are made or the preceding taxable year, a PFIC (as defined below)) that is a "qualified foreign corporation" ("**QFC**") generally qualify for a preferential tax rate (plus, potentially, additional tax discussed below under *"Part 17 – Certain United States Federal Income Tax Considerations – Additional Considerations Relevant to U.S. Holders of Cascadia Shares – Additional Tax on Passive Income"*) so long as certain holding period and other requirements are met. A qualified foreign corporation includes a foreign corporation that is eligible for the benefits of a comprehensive income tax treaty with the United States which the United States Treasury Department determines to be satisfactory for these purposes and which includes an exchange of information provision. The United States Treasury Department has determined that the Canada –U.S. Tax Treaty meets these requirements and ATAC believes it is eligible for the benefits of the Canada –U.S. Tax Treaty. If a dividend qualifies for the preferential rates, special rules apply for purposes of determining the recipient's investment income (which may limit deductions for investment interest) and foreign income (which may affect the amount of U.S. foreign tax credit) and to certain extraordinary dividends. Each U.S. Holder that is a non-corporate taxpayer should consult its own tax advisors regarding the possible applicability of the reduced tax rate and the related restrictions and special rules.

Exchange of ATAC Shares for the Hecla Consideration

A U.S. Holder's exchange of ATAC Shares for the Hecla Consideration pursuant to the Arrangement (hereinafter, the "**ATAC Share Exchange**") will be a taxable transaction for U.S. federal income tax purposes. The exchange of ATAC Shares for the Hecla Consideration will generally result in the following U.S. federal income tax consequences:

(a) a U.S. Holder of ATAC Shares will recognize gain or loss equal to the difference between (i) the fair market value of Hecla Shares received by such U.S. Holder in the Arrangement, and (ii) the adjusted tax basis of such U.S. Holder in such ATAC Shares exchanged (taking into account any reduction in adjusted tax basis in such ATAC Shares for the deemed distribution of Cascadia Shares as described in *"Part 17 – Certain United States Federal Income Tax Considerations – U.S. Federal Income Tax Consequences of the Arrangement to U.S. Holders – Tax Consequences of the Transfer of the Cascadia Shares to ATAC Shareholders"*);

(b) the aggregate tax basis of Hecla Shares received by a U.S. Holder of ATAC Shares in the Arrangement will be equal to the aggregate fair market value of Hecla Shares at the time of their receipt; and

(c) the holding period of Hecla Shares received by a U.S. Holder in the Arrangement will begin on the day after the Effective Date.

Any gain or loss recognized by a U.S. Holder as a result of the Arrangement will be short-term capital gain or loss, unless such U.S. Holder's holding period for the ATAC Shares exchanged is more than one year at the closing of the Arrangement, in which case any gain or loss recognized will be long-term capital gain or loss. Preferential tax rates for long-term capital gains are generally applicable to a U.S. Holder that is an individual, estate or trust. There are no preferential tax rates for long-term capital gains for a U.S. Holder that is a corporation. Deductions for capital losses are subject to complex limitations under the U.S. Tax Code.

Passive Foreign Investment Company

ATAC has not made and has no plans to make a formal determination as to whether it was a "passive foreign investment company" ("**PFIC**") for any tax years. A non-U.S. corporation is classified as a PFIC for U.S. federal income tax purposes in any taxable year in which, after applying relevant look-through rules with respect to the income and assets of its subsidiaries, either: (i) 50% or more of the value of the corporation's assets either produce passive income or are held for the production of passive income, based on the quarterly average of the fair market value of such assets; or (ii) at least 75% of the corporation's gross income is passive income. U.S. Holders should be aware that ATAC may have been a PFIC for any tax years. If ATAC was a PFIC at any time during a U.S. Holder's holding period for ATAC Shares, then (absent certain elections) it would continue to be a PFIC as to that U.S. Holder and as to those ATAC Shares. The tax consequences to U.S. Holders for whom ATAC may be a PFIC are beyond the scope of this discussion.

The determination of whether any corporation was, or will be, a PFIC for a tax year depends, in part, on the application of complex U.S. federal income tax rules, which are subject to differing interpretations. In addition, whether any corporation will be a PFIC for any tax year depends on the assets and income of such corporation over the course of each such tax year and, as a result, cannot be predicted with certainty as of the date of this Circular. **Each U.S. Holder should consult its own tax advisors regarding the PFIC status of ATAC.**

U.S. Holders should consult their own tax advisors regarding the PFIC rules.

U.S. Holders Exercising Dissent Rights

A U.S. Holder that exercises Dissent Rights in the Arrangement and is paid Canadian dollars in exchange for all of its ATAC Shares generally will recognize gain or loss in an amount equal to the difference, if any, between (i) the U.S. dollar amount of the Canadian dollars received by such U.S. Holder in exchange for ATAC Shares (other than amounts, if any, that are or are deemed to be interest for U.S. federal income tax purposes, which amounts will be taxed as ordinary income) (see *"Part 17 – Certain United States Federal Income Tax Considerations – Additional Considerations Relevant to U.S. Holders of Cascadia Shares – Receipt of Foreign Currency"*), and (ii) the tax basis of such U.S. Holder in such ATAC Shares surrendered. Any gain or loss recognized by the U.S. Holder with respect to those ATAC Shares would generally be capital gain or loss, which will be long-term capital gain or loss if such ATAC Shares have been held for more than one year. Preferential tax rates apply to long-term capital gains of a U.S. Holder that is an individual, estate, or trust. There are no preferential tax rates for long-term capital gains of a U.S. Holder that is a corporation. Deductions for capital losses are subject to complex limitations under the U.S. Tax Code.

U.S. Federal Income Tax Consequences to U.S. Holders Related to the Ownership and Disposition of Hecla Shares

Ownership of Hecla Shares

Distributions With Respect to Hecla Shares

Distributions, if any, paid on Hecla Shares, other than certain pro rata distributions of Hecla Shares, will be treated as a dividend to the extent paid out of Hecla's current or accumulated earnings and profits and will be includible in a U.S. Holder's income and taxable as ordinary income when received. If a distribution exceeds Hecla's current and accumulated earnings and profits, the excess will be first treated as a tax-free return of a U.S. Holder's investment, up to such U.S. Holder's tax basis in its Hecla Shares. Any remaining excess will be treated as a capital gain. Dividends received by a non-corporate U.S. Holder will generally be eligible to be taxed at reduced rates if such U.S. Holder satisfies certain holding period and other applicable requirements. Dividends received by a corporate U.S. Holder will generally be eligible for the dividends-received deduction if such U.S. Holder satisfies certain holding period and other applicable requirements.

Disposition of Hecla Shares

A U.S. Holder will recognize gain or loss on the sale or other taxable disposition of Hecla Shares in an amount equal to the difference, if any, between: (a) the fair market value of any property received; and (b) such U.S. Holder's tax basis in the Hecla Shares sold or otherwise disposed of. Any such gain or loss generally will be capital gain or loss, which will be long-term capital gain or loss if the Hecla Shares are held for more than one year.

Preferential tax rates apply to long-term capital gains of a U.S. Holder that is an individual, estate, or trust. There are currently no preferential tax rates for long-term capital gains of a U.S. Holder that is a corporation. Deductions for capital losses are subject to complex limitations under the U.S. Tax Code.

U.S. Federal Income Tax Consequences to U.S. Holders Related to the Ownership and Disposition of Cascadia Shares

Ownership of Cascadia Shares

Distributions With Respect to Cascadia Shares

A U.S. Holder that receives a distribution (including a constructive distribution, but excluding certain pro rata distributions of stock described in Section 305 of the U.S. Tax Code) with respect to the Cascadia Shares will be required to include the amount of such distribution in gross income as a dividend (without reduction for any Canadian income tax withheld from such distribution) to the extent of the current or accumulated earnings and profits of Cascadia, as determined under U.S. federal income tax rules. To the extent that a distribution exceeds the current and accumulated earnings and profits of Cascadia, such distribution will be treated (a) first, as a tax-free return of capital to the extent of a U.S. Holder's tax basis in the Cascadia Shares, and (b) thereafter, as gain from the sale or exchange of such Cascadia Shares. (See the more detailed discussion below under the heading *"Part 17 – Certain United States Federal Income Tax Considerations – U.S. Federal Income Tax Consequences to U.S. Holders Related to the Ownership and Disposition of Cascadia Shares – Disposition of Cascadia Shares*"). However, Cascadia may not maintain the calculations of earnings and profits in accordance with U.S. federal income tax principles, and each U.S. Holder may therefore have to assume that any distribution by Cascadia with respect to Cascadia Shares will constitute ordinary dividend income. Dividends received on the Cascadia Shares generally will not constitute qualified dividend income eligible for the dividends received deduction.

A dividend paid by Cascadia to a U.S. Holder who is an individual, estate or trust generally will be taxed at the preferential tax rates applicable to long-term capital gains if Cascadia is a QFC and certain holding period requirements for the U.S. Holder's shares and other requirements are met. A corporation generally will be a QFC if the corporation is eligible for the benefits of the Canada – U.S. Tax Treaty or its shares are readily tradeable on an established securities market in the U.S. However, even if Cascadia satisfies one or both of these requirements, Cascadia would not be treated as a QFC if Cascadia is a PFIC for the tax year during which Cascadia pays a dividend or for the preceding tax year. (See the section below under the heading "*Part 17 – Certain United States Federal Income Tax Considerations – U.S. Federal Income Tax Consequences to U.S. Holders Related to the Ownership and Disposition of Cascadia Shares – Passive Foreign Investment Company Rules Relating to the Ownership of Cascadia Shares*"). The dividend rules are complex, and each U.S. Holder should consult its own tax advisors regarding the application of such rules.

Disposition of Cascadia Shares

A U.S. Holder will recognize gain or loss on the sale or other taxable disposition of Cascadia Shares in an amount equal to the difference, if any, between: (a) the fair market value of any property received; and (b) such U.S. Holder's tax basis in the Cascadia Shares sold or otherwise disposed of. Subject to the PFIC rules discussed below, any such gain or loss generally will be capital gain or loss, which will be long-term capital gain or loss if the Cascadia Shares are held for more than one year.

Preferential tax rates apply to long-term capital gains of a U.S. Holder that is an individual, estate, or trust. There are currently no preferential tax rates for long-term capital gains of a U.S. Holder that is a corporation. Deductions for capital losses are subject to complex limitations under the U.S. Tax Code.

Passive Foreign Investment Company Rules Relating to the Ownership of Cascadia Shares

PFIC Status of Cascadia

If Cascadia were to constitute a PFIC for any year during a U.S. Holder's holding period, then certain potentially adverse rules may affect the U.S. federal income tax consequences to a U.S. Holder as a result of the acquisition, ownership and disposition of Cascadia Shares.

The determination of whether any corporation was, or will be, a PFIC for a tax year depends, in part, on the application of complex U.S. federal income tax rules, which are subject to differing interpretations. In addition, whether any corporation will be a PFIC for any tax year depends on the assets and income of such corporation over the course of each such tax year and, as a result, cannot be predicted with certainty as of the date of this Circular. Accordingly, there can be no assurance that the IRS will not challenge any determination made by Cascadia (or any subsidiary of Cascadia) concerning its PFIC status. Each U.S. Holder should consult its own tax advisors regarding the PFIC status of Cascadia and any subsidiary of Cascadia.

In any year in which Cascadia is classified as a PFIC, a U.S. Holder will be required to file an annual report with the IRS containing such information as U.S. Treasury Regulations and/or other IRS guidance may require. In addition to penalties, a failure to satisfy such reporting requirements may result in an extension of the time period during which the IRS can assess a tax. U.S. Holders should consult their own tax advisors regarding the requirements of filing such information returns under these rules, including the requirement to file an IRS Form 8621. For purposes of the income test and asset test described above, if Cascadia owns, directly or indirectly, 25% or more of the total value of the outstanding shares of another corporation, Cascadia will be treated as if it: (a) held a proportionate share of the assets of such other corporation; and (b) received directly a proportionate share of the income of such other corporation. In addition, for purposes of the income test and asset test described above, and assuming certain other requirements are met, "passive income" does not include certain interest, dividends, rents, or royalties that are received or accrued by Cascadia from certain "related persons" (as defined in Section 954(d)(3) of the U.S. Tax Code), to the extent such items are properly allocable to the income of such related person that is not passive income.

Under certain attribution rules, if Cascadia is a PFIC, U.S. Holders will generally be deemed to own their proportionate share of Cascadia's direct or indirect equity interest in any subsidiary of Cascadia which is also a PFIC (a "**Subsidiary PFIC**"), and will generally be subject to U.S. federal income tax on their proportionate share of (a) any "excess distributions" (as defined below) on the stock of a Subsidiary PFIC and (b) a disposition or deemed disposition of the stock of a Subsidiary PFIC by Cascadia or another Subsidiary PFIC, both as if such U.S. Holders directly held the shares of such Subsidiary PFIC. In addition, U.S. Holders may be subject to U.S. federal income tax on any indirect gain realized on the stock of a Subsidiary PFIC on the sale or disposition of Cascadia Shares. Accordingly, U.S. Holders should be aware that they could be subject to tax under the PFIC rules even if no distributions are received and no redemptions or other dispositions of Cascadia Shares are made.

Default PFIC Rules Under Section 1291 of the U.S. Tax Code

If Cascadia is a PFIC for any tax year during which a U.S. Holder owns Cascadia Shares, the U.S. federal income tax consequences to such U.S. Holder of the acquisition, ownership, and disposition of Cascadia Shares will depend on whether and when such U.S. Holder makes a qualified electing fund election under the U.S. Tax Code (a "**QEF Election**") to treat Cascadia and each Subsidiary PFIC, if any, as a QEF or makes a mark-to-market election under the U.S. Tax Code (a "**Mark-to-Market Election**"). A U.S. Holder that does not make either a QEF Election or a Mark-to-Market Election will be referred to below as a "**Non-Electing U.S. Holder**".

A Non-Electing U.S. Holder will be subject to the rules of Section 1291 of the U.S. Tax Code (described below) with respect to (a) any gain recognized on the sale or other taxable disposition of Cascadia Shares and (b) any excess of distributions with respect to the Cascadia Shares in any tax year over 125% of the average annual distributions any U.S. Holder has received from Cascadia during the shorter of the three preceding tax years, or such U.S. Holder's holding period for the Cascadia Shares (the "**excess distributions**") received on the Cascadia Shares.

Under Section 1291 of the U.S. Tax Code, any gain recognized on the sale or other taxable disposition of Cascadia Shares (including an indirect disposition of the stock of any Subsidiary PFIC), and any excess distributions received on Cascadia Shares or with respect to the stock of a Subsidiary PFIC, must be ratably allocated to each day in a Non-Electing U.S. Holder's holding period for the respective Cascadia Shares. The amount of any such gain or excess distribution allocated to the tax year of disposition or distribution of the excess distributions and to years before the entity became a PFIC, if any, would be taxed as ordinary income (and not eligible for certain preferred rates). The amounts allocated to any prior year in which Cascadia was a PFIC would be subject to U.S. federal income tax at the highest tax rate applicable to ordinary income in each such year, and an interest charge would be imposed on the tax liability for each such year, calculated as if such tax liability had been due in each such year. A Non-Electing U.S. Holder that is not a corporation must treat any such interest paid as "personal interest," which is not deductible.

If Cascadia is a PFIC for any tax year during which a Non-Electing U.S. Holder holds Cascadia Shares, Cascadia will continue to be treated as a PFIC with respect to such Non-Electing U.S. Holder, regardless of whether Cascadia ceases to be a PFIC in one or more subsequent tax years. A Non-Electing U.S. Holder may terminate this deemed PFIC status by electing to recognize gain (which will be taxed under the rules of Section 1291 of the U.S. Tax Code discussed above), but not loss, as if such Cascadia Shares were sold on the last day of the last tax year for which Cascadia was a PFIC.

QEF Election

A U.S. Holder that makes a timely and effective QEF Election for the first tax year in which the holding period of its Cascadia Shares begins generally will not be subject to the rules of Section 1291 of the U.S. Tax Code discussed above with respect to its Cascadia Shares. A U.S. Holder that makes a timely and effective QEF Election will be subject to U.S. federal income tax on such U.S. Holder's pro rata share of (a) the net capital gain of Cascadia, which will be taxed as long-term capital gain to such U.S. Holder, and (b) the ordinary earnings of Cascadia, which will be taxed as ordinary income to such U.S. Holder. Generally, "net capital gain" is the excess of (a) net long-term capital gain over (b) net short-term capital loss, and "ordinary earnings" are the excess of (a) "earnings and profits" over (b) net capital gain. A U.S. Holder that makes a QEF Election will be subject to U.S. federal income tax on such amounts for each tax year in which Cascadia is a PFIC, regardless of whether such amounts are actually distributed to such U.S. Holder by Cascadia. However, for any tax year in which Cascadia is a PFIC and has no net income or gain, U.S. Holders that have made a QEF Election would not have any income inclusions as a result of the QEF Election. If a U.S. Holder that made a QEF Election has an income inclusion, such a U.S. Holder may, subject to certain limitations, elect to defer payment of current U.S. federal income tax on such amounts, subject to an interest charge. If such U.S. Holder is not a corporation, any such interest paid will be treated as "personal interest," which is not deductible. A U.S. Holder that makes a timely and effective QEF Election with respect to Cascadia generally (a) may receive a tax-free distribution from Cascadia to the extent that such distribution represents "earnings and profits" of Cascadia that were previously included in income by the U.S. Holder because of such QEF Election and (b) will adjust such U.S. Holder's tax basis in the Cascadia Shares to reflect the amount included in income or allowed as a tax-free distribution because of such QEF Election. In addition, a U.S. Holder that makes a QEF Election generally will recognize capital gain or loss on the sale or other taxable disposition of Cascadia Shares.

The procedure for making a QEF Election, and the U.S. federal income tax consequences of making a QEF Election, will depend on whether such QEF Election is timely. A QEF Election will be treated as "timely" if such QEF Election is made for the first year in the U.S. Holder's holding period for the Cascadia Shares in which Cascadia was a PFIC. A U.S. Holder may make a timely QEF Election by filing the appropriate QEF Letter of Transmittal(s) at the time such U.S. Holder files a U.S. federal income tax return for such year. If a U.S. Holder does not make a timely and effective QEF Election for the first year in the U.S. Holder's holding period for the Cascadia Shares, the U.S. Holder may still be able to make a timely and effective QEF Election in a subsequent year if such U.S. Holder meets certain requirements and makes a "purging" election to recognize gain (which will be taxed under the rules of Section 1291 of the U.S. Tax Code discussed above) as if such Cascadia Shares were sold for their fair market value on the day the QEF Election is effective. If a U.S. Holder owns PFIC stock indirectly through another PFIC, separate QEF Elections must be made for the PFIC in which the U.S. Holder is a direct shareholder and the Subsidiary PFIC for the QEF rules to apply to both PFICs.

A QEF Election will apply to the tax year for which such QEF Election is timely made and to all subsequent tax years, unless such QEF Election is invalidated or terminated or the IRS consents to revocation of such QEF Election. If a U.S.

Holder makes a QEF Election and, in a subsequent tax year, Cascadia ceases to be a PFIC, the QEF Election will remain in effect (although it will not be applicable) during those tax years in which Cascadia is not a PFIC. Accordingly, if Cascadia becomes a PFIC in another subsequent tax year, the QEF Election will be effective and the U.S. Holder will be subject to the QEF rules described above during any subsequent tax year in which Cascadia qualifies as a PFIC.

U.S. Holders should be aware that there can be no assurances that Cascadia will satisfy the record keeping requirements that apply to a QEF, or that Cascadia will supply U.S. Holders with information that such U.S. Holders are required to report under the QEF rules, in the event that Cascadia is a PFIC. Thus, U.S. Holders may not be able to make a QEF Election with respect to their Cascadia Shares. **Each U.S. Holder should consult its own tax advisors regarding the availability of, and procedure for making, a QEF Election.**

A U.S. Holder makes a QEF Election by attaching a completed IRS Form 8621, including a PFIC Annual Information Statement, to a timely filed United States federal income tax return. However, if Cascadia does not provide the required information with regard to Cascadia or any of its Subsidiary PFICs, U.S. Holders will not be able to make a QEF Election for such entity and, subject to the Mark-to-Market Election discussed below, will continue to be subject to the rules discussed above that apply to Non-Electing U.S. Holders with respect to the taxation of gains and excess distributions.

Mark-to-Market Election

A U.S. Holder may make a Mark-to-Market Election only if the Cascadia Shares are marketable stock. The Cascadia Shares generally will be "marketable stock" if the Cascadia Shares are regularly traded on (a) a national securities exchange that is registered with the SEC, (b) the national market system established pursuant to section 11A of the U.S. Exchange Act, or (c) a foreign securities exchange that is regulated or supervised by a governmental authority of the country in which the market is located, provided that (i) such foreign exchange has trading volume, listing, financial disclosure, and surveillance requirements, and meets other requirements and the laws of the country in which such foreign exchange is located, together with the rules of such foreign exchange, ensure that such requirements are actually enforced and (ii) the rules of such foreign exchange effectively promote active trading of listed stocks. If such stock is traded on such a qualified exchange or other market, such stock generally will be "regularly traded" for any calendar year during which such stock is traded, other than in de minimis quantities, on at least 15 days during each calendar quarter. Provided that the Cascadia Shares are "regularly traded" as described in the preceding sentence, the Cascadia Shares are expected to be marketable stock.

A U.S. Holder that makes a Mark-to-Market Election with respect to its Cascadia Shares generally will not be subject to the rules of Section 1291 of the U.S. Tax Code discussed above with respect to such Cascadia Shares. However, if a U.S. Holder does not make a Mark-to-Market Election beginning in the first tax year of such U.S. Holder's holding period for the Cascadia Shares for which Cascadia is a PFIC or such U.S. Holder has not made a timely QEF Election, the rules of Section 1291 of the U.S. Tax Code discussed above will apply to certain dispositions of, and distributions on, the Cascadia Shares.

A U.S. Holder that makes a Mark-to-Market Election will include in ordinary income, for each tax year in which Cascadia is a PFIC, an amount equal to the excess, if any, of (a) the fair market value of the Cascadia Shares, as of the close of such tax year over (b) such U.S. Holder's adjusted tax basis in such Cascadia Shares. A U.S. Holder that makes a Mark-to-Market Election will be allowed a deduction in an amount equal to the excess, if any, of (a) such U.S. Holder's adjusted tax basis in the Cascadia Shares, over (b) the fair market value of such Cascadia Shares (but only to the extent of the net amount of previously included income as a result of the Mark-to-Market Election for prior tax years).

A U.S. Holder that makes a Mark-to-Market Election generally also will adjust such U.S. Holder's tax basis in the Cascadia Shares to reflect the amount included in gross income or allowed as a deduction because of such Mark-to-Market Election. In addition, upon a sale or other taxable disposition of Cascadia Shares, a U.S. Holder that makes a Mark-to-Market Election will recognize ordinary income or ordinary loss (not to exceed the excess, if any, of (a) the amount included in ordinary income because of such Mark-to-Market Election for prior tax years over (b) the amount allowed as a deduction because of such Mark-to-Market Election for prior tax years). Losses that exceed this limitation are subject to the rules generally applicable to losses provided in the U.S. Tax Code and U.S. Treasury Regulations.

A U.S. Holder makes a Mark-to-Market Election by attaching a completed IRS Form 8621 to a timely filed United States federal income tax return. A Mark-to-Market Election applies to the tax year in which such Mark-to-Market Election is made and to each subsequent tax year, unless the Cascadia Shares cease to be "marketable stock" or the IRS consents to revocation of such election. Each U.S. Holder should consult its own tax advisors regarding the availability of, and procedure for making, a Mark-to-Market Election.

Although a U.S. Holder may be eligible to make a Mark-to-Market Election with respect to the Cascadia Shares, no such election may be made with respect to the stock of any Subsidiary PFIC that a U.S. Holder is treated as owning, because such stock is not marketable. Hence, the Mark-to-Market Election will not be effective to avoid the application of the default rules of Section 1291 of the U.S. Tax Code described above with respect to deemed dispositions of Subsidiary PFIC stock or excess distributions from a Subsidiary PFIC.

Other PFIC Rules

Under Section 1291(f) of the U.S. Tax Code, the IRS has issued proposed U.S. Treasury Regulations that, subject to certain exceptions, would cause a U.S. Holder that had not made a timely QEF Election to recognize gain (but not loss) upon certain transfers of Cascadia Shares that would otherwise be tax-deferred (e.g., gifts and exchanges pursuant to corporate reorganizations). However, the specific U.S. federal income tax consequences to a U.S. Holder may vary based on the manner in which Cascadia Shares are transferred.

Certain additional adverse rules may apply with respect to a U.S. Holder if Cascadia is a PFIC, regardless of whether such U.S. Holder makes a QEF Election. For example, under Section 1298(b)(6) of the U.S. Tax Code, a U.S. Holder that uses Cascadia Shares as security for a loan will, except as may be provided in U.S. Treasury Regulations, be treated as having made a taxable disposition of such Cascadia Shares. Special rules also apply to the amount of foreign tax credit that a U.S. Holder may claim on a distribution from a PFIC. Subject to such special rules, foreign taxes paid with respect to any distribution in respect of stock in a PFIC are generally eligible for the foreign tax credit. The rules relating to distributions by a PFIC and their eligibility for the foreign tax credit are complicated, and a U.S. Holder should consult with its own tax advisors regarding the availability of the foreign tax credit with respect to distributions by a PFIC.

The PFIC rules are complex, and each U.S. Holder should consult its own tax advisors regarding the PFIC rules and how the PFIC rules may affect the U.S. federal income tax consequences of the acquisition, ownership, and disposition of Cascadia Shares.

Additional Considerations Relevant to U.S. Holders of Cascadia Shares

Foreign Tax Credit

A U.S. Holder that pays (whether directly or through withholding) Canadian income tax in connection with the Arrangement or in connection with the ownership or disposition of Cascadia Shares may be entitled, at the election of such U.S. Holder, to receive either a deduction or a credit for such Canadian income tax paid. Generally, a credit will reduce a U.S. Holder's U.S. federal income tax liability on a dollar-for-dollar basis, whereas a deduction will reduce a U.S. Holder's income subject to U.S. federal income tax. This election is made on a year-by-year basis and applies to all foreign taxes paid (whether directly or through withholding) by a U.S. Holder during a tax year.

Complex limitations apply to the foreign tax credit, including the general limitation that the credit cannot exceed the proportionate share of a U.S. Holder's U.S. federal income tax liability that such U.S. Holder's "foreign source" taxable income bears to such U.S. Holder's worldwide taxable income. In applying this limitation, a U.S. Holder's various items of income and deduction must be classified, under complex rules, as either "foreign source" or "U.S. source". Generally, dividends paid by a foreign corporation should be treated as foreign source for this purpose, and gains recognized on the sale of stock of a foreign corporation by a U.S. Holder should be treated as U.S. source for this purpose, except as otherwise provided in an applicable income tax treaty, and if an election is properly made under the U.S. Tax Code. However, the amount of a distribution with respect to the ATAC Shares or Cascadia Shares that is treated as a "dividend" may be lower for U.S. federal income tax purposes than it is for Canadian federal income tax purposes, resulting in a reduced foreign tax credit allowance to a U.S. Holder. In addition, this limitation is calculated

separately with respect to specific categories of income. The foreign tax credit rules are complex, and each U.S. Holder should consult its own U.S. tax advisor regarding the foreign tax credit rules.

Receipt of Foreign Currency

The amount of any distribution or proceeds paid in Canadian dollars to a U.S. Holder in connection with the ownership of Cascadia Shares, or on the sale, exchange or other taxable disposition of Cascadia Shares, or any Canadian dollars received in connection with the Arrangement (including, but not limited to, U.S. Holders exercising Dissent Rights under the Arrangement), will generally be included in the gross income of a U.S. Holder as translated into U.S. dollars calculated by reference to the exchange rate prevailing on the date of actual or constructive receipt of such amount, regardless of whether the Canadian dollars are converted into U.S. dollars at that time. If the Canadian dollars received are not converted into U.S. dollars on the date of receipt, a U.S. Holder will have a basis in the Canadian dollars equal to its U.S. dollar value on the date of receipt. Any U.S. Holder who receives payment in Canadian dollars and engages in a subsequent conversion or other disposition of the Canadian dollars may have a foreign currency exchange gain or loss that would be treated as ordinary income or loss, and generally will be U.S. source income or loss for foreign tax credit purposes. Different rules apply to U.S. Holders who use the accrual method. Each U.S. Holder should consult its own U.S. tax advisor regarding the U.S. federal income tax consequences of receiving, owning, and disposing of Canadian dollars.

Additional Tax on Passive Income

Certain U.S. Holders that are individuals, estates or trusts (other than trusts that are exempt from tax) will be subject to a 3.8% tax on all or a portion of their "net investment income," which includes dividends on the ATAC Shares, Hecla Shares or Cascadia Shares and net gains from the disposition of the ATAC Shares, Hecla Shares or Cascadia Shares. Further, excess distributions treated as dividends, gains treated as excess distributions under the PFIC rules discussed above, and mark-to-market inclusions and deductions are all included in the calculation of net investment income.

Treasury Regulations provide, subject to the election described in the following paragraph, that solely for purposes of this additional tax, distributions of previously taxed income by PFICs for which a U.S. Holder has made a QEF Election will be treated as dividends and included in net investment income subject to the additional 3.8% tax. Additionally, to determine the amount of any capital gain from the sale or other taxable disposition of ATAC Shares or Cascadia Shares that will be subject to the additional tax on net investment income, a U.S. Holder who has made a QEF Election will be required to recalculate its basis in the ATAC Shares or Cascadia Shares excluding QEF basis adjustments.

Alternatively, a U.S. Holder may make an election which will be effective with respect to all interests in PFICs for which a QEF Election has been made and which are held in that year or acquired in future years. Under this election, a U.S. Holder pays the additional 3.8% tax on QEF income inclusions and on gains calculated after giving effect to related tax basis adjustments. **U.S. Holders that are individuals, estates or trusts should consult their own tax advisors regarding the applicability of this tax to any of their income or gains in respect of the ATAC Shares, Hecla Shares and Cascadia Shares.**

Information Reporting and Backup Withholding Tax

Under U.S. federal income tax law, certain categories of U.S. Holders of ATAC Shares, Hecla Shares and Cascadia Shares must file information returns with respect to their investment in, or involvement in, ATAC, Hecla or Cascadia. For example, U.S. return disclosure obligations (and related penalties) are imposed on individuals who are U.S. Holders that hold certain specified foreign financial assets in excess of certain thresholds. The definition of "specified foreign financial assets" includes not only financial accounts maintained in foreign financial institutions, but also, unless held in accounts maintained by a financial institution, any stock or security issued by a non-U.S. person, any financial instrument or contract held for investment that has an issuer or counterparty other than a U.S. person and any interest in a foreign entity. U.S. Holders may be subject to these reporting requirements unless their ATAC Shares and Cascadia Shares are held in an account at certain financial institutions. Penalties for failure to file certain of these information returns are substantial. U.S. Holders should consult with their own tax advisors regarding the requirements of filing information returns under these rules, including the requirement to file an IRS Form 8938.

Payments made within the U.S. or by a U.S. payor or U.S. middleman, of (a) distributions on the Hecla Shares or Cascadia Shares, (b) proceeds arising from the sale or other taxable disposition of Hecla Shares or Cascadia Shares, or (c) any payments received in connection with the Arrangement (including, but not limited to, U.S. Holders exercising Dissent Rights under the Arrangement) generally may be subject to information reporting and backup withholding tax, currently at a rate of 24%, if a U.S. Holder (a) fails to furnish such U.S. Holder's correct U.S. taxpayer identification number (generally on an IRS Form W-9), (b) furnishes an incorrect U.S. taxpayer identification number, (c) is notified by the IRS that such U.S. Holder has previously failed to properly report items subject to backup withholding tax, or (d) fails to certify, under penalty of perjury, that such U.S. Holder has furnished its correct U.S. taxpayer identification number and that the IRS has not notified such U.S. Holder that it is subject to backup withholding tax. However, certain exempt persons generally are excluded from these information reporting and backup withholding rules. Backup withholding is not an additional tax. Any amounts withheld under the U.S. backup withholding tax rules will be allowed as a credit against a U.S. Holder's U.S. federal income tax liability, if any, or will be refunded, if such U.S. Holder furnishes required information to the IRS in a timely manner. **Each U.S. Holder should consult its own tax advisor regarding the information reporting and backup withholding rules in their particular circumstances and the availability of and procedures for obtaining an exemption from backup withholding.**

The discussion of reporting requirements set forth above is not intended to constitute an exhaustive description of all reporting requirements that may apply to a U.S. Holder. A failure to satisfy certain reporting requirements may result in an extension of the time period during which the IRS can assess a tax, and under certain circumstances, such an extension may apply to assessments of amounts unrelated to any unsatisfied reporting requirement. Each U.S. Holder should consult its own tax advisors regarding the information reporting and backup withholding rules.

U.S. Federal Income Tax Consequences to Non-U.S. Holders Related to the Arrangement

The Cascadia Share Distribution and the ATAC Share Exchange

A non-U.S. Holder generally will not be subject to U.S. federal income tax (including withholding tax) on gain upon the Cascadia Share Distribution and the ATAC Share Exchange unless: (i) such gain is effectively connected with such non-U.S. Holder's conduct of a trade or business in the United States within the meaning of Section 871(b) and Section 882(a) of the U.S. Tax Code and, if an applicable tax treaty applies, is attributable to a permanent establishment maintained by the non-U.S. Holder in the United States, in which case, the branch profits tax discussed below may also apply if the non-U.S. Holder is a corporation; or (ii) the non-U.S. Holder is an individual who is present in the United States for 183 days or more in the taxable year of sale, exchange or other disposition and certain additional conditions are met.

An individual non-U.S. Holder who is subject to U.S. federal income tax because the non-U.S. Holder was present in the United States for 183 days or more during the year of disposition is taxed on such non-U.S. Holder's net gain, including gain from the ATAC Share Exchange, and net of applicable U.S. losses from sale or exchanges of other capital assets incurred during the same taxable year, at a rate of 30%.

Other non-U.S. Holders that may be subject to U.S. federal income tax on the ATAC Share Exchange or the Cascadia Share Distribution are required to pay tax on the net gain derived from such exchange under regular graduated U.S. federal income tax rates, and corporate Non-U.S. Holders may also be subject to branch profits tax at a 30% rate or such lower rate as may be specified by an applicable income tax treaty. Non-U.S. Holders should consult with their own tax advisors with respect to the U.S. federal income tax consequences of the Arrangement, including whether any applicable income tax treaties may provide for different results in such non-U.S. Holder's particular circumstances.

Non-U.S. Holders Exercising Dissent Rights

A non-U.S. Holder who exercises Dissent Rights pursuant to the Arrangement is entitled to receive from ATAC the fair value of ATAC Shares held by such non-U.S. Holder who exercises Dissent Rights. Upon the receipt of a payment, a non-U.S. Holder exercising Dissent Rights will be considered to have disposed of its ATAC Shares for proceeds of disposition equal to the amount received as discussed above under *"Part 17 – Certain United States Federal Income Tax Considerations – U.S. Federal Income Tax Consequences of the Arrangement to U.S. Holders – Exchange of ATAC Shares for the Hecla Consideration"*.

U.S. Federal Income Tax Consequences to Non-U.S. Holders Related to the Ownership and Disposition of Hecla Shares

Distributions with Respect to Hecla Shares

Any distributions made to a non-U.S. Holder with respect to Hecla Shares that constitute dividends for U.S. federal income tax purposes will be subject to U.S. withholding tax at a rate of 30% of the gross amount (or a reduced rate prescribed by an applicable income tax treaty) unless the dividends are effectively connected with a trade or business carried on by the non-U.S. Holder within the United States (and, if an income tax treaty applies, are attributable to a permanent establishment of the non-U.S. Holder within the United States). A distribution will constitute a dividend for U.S. federal income tax purposes to the extent of Hecla's current or accumulated earnings and profits as determined for U.S. federal income tax purposes. Any distribution not constituting a dividend will be treated as first reducing the adjusted basis in the non-U.S. Holder's Hecla Shares and, to the extent it exceeds the adjusted basis in the non-U.S. Holder's Hecla Shares, as gain from the sale or exchange of such shares. Any such gain will be subject to the treatment described below under *"Part 17 – Certain United States Federal Income Tax Considerations – U.S. Federal Income Tax Consequences to Non-U.S. Holders Related to the Ownership and Disposition of Hecla Shares – Gain on Sale or Other Disposition of Hecla Shares"*.

Subject to the discussion below regarding "*Part 17 – Certain United States Federal Income Tax Considerations – U.S. Federal Income Tax Consequences to Non-U.S. Holders Related to the Ownership and Disposition of Hecla Shares – Foreign Account Tax Compliance Act*", dividends effectively connected with a U.S. trade or business (and, if an income tax treaty applies, attributable to a U.S. permanent establishment) of a non-U.S. Holder generally will not be subject to U.S. withholding tax if the non-U.S. Holder complies with applicable certification and disclosure requirements. Instead, such dividends generally will be subject to U.S. federal income tax on a net income basis, in the same manner as if the non-U.S. Holder were a resident of the United States. A non-U.S. Holder that is a corporation may be subject to an additional "branch profits tax" at a rate of 30% (or such lower rate as may be specified by an applicable income tax treaty) on its "effectively connected earnings and profits," subject to certain adjustments.

Gain on Sale or Other Disposition of Hecla Shares

In general, a non-U.S. Holder will not be subject to U.S. federal income or, subject to the discussion below under the headings "*Part 17 – Certain United States Federal Income Tax Considerations – Additional Considerations Relevant to Non-U.S. Holders of Hecla Shares – Information Reporting and Backup Withholding" and "Part 17 – Certain United States Federal Income Tax Considerations – Additional Considerations Relevant to Non-U.S. Holders of Hecla Shares – Foreign Account Tax Compliance Act*", withholding tax on any gain realized upon the sale or other disposition of Hecla Shares unless:

- the gain is effectively connected with a trade or business carried on by the non-U.S. Holder within the United States and, if required by an applicable income tax treaty, is attributable to a U.S. permanent establishment of the non-U.S. Holder;
- the non-U.S. Holder is an individual and is present in the United States for 183 days or more in the taxable year of disposition and certain other conditions are satisfied; or
- Hecla is or has been a U.S. real property holding corporation (a "**USRPHC**") for U.S. federal income tax purposes at any time within the shorter of the five-year period ending on the date of the disposition and the non-U.S. Holder's holding period and certain other conditions are satisfied.

Unless an applicable income tax treaty provides otherwise, a non-U.S. Holder whose gain is described in the first bullet point immediately above will be subject to tax on the net gain derived from the sale under regular graduated United States federal income tax rates. If such non-U.S. Holder is a foreign corporation, it may also be subject to a branch profits tax (at a 30% rate or such lower rate as specified by an applicable income tax treaty) on its effectively connected earnings and profits (as adjusted for certain items).

An individual non-U.S. Holder described in the second bullet point immediately above will be subject to a flat 30% tax (or lower applicable treaty rate) on the gain derived from the sale, which may be offset by U.S. source capital losses of the non-U.S. Holder, even though the individual is not considered a resident of the United States, but only if such losses

are reflected on a timely-filed U.S. federal income tax return. With respect to the third bullet point above, in general, a corporation is a USRPHC if the fair market value of its "U.S. real property interests" (as defined in the U.S. Tax Code and applicable Treasury Regulations) equals or exceeds 50% of the sum of the fair market value of its worldwide real property interests (including its U.S. real property interests) and its other assets used or held for use in its trade or business. Hecla believes that it currently is, and expects to remain for the foreseeable future, a USRPHC for U.S. federal income tax purposes. However, as long as Hecla Shares continue to be "regularly traded on an established securities market", a non-U.S. Holder will be taxable on gain recognized on the disposition of Hecla Shares as a result of Hecla's status as a USRPHC only if the non-U.S. Holder actually or constructively owned more than 5% of such common stock at any time during the shorter of the five-year period ending on the date of the disposition or the non-U.S. Holder's holding period for such Hecla Shares. If Hecla Shares were not considered to be regularly traded on an established securities market, a non-U.S. Holder would be subject to U.S. federal income tax on any gain realized on a disposition of Hecla Shares, and the purchaser would generally be required to withhold 15% of the purchase price and remit such amount to the IRS.

Non-U.S. Holders should consult their tax advisors with respect to the application of the foregoing rules to their ownership and disposition of Hecla Shares.

Additional Considerations Relevant to Non-U.S. Holders of Hecla Shares

Information Reporting and Backup Withholding Tax

Any distributions paid on Hecla Shares, and the tax withheld with respect thereto, are subject to information reporting requirements. These information reporting requirements apply regardless of whether withholding was reduced or eliminated by an applicable tax treaty or withholding was not required because the distributions were effectively connected with a trade or business in the United States conducted by the non-U.S. Holder. Copies of these information returns also may be made available under the provisions of a specific treaty or agreement to the tax authorities of the country in which the non-U.S. Holder resides. Under certain circumstances, the U.S. Tax Code imposes a backup withholding obligation (currently at a rate of 24%) on certain reportable payments. Distributions paid to a non-U.S. Holder on Hecla Shares generally will be exempt from backup withholding if the non-U.S. Holder provides a properly executed IRS Form W-8BEN or IRS Form W-8BEN-E, as applicable (or a successor form for either) or otherwise establishes an exemption.

The payment of the proceeds from the disposition of Hecla Shares to or through the U.S. office of any broker, U.S. or foreign, will be subject to information reporting and possible backup withholding unless the holder certifies as to its non-U.S. status under penalties of perjury or otherwise establishes an exemption, provided that the broker does not have actual knowledge or reason to know that the holder is a U.S. person or that the conditions of any other exemption are not, in fact, satisfied. The payment of the proceeds from the disposition of Hecla Shares to or through a non-U.S. office of a non-U.S. broker will not be subject to information reporting or backup withholding unless the non-U.S. broker has certain types of relationships with the United States (a "**U.S. related person**"). In the case of the payment of the proceeds from the disposition of Hecla Shares to or through a non-U.S. office of a broker that is either a U.S. person or a U.S. related person, the Treasury Regulations require information reporting (but not the backup withholding) on the payment unless the broker has documentary evidence in its files that the holder is a non-U.S. Holder and the broker has no knowledge to the contrary. Non-U.S. Holders should consult their own tax advisors on the application of information reporting and backup withholding to them in their particular circumstances (including upon their disposition of Hecla Shares).

Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules from a payment to a non-U.S. Holder may be refunded or credited against the non-U.S. Holder's U.S. federal income tax liability, if any, if the non-U.S. Holder provides the required information to the IRS on a timely basis. Non-U.S. Holders should consult their own tax advisors regarding the filing of a U.S. tax return for claiming a refund of such backup withholding.

Foreign Account Tax Compliance Act

Sections 1471 through 1474 of the U.S. Tax Code, and the Treasury Regulations and administrative guidance promulgated thereunder ("**FATCA**") impose U.S. withholding on certain payments made to "foreign financial

institutions" and to certain other non-U.S. entities, including intermediaries. Such withholding will generally be imposed at a 30% rate on certain payments of dividends on, or gross proceeds from the sale or disposition of, shares issued by a U.S. person, including Hecla Shares, to a foreign financial institution unless such foreign financial institution enters into (or is deemed to have entered into) an agreement with the U.S. Department of the Treasury to, among other things, undertake to identify accounts held by certain U.S. persons or U.S.-owned foreign entities, annually report certain information about such accounts, and withhold 30% of payments to such account holders whose actions prevent the financial institution from complying with these reporting and other requirements. Withholding is imposed on similar types of payments to a non-financial foreign entity unless the entity certifies that it does not have any substantial U.S. owners or the entity furnishes identifying information regarding each substantial U.S. owner. Certain countries have entered into, and other countries are expected to enter into, agreements with the United States to facilitate the type of information reporting required under FATCA, which will reduce but not eliminate the risk of FATCA withholding for investors in or holding Hecla Shares through financial institutions in such countries. FATCA withholding currently applies to payments of U.S.-source dividends and other fixed payments and will apply to gross proceeds from dispositions of property producing such payments which occur after December 31, 2018. Non-U.S. Holders are urged to consult their own tax advisors with respect to the U.S. federal income tax consequences of FATCA to their ownership and disposition of Hecla Shares.

PART 18. MANAGEMENT CONTRACTS

Management services for the Company are not, to any material degree, performed by persons other than the directors and executive officers of the Company.

PART 19. INFORMATION CONCERNING THE COMPANY

ATAC is a Canadian company focused on exploring for gold and copper in the Yukon and British Columbia. ATAC's sole material property is the ~1,700 km^2 Rackla Gold Property located in the Yukon. Work on the Rackla Gold Property has resulted in the discovery of the Osiris Deposit and the Tiger Deposit, both of which are described below. ATAC also holds the early stage Connaught, Catch, Rosy, and Idaho Creek properties in Yukon, and the Pil Property in British Columbia.

ATAC's head office is located at 1500-409 Granville St, Vancouver, BC, V6C 1T2 and registered office is located at 1710 – 1177 West Hastings Street, Vancouver, BC V6E 2L3.

ATAC was incorporated under the laws of the Province of British Columbia on October 15, 1998, and it is a reporting issuer under the securities laws of the provinces of British Columbia and Alberta. The ATAC Shares are listed and posted for trading on the TSXV under the symbol "**ATC**", and on the OTCQB market under the symbol "**ATADF**".

Additional Information on ATAC

For more information regarding ATAC, its businesses, operations and mineral properties, see Appendix "H" of this Circular.

PART 20. INFORMATION CONCERNING CASCADIA

Pursuant to the Plan of Arrangement and the Cascadia Contribution Agreement, ATAC will transfer all of its entire legal and beneficial right, title and interest in and to the Cascadia Assets to Cascadia in consideration for the Distribution Cascadia Shares and the Cascadia Warrants, following which the Distribution Cascadia Shares will be distributed to former ATAC Shareholders and the Cascadia Warrants will be distributed to former ATAC Warrantholders. Additionally, Hecla will subscribe for Cascadia Units in the aggregate amount of $2,000,000.

After completion of the Arrangement, the business and operations of Cascadia will be managed and operated as a stand-alone corporation. The principal executive office of Cascadia will be located at 409 Granville Street, Suite 1500, Vancouver, British Columbia V6C 1T2.

Description of Mineral Properties

On completion of the Arrangement, Cascadia will hold the following properties currently owned by ATAC:

- Catch Property, Yukon, Canada;
- Pil Property, British Columbia, Canada;
- Rosy Property, Yukon, Canada; and
- Idaho Creek Property, Yukon, Canada.

Additional Information on Cascadia

For more information on Cascadia, including information about its business, operations, mineral properties and the individuals who will be the directors and executive officers of Cascadia, Cascadia's capital structure and Cascadia's financial statements, see Appendix "I" of this Circular.

PART 21. INFORMATION CONCERNING HECLA

Hecla is a reporting issuer in each of the provinces and territories of Canada and its shares are registered under the U.S. Exchange Act. Hecla is a company incorporated under, and governed by, the Laws of the State of Delaware. The principal executive office of Hecla is located at 6500 North Mineral Drive, Suite 200, Coeur d'Alene, Idaho, 83815-9408, United States of America, and the telephone number is (208) 769-4100.

Hecla is a U.S.-based precious and base metals mining company engaged in the exploration, acquisition, development, production and marketing of silver, gold, lead and zinc. In business since 1891, Hecla is among the oldest U.S.-based precious metals mining companies and one of the lowest-cost primary silver producers in North America. Hecla produces both metal concentrates, which it sells to smelters and brokers, and unrefined gold and silver precipitate and bullion bars (doré), which are sold as precipitate and doré, or are further refined before sale, to refiners and precious metals traders. Hecla has producing precious metals mining operations in Alaska, Idaho, Québec and Durango, Mexico and additional development and exploration projects in Alaska, Idaho, Canada and Mexico.

The Hecla Shares are listed for trading on the NYSE under the trading symbol "HL".

Selected Financial Data

Selected financial data for Hecla is set forth under the heading "*Item 6. Selected Financial Data*" in Hecla's Annual Report on Form 10-K for the year ended December 31, 2023 and "*Selected Historical Financial Data of Hecla*" in Appendix "K" of this Circular.

Comparative Stock Prices

Hecla Shares are traded on the NYSE under the symbol "HL" and ATAC Shares are currently listed for trading on the TSXV under the symbol "ATC", and on the OTCQB market under the symbol "ATADF". The following table presents trading information for Hecla Shares on the NYSE and ATAC Shares on the TSXV on April 5, 2023, the last trading day before the public announcement of the execution of the Arrangement Agreement, and May 9, 2023 the latest practicable trading day before the date of this Circular. The dollar value for Hecla Shares is converted to Canadian dollars at the prevailing Bank of Canada exchange rate on the relevant day:

	Hecla Shares			**ATAC Shares**		
Date	**High**	**Low**	**Close**	**High**	**Low**	**Close**
April 5, 2023	$8.94	$8.58	$8.63	$0.14	$0.13	$0.13

May 9, 2023	$8.32	$8.11	$8.23	$0.15	$0.145	$0.15

The market value of the Hecla Shares to be issued in exchange for ATAC Shares upon the completion of the Arrangement will not be known at the time of the Meeting. The above tables show only historical comparisons. Because the market prices of Hecla Shares and ATAC Shares will likely fluctuate prior to the Arrangement, these comparisons may not provide meaningful information to ATAC Securityholders in determining whether to approve the Arrangement Resolution. ATAC Securityholders are encouraged to obtain current market quotations for Hecla Shares and ATAC Shares and to review carefully the other information contained in this Circular (including Appendix "K" of this Circular) and any documents incorporated by reference in this Circular. See "*Part 28 – Additional Information*" of this Circular for how to obtain additional information about ATAC, and "*Where You Can Find More Information*" of Appendix "K" of this Circular for how to obtain additional information about Hecla.

Additional Information about Hecla

For more information regarding the businesses of Hecla, its operations and mineral properties, see Appendix "K" of this Circular.

PART 22. INFORMATION CONCERNING HECLA FOLLOWING THE ARRANGEMENT

On completion of the Arrangement, Hecla will directly or indirectly own all of the issued and outstanding shares in the capital of ATAC. After completion of the Arrangement, the business and operations of ATAC will be managed and operated as a subsidiary of Hecla. Hecla expects that the business and operations of Hecla and ATAC will be consolidated and the principal executive office of the Combined Company will be located at Hecla's current principal executive office, being 6500 North Mineral Drive, Suite 200, Coeur d'Alene, Idaho, 83815-9408, United States of America, and the telephone number will be (208) 769-4100.

Description of Mineral Properties

On completion of the Arrangement, the Combined Company will hold the following material properties currently owned by Hecla and ATAC:

- Lucky Friday mine, Shoshone County, Idaho, U.S.A.;
- Greens Creek mine, on Admiralty Island near Juneau, Alaska, U.S.A.;
- Casa Berardi Gold mine, Québec, Canada;
- San Sebastian mine, Durango, Mexico;
- Fire Creek Mine, Ladner County, Nevada, U.S.A.; and
- Rackla Gold Property, Yukon, Canada.

Further information regarding the Lucky Friday mine, Greens Creek mine, Casa Berardi Gold mine and San Sebastian mine can be found in the section of Hecla's Annual Report on Form 10-K for the fiscal year ended December 31, 2022 entitled "*Item 2. Properties***,**" which is incorporated by reference herein, and Appendix "K" of this Circular. Further information regarding Fire Creek Mine can be found in the section of the 2022 Annual Report on Form 10-K entitled "*Item 2. Properties*", which is incorporated by reference herein. Further information about the Rackla Gold Property can be found in Appendix "H" of this Circular and in the Technical Report, a copy of which is available under ATAC's profile on SEDAR.

Directors and Executive Officers of the Combined Company

The individuals who currently serve as the directors and executive officers of Hecla will continue to serve in the same roles and with the same titles as the directors and executive officers of the Combined Company. See Hecla's Annual Report on Form 10-K for the fiscal year ended December 31, 2022 and Hecla's Proxy Statement on Schedule 14A,

filed on April 11, 2023, which are incorporated by reference herein, for information about the individuals who are the current directors and executive officers of Hecla and who will be the directors and executive officers of the Combined Company.

Capital Structure

The authorized capital of the Combined Company following the Arrangement will continue to be as described in Appendix "K" of this Circular and the rights and restrictions of the Hecla Shares (as described in Appendix "N" of this Circular) will remain unchanged. The issued share capital of Hecla will change as a result of the consummation of the Arrangement, to reflect the issuance of the Hecla Shares contemplated in the Arrangement.

Comparative Share Information

For comparative per share information for ATAC Shares and Hecla Shares see "*Comparative Per Share Information*" in Appendix "K" of this Circular and for comparative stock prices of Hecla Shares and ATAC Shares, see "*Part 21 – Information Concerning Hecla – Comparative Stock Prices*" of this Circular.

Auditors, Transfer Agent and Registrar

The auditors of the Combined Company following the Arrangement will continue to be BDO at its office at 601 W. Riverside, Suite 900, Spokane, WA 99201. The transfer agent and registrar for the Combined Company following the Arrangement will continue to be American Stock Transfer & Trust Company at its office at 59 Maiden Lane, New York, NY 10038.

PART 23. CASCADIA OMNIBUS INCENTIVE PLAN

Ratification of Omnibus Incentive Plan.

At the Meeting, shareholders of the Company will be asked to approve an ordinary resolution (the "**Omnibus Incentive Plan Resolution**") ratifying, confirming and approving Cascadia's new omnibus equity incentive plan (the "**Omnibus Incentive Plan**") and to reserve Cascadia Shares from treasury for issuances under the Omnibus Incentive Plan.

Prior to the Effective Date, the sole director of Cascadia and ATAC, the sole shareholder of Cascadia prior to the Effective Date, will approve the Omnibus Incentive Plan for the benefit of Cascadia's directors, officers, employees and consultants. The Omnibus Incentive Plan is being put to ATAC Shareholders for approval provided that the Arrangement Resolution is approved. The Omnibus Incentive Plan will not become effective unless the Arrangement Resolution is approved and becomes effective.

The Omnibus Incentive Plan has been established as a vehicle by which equity-based incentives may be awarded to the directors, officers, employees and consultants of the Cascadia; to provide a flexible, Cascadia Share-based mechanism to attract, retain and motivate qualified individuals; to recognize and reward their significant contributions to the long-term success of the Cascadia; and to align the interests of the Cascadia's directors, officers, employees and consultants more closely with Shareholders.

The Omnibus Incentive Plan is a "rolling up to 10%" plan as that term is used in TSXV Policy 4.4 – *Security Based Compensation* and would allow Cascadia to issue stock options, restricted share units, performance share units, deferred share units and stock appreciation rights (collectively "**Awards**") in accordance with the restrictions set out in the Omnibus Incentive Plan. The maximum number of Cascadia Shares reserved and available for issuance under the Omnibus Incentive Plan will be a rolling aggregate limit of up to 10% of the total issued and outstanding Cascadia Shares from time to time (the "**Total Share Authorization**").

The Cascadia Board intends to use Awards issued under the Omnibus Incentive Plan as part of the Cascadia's overall executive compensating plan. Since the value of each type of Award increases or decreases with the price of the Cascadia Shares, the issuance of Awards reflects a philosophy of aligning the interests of Award holders with those of

the Shareholders by tying compensation to the share price performance. In addition, the various Awards may assist in the retention of qualified and experienced person by rewarding those individuals who make a long-term commitment.

ATAC Shareholder approval is required by the TSXV (in the event the Cascadia Shares are listed on the TSXV) in connection with the Omnibus Incentive Plan. The full text of the Omnibus Incentive Plan Resolution is set forth in Appendix "M" of this Circular. In order for the Omnibus Incentive Plan Resolution to become effective: (i) the Omnibus Incentive Plan Resolution must be approved by the affirmative vote of at least a simple majority of votes cast by the ATAC Shareholders who vote in person or by proxy at the Meeting and (ii) the Arrangement must become effective. The Omnibus Incentive Plan also remains subject to the review and approval of the TSXV. **Neither completion of the Arrangement nor approval of the Arrangement Resolution is conditional upon the approval of the Omnibus Incentive Plan Resolution.**

The ATAC Board unanimously recommends that each Shareholder vote FOR the Omnibus Incentive Plan Resolution. ATAC Shares represented by proxies in favour of the management nominees will be voted FOR the Omnibus Incentive Plan, unless a Shareholder has specified in its Proxy that their ATAC Shares are to be voted against the Omnibus Incentive Plan Resolution.

A summary of the Omnibus Incentive Plan is set out under the heading "*Particulars of the Omnibus Incentive Plan*" below and a copy of the full text of the Omnibus Incentive Plan is attached as Schedule A to Appendix "I" of this Circular.

Particulars of the Omnibus Incentive Plan

A summary of the material terms of the Omnibus Incentive Plan is provided below. Please refer to Schedule A to Appendix "I" of this Circular for the full text of the Omnibus Incentive Plan. This summary is qualified in its entirety by the full text of the Omnibus Incentive Plan. Unless otherwise specified, all capitalized terms used in the following summary have the same meanings as those given to such terms in the Omnibus Incentive Plan.

Administration. The Omnibus Incentive Plan is administered by the Cascadia Board, subject to the Cascadia Board's power to delegate such administrative duties and powers as it may seem fit, from time to time. The Cascadia Board, or any committee that receives delegated authority to administer the Omnibus Incentive Plan from the Cascadia Board is referred to herein as the "**Committee**". The Committee may further delegate certain duties to one or more of its members in accordance with applicable corporate law and as it deems advisable. In connection with its administrative role, the Cascadia Board may make, amend and repeal at any time and from time to time such policies not inconsistent with the Omnibus Incentive Plan as it may deem necessary or advisable for the proper administration of the plan. Cascadia's administration of the Omnibus Incentive Plan will be consistent with the policies and rules of the TSXV and will comply with such other stock exchanges on which the Cascadia Shares may be listed from time to time.

Eligibility Under the Omnibus Incentive Plan. Pursuant to the Omnibus Incentive Plan, Awards may be granted to:

(a) a director of Cascadia or any of its subsidiaries;

(b) an officer of Cascadia or any of its subsidiaries;

(c) an employee of Cascadia or any of its subsidiaries, which is (i) an individual that is considered an employee of Cascadia or any of its subsidiaries under the Income Tax Act (Canada); (ii) an individual who works full-time for Cascadia or any of its subsidiaries providing services normally provided by an employee and who is subject to the same control and direction by Cascadia over the details and methods of work as an employee of Cascadia, but for whom income tax deductions are not made at source; (iii) an individual who works for Cascadia or any of its subsidiaries on a continuing and regular basis for a minimum amount of time per week providing services normally provided by an employee and who is subject to the same control and direction by Cascadia over the details and methods of work as an employee of Cascadia, but for whom income tax deductions are not made at source;

(d) a management company employee, which is an individual employed by a person providing management services to Cascadia, which is required for the ongoing successful operation of the business enterprise of Cascadia; and

(e) a consultant to Cascadia or any of its subsidiaries, which is an individual (or a corporation or partnership of which the individual is an employee, shareholder or partner), other than an employee, officer, management company employee or a director of Cascadia, that (i) is engaged to provide on a bona fide basis, consulting, technical, management or other services to Cascadia or any of its subsidiaries, other than services provided in relation to a distribution; (ii) provides the services under a written contract between Cascadia or a subsidiary of Cascadia and the individual or the consultant company; (iii) in the reasonable opinion of Cascadia, spends or will spend a significant amount of time and attention on the affairs and business of Cascadia or its subsidiaries; and (iv) has a relationship with Cascadia or a subsidiary of Cascadia that enables the individual to be knowledgeable about the business and affairs of Cascadia,

all of the foregoing collectively referred to as "**Participants**". Subject to certain restrictions, Cascadia may also issue Awards to a registered retirement savings plan or registered retirement income fund established and controlled by a Participant or a company that is wholly owned by an individual Participant.

Cascadia Shares Issuable Under the Omnibus Incentive Plan. The Omnibus Incentive Plan provides that the maximum number of Cascadia Shares that may be reserved and available for issuance under the Omnibus Incentive Plan and all of Cascadia's other equity incentive plans or compensation arrangements in existence from time to time on and after the effective date of the Omnibus Incentive Plan, will be 10% of the total issued and outstanding Cascadia Shares from time to time. If any Award expires, is cancelled, otherwise terminated for any reason without having been exercised in full, or is settled in cash, the number of Cascadia Shares in respect of which such Award was not exercised will again be available for issuance under the Omnibus Incentive Plan.

Restrictions on Award Grants. The Committee has the power to determine, in its sole discretion, those Participants to whom Awards are to be awarded. The following restrictions apply to grants under the Omnibus Incentive Plan.

(a) Unless Cascadia receives Disinterested Shareholder Approval:

(i) the maximum aggregate number of Cascadia Shares that are issuable under all share compensation arrangements of Cascadia granted or issued in any 12-month period to any one person must not exceed 5% of the Cascadia Shares issued and outstanding calculated at the time of grant;

(ii) the maximum aggregate number of Cascadia Shares which may be issued under share compensation arrangements of Cascadia granted or issued to Insiders as a group must not exceed 10% of the Cascadia Shares issued and outstanding at any point in time; and

(iii) the maximum aggregate number of Cascadia Shares that are issuable under all share compensation arrangements of Cascadia granted or issued in any 12-month period to Insiders as a group must not exceed 10% of the Cascadia Shares issued and outstanding calculated at the time of grant.

(b) The maximum aggregate number of Cascadia Shares that are issuable under all share compensation arrangements of Cascadia granted or issued in a 12- month period to any one Consultant must not exceed 2% of the Cascadia Shares issued and outstanding calculated at the time of grant.

(c) The maximum aggregate number of Cascadia Shares that are issuable under all share compensation arrangements of Cascadia granted or issued in a 12- month period to all persons retained to provide Investor Relations Activities must not exceed 2% of the Cascadia Shares issued and outstanding calculated at the time of grant.

(d) Persons retained to provide Investor Relations Activities to Cascadia may only be granted Options under the Omnibus Incentive Plan.

Types of Awards. Awards of stock options, restricted share units, performance share units, deferred share units and stock appreciation rights may be made under the Omnibus Incentive Plan. All of the awards described below are subject to the conditions, limitations, restrictions, exercise price, vesting, settlement and forfeiture provisions determined by the Committee, in its sole discretion. Awards are subject to limitations set out in the Omnibus Incentive Plan, and by the TSXV and will generally be evidenced by an Award Agreement. In addition, subject to the limitations provided in the Omnibus Incentive Plan and in accordance with applicable law and TSXV requirements, the Committee may accelerate or defer the vesting or payment of Awards, cancel or modify outstanding awards, and waive any condition imposed with respect to Awards.

Options. A stock option ("**Option**") entitles a holder thereof to purchase a prescribed number of treasury Cascadia Shares at an exercise price set at the time of the grant. The Committee will establish the exercise price at the time each Option is granted, which exercise price must in all cases be not less than the Market Price (as defined in TSXV Policy 1.1 – *Interpretation*) of the Cascadia Shares. Subject to any accelerated termination as set forth in the Omnibus Incentive Plan, each Option expires on its respective expiry date. The Committee will have the authority to determine the vesting terms (which may include performance goals) applicable to grants of Options, subject to the restrictions in the Omnibus Incentive Plan relating to Options granted to providers of Investor Relations Activities. Once an Option becomes vested, it shall remain vested and shall be exercisable until expiration or termination of the Option in accordance with the Award Agreement and the Omnibus Incentive Plan. No Option will be exercisable later than the tenth anniversary of the date of its grant, except where the expiry date of any Option would occur in a blackout period or within five days after the end of a blackout period, in which case the expiry date will be automatically extended to the tenth business day following the last day of the blackout period.

The Omnibus Incentive Plan allows Option holders to elect to exercise vested Options on a cashless basis, if, at the time, Cascadia has engaged a brokerage firm to facilitate cashless exercises. Cashless exercise is a process whereby the selected brokerage firm will loan money to the exercising Option holder to exercise the applicable Options and then sell a sufficient number of the Cascadia Shares underlying the exercised Options in order to repay the loan made to the exercising Option holder.

Restricted Share Units. A restricted share unit ("**RSU**") is a unit equivalent in value to a Cascadia Share which entitles the holder to receive (subject to adjustment in certain circumstance) one Cascadia Share (or the value thereof) for each RSU after a specified vesting period. The Committee may, from time to time, subject to the provisions of the Omnibus Incentive Plan and such other terms and conditions as the Committee may prescribe, grant RSUs to Participants not engaged in Investor Relations Activities. The Committee shall have the authority to determine any vesting terms applicable to the grant of RSUs (which may include performance goals), provided no RSUs may vest before the date that is one year following the date of grant and after the date that is three years following the date of grant and that, if applicable, the vesting terms comply with Section 409A of the U.S. Internal Revenue Code of 1986 (the "**Code**").

Upon settlement, for each RSU, holders will receive (a) one fully paid and non-assessable Cascadia Share in respect of each vested RSU, (b) a cash payment or (c) a combination of Cascadia Shares and cash, in each case as determined by the Committee. Any such cash payments made by Cascadia shall be calculated by multiplying the number of RSUs to be redeemed for cash by the Fair Market Value per Cascadia Share as at the settlement date.

Performance Share Units. A performance share unit ("**PSU**") is a unit equivalent in value to a Cascadia Share which entitles the holder to receive (subject to adjustment in certain circumstance) one Cascadia Share (or the value thereof) for each PSU after specific performance-based vesting criteria determined by the Committee, in its sole discretion, have been satisfied. The performance goals to be achieved during any performance period, the length of any performance period, the amount of any PSUs granted, the termination of a participant's employment and the amount of any payment or transfer to be made pursuant to any PSU will be determined by the Committee and by the other terms and conditions of any PSU, all as set forth in the applicable Award Agreement. The Committee may, from time to time, subject to the provisions of the Omnibus Incentive Plan and such other terms and conditions as the Committee may prescribe, grant PSUs to Participants not engaged in Investor Relations Activities.

The Committee shall have the authority to determine any vesting terms applicable to the grant of PSUs provided no PSUs may vest before the date that is one year following the date of grant and after the date that is three years following the date of grant and that, if applicable, the vesting terms comply with Section 409A of the Code. Upon settlement, holders will receive (a) one fully paid and non-assessable Cascadia Share in respect of each vested PSU, (b) a cash payment, or (c) a combination of Cascadia Shares and cash, in each case as determined by the Committee. Any such cash payments made by Cascadia to a participant shall be calculated by multiplying the number of PSUs to be redeemed for cash by the Fair Market Value per Cascadia Share as at the settlement date.

Deferred Share Units. A deferred share unit ("**DSU**") is a unit equivalent in value to a Cascadia Share which entitles the holder to receive (subject to adjustment in certain circumstances) one Cascadia Share (or the value thereof) for each DSU at a future date. The Committee may, from time to time, subject to the provisions of the Omnibus Incentive Plan and such other terms and conditions as the Committee may prescribe, grant DSUs to Participants not engaged in Investor Relations Activities.

The Committee shall have the authority to determine any vesting terms applicable to the grant of DSUs provided no DSUs may vest before the date that is one year following the date of grant and that, if applicable, the vesting terms comply with Section 409A of the Code. Upon settlement, holders will receive (a) one fully paid and non-assessable Cascadia Share in respect of each vested DSU, (b) a cash payment, or (c) a combination of Cascadia Shares and cash, in each case as determined by the Committee. Any such cash payments made by Cascadia to a participant shall be calculated by multiplying the number of DSUs to be redeemed for cash by the Fair Market Value per Cascadia Share as at the settlement date.

Stock Appreciation Rights. A stock appreciation right ("**SAR**") entitles the recipient to receive, upon settlement of the SAR, the increase in the Fair Market Value of a specified number of Cascadia Shares from the date of the grant of the SAR to the date of exercise (payable in Cascadia Shares, cash or a combination of both at the discretion of the Committee). The Committee may, from time to time, subject to the provisions of the Omnibus Incentive Plan and such other terms and conditions as the Committee may grant SARs to any Participants not engaged in Investor Relations Activities. The Committee will establish the grant price of a SAR at the time each SAR is granted, which grant price must in all cases be not less than the Market Price (as defined in TSXV Policy 1.1 – *Interpretation*) of the Cascadia Shares. The Committee shall have the authority to determine any vesting terms applicable to the grant of SARs (which may include performance goals), provided no SARs may vest before the date that is one year following the date of grant and that, if applicable, the vesting terms comply with Section 409A of the Code.

Dividend Equivalents. At the discretion of the Committee, awards of RSUs, PSUs, DSUs and SARs may be credited with dividend equivalents in the form of cash, Cascadia Shares or additional RSUs, PSUs, DSUs, or SARs as applicable. If awarded, dividend equivalents shall vest in proportion to, and settle in the same manner as, the awards to which they relate. Dividend equivalents shall not apply to an Award unless specifically provided for in the Award Agreement. For clarity, any dividend equivalents granted shall be included in calculating the limits prescribed by the Omnibus Incentive Plan and shall reduce the applicable pool of Cascadia Shares available for issuance under the compensation arrangements of Cascadia. If Cascadia does not have a sufficient number of available Cascadia Shares under the Omnibus Incentive Plan to grant such dividend equivalents, Cascadia shall make such dividend payment in cash.

Blackout Periods. If an Award expires during, or within five business days after, a blackout period imposed by Cascadia, then, notwithstanding any other provision of the Omnibus Incentive Plan, the Award shall expire 10 business days after the blackout period is lifted by Cascadia. The Omnibus Incentive Plan contains certain requirements applicable to eligible blackout periods including that the automatic extension of an Award will not be permitted where the participant or Cascadia is subject to a cease trade order (or similar order under applicable securities laws) in respect of Cascadia's securities.

Transferability. Awards granted under the Omnibus Incentive Plan are non-transferable and non-assignable, except as specifically provided under the Omnibus Incentive Plan in the event of the death or disability of a Participant, to a Participant's RRSP or RRIF if the Participant is the sole beneficiary of the RRSP or RRIF, or to wholly-owned or controlled entities of an individual Participant.

Effect of Death, Disability or Incapacity of Participant. If a Participant dies or becomes Incapacitated during the term of an Award, or suffers a Disability and, as a result, their employment, term of office or engagement with Cascadia is terminated:

(a) any Awards held by the Participant that are not yet vested at the Termination Date shall continue to vest in accordance with their terms;

(b) any Awards held by the Participant that are subject to a Performance Goal shall be deemed to have been satisfied upon completion of the Performance Period;

(c) the executor, liquidator or administrator of the Participant's estate may exercise Options or other exercisable Awards of the Participant that become exercisable prior to the termination of such Awards;

(d) any RSUs, DSUs, PSUs or SARs held by the Participant that have vested or vest prior to their termination and do not otherwise have exercise requirements, shall be paid to the Participant, executor, liquidator or administrator of the Participant's estate;

(e) the right to exercise or be paid for an Award terminates on the earlier of:

(i) the date that is 12 months after the Termination Date;

(ii) the date on which the particular Award expires or terminates; and

(iii) with respect to Awards subject to Section 409A of the Code awarded to U.S. Participant, the last day of the same calendar year as the Participant's Separation from Service.

Retirement. If a Participant voluntarily Retires then:

(a) any Awards held by the Participant that are not yet vested at the Termination Date shall continue to vest in accordance with their terms;

(b) the Participant or, if applicable, the executor, liquidator or administrator of the Participant's estate may exercise Options or other exercisable Awards of the Participant that become exercisable prior to the termination of such Awards;

(c) any RSUs, DSUs, PSUs or SARs held by the Participant that have vested or vest, and do not otherwise have exercise requirements, shall be paid to the Participant or, if applicable, the executor, liquidator or administrator of the Participant's estate;

(d) the right to exercise or be paid for an Award terminates on the earlier of:

(i) the date that is 12 months after the Termination Date;

(ii) the date on which the particular Award expires or terminates; and

(iii) with respect to Awards subject to Section 409A of the Code awarded to U.S. Participant, to the extent necessary to comply with section 409A of the Code, the last day of the same calendar year as the Participant's Separation from Service.

Termination of Awards. Except as explicitly provided otherwise in a Participant's employment agreement and subject to the discretion of the Cascadia Board to determine otherwise:

(a) if a Participant's employment, term of office or engagement terminates for just Cause:

(i) any vested but unexercised Options or other exercisable Awards held by the Participant at the Termination Date will be immediately cancelled and forfeited to Cascadia on the Termination Date;

(ii) any other Awards held by the Participant that are not yet vested or payable by Cascadia at the Termination Date will be immediately cancelled and forfeited to Cascadia on the Termination Date; and

(iii) any remaining Awards held by the Participant that have vested and become payable by Cascadia before the Termination Date shall be paid to the Participant.

(b) where a Participant's employment or term of office or engagement terminates for any reason other than for Cause, death or disability:

(i) any Options or other Awards held by the Participant that are exercisable at the Termination Date continue to be exercisable by the Participant until the earlier of:

(A) the date that is 90 days after the Termination Date;

(B) the date on which the exercise period of the particular Award expires; and

(C) with respect to Awards subject to Section 409A of the Code awarded to U.S. Participant, the last day of the same calendar year as the Participant's Separation from Service,

(ii) any RSU, DSU, PSU or SAR held by the Participant that have vested or vest prior to their termination, and do not otherwise have exercise requirements, shall be paid to the Participant in accordance with the terms of the Omnibus Incentive Plan and Award Agreement; and

(iii) any Award held by the Participant that are not yet vested at the Termination Date immediately expire and are cancelled and forfeited to Cascadia on the Termination Date.

Where a Participant's employment or term of office or engagement is terminated for any reason, other than for Cause, during the 24 months following a Change in Control, any unvested Awards as at the date of such termination shall be deemed to have vested as at the date of such termination and shall become payable or exercisable as at the date of termination.

Adjustment. The Omnibus Incentive Plan contains provisions for the adjustment in the number of Cascadia Shares subject to the Omnibus Incentive Plan and issuable upon the exercise of Awards, and the other applicable terms and conditions thereof in the event of any reorganization, recapitalization, separation, stock dividend, extraordinary dividend, stock split, reverse stock split, amalgamations, mergers, plans of arrangement, Change of Control (as defined in the Omnibus Incentive Plan) transactions, take-over bid transactions or events which the Cascadia Board determines affects the Cascadia Shares such that an adjustment is appropriate to prevent dilution or enlargement of the rights of persons eligible to receive Awards under the Omnibus Incentive Plan.

In the event of a Change of Control transaction, the Cascadia Board shall have the discretion to (a) to amend, abridge or eliminate any vesting terms of an Award so that it may be exercised or settled in whole or in part, conditionally or otherwise, by the Participant prior to the completion of the Change of Control transaction and, if determined appropriate by the Cascadia Board, any such Award not exercised or otherwise settled at the effective time or record date (as applicable) of such Change of Control will be deemed to have expired, or (b) unilaterally determine that all outstanding Awards shall be cancelled upon a Change of Control, and that the value of such Awards, as determined by the Cascadia Board, shall be paid out in cash in an amount based on the Change of Control Price within a reasonable time subsequent to the Change of Control, all subject to the approval of the TSXV.

Notwithstanding the foregoing, if the Cascadia Board determines in good faith that the Awards will be honoured or assumed following a Change of Control, or new rights substituted therefore that are substantially equivalent, then no cancellation, acceleration of vesting, lapsing of restrictions or payments of an Award shall occur.

Tax Withholding. It is the responsibility of the Participant to ensure that they adhere to tax legislation in their jurisdiction regarding the reporting of benefits derived from the exercise or settlement of an Award. Pursuant to the Omnibus Incentive Plan, Cascadia may implement such procedures and conditions as it determines appropriate with respect to the withholding and remittance of taxes imposed under applicable law, or the funding of related amounts for which liability may arise under such applicable law.

Termination of, and Amendments to, the Omnibus Incentive Plan. The Cascadia Board may at any time, and from time to time, and without Shareholder approval, suspend or terminate the Omnibus Incentive Plan, or amend the Omnibus Incentive Plan to fix typographical errors or to clarify the existing provisions of the Omnibus Incentive Plan that do not substantively alter the scope, nature and intent of the provisions. Except as described below, any other amendment shall require the approval of the TSXV. Notwithstanding the foregoing and any TSXV approval to an amendment, Cascadia may not amend the Omnibus Incentive Plan or grant any Awards in the following circumstances without disinterested shareholder approval:

(a) making any individual Award grant that would result in the maximum aggregate number of Cascadia Shares issued under the Awards granted or issued to Insiders (as a group) to exceed 10% of the issued Cascadia Shares;

(b) any individual Award grant that would result in the grant to Insiders (as a group), within a twelve (12) month period, of an aggregate number of Cascadia Shares exceeding ten percent (10%) of the issued Cascadia Shares, calculated on the date an Award is granted to any Insider;

(c) any individual Award grant that would result in the number of Cascadia Shares issued to any individual in any twelve (12) month period under the Omnibus Incentive Plan exceeding five percent (5%) of the issued Cascadia Shares; and

(d) any reduction in the exercise price of an Option or SAR, or the extension of the term of an Option, if the Participant is an Insider;

(e) any amendment to an Award that results in a benefit to an Insider;

(f) any individual Award grant that would result in the Total Share Authorization being exceeded;

(g) any change that would materially modify the eligibility requirements for participation in the Omnibus Incentive Plan;

(h) any amendment that would result in an increase to the Total Share Authorization;

(i) any amendment that would extend the maximum permittable term of any Award; and

(j) any amendment to the amendment, modification, suspension and termination provisions of the Omnibus Incentive Plan.

Cascadia may amend the terms of an Award without the acceptance of the TSXV in the following circumstances, (i) to reduce the number of Cascadia Shares under Awards; (ii) to impose additional performance criteria or other vesting conditions; or (iii) to cancel an Award.

No termination, amendment, suspension or modification of the Omnibus Incentive Plan shall adversely affect in any material way any Award previously granted under the Omnibus Incentive Plan, without the written consent of the Participant holding such Award.

A copy of the full text of the Omnibus Incentive Plan is attached as Schedule A to Appendix "I" of this Circular.

PART 24. LEGAL MATTERS

The parties have been advised with respect to certain legal matters in connection with the Arrangement by Stikeman Elliott LLP, as Canadian counsel to the Company, the Special Committee and the ATAC Board, by Cassels Brock & Blackwell LLP, as Canadian counsel to Hecla, and by K&L Gates LLP, as United States counsel to Hecla.

PART 25. OTHER MATTERS

Management knows of no other matters to come before the Meeting other than those referred to in the Notice of Meeting. Should any other matters properly come before the Meeting, the ATAC Shares represented by the forms of proxy accompanying this Circular will be voted on such matters in accordance with the best judgment of the persons voting by proxy.

PART 26. INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as disclosed herein, no informed person of the Company, any proposed director of the Company, or any associate or affiliate of any informed person or proposed director has any material interest, direct or indirect, in any transaction since January 1, 2023 or in any proposed transaction which has materially affected or would materially affect the Company. An "informed person" means a director or executive office of a reporting issuer; a director or executive officer of a person or company that is itself an informed person or subsidiary of a reporting issuer; any person or company who beneficially owns, directly or indirectly, voting shares of a reporting issuer or who exercises control or direction over shares of the reporting issuer or a combination of both carrying more than 10% of the voting rights attached to all outstanding voting securities of the reporting issuer; and a reporting issuer that has purchased, redeemed or otherwise acquired any of its securities, for so long as it holds any of its securities.

PART 27. INTEREST OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED UPON

Certain of the Company's current directors and officers will serve as directors and/or officers of Cascadia after the completion of the Arrangement. Information concerning such directors and officers is provided under the heading "*Directors and Officers*" in Appendix "I" of this Circular.

Other than as set forth herein, management of the Company is not aware of any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, of any person who has been a director or executive officer of the Company at any time since the beginning of the Company's last financial year, is a proposed nominee for election as a director of the Company, or of any associate or affiliate of any such persons, in any matter to be acted upon at the Meeting.

PART 28. ADDITIONAL INFORMATION

ATAC and Hecla file annual, quarterly and current reports, proxy statements and other information with applicable Canadian securities regulators and the SEC, as applicable.

Canadian securities regulators make such information available under ATAC's issuer profile on SEDAR at www.sedar.com and under Hecla's issuer profile on SEDAR at www.sedar.com.

You may read and copy any reports, statements or other information filed by Hecla with the SEC at the SEC's Public Reference Room at 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the operation of the Public Reference Room. The SEC also maintains a website that contains reports, proxy and information statements and other information, including those filed by Hecla, at www.sec.gov. You may also access the SEC filings and obtain other information about Hecla through the website maintained by Hecla at www.hecla-mining.com.

The information contained in ATAC's website and Hecla's website is not incorporated by reference into this Circular.

PART 29. INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE

The SEC and the Canadian Securities Administrators allow certain information filed with the SEC and the Canadian Securities Administrators to be incorporated by reference into this Circular, which means that important information can be disclosed to you by referring you to other documents filed separately with the SEC and the Canadian Securities Administrators. You should read the information incorporated by reference because it is an important part of this Circular.

ATAC

A list of ATAC documents incorporated by reference into this Circular is set out under "*Documents Incorporated by Reference*" in Appendix "H" of this Circular.

Hecla

A list of Hecla documents incorporated by reference into this Circular is set out under "*Where You Can Find More Information*" in Appendix "K" of this Circular.

Additionally, all documents filed by Hecla with the SEC pursuant to Section 13(a), 13(c), 14 or 15(d) of the U.S. Exchange Act (other than current reports furnished under Item 2.02 and Item 7.01 of Form 8-K and exhibits filed on such form that are related to such items), from the date of this Circular to the date of the Meeting shall also be deemed to be incorporated herein by reference. Nothing in this Circular shall be deemed to incorporate information furnished, but not filed, with the SEC, including pursuant to Item 2.02 or Item 7.01 of Form 8-K and corresponding information furnished under Item 9.01 of Form 8-K or included as an exhibit, unless such information is expressly incorporated herein by specific reference.

Any statement contained in a document incorporated or deemed to be incorporated herein by reference, or contained in this Circular, shall be deemed to be modified or superseded for purposes of this Circular to the extent that a statement contained herein or in any other subsequently dated or filed document that also is or is deemed to be incorporated by reference herein modifies or supersedes such statement. Any such statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Circular.

ATAC will furnish without charge to securityholders of the Company, upon written or oral request, by first class mail or other equally prompt means within one business day of receipt of such request, a copy of any or all of the documents incorporated by reference in this Circular (excluding any exhibits to such documents unless the exhibit is specifically incorporated by reference into this Circular). ATAC may require the payment of a reasonable charge from any person or entity that is not a securityholder of the Company who requests a copy of any such documents. You should direct any requests for documents to:

ATAC Resources Ltd.
Attn: CEO, Suite 1500, 409 Granville Street, Vancouver, British Columbia V6C 1T2
Telephone: (604) 688-0111

Neither ATAC nor Hecla has authorized anyone to give any information or make any representation about the Arrangement or the Meeting that is different from, or in addition to, that contained in this Circular or in any of the materials that are incorporated by reference into this Circular. Therefore, if anyone does give you information of this sort, you should not rely on it. If you are in a jurisdiction where offers to exchange or sell, or solicitations of offers to exchange or purchase, the securities offered by this Circular are unlawful, or if you are a person to whom it is unlawful to direct these types of activities, then the offer presented in this Circular does not extend to you. The information contained in this Circular speaks only as of the date of this document unless the information specifically indicates that another date applies.

APPROVAL

The contents of this Circular and the sending thereof to the ATAC Securityholders have been approved by the ATAC Board.

DATED as of the 15th day of May, 2023.

BY ORDER OF THE ATAC BOARD

(signed) *Graham Downs*
Graham Downs
Director, President and Chief Executive Officer ATAC Resources Ltd.

CONSENT OF FORT CAPITAL PARTNERS

To: The Special Committee of ATAC Resources Ltd.

We refer to the fairness opinion dated April 3, 2023 (the "**Fairness Opinion**") which we prepared for the Special Committee of ATAC Resources Ltd. ("**ATAC**") in connection with the plan of arrangement involving, among others, ATAC, its securityholders and Hecla Mining Company.

We consent to the inclusion of the Fairness Opinion and all references to the Fairness Opinion in this Circular. In providing such consent, Fort Capital Partners does not intend that any person other than the Special Committee of ATAC will rely on the Fairness Opinion.

(signed) "*Fort Capital Partners*"

APPENDIX "A"
GLOSSARY OF TERMS

In this Circular and accompanying Notice of Meeting, unless there is something in the subject matter inconsistent therewith, the following terms shall have the respective meanings set out below, words importing the singular number shall include the plural and vice versa and words importing any gender shall include all genders.

"**Aboriginal Peoples**" means any aboriginal peoples of Canada, including First Nation, Inuit and Métis peoples of Canada and any group of aboriginal peoples, including Tribal or Métis Councils.

"**ACB**" means adjusted cost base.

"**Acceptable Confidentiality Agreement**" means with respect to any third party (other than Hecla) a confidentiality agreement between ATAC and such third party that, taken as a whole, is substantially similar to and no less favourable to ATAC than the Confidentiality Agreement and that contains:

(a) confidentiality restrictions that are no less favourable to ATAC than those set out in the Confidentiality Agreement;

(b) restrictions on the acquisition of ATAC Shares or securities convertible into ATAC Shares that provide that such party may not acquire any of the issued and outstanding ATAC Shares; and

(c) a standstill or similar provision that restricts such person from publicly announcing an intention to acquire or acquiring any securities or assets of ATAC for a period of not less than two years from the date of such confidentiality agreement and the making, or amendment, of an Acquisition Proposal, except that such provision may include an exception solely to the extent necessary to allow a person to make a non-public proposal to the ATAC Board, and does not restrict ATAC from complying with its obligations under Section 5.1. of the Arrangement Agreement.

"**Acquisition Agreement**" means any letter of intent, memorandum of understanding or other Contract, agreement in principle, acquisition agreement, merger agreement or similar agreement or understanding with respect to any Acquisition Proposal but does not include an Acceptable Confidentiality Agreement.

"**Acquisition Proposal**" means, at any time after the entering into of the Arrangement Agreement, whether or not in writing and whether in a single transaction or in a series of related transactions, any:

(a) proposal with respect to: (i) any direct or indirect acquisition, take-over bid, tender offer, exchange offer, treasury issuance or other transaction that, if consummated, would result in any person or group of persons other than Hecla (or any affiliate of Hecla) beneficially owning ATAC Shares (or securities convertible into or exchangeable or exercisable for ATAC Shares) representing 20% or more of ATAC Shares then outstanding (assuming, if applicable, the conversion, exchange or exercise of such securities convertible into or exchangeable or exercisable for ATAC Shares); (ii) any plan of arrangement, amalgamation, merger, share exchange, consolidation, reorganization, recapitalization, liquidation, dissolution, winding up, exclusive license, business combination or other similar transaction in respect of ATAC or any of its subsidiaries; (iii) any direct or indirect acquisition by any person or group of persons of any assets of ATAC or one or more of ATAC's subsidiaries which represents individually or in the aggregate 20% or more of the consolidated assets, revenues or earnings of ATAC; (iv) any direct or indirect sale, issuance or acquisition of voting or equity interests in one or more of ATAC's subsidiaries (including shares or other equity interest of subsidiaries) that: (A) represent 20% or more of the voting, equity or other securities of any such subsidiary (or rights or interests therein or thereto); or (B) constitute or hold 20% or more of the fair market value of the assets of ATAC and its subsidiaries (taken as a whole), based on the financial statements of ATAC most recently filed prior to such time as part of the ATAC Public Disclosure Record; or (v) any direct or indirect sale, disposition, lease, license, royalty, alliance or

joint venture, long-term supply agreement or other arrangement having a similar economic effect as (i) to (iv) above, whether in a single transaction or a series of related transactions by ATAC or any of its subsidiaries;

(b) inquiry, expression or other indication of interest or offer to, or public announcement of or of an intention to do any of the foregoing;

(c) modification or proposed modification of any such proposal, inquiry, expression or indication of interest; or

(d) other transaction or agreement, the consummation of which could reasonably be expected to materially impede, prevent or delay the transactions contemplated by the Arrangement Agreement or completion of the Arrangement, in each case excluding the Arrangement and the other transactions contemplated by the Arrangement Agreement.

"**Affected Securities**" means the ATAC Shares, the ATAC Options and the ATAC Warrants.

"**affiliate**" means, as to any person, any other person that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, such person. For purposes of this definition, "**control**" (including the terms "**controlled by**" and "**under common control with**"), when used with respect to a specific person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such person, whether through a substantial or majority ownership of voting securities, by Contract or otherwise.

"**Agentis**" has the meaning ascribed thereto in "*Part 7 – The Arrangement – Background to the Arrangement*" of this Circular.

"**allowable capital loss**" has the meaning ascribed thereto in "*Part 16 – Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada – Taxation of Capital Gains and Capital Losses*" of this Circular.

"**Alternative Transaction**" has the meaning ascribed thereto in "*Part 8 – The Arrangement Agreement – Covenants of ATAC – Covenants relating to the Arrangement*" of this Circular.

"**Ancillary Rights Agreement**" has the meaning ascribed thereto in "*Part 8 – the Arrangement Agreement – Other Covenants*" of this Circular.

"**Arrangement**" means an arrangement under the provisions of Section 288 of the BCBCA, on the terms and conditions set forth in the Plan of Arrangement as amended or varied from time to time in accordance with the terms of this Agreement or the Plan of Arrangement or made at the direction of the Court in the Final Order.

"**Arrangement Agreement**" means the arrangement agreement dated as of April 5, 2023, as amended by an agreement dated May 12, 2023, among Hecla, ATAC and Hecla Acquisition Subco (including the schedules attached thereto), as the same may be further amended, supplemented, restated or otherwise modified from time to time in accordance with the terms thereof.

"**Arrangement Consideration**" means the Hecla Shares, Hecla Warrants, Cascadia Shares and Cascadia Warrants that Participating Former Securityholders are entitled under the Plan of Arrangement, all as more specifically provided for in the Plan of Arrangement.

"**Arrangement Filings**" means the records and information provided to the Registrar under Subsection 292(a) of the BCBCA, together with a copy of the Final Order.

"**Arrangement Resolution**" means the special resolution approving the Arrangement to be considered and, if thought fit, passed by the ATAC Securityholders, at the Meeting and to be substantially in the form and content of Appendix "B" of this Circular.

"**ATAC**" means ATAC Resources Ltd., a corporation incorporated under the BCBCA.

"**ATAC Board**" means the board of directors of ATAC, as the same is constituted from time to time.

"**ATAC Board Financial Advisor**" means Agentis Capital Mining Partners.

"**ATAC Budget**" means the ATAC budget and plan for 2023, together with monthly budgets and plans based thereon, as attached as Schedule 34 of the ATAC Disclosure Letter.

"**ATAC Concessions**" means any mining, mineral or exploration concessions, claim, lease, license, Permit or other right to enter, explore for, exploit, prospect, develop, mine or produce ores and concentrates derived therefrom of precious, base and industrial minerals which ATAC or any of its subsidiaries owns or has the right or option to acquire or use.

"**ATAC Diligence Information**" means, collectively, material contained in the virtual data room established by ATAC and powered by Microsoft Sharepoint as at 6:00 p.m. (Vancouver time) on March 31, 2023, the index of documents of which is appended to the ATAC Disclosure Letter.

"**ATAC Directors**" means collectively, Graham Downs, Robert Carne, Don Poirier, Maureen Upton, Bruce Youngman, Glenn Yeadon and James Gray.

"**ATAC Disclosure Letter**" means the disclosure letter dated April 5, 2023 regarding the Arrangement Agreement that has been executed by ATAC and delivered to and accepted by Hecla prior to the execution of the Arrangement Agreement.

"**ATAC Locked-up Securityholders**" means collectively those officers of ATAC and ATAC Directors who have entered into ATAC Support Agreements.

"**ATAC Senior Management**" means the senior executive officers of ATAC.

"**ATAC Share Exchange**" has the meaning ascribed thereto in "*Part 17 – Certain United States Federal Income Tax Considerations – U.S. Federal Income Tax Consequences of the Arrangement to U.S. Holders – Exchange of ATAC Shares for the Hecla Consideration*" of this Circular.

"**ATAC Material Adverse Effect**" means any result, fact, change, effect, event, circumstance, occurrence or development that, individually or taken together with all other results, facts, changes, effects, events, circumstances, occurrences or developments, has or could reasonably be expected to have a material and adverse effect on the current or future business, operations, results of operations, capitalization, assets, liabilities (contingent or otherwise, including any contingent liabilities that may arise through outstanding pending or threatened litigation), obligations (whether absolute, accrued, conditional or otherwise), condition (financial or otherwise) or prospects or privileges of ATAC and its subsidiaries, taken as a whole, but shall not include any result, fact, change, proposed change, effect, event, circumstance, occurrence or development resulting from: (a) any change in general political, economic or financial or capital market conditions in Canada; (b) any change or proposed change in Laws; (c) any change affecting securities or commodity markets in general; (d) any change relating to currency exchange, interest rates or rates of inflation; (e) the price of gold; (f) any change in Canadian GAAP; (g) any natural disaster, war, armed hostilities or act of terrorism; (h) any epidemic, pandemic or outbreak of illness (including COVID-19 and any COVID-19 Measures) or health crisis or public health event, or any worsening of any of the foregoing; (i) any failure by the Company or any of its subsidiaries to meet any public estimates or expectations regarding its revenues, earnings or other financial performance or results of operations; or (j) a change as a result of the announcement of the execution of the Arrangement Agreement or of the transactions contemplated hereby (including changes in the market price of ATAC's securities), provided, however, the exclusion resulting from operation of each of clauses (a) through (h) above shall not apply to the extent that any of the changes, developments, conditions or occurrences referred to therein primarily relate to ATAC and its subsidiaries, taken as a whole, or materially disproportionately adversely affect ATAC and its subsidiaries, taken as a whole, in comparison to other comparable persons who operate in the industry in which ATAC and its subsidiaries operate; and provided further, however, that references in certain sections of this Agreement to dollar amounts are not intended to

be, and shall not be deemed to be, illustrative or interpretive for purposes of determining whether an ATAC Material Adverse Effect has occurred.

"**ATAC Options**" means, at any time, options to acquire ATAC Shares granted pursuant to the ATAC Option Plan, which are, at such time, outstanding and unexercised.

"**ATAC Option Plan**" means the stock option plan of ATAC entitled "*ATAC Resources Ltd. – Incentive Stock Option Plan*".

"**ATAC Public Disclosure Record**" means all documents filed or furnished under applicable Securities Laws by or on behalf of ATAC on SEDAR between January 1, 2020 and April 5, 2023.

"**ATAC Securityholders**" means collectively, the ATAC Shareholders and the holders of ATAC Options and ATAC Warrants.

"**ATAC Series 1 Warrants**" means the outstanding share purchase warrants of ATAC entitling holders to acquire, upon due exercise, one ATAC Share upon payment of cash consideration to ATAC of $0.22 cash consideration on or before March 31, 2024.

"**ATAC Series 2 Warrants**" means the outstanding share purchase warrants of ATAC entitling holders to acquire, upon due exercise, one ATAC Share upon payment of cash consideration to ATAC of $0.24 cash consideration on or before June 25, 2024.

"**ATAC Shareholder**" means a holder of one or more ATAC Shares.

"**ATAC Shares**" means common shares without par value in the capital of ATAC.

"**ATAC Support Agreements**" means the voting and support agreements, dated effective April 5, 2023, between Hecla and each of the ATAC Directors and officers of ATAC, which agreements provide that such director and/or officer shall, among other things, vote all Affected Securities of which they are the registered or beneficial holder or over which they have control or direction, in favour of the Arrangement.

"**ATAC U.S. Shareholder**" means a holder of ATAC Shares in the United States.

"**ATAC Warrants**" means the ATAC Series 1 Warrants and ATAC Series 2 Warrants.

"**Awards**" has the meaning ascribed thereto in "*Part 23 - Cascadia Omnibus Incentive Plan - Ratification of Omnibus Incentive Plan*" of this Circular.

"**BCBCA**" means the *Business Corporations Act* (British Columbia), including all regulations made thereunder, as promulgated or amended from time to time.

"**BDO**" means BDO USA, LLP.

"**Business Day**" means a day other than a Saturday, a Sunday or any other day on which commercial banking institutions in Vancouver, British Columbia, Toronto, Ontario or New York, New York are authorized or required by applicable Law to be closed.

"**Canada – U.S. Tax Treaty**" means the *Canada – United States Tax Convention (1980)*, as amended.

"**Canadian GAAP**" means International Financial Reporting Standards as issued by the International Accounting Standards Board and interpretations of the International Financial Reporting Interpretations Committee and the former Standing Interpretations Committee.

"**Canadian Securities Administrators**" means the voluntary umbrella organization of Canada's provincial and territorial securities regulators.

"**Cascadia**" means Cascadia Minerals Ltd., a corporation incorporated under the BCBCA and a wholly-owned subsidiary of ATAC.

"**Cascadia Assets**" has the meaning ascribed thereto in Appendix "I" to this Circular.

"**Cascadia Audit Committee**" has the meaning ascribed thereto in Appendix "I" of this Circular.

"**Cascadia Board**" means the board of directors of Cascadia, as the same is constituted from time to time.

"**Cascadia Compensation Committee**" has the meaning ascribed thereto in Appendix "I" to this Circular.

"**Cascadia Consideration**" means 0.100 of a Cascadia Share per ATAC Share.

"**Cascadia Contribution Agreement**" has the meaning ascribed thereto in "*Part 8 – The Arrangement Agreement – Other Covenants – Covenants regarding Pre-Spinout Reorganization*" of this Circular.

"**Cascadia Liabilities**" has the meaning ascribed thereto in Appendix "I" to this Circular.

"**Cascadia Properties**" means, collectively, certain mineral claims, together with surface rights, mineral rights, personal property and permits associated with such mineral claims on the following mining projects: (i) the Catch Property located in Yukon, Canada; (ii) the Pil Property located in British Columbia, Canada, (iii) the Rosy Property located in Yukon, Canada; and (iv) the Idaho Creek Property located in Yukon, Canada, including any renewal thereof and any form of successor or substitute title thereof.

"**Cascadia Shareholder**" means a holder of Cascadia Shares.

"**Cascadia Shares**" means common shares in the capital of Cascadia.

"**Cascadia Units**" has the meaning ascribed thereto in "*Part 4 – Summary – Reasons for the Arrangement*" of this Circular.

"**Cascadia Warrant Exercise Price**" has the meaning ascribed thereto in "*Description of Capital Structure – Cascadia Warrants*" of Appendix "I" to this Circular.

"**Cascadia Series 1 Warrants**" means a warrant to acquire one Cascadia Share upon payment of cash consideration of $0.45 per Cascadia Share on or before March 31, 2024 in such form as set out in the Arrangement Agreement.

"**Cascadia Series 2 Warrants**" means a warrant to acquire one Cascadia Share upon payment of cash consideration of $0.49 per Cascadia Share before June 25, 2024 in such form as set out in the Arrangement Agreement.

"**Cascadia Warrants**" means the Cascadia Series 1 Warrants and Cascadia Series 2 Warrants.

"**Catch Property**" means ATAC's Catch property, a copper-gold project located in Yukon, Canada.

"**Catch Property Option Agreement**" means the option agreement entered into between ATAC and Ryan Burke in respect of ATC's ability to earn a 100% interest in the Catch Property.

"**Catch Technical Report**" has the meaning ascribed thereto in Appendix "I" to this Circular.

"**CDS & Co.**" means the registration name for CDS Clearing and Depository Services Inc., which acts as a nominee for many Canadian brokerage firms.

"**CEE**" means an expense described in paragraph (f) of the definition of "Canadian exploration expense" in subsection 66.1(6) of the Tax Act, or that would be described in paragraph (h) of that definition if the references therein to "paragraph (a) to (d) and (f) to (g.4)" were a reference to "paragraph (f)", other than amounts which are (i) prescribed to be "Canadian exploration and development overhead expense" for the purposes of paragraph 66(12.6)(b) of the Tax Act, (ii) Canadian exploration expenses to the extent of the amount of any assistance described in paragraph 66(12.6)(a) of the Tax Act, (iii) the cost of acquiring or obtaining the use of seismic data described in paragraph 66(12.6)(b.1) of the Tax Act, or (iv) any expenses for prepaid services or rent that do not qualify as outlays and expenses for the period as described in the definition of the term "expense" in paragraph 66(15) of the Tax Act.

"**Change of Recommendation**" has the meaning ascribed thereto in "*Part 8 – The Arrangement Agreement – Termination*" of this Circular.

"**Charter Documents**" means the notice of articles, articles of incorporation (including any certificate of designations), articles, by-laws or like constating or organizational documents, each as amended to date.

"**CIM**" means the Canadian Institute of Mining, Metallurgy and Petroleum.

"**Circular**" means this management information circular of ATAC, including all appendices to this Circular, sent to ATAC Securityholders in connection with the Meeting, including any amendments or supplements thereto in accordance with the terms of the Arrangement Agreement.

"**Code**" means the U.S. Internal Revenue Code of 1986.

"**Code of Ethics**" has the meaning ascribed thereto in Appendix "I" of this Circular.

"**Combined Company**" means Hecla after completion of the Arrangement.

"**Committee**" has the meaning ascribed thereto in "*Part 23 - Cascadia Omnibus Incentive Plan - Particulars of the Omnibus Incentive Plan*" of this Circular.

"**Company**" means ATAC Resources Ltd., a corporation existing under the BCBCA.

"**Company Expense Reimbursement Event**" has the meaning ascribed thereto in "*Part 8 – The Arrangement Agreement – Termination – Termination Fee*" of this Circular.

"**Company Share Value**" means the five (5) day VWAP of the ATAC Shares on the TSXV determined as of the close of business on the second Business Day immediately preceding the Effective Date.

"**Computershare**" means Computershare Investor Services Inc.

"**Confidentiality Agreement**" means the confidentiality agreement dated as of February 17, 2023 between ATAC and Hecla.

"**Contract**" means any contract, agreement, license, franchise, lease, arrangement, commitment, understanding, joint venture, partnership, note, instrument, or other right or obligation (whether written or oral) to which ATAC, or any of its subsidiaries, is a party or by which ATAC, or any of its subsidiaries, is bound or affected or to which any of their respective properties or assets is subject.

"**Controlling Individual**" has the meaning ascribed thereto in "*Part 16 – Certain Canadian Federal Income Tax Considerations – Eligibility for Investment*" of this Circular.

"**Convertible Securityholder Letter of Transmittal**" means the letter of transmittal (printed on grey paper) delivered by ATAC to Registered ATAC Warrantholders together with this Circular providing for the delivery of ATAC Warrants to the Depositary.

"**Court**" means the Supreme Court of British Columbia, or other court as applicable.

"**CRA**" means the Canada Revenue Agency.

"**Depositary**" means Computershare.

"**DGCL**" means the *Delaware General Corporation Law*, as amended.

"**Dissent Rights**" has the meaning ascribed thereto in Section 4.01 of the Plan of Arrangement.

"**Dissent Shares**" means the ATAC Shares held by a Dissenting Shareholder and in respect of which the Dissenting Shareholder has duly and validly exercised the Dissent Rights in accordance with the dissent procedures in the Interim Order and the BCBCA.

"**Dissenting Shareholder**" means a Registered ATAC Shareholder who dissents in respect of the Arrangement in strict compliance with the Dissent Rights and who is ultimately entitled to be paid fair value for their ATAC Shares.

"**Distribution Cascadia Shares**" means the Cascadia Shares to be issued by Cascadia to ATAC as consideration for the transfer of certain property and assets from ATAC to Cascadia pursuant to the Cascadia Contribution Agreement.

"**DPSP** has the meaning ascribed thereto in "*Part 16 – Certain Canadian Federal Income Tax Considerations – Eligibility for Investment*" of this Circular.

"**DRS Statement**" means a statement issued through the Direct Registration System by the Transfer Agent and Registrar evidencing the securities held by a securityholder in book-based form in lieu of a physical share certificate.

"**DSU**" has the meaning ascribed thereto in "*Part 23 - Cascadia Omnibus Incentive Plan - Particulars of the Omnibus Incentive Plan*" of this Circular.

"**Eagle Plains**" means Eagle Plains Resources Ltd.

"**EDGAR**" means the U.S. Securities and Exchange Commission Electronic Data Gathering, Analysis and Retrieval system.

"**Effective Date**" means the date on which the Arrangement takes effect pursuant to the BCBCA.

"**Effective Time**" means 12:01 a.m. (Vancouver Time) on the Effective Date or such other time as the Parties may agree in writing before the Effective Date.

"**Encumbrance**" means any mortgage, hypothec, pledge, assignment, charge, lien, claim, security interest, adverse interest, other third person interest or encumbrance of any kind, whether contingent or absolute, and any agreement, option, right or privilege (whether by law, contract or otherwise) capable of becoming any of the foregoing.

"**Environment**" means the natural environment (including soil, land surface or subsurface strata, surface water, groundwater, sediment, ambient air (including all layers of the atmosphere), organic and inorganic matter and living organisms, including human health and safety, and any other environmental medium or natural resource).

"**Environmental Authorization**" means certificates of authorization, authorizations, Permits, consents, agreements (including any sewer surcharge agreement), instructions, directions or registrations issued, granted, conferred or required by a Governmental Authority with respect to any Environmental Laws.

"**Environmental Laws**" means Laws relating to reclamation or restoration of property; abatement of pollution; protection of the Environment; protection of wildlife, including endangered species; ensuring public health and safety from environmental hazards; protection of cultural or historic resources; management, treatment, storage, disposal or control of, or exposure to, Hazardous Substances; releases or threatened releases of pollutants, contaminants, chemicals

or industrial, toxic or Hazardous Substances, to air, surface water and groundwater; and all other Laws relating to the manufacturing, processing, distribution, use, treatment, storage, disposal, handling or transport of pollutants, contaminants, chemicals or industrial, toxic or Hazardous Substances or wastes.

"**excess distributions**" has the meaning ascribed thereto in "*Part 17 – Certain United States Federal Income Tax Considerations – U.S. Federal Income Tax Consequences to U.S. Holders Related to the Ownership and Disposition of Cascadia Shares — Passive Foreign Investment Company Rules Relating to the Ownership of Cascadia Shares – Default PFIC Rules Under Section 1291 of the U.S. Tax Code*" of this Circular.

"**Expense Reimbursement Event**" means a Purchaser Expense Reimbursement Event or a Company Expense Reimbursement Event.

"**FATCA**" has the meaning ascribed thereto in "*Part 17 – Certain United States Federal Income Tax Considerations – U.S. Federal Income Tax Consequences to Non-U.S. Holders Related to the Ownership and Disposition of Hecla Shares – Foreign Account Tax Compliance Act*" of this Circular.

"**Fairness Opinion**" means the opinion of Fort Capital to the effect that, as of the date of such opinion and based upon and subject to the assumptions, limitations and qualifications as set forth therein, the Arrangement Consideration to be received by the ATAC Shareholders under the Arrangement is fair, from a financial point of view, to the ATAC Shareholders.

"**FASB**" means Financial Accounting Standards Board.

"**Final Order**" means the order of the Court approving the Arrangement under Section 291 of the BCBCA, in form and substance acceptable to ATAC and Hecla, each acting reasonably, after a hearing upon the procedural and substantive fairness of the terms and conditions of the Arrangement, as such order may be affirmed, amended, modified, supplemented or varied by the Court (with the consent of both ATAC and Hecla, each acting reasonably) at any time prior to the Effective Date or, if appealed, as affirmed or amended (provided that any such amendment, modification, supplement or variation is acceptable to both ATAC and Hecla, each acting reasonably) on appeal unless such appeal is withdrawn, abandoned or denied.

"**Finlay**" means Finlay Minerals Ltd.

"**First Hecla Offer**" has the meaning ascribed thereto in "*Part 7 – The Arrangement – Background to the Arrangement*" of this Circular.

"**Flow-Through Mining Expenditure**" means an expense that will, once renounced to a subscriber of flow-thorough shares (as defined in the Tax Act) of ATAC pursuant to a subscription and renunciation agreement entered into by such subscriber and ATAC in November 2022, qualify as a "flow-through mining expenditure" (as defined in subsection 127(9) of the *Tax Act*) of such subscriber or, where such subscriber is a partnership, of the members of the subscriber who are individuals to the extent of their respective shares of the expense so renounced.

"**Former Securityholder**" means a holder of Affected Securities immediately prior to the Effective Time.

"**Fort Capital**" means Fort Capital Partners, financial advisor to the Special Committee.

"**Fort Capital Engagement Letter**" means the engagement letter dated February 28, 2023, pursuant to which the Special Committee retained Fort Capital to provide a fairness opinion in connection with the Arrangement.

"**forward-looking information**" and "**forward looking statements**" have the meanings ascribed thereto in "*Part 3 – Cautionary Statement Regarding Forward-Looking Information*" of this Circular.

"**Governmental Authority**" means any multinational, federal, provincial, territorial, state, regional, municipal, local or other government or governmental body and any division, agent, official, minister, agency, commission, commissioner, bureau, board or authority of any government, governmental body, quasi-governmental or private body (including the

TSXV or any other stock exchange) exercising any statutory, regulatory, expropriation or taxing authority under the authority of any of the foregoing and any domestic, foreign or international judicial, quasi-judicial or administrative court, tribunal, commission, board, panel or arbitrator acting under the authority of any of the foregoing.

"**Guidelines**" has the meaning ascribed thereto in Appendix "I" of this Circular.

"**Hazardous Substance**" means any element, waste or other substance, including an odour, a sound or a vibration, whether natural or artificial and whether consisting of gas, liquid, solid or vapour that is prohibited, listed, defined, designated or classified as hazardous, radioactive, corrosive, explosive, infectious, carcinogenic, or toxic or a pollutant or a contaminant under or pursuant to, or that could result in liability under, any applicable Laws pertaining to health and safety or Environmental Laws, including petroleum and all derivatives thereof or synthetic substitutes therefor, hydrogen sulphide, arsenic, cadmium, lead, mercury, equipment and material containing polychlorinated biphenyls, mould, asbestos, asbestos-containing material, urea- formaldehyde and urea-formaldehyde-containing material.

"**Hecla**" means Hecla Mining Company, a corporation existing under the Laws of the State of Delaware.

"**Hecla Acquisition Subco**" means Alexco Resource Corp., a company existing under the Laws of the Province of British Columbia and a wholly-owned subsidiary of Hecla.

"**Hecla Cascadia Subscription Amount**" means $2,000,000.

"**Hecla Board**" means the board of directors of Hecla, as the same is constituted from time to time.

"**Hecla Consideration**" means, for each Class A Share, 0.0166 of a Hecla Share.

"**Hecla Financing**" has the meaning ascribed thereto in Appendix "I" of this Circular.

"**Hecla Material Adverse Effect**" means any result, fact, change, effect, event, circumstance, occurrence or development that, individually or taken together with all other results, facts, changes, effects, events, circumstances, occurrences or developments, has or could reasonably be expected to have a material and adverse effect on the current or future business, operations, results of operations, capitalization, assets, liabilities (contingent or otherwise, including any contingent liabilities that may arise through outstanding pending or threatened litigation), obligations (whether absolute, accrued, conditional or otherwise), condition (financial or otherwise) or prospects or privileges of Hecla and its subsidiaries, taken as a whole, whether before or after giving effect to the transactions contemplated by the Arrangement Agreement, but shall not include any result, fact, change, proposed change, effect, event, circumstance, occurrence or development resulting from: (a) any change in general political, economic or financial or capital market conditions in the United States; (b)any change or proposed change in Laws; (c) any change affecting securities or commodity markets in general; (d) any change relating to currency exchange, interest rates or rates of inflation; (e) the price of gold or silver; (f) any change in U.S. GAAP; (g) any natural disaster, war, armed hostilities or act of terrorism; (h) any epidemic, pandemic or outbreak of illness (including COVID-19 and any COVID-19 Measures) or health crisis or public health event, or any worsening of any of the foregoing; (i) any failure by Purchaser or any of its subsidiaries to meet any public estimates or expectations regarding its revenues, earnings or other financial performance or results of operations; or (j) a change as a result of the announcement of the execution of this Agreement or of the transactions contemplated hereby (including changes in the market price of Hecla's securities), provided, however, the exclusion resulting from operation of each of clauses (a) through (h) above shall not apply to the extent that any of the changes, developments, conditions or occurrences referred to therein primarily relate to Hecla and its subsidiaries, taken as a whole, or materially disproportionately adversely affect Hecla and its subsidiaries, taken as a whole, in comparison to other comparable persons who operate in the industry in which Purchaser and its subsidiaries operate; and provided further, however, that references in certain sections of this Agreement to dollar amounts are not intended to be, and shall not be deemed to be, illustrative or interpretive for purposes of determining whether a Hecla Material Adverse Effect has occurred.

"**Hecla Series 1 Warrants**" means a warrant to acquire one Hecla Share upon payment of cash consideration of US$7.81 on or before March 31, 2024 in such form as set out in Schedule I the Arrangement Agreement.

"**Hecla Series 2 Warrants**" means a warrant to acquire one Hecla Share upon payment of cash consideration of US$8.53 on or before June 25, 2024 in such form as set out in Schedule I of the Arrangement Agreement.

"**Hecla Shares**" means the common stock in the authorized share capital of Hecla, US$0.25 par value per share.

"**Hecla Warrants**" means the Hecla Series 1 Warrants and Hecla Series 2 Warrants.

"**Holder**" has the meaning ascribed thereto in "*Part 16 – Certain Canadian Federal Income Tax Considerations*" of this Circular.

"**Idaho Creek Property**" means ATAC's Idaho Creek property, a copper-molybdenum-gold porphyry project located in Yukon, Canada.

"**IFRS**" means International Financial Reporting Standards as issued by the International Accounting Standards Board.

"**In-the-Money Amount**" means, in respect of an ATAC Option, the positive amount, if any, by which (i) the product obtained by multiplying (A) the number of ATAC Shares underlying such ATAC Option, by (B) the Company Share Value, exceeds (ii) the aggregate purchase price payable under such ATAC Option to acquire the ATAC Shares underlying such ATAC Option plus such taxes required to be withheld pursuant to the Tax Act in respect of the transfer, disposal and cancellation of the In-the-Money ATAC Options.

"**In-the-Money ATAC Option**" means an ATAC Option in respect of which the In-the-Money Amount, determined as of the last Business Day immediately preceding the Effective Date, is a positive amount.

"**Indemnified Party**" and "**Indemnified Parties**" has the meaning ascribed thereto in "*Part 7 – The Arrangement – Interests of Certain Persons in the Arrangement – Indemnification and Insurance*" of this Circular.

"**Initial Cascadia Share**" means the sole Cascadia Share issued and outstanding immediately prior to the Effective Time, which shall be held by ATAC.

"**Interim Order**" means the interim order of the Court issued following the application therefor submitted to the Court as contemplated by the Arrangement Agreement, providing for, among other things, the calling and holding of the Meeting, as such order may be affirmed, amended, modified, supplemented or varied by the Court with the consent of both ATAC and Hecla, each acting reasonably, attached as Appendix "E" to this Circular.

"**Intermediary**" has the meaning ascribed thereto in "*Part 5 – General Proxy Information – Exercise of Discretion by Proxies*" of this Circular.

"**IRS**" means the Internal Revenue Service of the United States.

"**Investment Assets**" has the meaning ascribed thereto in "*Part 16 – Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada – Offshore Investment Fund Property Rules"* of this Circular.

"**Joint Venture**" means a joint venture, partnership or other similar arrangement, whether in corporate, partnership, contractual or other legal form, in which ATAC directly or indirectly holds voting shares, equity interests or other rights of participation but which is not a subsidiary of ATAC, and any subsidiary of any such entity.

"**Law**" or "**Laws**" means all laws, statutes, codes, ordinances (including zoning), decrees, rules, regulations, by-laws, statutory rules, published policies and guidelines, notices, judicial, arbitral, administrative, ministerial, departmental or regulatory judgments, injunctions, orders, decisions, settlements, writs, assessments, arbitration awards, rulings, determinations or awards, decrees or other requirements of any Governmental Authority having the force of law and any legal requirements arising under the common law or principles of law or equity and the term "applicable" with respect to such Laws and, in the context that refers to any person, means such Laws as are applicable at the relevant time or times to such person or its business, undertaking, property or securities and emanate from a Governmental Authority having jurisdiction over such person or its business, undertaking, property or securities.

"**Letter of Transmittal(s)**" means, collectively, the Shareholder Letter of Transmittal and Election Form (printed on white paper) and the Convertible Securityholder Letter of Transmittal (printed on grey paper).

"**Litigation**" has the meaning ascribed thereto in "*Part 8 – The Arrangement Agreement – Covenants of ATAC – Covenants relating to Conduct of Business*" of this Circular.

"**LOI**" has the meaning ascribed thereto in "*Part 7 – The Arrangement – Background to the Arrangement*" of this Circular.

"**Lump Sum Payments**" has the meaning ascribed thereto in "*Part 7 – The Arrangement – Interests of Certain Persons in the Arrangement*" of this Circular.

"**Makara**" means Makara Mining Corp.

"**Mark-to-Market Election**" has the meaning ascribed thereto in "*Part 17 – Certain United States Federal Income Tax Considerations – U.S. Federal Income Tax Consequences to U.S. Holders Related to the Ownership and Disposition of Cascadia Shares – Passive Foreign Investment Company Rules Relating to the Ownership of Cascadia Shares – Default PFIC Rules Under Section 1291 of the U.S. Tax Code*" of this Circular.

"**material change**", "**material fact**" and "**misrepresentation**" have the meanings attributed thereto in the *Securities Act*.

"**Material Contract**" has the meaning ascribed thereto in Section 11(a) of Schedule D to the Arrangement Agreement.

"**Material Properties**" means the Rackla Gold Property and the Connaught Property.

"**Meeting**" means the special meeting of the ATAC Securityholders, including any adjournment or postponement thereof, to be called and held in accordance with the Interim Order for the purpose of, among other things, considering and, if thought fit, approving the Arrangement Resolution.

"**meeting materials**" has the meaning ascribed thereto in "*Part 5 – General Proxy Information – Non-Registered ATAC Securityholders*" of this Circular.

"**MI 61-101**" means Multilateral Instrument 61-101 – Protection of Minority Security Holders in Special Transactions.

"**New ATAC Directors**" means Robert Brown and Russell Lawlar.

"**NI 43-101**" means National Instrument 43-101 – *Standards of Disclosure for Mineral Projects*, together with the Companion Policy thereto, as issued by the Canadian Securities Administrators, as amended from time to time.

"**NI 52-109**" means National Instrument 52-109 – *Certification of Disclosure in Issuers' Annual and Interim Filings*, as issued by the Canadian Securities Administrators, as amended from time to time.

"**NI 52-110**" means National Instrument 52-110 – *Audit Committees*, as issued by the Canadian Securities Administrators, as amended from time to time.

"**NI 54-101**" means National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer*, together with the Companion Policy thereto, as issued by the Canadian Securities Administrators, as amended from time to time.

"**NI 58-101**" means National Instrument 58-101 – *Disclosure of Corporate Governance Practices*.

"**non-Dissenting Shareholder**" means an Registered ATAC Shareholder other than a Dissenting Shareholder.

"**Non-Electing U.S. Holder**" has the meaning ascribed thereto in "*Part 17 – Certain United States Federal Income Tax Considerations – U.S. Federal Income Tax Consequences to U.S. Holders Related to the Ownership and Disposition of Cascadia Shares – Passive Foreign Investment Company Rules Relating to the Ownership of Cascadia Shares – Default PFIC Rules Under Section 1291 of the U.S. Tax Code*" of this Circular.

"**Non-Registered ATAC Securityholder**" has the meaning ascribed thereto in "*Part 5 – General Proxy Information – Exercise of Discretion by Proxies*" of this Circular.

"**Non-Registered ATAC Shareholder**" has the meaning ascribed thereto in "*Part 13 – Dissenting Shareholders' Rights*" of this Circular.

"**Non-Registered ATAC Warrantholder**" means a holder of ATAC Warrants other than a Registered ATAC Warrantholder.

"**Non-Resident Holder**" has the meaning ascribed thereto in "*Part 16 – Certain Canadian Federal Income Tax Considerations – Holders Not Resident in Canada*" of this Circular.

"**non-U.S. Holder**" has the meaning ascribed thereto in "*Part 16 – Certain United States Federal Income Tax Considerations – Scope of Disclosure – Non-U.S. Holders*" of this Circular.

"**Notice of Meeting**" means the notice of special meeting to the ATAC Securityholders which accompanies this Circular.

"**Notice Shares**" has the meaning ascribed thereto in "*Part 4 – Summary – Dissenting Shareholders' Rights*" of this Circular.

"**NP 58-201**" means National Policy 58-201 – *Corporate Governance Guidelines*.

"**NYSE**" means the New York Stock Exchange.

"**Omnibus Incentive Plan**" means the proposed omnibus equity incentive plan of Cascadia, attached as Schedule A to Appendix "I" to this Circular.

"**Omnibus Incentive Plan Resolution**" means the ordinary of the ATAC Shareholders approving the Omnibus Incentive Plan substantially in the form attached as Appendix "M" to this Circular.

"**Option**" has the meaning ascribed thereto in "*Part 23 - Cascadia Omnibus Incentive Plan - Particulars of the Omnibus Incentive Plan*" of this Circular.

"**Order**" means any order, judgment, writ, stipulation, award, injunction, decree, arbitration award or finding of any Governmental Authority.

"**ordinary course of business**" or any similar reference, means, with respect to an action taken or to be taken by any person, that such action is consistent with the past practices of such person and is taken in the ordinary course of the normal day-to-day business and operations of such person and, in any case, is not unreasonable or unusual in the circumstances when considered in the context of the provisions of the Arrangement Agreement.

"**Osiris Deposit**" means the Osiris deposit located on the Rackla Gold Property.

"**Other Affected Securities**" means Affected Securities other than ATAC Shares.

"**Out of Budget Transaction**" has the meaning ascribed thereto in "*Part 34 – Statement of Corporate Governance Practices – ATAC Board Decision Making*" of this Circular.

"**Out-of-the-Money ATAC Option**" means each ATAC Option other than an In-the-Money ATAC Option.

"**Outside Date**" means September 5, 2023.

"**Participants**" has the meaning ascribed thereto in "*Part 23 - Cascadia Omnibus Incentive Plan - Particulars of the Omnibus Incentive Plan*" of this Circular.

"**Participating Former Securityholders**" means Former Securityholders other than holders of Out-of-the-Money ATAC Options and Dissenting Shareholders.

"**Parties**" means ATAC, Hecla Acquisition Subco and Hecla and "**Party**" means any one of them.

"**pass through**" has the meaning ascribed thereto in "*Part 17 – Certain United States Federal Income Tax Considerations – Scope of Disclosure – Holders Subject to Special U.S. Federal Income Tax Rules Not Addressed*" of this Circular.

"**Permit**" means any lease, license, permit, certificate, consent, order, grant, approval, classification, registration or other authorization (including an Environmental Authorization) of or from any Governmental Authority.

"**person**" includes an individual, sole proprietorship, corporation, body corporate, incorporated or unincorporated association, syndicate or organization, partnership, limited partnership, limited liability company, unlimited liability company, joint venture, joint stock company, trust, natural person in his or her capacity as trustee, executor, administrator or other legal representative, a government or Governmental Authority or other entity, whether or not having legal status.

"**PFIC**" has the meaning ascribed thereto in "*Part 17 –Certain United States Federal Income Tax Considerations – U.S. Federal Income Tax Consequences of the Arrangement to U.S. Holders – Pre-2018 ATAC Shareholders Not Addressed*" of this Circular.

"**Pil Property**" means ATAC's Pil property, located in British Columbia, Canada.

"**Plan of Arrangement**" means the plan of arrangement, substantially in the form of Appendix "D" of this Circular, as amended, modified or supplemented from time to time: (a) in accordance with either: (i) the Arrangement Agreement; or (ii) Article 6 of the Plan of Arrangement, with the consent of ATAC and Hecla, each acting reasonably; or (b) at the direction of the Court in the Final Order.

"**Pre-Acquisition Reorganization**" has the meaning ascribed thereto in "*Part 8 – The Arrangement Agreement – Other Covenants – Pre-Acquisition Reorganization*" of this Circular.

"**Proposed Amendments**" has the meaning ascribed thereto in "*Part 16 – Certain Canadian Federal Income Tax Considerations*" of this Circular.

"**PSU**" has the meaning ascribed thereto in "*Part 23 - Cascadia Omnibus Incentive Plan - Ratification of Omnibus Incentive Plan*" of this Circular.

"**Purchaser Expense Reimbursement Event**" has the meaning ascribed thereto in "*Part 8 – The Arrangement Agreement – Termination – Termination Fee*" of this Circular.

"**QEF Election**" has the meaning ascribed thereto in "*Part 17 – Certain United States Federal Income Tax Considerations – U.S. Federal Income Tax Consequences to U.S. Holders Related to the Ownership and Disposition of Cascadia Shares – Passive Foreign Investment Company Rules Relating to the Ownership of Cascadia Shares – Default PFIC Rules Under Section 1291 of the U.S. Tax Code*" of this Circular.

"**QFC**" has the meaning ascribed thereto in "*Part 17 – Certain United States Federal Income Tax Considerations – U.S. Federal Income Tax Consequences to U.S. Holders Related to the Ownership and Disposition of Cascadia Shares – Ownership of Cascadia Shares –Distributions With Respect to Cascadia Shares*" of this Circular.

"**Rackla Gold Property**" means ATAC's 100%-owned 1,700 km^2 Rackla Gold Property, located in central Yukon.

"**Record Date**" means May 9, 2023.

"**Registered ATAC Securityholder**" means a registered holder of any Affected Securities.

"**Registered ATAC Shareholder**" means a registered holder of ATAC Shares.

"**Registered Plans**" has the meaning ascribed thereto in "*Part 16 – Certain Canadian Federal Income Tax Considerations – Eligibility for Investment*" of this Circular.

"**Registered ATAC Warrantholder**" has the meaning ascribed thereto in "*Part 15 – Procedure for Receipt of Arrangement Consideration – Exchange Procedure*" of this Circular.

"**Registrar**" means the person appointed as the Registrar of Companies under Section 400 of the BCBCA.

"**Regulation S**" means Regulation S under the U.S. Securities Act.

"**Regulatory Approvals**" means sanctions, rulings, consents, orders, exemptions, permits, waivers, early termination authorizations, clearances, written confirmations of no intention to initiate legal proceedings and other approvals (including the lapse, without objection, of a prescribed time under a statute or regulation that states that a transaction may be implemented if a prescribed time lapses following the giving of notice without an objection being made) of Governmental Authorities and relating to the Arrangement.

"**Representatives**" means, collectively, with respect to a Party, that Party's officers, directors, employees, consultants, advisors, agents or other representatives (including lawyers, accountants, investment bankers and financial advisors) and includes, in the case of ATAC, Fort Capital, as financial advisor to the Special Committee.

"**Resident Holder**" has the meaning ascribed thereto in "*Part 16 – Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada*" of this Circular.

"**Retained Property Option Agreements**" has the meaning ascribed thereto in "*Part 8 – the Arrangement Agreement – Other Covenants*" of this Circular.

"**Rosy Property**" means ATAC's Rosy property, located in Yukon, Canada.

"**RSU**" has the meaning ascribed thereto in "*Part 23 - Cascadia Omnibus Incentive Plan - Particulars of the Omnibus Incentive Plan*" of this Circular.

"**Rule 144**" means Rule 144 under the U.S. Securities Act.

"**SAR**" has the meaning ascribed thereto in "*Part 23 - Cascadia Omnibus Incentive Plan - Particulars of the Omnibus Incentive Plan*" of this Circular.

"**SEC**" means the U.S. Securities and Exchange Commission.

"**Second Hecla Offer**" has the meaning ascribed thereto in "*Part 7 – The Arrangement – Background to the Arrangement*" of this Circular.

"**Securities Act**" means the *Securities Act* (British Columbia) and the rules, regulations and published policies made thereunder.

"**Securities Laws**" means (a) the *Securities Act* and all other applicable Canadian provincial and territorial securities Laws; (b) the U.S. Securities Act, the U.S. Exchange Act and all other U.S. federal and state securities Laws; and (c) the rules and regulations of the TSXV and the NYSE, as applicable.

"**SEDAR**" means the Canadian Securities Administrators' System for Electronic Document Analysis and Retrieval as outlined in NI 13-101, which can be accessed online at www.sedar.com.

"**Shareholder Letter of Transmittal**" means the letter of transmittal (printed on white paper) delivered by ATAC to Registered ATAC Shareholders together with this Circular providing for the delivery of ATAC Shares to the Depositary.

"**Special Committee**" means the Special Committee formed by certain independent members of the ATAC Board to consider the Arrangement and the transactions contemplated by the Arrangement Agreement.

"**Stikeman**" has the meaning ascribed thereto in "*Part 7 – The Arrangement – Background to the Arrangement*" of this Circular.

"**subsidiary**" means, with respect to a specified entity, any: (a) corporation of which issued and outstanding voting securities of such corporation to which are attached more than 50% of the votes that may be cast to elect directors of the corporation (whether or not shares of any other class or classes will or might be entitled to vote upon the happening of any event or contingency) are owned by such specified entity and the votes attached to those voting securities are sufficient, if exercised, to elect a majority of the directors of such corporation; (b) partnership, unlimited liability company, joint venture or other similar entity in which such specified entity has more than 50% of the equity interests and the power to direct the policies, management and affairs thereof; and (c) a subsidiary (as defined in clauses (a) and (b) above) of any subsidiary (as so defined) of such specified entity.

"**Subsidiary PFIC**" has the meaning ascribed thereto in "*Part 17 – Certain United States Federal Income Tax Considerations – U.S. Federal Income Tax Consequences of the Arrangement to U.S. Holders – Passive Foreign Investment Company Rules Relating to the Ownership of Cascadia Shares – PFIC Status of Cascadia*" of this Circular.

"**Superior Proposal**" means an unsolicited Acquisition Proposal made in writing on or after the date of this Agreement by a person or persons acting jointly (other than Hecla and its affiliates) that: (a) is to acquire: (i) not less than all of the outstanding ATAC Shares (on a fully diluted basis), other than ATAC Shares beneficially owned by the person making such Acquisition Proposal (provided that, in the case of a take-over bid, the minimum tender condition may be any percentage of the ATAC Shares greater than 66 2/3% on a fully diluted basis) and pursuant to which all ATAC Shareholders are offered the same consideration in form and amount per ATAC Shares to be purchased or otherwise acquired; or (ii) all or substantially all of the assets of ATAC on a consolidated basis; (b) complies with Securities Laws and did not result from, or arise in connection with: (i) a breach of Article 5 of the Arrangement Agreement; or (ii) any agreement between the person making such Acquisition Proposal and ATAC other than an Acceptable Confidentiality Agreement; (c) is not subject to any financing condition and in respect of which it has been demonstrated to the satisfaction of the ATAC Board, acting in good faith and after consulting with outside legal counsel and financial advisors, that any funds required to complete such Acquisition Proposal have been obtained and are immediately available; (d) is not subject to any due diligence and/or access condition; (e) if it relates to the acquisition of the outstanding ATAC Shares, is made available to all ATAC Shareholders on the same terms and conditions; (f) is not subject, either by the terms of such Acquisition Proposal or by virtue of any Law, to a requirement that the approval of the shareholders (or equivalent) of the person or persons making the Acquisition Proposal be obtained in order for the Acquisition Proposal to be completed; (g) does not (either directly or indirectly through any other agreement, commitment or understanding) require the ATAC or any other person to interfere with the attempted successful completion of the Arrangement (including requiring the ATAC to delay, adjourn, postpone or cancel the Meeting) or provide for the payment of any "hello", "break", "termination" or other fees or expenses or confer any rights or options to acquire assets or securities of ATAC or any of its subsidiaries to any person in the event that ATAC completes the Arrangement or any other similar transaction with Hecla or any of its affiliates; (h) the ATAC Board has determined in good faith, upon the recommendation from the Special Committee and after consultation with its financial advisors and outside legal counsel, that such Acquisition Proposal (including time to completion and any shareholder vote requirements) would, if consummated in accordance with its terms (but not assuming away any risk of non-completion), result in a transaction which is more favourable to ATAC Shareholders from a financial point of view than the Arrangement (taking into account any amendment proposed to be made to the Arrangement Agreement by Hecla in accordance with the terms of Article 5 of the Arrangement Agreement) and the failure to recommend such Acquisition Proposal to ATAC Shareholders would be inconsistent with its fiduciary duties under applicable law; (i) ATAC Board has determined, in good faith, after consultation with its financial advisors and outside legal counsel, is

reasonably capable of being completed in accordance with its terms, without undue delay, taking into account all legal, financial, regulatory and other aspects of such Acquisition Proposal and the person making such Acquisition Proposal; and (j) if ATAC does not have sufficient funds that are immediately available to pay the Termination Fee, the terms of such Superior Proposal provide that the maker of such Superior Proposal will advance or otherwise provide to ATAC the cash required in order to pay the Termination Fee prior to the date on which such Termination Fee is to be paid.

"**Superior Proposal Notice Period**" has the meaning ascribed thereto in Section 5.1(f)(v) of the Arrangement Agreement.

"**Surviving Company**" means any corporation or other entity continuing following the amalgamation, merger, consolidation or winding up of ATAC with or into one or more other entities (pursuant to a statutory procedure or otherwise) and any corporation or other entity continuing following the amalgamation, merger, consolidation or winding up of any Surviving Company with or into one or more other entities.

"**Tax**" or "**Taxes**" means any and all taxes, dues, duties, rates, imposts, fees, levies, other assessments, tariffs, charges or obligations of the same or similar nature, however denominated, imposed, assessed or collected by any Governmental Authority, including any tax on or based on net income, gross income, income as specifically defined, earnings, gross receipts, capital gains, profits, business royalty or selected items of income, earnings or profits, and specifically including any federal, provincial, state, territorial, county, municipal, local or foreign taxes, state profit share taxes, windfall or excess profit taxes, capital taxes, royalty taxes, production taxes, payroll taxes, health taxes, employment taxes, withholding taxes, sales taxes, use taxes, goods and services taxes, harmonized sales taxes, custom duties, value added taxes, ad valorem taxes, excise taxes, alternative or add-on minimum taxes, franchise taxes, gross receipts taxes, licence taxes, occupation taxes, real and personal property taxes, stamp taxes, anti-dumping taxes, countervailing taxes, occupation taxes, environment taxes, transfer taxes, special COVID-19 tax relief (including, for greater certainty, any COVID-19 Subsidy), and employment or unemployment insurance premiums, social insurance premiums and worker's compensation premiums and pension (including Canada Pension Plan) payments, and other taxes, fees, imposts, assessments or charges of any kind whatsoever together with any interest, penalties, additional taxes, fines and other charges and additions that may become payable in respect thereof including any interest in respect of such interest, penalties and additional taxes, fines and other charges and additions, whether disputed or not, and any transferee or secondary liability in respect of any of the foregoing.

"**Tax Act**" means the *Income Tax Act* (Canada) and the regulations promulgated thereunder, as amended.

"**taxable capital gain**" has the meaning ascribed thereto in "*Part 16 – Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada – Taxation of Capital Gains and Capital Losses*" of this Circular.

"**Tax Return**" means any return, declaration, report, claim for refund, forms, designations, calculations, information return, election or statement or other document (whether in tangible or electronic form) and including any amendments, schedules, attachments, supplements, appendices and exhibits thereto, made, prepared, filed or required to be made, prepared or filed or provided to any Governmental Authority in respect of Taxes, including any schedule or attachment thereto, and including any amendment thereof.

"**Technical Report**" means the technical reports filed on SEDAR by the Company: (a) titled "*Technical Report and Estimate of Mineral Resources for the Osiris Project, Yukon, Canada*" with an effective date of June 7, 2022; and (b) titled "*Technical Report and Preliminary Economic Assessment for the Tiger Deposit, Rackla Gold Project, Yukon, Canada*" with an effective date of February 27, 2020.

"**Termination Fee**" means an amount equal to $1,650,000.

"**Tiger Deposit**" means the Tiger deposit located on the Rackla Gold Property.

"**Tiger PEA**" has the meaning ascribed thereto in "*Part 9 – Opinion of Fort Capital – Scope of Review*" of this Circular.

"**Toodoggone District**" has the meaning ascribed thereto in Appendix "I" of this Circular.

"**Total Share Authorization**" has the meaning ascribed thereto in "*Part 23 - Cascadia Omnibus Incentive Plan - Ratification of Omnibus Incentive Plan*" of this Circular.

"**tpd**" means tons per day.

"**Transfer Agent and Registrar**" means Computershare Investor Services Inc.

"**Transferred Property Option Agreements**" has the meaning ascribed thereto in "*Part 8 – the Arrangement Agreement – Other Covenants*" of this Circular.

"**TSXV**" means the TSX Venture Exchange.

"**U.S. Exchange Act**" means the U.S. Securities Exchange Act of 1934, as amended and the rules and regulations promulgated from time to time thereunder.

"**U.S. GAAP**" means United States generally accepted accounting principles.

"**U.S. Holder**" has the meaning ascribed thereto in "*Part 17 – Certain United States Federal Income Tax Considerations – Scope of Disclosure – U.S. Holders*" of this Circular.

"**U.S. related person**" has the meaning ascribed thereto in "*Part 17 – Certain United States Federal Income Tax Considerations – Additional Considerations Relevant to Non-U.S. Holders of Hecla Shares – Information Reporting and Backup Withholding Tax*" of this Circular.

"**U.S. Securities Act**" means the U.S. Securities Act of 1933, as amended and the rules and regulations promulgated thereunder.

"**U.S. Tax Code**" means the United States Internal Revenue Code of 1986, as amended.

"**U.S. Treasury Regulations**" means the tax regulations issued by the IRS, as amended.

"**USRPHC**" has the meaning ascribed thereto in "*Part 17 – Certain United States Federal Income Tax Considerations – U.S. Federal Income Tax Consequences to Non-U.S. Holders Related to the Ownership and Disposition of Hecla Shares – Distributions with Respect to Hecla Share***s**" of this Circular.

"**United States**" or "**U.S.**" means the United States of America, its territories and possessions, any State of the United States, and the District of Columbia.

"**Victoria**" has the meaning ascribed thereto in "*Part 7 – The Arrangement – Background to the Arrangement*" of this Circular.

"**Victoria Offer**" has the meaning ascribed thereto in "*Part 7 – The Arrangement – Background to the Arrangement*" of this Circular.

"**VWAP**" means the volume-weighted average price.

APPENDIX "B"
ARRANGEMENT RESOLUTION

RESOLUTION OF THE SECURITYHOLDERS OF ATAC RESOURCES LTD.
(the "Company")

BE IT RESOLVED AS A SPECIAL RESOLUTION THAT:

1. The arrangement (as it may be, or may have been, modified or amended in accordance with its terms, the "**Arrangement**") under Division 5 of Part 9 of the *Business Corporations Act* (British Columbia) (the "**BCBCA**") involving the Company and its securityholders, all as more particularly described and set forth in the Management Information Circular of the Company dated May 15, 2023 (the "**Circular**"), is hereby authorized, approved and adopted.

2. The plan of arrangement (as it may be, or may have been, modified or amended in accordance with its terms, the "**Plan of Arrangement**") involving the Company and its securityholders and implementing the Arrangement, the full text of which is attached as Appendix "D" to the Circular is hereby authorized, approved and adopted.

3. The Arrangement Agreement (as it may be amended from time to time in accordance with its terms, the "**Arrangement Agreement**") dated as of April 5, 2023, as amended by an agreement dated May 12, 2023, between the Company and Hecla Mining Company and Alexco Resource Corp. and all the transactions contemplated therein, the actions of the directors of the Company in approving the Arrangement and the Arrangement Agreement and the actions of the directors and officers of the Company in executing and delivering the Arrangement Agreement and causing the performance by the Company of its obligations thereunder are hereby confirmed, ratified, authorized and approved.

4. The Company be and is hereby authorized to apply for a final order from the Supreme Court of British Columbia to approve the Arrangement on the terms set forth in the Arrangement Agreement and the Plan of Arrangement (as they may be amended, modified or supplemented and as described in the Circular).

5. Notwithstanding that this resolution has been passed (and the Arrangement approved and agreed to) by the securityholders of the Company, or that the Arrangement has been approved by the Supreme Court of British Columbia, the directors of the Company are hereby authorized and empowered without further approval of any shareholders of the Company:

   (a) to amend the Arrangement Agreement or the Plan of Arrangement to the extent permitted by the Arrangement Agreement or Plan of Arrangement; and

   (b) subject to the terms and conditions of the Arrangement Agreement, not to proceed with the Arrangement at any time prior to the Effective Time (as defined in the Arrangement Agreement).

6. It being understood and accepted by the shareholders of the Company that there are no reasonable grounds for believing that the realizable value of the Company's Assets would, after a reduction in capital maintained for the common shares in an amount equivalent to the distribution of capital contemplated in the Plan of Arrangement (the "**Distribution Amount**"), be less than the aggregate of the Company's liabilities, in accordance with and furtherance of the Plan of Arrangement the Company be and is hereby authorized to reduce the capital account maintained for the common shares of the Company by the Distribution Amount and to distribute an amount equivalent to the Distribution Amount as a return of capital to the holders of common shares of the Company at the time and in the manner set forth in the Plan of Arrangement pursuant to section 74 of the BCBCA

7. Any officer or director of the Company is hereby authorized for and on behalf of the Company to execute and deliver for filing with the Registrar under the BCBCA any and all documents as are necessary or desirable to give effect to the Arrangement in accordance with the Arrangement Agreement or the Plan of Arrangement,

such determination to be conclusively evidenced by the execution and delivery of such articles of arrangement and such other documents.

Any one director or officer of the Company is hereby authorized, empowered and instructed, acting for, in the name and on behalf of the Company, to execute or cause to be executed, under the seal of the Company or otherwise, and to deliver or to cause to be delivered, all such other documents and to do or to cause to be done all such other acts and things as in such person's opinion may be necessary or desirable in order to carry out the intent of the foregoing paragraphs of these resolutions and the matters authorized thereby, such determination to be conclusively evidenced by the execution and delivery of such document or the doing of such act or thing.

APPENDIX "C"
FORT CAPITAL FAIRNESS OPINION

See attached.

Fort Capital

Fort Capital Partners
1010 – 510 Burrard Street
Vancouver, BC V6C 3A8

April 3, 2023

The Special Committee of the Board of Directors & the Board of Directors
ATAC Resources Ltd.
1500 – 409 Granville St.
Vancouver, British Columbia V6C 1T2
Canada

To the Members of the Special Committee and the Board of Directors:

Fort Capital Partners ("**Fort Capital**", "**we**" or "**us**") understands that ATAC Resources Ltd. ("**ATAC**" or the "**Company**") and Hecla Mining Company ("**Hecla**" or the "**Acquiror**") propose to enter into an arrangement agreement (the "**Arrangement Agreement**") pursuant to which, among other things, Hecla will acquire all of the issued and outstanding common shares of ATAC (the "**ATAC Shares**"). In accordance with the Arrangement Agreement, each holder of ATAC Shares (an "**ATAC Shareholder**") will be entitled to receive 0.0166 shares of Hecla per ATAC Share held (the "**Hecla Share Consideration**") and shares of a new exploration company (the "**Cascadia Share Consideration**"), named Cascadia Minerals Ltd. ("**Cascadia**" or "**Spinco**"), which will be formed to hold all of ATAC's rights and interests with respect to the Catch, PIL, Rosy and Idaho Creek projects ("**Cascadia Assets**"). Hecla intends to capitalize Cascadia with a $2 million investment (the "**Hecla Cascadia Investment**") in exchange for a 19.9% equity interest in Cascadia, five-year warrants at the same price as the seed capital, two of seven board seats, and, subject to certain conditions, a right of first refusal to purchase all the Cascadia Assets. Collectively, the Hecla Share Consideration and Cascadia Share Consideration will form the total consideration (the "**Consideration**").

Fort Capital also understands that the transactions contemplated by the Arrangement Agreement are proposed to be effected by way of a Plan of Arrangement under the *Business Corporations Act* (British Columbia) (the "**Arrangement**"). The terms and conditions of the Arrangement will be summarized in ATAC's management information circular (the "**Circular**"), which will be delivered in connection with a special meeting of ATAC Shareholders to be held in the second quarter of 2023 to consider, among other things, and, if deemed advisable, approve the Arrangement. The above description is summary in nature, and the specific terms and conditions of the Arrangement are as set forth in the Arrangement Agreement.

Background and Engagement of Fort Capital

Fort Capital was first contacted with regards to a potential transaction involving ATAC and Hecla in February of 2023. Fort Capital was formally retained by the Special Committee of the board of ATAC (the "**Special Committee**") on February 28, 2023 pursuant to an engagement letter (the "**Engagement Agreement**") to provide an opinion (the "**Opinion**") as to the fairness, from a financial point of view, of the consideration to be received by the ATAC Shareholders pursuant to any potential transaction and its definitive agreement.

On April 3, 2023, Fort Capital met with the Special Committee and provided an overview of the analysis and considerations made in evaluating the fairness, from a financial point of view, of the Arrangement; at that same meeting, the Special Committee requested that Fort Capital formally provide the Opinion, which we issued on that day.

The terms of the Engagement Agreement provide that Fort Capital be paid a fixed fee upon delivery of the Opinion. There are no fees payable to Fort Capital under the Engagement Agreement that are contingent upon the conclusion reached by Fort Capital, or upon the successful completion of the Arrangement or any other transaction. In addition, pursuant to the Engagement Agreement, Fort Capital is to be reimbursed for our reasonable out-of-pocket expenses and to be indemnified by ATAC in certain circumstances.

The Special Committee has not instructed Fort Capital to prepare, and we have not prepared, a formal valuation or appraisal of ATAC or any of the Company's assets, and the Opinion should not be construed as such. The Opinion is not, and should not be construed as, advice as to the price at which ATAC Shares may trade at any time. Fort Capital has, however, conducted such analyses as we considered necessary in the circumstances to prepare and deliver the

Opinion. While the Opinion has been prepared in accordance with the Disclosure Standards for Formal Valuations and Fairness Opinions of the Canadian Investment Regulatory Organization ("**CIRO**"), Fort Capital is not a member of CIRO and CIRO has not been involved in the preparation or review of the Opinion.

Credentials and Independence of Fort Capital

Fort Capital is an independent investment banking firm which provides financial advisory services to corporations, business owners, and investors. Members of Fort Capital are professionals that have been financial advisors in a considerable number of transactions involving public and private companies in North America and have experience in preparing fairness opinions and valuations. The opinions expressed herein are the opinions of Fort Capital, and the form and content hereof have been approved for release by Fort Capital.

Neither Fort Capital nor any of our affiliates is an insider, associate, or affiliate (as those terms are defined in the Securities Act (Ontario)) of ATAC, Hecla, or any of their respective associates or affiliates (collectively, the "**Interested Parties**"). Fort Capital is not acting as an advisor to ATAC or any Interested Party in connection with any matter other than acting as advisor to the Special Committee as described herein.

Other than our engagement by the Special Committee on behalf of ATAC to provide the Opinion, Fort Capital has not been engaged to provide any financial advisory services, nor have we participated in any financings involving the Interested Parties within the past two years.

Fort Capital does not have a financial interest in the completion of the Arrangement, and the fees paid to Fort Capital in connection with our engagement do not give Fort Capital any financial incentive in respect of the conclusion reached in the Opinion or in the outcome of the Arrangement. There are no understandings, agreements, or commitments between Fort Capital and any of the Interested Parties with respect to any future financial advisory or investment banking business. Even though we have not provided a valuation, Fort Capital is of the view that we would qualify as an "**independent valuator**" (as the term is described in Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**")) with respect to all Interested Parties.

Scope of Review

In preparing the Opinion, Fort Capital has, among other things, reviewed, considered, and relied upon, without attempting to verify independently the completeness or accuracy thereof, the following:

(a) The draft Arrangement Agreement, including relevant Schedules, dated March 31, 2023 between the Company and Hecla;

(b) The draft Plan of Arrangement dated March 31, 2023;

(c) The executed Letter of Intent dated February 16, 2023 between the Company and Hecla;

(d) Certain publicly available information relating to the business, operations, financial condition and trading history of the Company, Hecla and other selected public companies that Fort Capital considered relevant;

(e) Consolidated draft annual financial statements of the Company for the year ended December 31, 2022, as well as the consolidated annual financial statements for the Company for the years ended December 31, 2021 and 2020, together with the notes thereto and the auditors' reports thereon;

(f) Relevant regulatory requirements and National Instruments, and relevant corporate and public market information, in relation to Hecla's share classification as a "**Liquid Market**";

(g) Management's discussion and analysis of the results of operations and financial condition of the Company for the years ended December 31, 2022, 2021 and 2020;

(h) Interim financial statements of the Company for the periods ending September 30, 2022, June 30, 2022 and March 31, 2022 along with the management's discussion and analysis for those periods;

(i) Technical report (NI 43-101) dated February 27, 2020 on the Tiger Deposit, Rackla Gold Project (the "**Tiger PEA**");

(j) The underlying Tiger PEA financial model, and tax adjustments made thereto, for the Tiger Deposit;

(k) Technical report (NI 43-101) dated June 7, 2022 on the Osiris Project;

(l) Details of historical spending on certain wholly owned, partially owned, and optioned properties; and

(m) Discussion and inquiry of Company management.

Prior Valuations

The Company has represented to Fort Capital that, to the best of its knowledge, there have been no prior valuations (as defined for the purposes of MI 61-101) of ATAC or any of its material assets or subsidiaries prepared within the past twenty-four (24) months.

Assumptions and Limitations

The Opinion is subject to the assumptions, explanations and limitations set forth below.

Fort Capital has, subject to the exercise of our professional judgment, relied, without independent verification, upon the completeness, accuracy and fair presentation of all of the financial and other information, data, advice, opinions and representations we obtained from public sources, or that was provided to us by ATAC and its associates, affiliates and advisors (collectively, the "**Information**"), and we have assumed that the Information did not contain any misstatement of a material fact or omit to state any material fact or any fact necessary to be stated therein to make that information not misleading. The Opinion is conditional upon the completeness, accuracy and fair presentation of such Information. With respect to operating and financial projections provided to Fort Capital by management of ATAC and used in the analysis supporting the Opinion, we have assumed that they have been reasonably prepared on bases reflecting the reasonable estimates and judgments of management of ATAC, at the time and in the circumstances in which the projection or forecast was prepared, as to the matters covered thereby, and in rendering the Opinion we express no view as to the reasonableness of such estimates or judgments or the assumptions on which they are based.

Senior management of ATAC have represented to Fort Capital in a letter delivered as of the date hereof that, among other things and to their knowledge, (a) they have no information or knowledge of any facts not contained in or referred to in the Information that would reasonably be expected to affect the Opinion; (b) with the exception of forecasts, projections, estimates and budgets, the Information provided orally by, or in the presence of, an officer or employee of ATAC or in writing by ATAC or any of its subsidiaries or their respective agents to Fort Capital for the purposes of preparing the Opinion was, at the date the Information was provided to Fort Capital, or, in the case of historical Information, was, at the date of preparation, to the best of their knowledge, information and belief after due inquiry, complete, true and correct in all material respects, and does not or, in the case of historical Information, did not, contain a misrepresentation; (c) since the dates on which the Information was provided to Fort Capital, except as disclosed in writing to Fort Capital, there has been no material change, financial or otherwise, in the financial condition, assets, liabilities (contingent or otherwise), business, operations or prospects of ATAC, or any of its subsidiaries and no material change has occurred in the Information or any part thereof which would have or which would reasonably be expected to have a material effect on the Opinion; and (d) any portions of the Information provided to Fort Capital which constitute forecasts, projections, estimates or budgets were reasonably prepared on bases reflecting the best then currently available assumptions, estimates and judgments of management of ATAC and its subsidiaries and were not, as of the date they were prepared, in the reasonable belief of management of ATAC, misleading in any respect.

The Opinion is rendered on the basis of the securities markets, economic, financial and general business conditions prevailing as at the date hereof and the conditions and prospects, financial and otherwise, of ATAC and its subsidiaries

and affiliates, as they were reflected in the Information. In our analyses and in preparing the Opinion, Fort Capital made numerous assumptions with respect to industry performance, general business and economic conditions and other matters which we believe to be reasonable and appropriate in the exercise of our professional judgment, many of which are beyond the control of Fort Capital or any party involved in the Arrangement.

In preparing the Opinion, Fort Capital has assumed that the Arrangement will be consummated in accordance with the terms of the Arrangement Agreement without any additional waiver of, or amendment to, any term or condition that is in any way material to Fort Capital's analysis. For the purposes of rendering the Opinion, Fort Capital has also assumed that the representations and warranties of each party contained in the Arrangement Agreement are true and correct in all material respects and that each party will perform all of the covenants and agreements required to be performed by it under the Arrangement Agreement, that ATAC will be entitled to fully enforce its rights under the Arrangement Agreement, and that ATAC, and the ATAC Shareholders, will receive the benefits therefrom in accordance with the terms thereof.

The Opinion has been provided for the sole use and benefit of the Special Committee in connection with, and for the purpose of, its consideration of the Arrangement Agreement and may not be relied upon by any other person. The Opinion does not constitute a recommendation to any ATAC Shareholder as to how such holder should vote or act with respect to the Arrangement Agreement. The Opinion is given as of the date hereof, and Fort Capital disclaims any undertaking or obligation to advise any person of any change in any fact or matter affecting the Opinion which may come or be brought to the attention of Fort Capital after the date hereof. Without limiting the foregoing, in the event that there is any material change in any fact or matter affecting the Opinion after the date hereof, Fort Capital reserves the right to change, modify or withdraw the Opinion.

The Opinion does not address the relative merits of the Arrangement Agreement as compared to other business strategies or transactions that might be available with respect to ATAC or ATAC's underlying business decision to effect the Arrangement. Fort Capital was not requested to solicit and did not solicit, interest from other parties with respect to an acquisition of, or other business combination transaction with, ATAC or any other alternative transaction. At the direction of the Special Committee, we have not been asked to, nor do we, offer any opinion as to the material terms (other than the Consideration) of the Arrangement Agreement or the structure of the Arrangement Agreement.

Fort Capital believes that our analyses must be considered as a whole, and that selecting portions of the analyses, or the factors considered by us, without considering all factors and analyses together, could create a misleading view of the process underlying the Opinion. The preparation of an Opinion is a complex process and is not necessarily susceptible to partial analysis or summary description. Any attempt to do so could lead to undue emphasis on any particular factor or analysis.

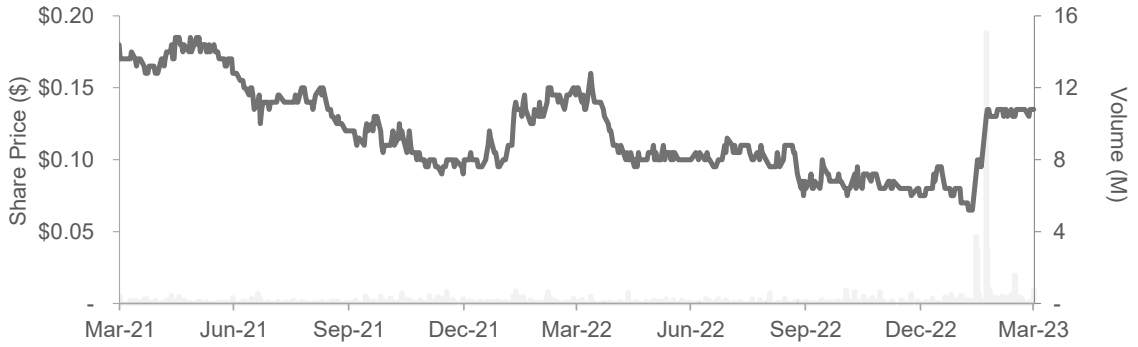
Overview of ATAC

Note that the functional currency of ATAC is Canadian dollars. Unless otherwise noted, all figures referenced in this Opinion are in Canadian dollars.

ATAC is a Vancouver-based exploration company focused on exploring for gold and copper in Yukon, British Columbia and Nevada. The Company has a 100% interest in its flagship asset, the Rackla Project, which consists of a 1,700 km^2 land package located in the Mayo Mining District of the Yukon. Within the Rackla Project is the Rau Project, where a PEA was published on the oxide gold Tiger Deposit in 2020, which yielded a post-tax NPV5% of $85.4M and an IRR of 42.6% assuming a gold price of US$1,400/oz. The Rackla Project also includes the Nadaleen Project, which hosts an NI 43-101 compliant indicated mineral resource of 5.5 million tonnes at 4.12 g/t gold, and inferred mineral resource of 9.4 million tonnes at 3.47 g/t gold. In addition to the Rackla Project, ATAC owns or has entered into option agreements to acquire several other exploration properties in the Yukon and British Columbia, including the Connaught Project, Rosy Project, PIL Project and Rosy Project.

As of the close of market on March 31, 2023, ATAC had a market capitalization of $29.9 million on a fully-diluted basis and an enterprise value of $26.0 million. The documents filed by ATAC with the securities commissions in Canada are available on the System for Electronic Document Analysis and Retrieval ("**SEDAR**").

Figure 1 – ATAC Historical Share Price



Illustrated above is the traded value of an ATAC Share over the last two (2) years. The most meaningful change in share price and volume came with the February 13, 2023 announcement that the Company had received an unsolicited non-binding proposal from Victoria Gold Corp. to acquire 100% of the issued share capital for $0.12/share, which represented a 36.4% premium to ATAC's unaffected share price at the time.

Description of Hecla

Hecla is a well-established silver and gold mining company with a history spanning over 130 years. Headquartered in Coeur d'Alene, Idaho, Hecla, and its subsidiaries, are engaged in the discovery, acquisition, development and operations of mining properties globally. Among Hecla's notable assets are:

1. The Lucky Friday Mine in Idaho, which has been in operation since 1942;

2. The Greens Creek Mine in Alaska, one of the world's largest underground mines and a significant silver and gold producer that has been operational since 1989;

3. The Casa Berardi Mine in Quebec, a gold mine that was acquired by Hecla in 2013; and,

4. The Keno Hill development project in the Yukon, a high-grade silver development project that is expected to commence mill operations in the third quarter of 2023.

As of March 31, 2023, Hecla had a market capitalization of approximately US$3.4B and trades on the New York Stock Exchange ("**NYSE**").

Consideration Analysis

Hecla Share Consideration

In evaluating the Hecla Share Consideration, Fort Capital is of the view that the trading price of Hecla's shares represents a reasonable proxy for the value of Hecla's shares. Hecla's shares are highly liquid: as of the date of this Opinion, Hecla has a public float of approximately 596 million shares, and, during the 12-month period ending March 31, 2023, the average daily trading volume of Hecla's shares on the NYSE exceeded 5 million shares. In addition, Hecla had an average equity market value greater than US$3.0B during the month of March 2023, the calendar month preceding the calendar month in which the Arrangement Agreement will be entered into (based on the arithmetic average of the closing prices of Hecla shares on the NYSE for each trading day during the month of March 2023). The aggregate number of Hecla shares to be issued as Hecla Share Consideration represents less than one day of trading based on Hecla's average daily trading volume for the 12-month period ending March 31, 2023. Based on the above factors, Fort Capital is of the view that there is a liquid market for Hecla shares as such term is used in Part 1 of MI 61-101. Having regard to the foregoing, and based on the closing price of US$6.33 for Hecla's shares on the NYSE on March 31, 2023, the last trading day prior to our delivery of the Opinion, and the exchange ratio of 0.0166, Fort Capital

is of the view that the Hecla Share Consideration should be considered equivalent to approximately $0.14 per ATAC Share, as of the date hereof.

Cascadia Share Consideration

As part of the Arrangement, Cascadia will be formed to hold all of ATAC's rights and interests with respect to the Catch, PIL, Rosy and Idaho Creek projects. Hecla will make a $2 million strategic investment in Cascadia in return for i) a 19.9% equity ownership interest and five-year warrants at the same price as the seed capital, ii) two of seven board seats and iii) subject to certain conditions, a right of first refusal to purchase the Cascadia Assets. In evaluating the Cascadia Share Consideration, Fort Capital considered the valuation implied by the Hecla Cascadia Investment, which amounted to approximately $0.04 of value for ATAC Shareholders per ATAC Share held, and separately performed a sum-of-parts analysis based on the historical costs and book values of the assets to be held Cascadia, which amounted to approximately $0.02 of value for ATAC Shareholders per ATAC Share held. The mid-point of the valuation implied by the Hecla Cascadia Investment and the sum-of-the-parts analysis is approximately $0.03 per ATAC Share.

Approach to Fairness

In support of the Opinion, Fort Capital performed certain financial analyses with respect to ATAC based on methodologies and assumptions that we considered appropriate in the circumstances for the purposes of providing the Opinion.

In considering the fairness, from a financial point of view, of the Consideration to ATAC Shareholders, Fort Capital performed sum-of-the-parts analysis to determine a range of indicative values of the ATAC Shares, by aggregating estimates of value for each asset and liability of the Company. Fort Capital considered various forms of analysis with respect to valuing ATAC's mineral properties in its sum-of-the-parts analysis, including the following:

- Net Asset Value ("**NAV**") analysis, using the forecast from the Tiger PEA, updated for certain assumptions (applied to the Rackla (Rau) Project);
- Comparable company analysis, focusing on comparable gold developers with assets in North America (applied to the Rackla (Rau) and Rackla (Nadaleen) Projects);
- Precedent transaction analysis, focusing on comparable transactions over the last six years (applied to the Rackla (Rau) and Rackla (Nadaleen) Projects);
- Historical spend, for assets that lack a defined resource or economic study (applied to the Connaught, Catch, PIL and Rosy Projects); and
- Other considerations we deemed relevant.

Net Asset Value Analysis

Fort Capital performed NAV analysis on the Rackla (Rau) Project. Fort Capital reviewed certain projections of free cash flow based on the Tiger PEA. These projections include, among other things, assumptions, estimates and projections regarding resources, future commodity prices, future foreign exchange rates, production levels, operating costs, capital costs, depreciation, taxes, royalties and mine life.

Fort Capital reviewed the projections for overall consistency and tested for reasonableness, as well as adjusted the projections to reflect the consensus of equity research estimates for future gold prices, revised capital cost and operating cost estimates for inflation since the Tiger PEA was published, and an estimated first year of production.

The present value (as at March 31, 2023) of the unlevered, after-tax cash flows for Rackla (Rau) was calculated by applying a discount rate of 5%, which represents the discount rate commonly used by precious metal equity research analysts in calculating NAV. Fort Capital also conducted sensitivity analysis based on gold price forecasts, discount rates, capital and operating costs estimates, and first year of production.

Comparable Company Trading Analysis

Fort Capital compared public market trading statistics of selected gold developers and explorers that we considered relevant (the "**Selected Comparable Companies**") to the metrics of the comparable ATAC assets that we evaluated. The Selected Comparable Companies were:

Ascot Resources Ltd.	Auteco Minerals Limited
Banyan Gold Corp.	Benchmark Metals Inc.
Bonterra Resources Inc.	First Mining Gold Corp.
Fury Gold Mines Limited	Klondike Gold Corp.
Marathon Gold Corp.	Maple Gold Mines Ltd.
Mayfair Gold Corp	Moneta Gold Inc.
O3 Mining Inc.	Osisko Development Corp.
Probe Gold Inc.	Sabre Gold Mines Corp.
Sitka Gold Corp.	Skeena Resources Limited
Talisker Resources Ltd.	Troilus Gold Corp.
Wallbridge Mining Company Limited	Westhaven Gold Corp.
White Gold Corp.	

The range and average of multiples observed for the Selected Comparable Companies were:

	Low	**High**	**Median**
Price / Net Asset Value	0.13x	0.60x	0.28x
Enterprise Value / Measured & Indicated Resources (US$/oz AuEq)	$3	$87	$26
Enterprise Value / Measured, Indicated & Inferred Resources (US$/oz AuEq)	$1	$101	$20

Fort Capital observed the multiples of Selected Comparable Companies, taking into account factors such as size and trading liquidity, asset quality, stage, exploration upside, permitting and development risk, and selected a range of trading multiples that were then applied to the appropriate metrics for the relevant ATAC assets.

Precedent Transaction Multiples

The precedent transactions approach considers transaction multiples in the context of the publicly disclosed transactions for comparable companies or assets. Fort Capital reviewed precedent transactions between 2017 and 2023, of which 22 were deemed to be most relevant (the "**Selected Precedent Transactions**"). The Selected Precedent Transactions were:

Announcement Date	Acquiror	Target
March 6, 2023	Steppe Gold	Anacortes Mining
February 28, 2023	Alamos Gold	Manitou Gold
February 23, 2023	Catalyst Metals	Superior Gold
February 13, 2023	B2Gold	Sabina Gold & Silver
June 13, 2022	Orla Mining	Gold Standard Ventures
March 30, 2022	Skeena Resources	QuestEx Gold & Copper
December 6, 2021	Dolly Varden Silver	Homestake Resources
May 30, 2021	Dundee Precious	Metals INV Metals
April 21, 2021	Stratabound Minerals	California Gold
March 14, 2021	Evolution Mining	Battle North Gold
March 10, 2021	Newmont	GT Gold
January 20, 2021	Eldorado Gold	QMX Gold
December 4, 2020	Seabridge Gold	Snowfield Project
November 2, 2020	Yamana Gold	Monarch Gold
July 29, 2020	Auryn Resources	Eastmain Resources
June 9, 2020	Artemis Gold	Blackwater Project
September 23, 2019	Osisko Gold Royalties	Barkerville Gold Mines
August 2, 2018	Coeur Mining	Northern Empire
December 21, 2017	Agnico Eagle	Canadian Malartic Expl. Assets
November 7, 2017	Centerra Gold	AuRico Metals
September 5, 2017	Agnico Eagle	Santa Gertrudis Project
May 14, 2017	Eldorado Gold	Integra Gold

The range and average of multiples observed for the Selected Precedent Transactions were:

	Low	High	Median
Price / Net Asset Value	0.11x	1.06x	0.59x

	Low	High	Median
Enterprise Value / Measured & Indicated Resources (US$/oz AuEq)	$2	$389	$43
Enterprise Value / Measured, Indicated & Inferred Resources (US$/oz AuEq)	$2	$328	$31

Fort Capital observed the multiples of Selected Precedent Transactions, taking into account factors such as announcement date, size, asset quality, stage, exploration upside, permitting and development risk, and selected a range of trading multiples that were then applied to the appropriate metrics for the relevant ATAC assets.

Historical Spend

For ATAC properties with no financial projections or defined mineral resource estimate in accordance with NI 43-101, we have considered historical spend as the primary valuation methodology.

Fairness Considerations

Fort Capital's assessment of the fairness of the Consideration to be paid by Hecla to the ATAC Shareholders pursuant to the Arrangement, from a financial point of view, was based upon several quantitative and qualitative factors including, but not limited to:

(a) a comparison of the Consideration relative to the range of share prices for the ATAC Shares derived from sum-of-the-parts analysis;

(b) the trading liquidity of the ATAC Shares, and the liquidity provided to ATAC Shareholders pursuant to the contemplated transaction;

(c) the premia implied by the Consideration to the unaffected closing price and 10-day volume weighted average price on the TSXV of the ATAC Shares as at February 17, 2023, which were 75% and 89%, respectively;

(d) the ongoing exposure to some of ATAC's assets through a meaningful ownership in Cascadia; and

(e) the overall value discovery and strategic review process, which included a publicly disclosed unsolicited non-binding takeover offer.

Conclusion

It is the opinion of Fort Capital Partners that, based upon the preceding analysis, assumptions, limitations and other relevant factors, the Consideration to be received is fair, from a financial point of view, to the ATAC Shareholders.

Yours very truly,

FORT CAPITAL PARTNERS

APPENDIX "D"
PLAN OF ARRANGEMENT

See attached.

PLAN OF ARRANGEMENT
UNDER SECTION 288 OF THE
***BUSINESS CORPORATIONS ACT* (BRITISH COLUMBIA)**

ARTICLE 1
DEFINITIONS AND INTERPRETATION

Section 1.01 Definitions

In this Plan of Arrangement, unless the context otherwise requires, the following words and terms with the initial letter or letters thereof capitalized shall have the meanings ascribed to them below:

(a) "**Acquireco Common Shares**" means the common shares in the capital of Acquireco;

(b) "**Acquireco**" means Alexco Resource Corp., a company existing under the BCBCA and a wholly-owned subsidiary of the Purchaser;

(c) "**Affected Securities**" means the Company Shares, the Company Options and the Company Warrants;

(d) "**Affected Securityholders**" means the Company Shareholders, the Company Optionholders and the Company Warrantholders;

(e) "**Arrangement Agreement**" means the arrangement agreement dated as of April 5, 2023, as amended by an agreement dated May 12, 2023, among the Purchaser, Acquireco and the Company, together with the disclosure letter delivered by the Company in connection with the Arrangement Agreement, as the same may be amended, supplemented or otherwise modified from time to time in accordance with the terms thereof;

(f) "**Arrangement Consideration**" means the Purchaser Shares, Purchaser Warrants, Spinco Shares and Spinco Warrants that Participating Former Securityholders are entitled to receive under this Plan of Arrangement;

(g) "**Arrangement Resolution**" shall have the meaning ascribed to such term in the Arrangement Agreement;

(h) "**Arrangement**" means the arrangement under section 288 of the BCBCA on the terms and subject to the conditions set out in this Plan of Arrangement, subject to any amendments or variations thereto made in accordance with Section 8.9 of the Arrangement Agreement, this Plan of Arrangement or at the direction of the Court;

(i) "**Award Agreement**" means an agreement between the Company and a participant in, or pursuant to, any Company Option Plan setting out the participant's entitlement to receive any Company Options;

(j) "**BCBCA**" means the *Business Corporations Act* (British Columbia) and the regulations made thereunder, as promulgated or amended from time to time;

(k) "**Business Day**" means any day other than a Saturday, a Sunday or a statutory or civic holiday in Vancouver, British Columbia or New York, New York;

(l) "**Company Options**" means, at any time, options to acquire Company Shares granted pursuant to the Company Stock Option Plan, which are, at such time, outstanding and unexercised, whether or not vested;

(m) "**Company Meeting**" means the special meeting of Affected Securityholders, including any adjournment or postponement thereof, to be held in accordance with the Interim Order to consider the Arrangement Resolution;

(n) "**Company Optionholder**" means a holder of any Company Options;

(o) "**Company Series 1 Warrants**" means the outstanding share purchase warrants of the Company entitling holders to acquire, upon due exercise, one Company Share upon payment of cash consideration to the Company of $0.22 cash consideration on or before March 31, 2024;

(p) "**Company Series 2 Warrants**" means the outstanding share purchase warrants of the Company entitling holders to acquire, upon due exercise, one Company Share upon payment of cash consideration to the Company of $0.24 cash consideration on or before June 25, 2024;

(q) "**Company Share Value**" means the five day volume-weighted average price of the Company Shares on the Toronto Stock Exchange determined as of the close of business on the second Business Day immediately preceding the Effective Date;

(r) "**Company Shareholder**" means a holder of any Company Shares;

(s) "**Company Shares**" means the common shares in the capital of the Company;

(t) "**Company Stock Option Plan**" means the stock option plan of the Company;

(u) "**Company Warrantholder**" means a registered holder of Company Warrants;

(v) "**Company Warrants**" means the Company Series 1 Warrants and the Company Series 2 Warrants;

(w) "**Company**" means ATAC Resources Ltd., a company existing under the BCBCA;

(x) "**Court**" means the Supreme Court of British Columbia;

(y) "**CRA**" means the Canada Revenue Agency;

(z) "**Depositary**" means any trust company, bank or other financial institution agreed to in writing by each of the Parties for the purpose of, among other things, exchanging certificates representing Company Shares for the Arrangement Consideration in connection with the Arrangement;

(aa) "**Dissent Rights**" shall have the meaning ascribed to such term in Section 4.01;

(bb) "**Dissenting Shareholder**" means a registered Company Shareholder who dissents in respect of the Arrangement in strict compliance with the Dissent Rights and who is ultimately entitled to be paid fair value for their Company Shares;

(cc) "**Distribution Spinco Shares**" means the common shares in the capital of Spinco issued to the Company as consideration for the transfer of certain property and assets from the Company to Spinco as contemplated by the Spinco Contribution Agreement;

(dd) "**Effective Date**" means the date on which the Arrangement takes effect pursuant to the BCBCA;

(ee) "**Effective Time**" means 12:01 a.m. (Vancouver time) on the Effective Date, or such other time as the Parties may agree in writing before the Effective Date;

(ff) "**Encumbrance**" means any mortgage, hypothec, pledge, assignment, charge, lien, claim, security interest, adverse interest, other third person interest or encumbrance of any kind, whether contingent or absolute, and any agreement, option, right or privilege (whether by law, contract or otherwise) capable of becoming any of the foregoing;

(gg) "**Existing Company Directors**" means those persons who are directors of the Company immediately prior to the Effective Time;

(hh) "**Final Order**" shall have the meaning ascribed to such term in the Arrangement Agreement;

(ii) "**Former Securityholders**" means holders of Affected Securities immediately prior to the Effective Time;

(jj) "**Initial Spinco Share**" shall have the meaning ascribed to such term in Section 3.01(a);

(kk) "**Interim Order**" means the interim order of the Court, providing for, among other things, the calling and holding of the Company Meeting, as the same may be amended by the Court;

(ll) "**In-the-Money Amount**" means, in respect of a Company Option, the positive amount, if any, by which (i) the product obtained by multiplying (A) the number of Company Shares underlying such Company Option, by (B) the Company Share Value, exceeds (ii) the aggregate purchase price payable under such Company Option to acquire the Company Shares underlying such Company Option plus such taxes required to be withheld pursuant to the Tax Act in respect of the transfer, disposal and cancellation of the In-the-Money Option;

(mm) "**In-the-Money Option**" means a Company Option in respect of which the In-the-Money Amount, determined as of the last Business Day immediately preceding the Effective Date, is a positive amount;

(nn) "**Letter of Transmittal**" means the letter of transmittal and election form to be delivered by the Company to the Affected Securityholders, providing for the delivery of Affected Securities to the Depositary;

(oo) "**New Company Directors**" means Robert Brown and Russell Lawlar;

(pp) "**Option Consideration**" means, in respect of an In-the-Money Option, that number of Company Shares obtained by dividing: (i) the In-the-Money Amount in respect of such Company In-the-Money Option, by (ii) the Company Share Value, with the result rounded down to the nearest whole number of Company Shares;

(qq) "**Out-of-the-Money Option**" means each Company Option other than an In-the-Money Option;

(rr) "**Participating Former Securityholders**" means Former Securityholders, other than holders of Out-of-the-Money Options and Dissenting Shareholders;

(ss) "**Plan of Arrangement**" means this plan of arrangement, as amended, modified or supplemented from time to time in accordance with Section 8.9 of the Arrangement Agreement or Article 6 hereof, in each case with the consent of the Company and Purchaser, each acting reasonably, or at the direction of the Court in the Final Order;

(tt) "**Purchaser**" means Hecla Mining Company, a corporation existing under the laws of the State of Delaware;

(uu) "**Purchaser Series 1 Warrants**" means a warrant to acquire one Purchaser Share upon payment of cash consideration of US$7.81 on or before March 31, 2024 in such form as set out in Schedule I of the Arrangement Agreement;

(vv) "**Purchaser Series 2 Warrants**" means a warrant to acquire one Purchaser Share upon payment of cash consideration of US$8.53 on or before June 25, 2024 in such form as set out in Schedule I of the Arrangement Agreement;

(ww) "**Purchaser Share Consideration**" means 0.0166 of a Purchaser Share per Class A Share;

(xx) "**Purchaser Share**" means a share of the common stock in the authorized share capital of the Purchaser, US$0.25 par value per share;

(yy) "**Purchaser Spinco Shares**" means that number of Spinco Shares that is equal to ((0.199 x total number of Distribution Spinco Shares) / 0.801);

(zz) "**Purchaser Spinco Subscription Amount**" means $2,000,000;

(aaa) "**Purchaser Spinco Warrants**" means warrants to acquire such number of Spinco Shares as is equal to the number of Purchaser Spinco Shares at an exercise price of $0.36 per Spinco Share payable in cash on or before the date that is five years after the Effective Date, in such form as set out in Schedule K of the Arrangement Agreement;

(bbb) "**Purchaser Warrants**" means the Purchaser Series 1 Warrants and the Purchaser Series 2 Warrants;

(ccc) "**Purchaser**" means Hecla Mining Company, a corporation incorporated under the laws of Delaware;

(ddd) "**Shareholder Rights Plan**" means the shareholder rights plan of the Company dated June 24, 2014 and affirmed the annual general and special meeting of the Company held on November 18, 2020 between the Company and Computershare Trust Company of Canada as rights agent;

(eee) "**Spinco Contribution Agreement**" shall have the meaning ascribed to such term in section 1.1 of the Arrangement Agreement;

(fff) "**Spinco Series 1 Warrants**" means a warrant to acquire one Spinco Share upon payment of cash consideration of $0.45 per Spinco Share on or before March 31, 2024 in such form as set out in Schedule H of the Arrangement Agreement;

(ggg) "**Spinco Series 2 Warrants**" means a warrant to acquire one Spinco Share upon payment of cash consideration of $0.49 per Spinco Share on or before June 25, 2024 in such form as set out in Schedule H of the Arrangement Agreement;

(hhh) "**Spinco Shares**" means the common shares in the capital of Spinco;

(iii) "**Spinco Warrants**" means the Spinco Series 1 Warrants and the Spinco Series 2 Warrants;

(jjj) "**Spinco**" means Cascadia Minerals Ltd., a company incorporated under the BCBCA and a wholly-owned subsidiary of the Company;

(kkk) "**Tax Act**" means the *Income Tax Act* (Canada) and the regulations thereunder, as amended from time to time;

(lll) "**U.S. Tax Code**" means the United States Internal Revenue Code of 1986, as amended.

In addition, words and phrases used herein and defined in the BCBCA and not otherwise defined herein shall have the same meaning herein as in the BCBCA unless the context otherwise requires.

Section 1.02 Interpretation Not Affected by Headings

The division of this Plan of Arrangement into articles, sections, paragraphs and subparagraphs and the insertion of headings herein are for convenience of reference only and shall not affect the construction or interpretation of this Plan of Arrangement. The terms "this Plan of Arrangement", "hereof", "herein", "hereto", "hereunder" and similar expressions refer to this Plan of Arrangement and not to any particular article, section or other portion hereof and include any instrument supplementary or ancillary hereto.

Section 1.03 Number, Gender and Persons

In this Plan of Arrangement, unless the context otherwise requires, words importing the singular shall include the plural and vice versa, words importing the use of either gender shall include both genders and neuter and the word person and words importing persons shall include a natural person, firm, trust, partnership, association, corporation, joint venture or government (including any governmental agency, political subdivision or instrumentality thereof) and any other entity or group of persons of any kind or nature whatsoever.

Section 1.04 Date for any Action

If the date on which any action is required to be taken hereunder is not a Business Day, such action shall be required to be taken on the next succeeding day which is a Business Day.

Section 1.05 Statutory References

Any reference in this Plan of Arrangement to a statute includes all regulations made thereunder, all amendments to such statute or regulation in force from time to time and any statute or regulation that supplements or supersedes such statute or regulation.

Section 1.06 Currency

Unless otherwise stated, all references herein to "**$**" or amounts of money are expressed in lawful money of Canada.

Section 1.07 Governing Law

This Plan of Arrangement shall be governed, including as to validity, interpretation and effect, by the laws of the Province of British Columbia and the laws of Canada applicable therein.

ARTICLE 2
ARRANGEMENT AGREEMENT AND BINDING EFFECT

Section 2.01 Arrangement Agreement

This Plan of Arrangement is made pursuant to, and subject to the provisions of, the Arrangement Agreement.

Section 2.02 Binding Effect

As of and from the Effective Time, this Plan of Arrangement shall be binding upon:

(a) the Purchaser;

(b) the Company;

(c) Acquireco;

(d) Spinco;

(e) Computershare Trust Company of Canada in its capacity as rights agent under the Shareholder Rights Plan;

(f) each of the Former Securityholders; and

(g) the Depositary.

Section 2.03 Effective Date and Time

The exchanges, issuances and cancellations provided for in Section 3.02 shall be deemed to occur on the Effective Date at the time and in the order specified, notwithstanding that certain of the procedures related thereto are not completed until after the Effective Date.

ARTICLE 3
ARRANGEMENT

Section 3.01 Preliminary Steps Prior to the Arrangement

The following preliminary events or transactions shall occur prior to, and shall be conditions precedent to, the implementation of the Arrangement.

(a) The Company shall have incorporated Spinco under the BCBCA and Spinco shall have issued one common share (the "**Initial Spinco Share**") to the Company.

(b) The Company and Spinco shall have entered into the Spinco Contribution Agreement.

Section 3.02 Arrangement

At the Effective Time, unless otherwise specifically provided in this Section 3.02, the following events or transactions shall occur and shall be deemed to occur sequentially in the following order without any further act or formality:

(a) notwithstanding any vesting or exercise provisions to which a Company Option might otherwise be subject (whether by contract, the terms and conditions of any Award Agreement or grant, the terms and conditions of the Company Stock Option Plan, or applicable law):

(i) each In-the-Money Option issued and outstanding immediately prior to the Effective Time shall, without any further action by or on behalf of any holder of such In-the-Money Option, be deemed to be fully vested and shall be transferred and disposed by the holder thereof to the Company (free and clear of all Encumbrances) and cancelled in exchange for the Option Consideration, and the holder of such In-the-Money Option shall become the holder of the Company Shares comprising such Option Consideration and the central securities register of the Company shall be revised accordingly, but the holder of such Option Consideration shall not be entitled to receive a share certificate or other document representing the Option Consideration;

(ii) each Out-of-the-Money Option issued and outstanding immediately prior to the Effective Time shall, without any further action by or on behalf of any holder of such Out-of-the-Money Option, be cancelled without any payment therefor;

(iii) with respect to each Company Option:

(A) the holder thereof shall cease to be the holder of such Company Option, and shall cease to have any rights as a holder in respect of such Company Option under the applicable Company Option Plan,

(B) such holder's name shall be removed from the register of Company Options, and

(C) all option agreements, Award Agreements, grants and similar instruments relating thereto shall be cancelled; and

(iv) the Company Option Plan shall be terminated;

(b) notwithstanding the terms of any of the Company Warrants, or any exercise provisions to which a Company Warrant might otherwise be subject (whether by contract or applicable law):

(i) each Company Series 1 Warrant without any further action by or on behalf of any holder of such Company Series 1 Warrant shall be transferred and disposed by the holder thereof to the Company (free and clear of all Encumbrances) and cancelled in exchange for:

(A) 0.0166 Purchaser Series 1 Warrant; and

(B) 0.100 Spinco Series 1 Warrant; and

and the holder of such Company Series 1 Warrants shall become the holder of such Purchaser Series 1 Warrants and Spinco Series 1 Warrants and the warrant registers of the Company, the Purchaser and Spinco shall be revised accordingly, and the former holder of the Company Series 1 Warrants shall receive certificates representing such Purchaser Series 1 Warrants and Spinco Series 1 Warrants; and

(ii) each Company Series 2 Warrant without any further action by or on behalf of any holder of such Company Series 2 Warrant shall be transferred and disposed by the holder thereof to the Company (free and clear of all Encumbrances) and cancelled in exchange for:

(A) 0.0166 Purchaser Series 2 Warrant; and

(B) 0.100 Spinco Series 2 Warrant; and

and the holder of such Company Series 2 Warrants shall become the holder of such Purchaser Series 2 Warrants and Spinco Series 2 Warrants and the warrant registers of the Company, the Purchaser and Spinco shall be revised accordingly, and the former holder of the Company Series 2 Warrants shall receive certificates representing such Purchaser Series 2 Warrants and Spinco Series 2 Warrants;

(c) notwithstanding the terms of the Shareholder Rights Plan, each of the rights issued or issuable thereunder attaching to the Company Shares shall be cancelled without any payment of consideration therefor and the Shareholder Rights Plan shall be terminated and be of no further force and effect;

(d) each Company Share held by a Dissenting Shareholder shall be, and shall be deemed to be, surrendered to the Company by the holder thereof, without any further act or formality by such Dissenting Shareholder, free and clear of all Encumbrances, and each such Company Share so surrendered shall be cancelled and thereupon each Dissenting Shareholder shall cease to have any rights as a holder of such Company Shares other than a claim against the Company in an amount determined and payable in accordance with Article 4 and the name of such Dissenting Shareholder shall be removed from the central securities register of holders of Company Shares;

(e) the Company shall distribute to each Participating Former Securityholder 0.100 Distribution Spinco Shares for every one Company Share held by such Participating Former Securityholder as a return of capital pursuant to a reorganization of the Company's business and the Company shall be deemed to have directed the Depositary to issue to such Participating Former Securityholder such Spinco Distribution Shares to which such Participating Former Securityholder is entitled pursuant to this Section 3.02(e), and upon such distribution:

(i) each Participating Former Securityholder shall be entered in Spinco's register of holders of Spinco Shares in respect of the Distribution Spinco Shares distributed to them; and

(ii) the Company shall be removed from Spinco's register of holders of Spinco Shares in respect of the Distribution Spinco Shares;

(f) the Initial Spinco Share held by the Company shall be cancelled without any repayment therefor, and the Company shall be removed from Spinco's register of holders of Spinco Shares;

(g) each Participating Former Securityholder shall transfer, and shall be deemed to have transferred, to Acquireco, without any further act or formality by such Participating Former Securityholder, free and clear of all Encumbrances, each Company Share held by such Participating Former Securityholder in exchange for the Purchaser Share Consideration, and the Purchaser shall be deemed to have directed the Depositary to issue to such Participating Former Securityholder the Purchaser Share Consideration to which such Participating Former Securityholder is entitled pursuant to this Section 3.02(g), and upon such exchange:

(i) Acquireco shall issue to the Purchaser, as consideration for the issue of the Purchaser Shares comprising the Purchaser Share Consideration, one fully paid and non-assessable Acquireco Common Share to the Purchaser for each such Purchaser Share, and the capital account maintained by Acquireco in respect of the Acquireco Common Share shall be increased, in respect of each Acquireco Common Share issued pursuant to this Section 3.02(g)(i), by an amount equal to $0.14, and the Purchaser shall be entered in Acquireco's central securities register of holders of Acquireco Common Shares;

(ii) each Participating Former Securityholder shall be removed from the Company's central securities register of holders of Company Shares;

(iii) Acquireco shall be entered in the Company's central securities register of holders of Company Shares as the legal and beneficial owner of such Company Shares, free of all Encumbrances; and

(iv) each Participating Former Securityholder shall be entered in the Purchaser's register of holders of Purchaser Shares in respect of the Purchaser Share Consideration payable to such Participating Former Securityholder pursuant to this Section 3.02(g);

(h) the resignations of the Existing Company Directors, and the appointment of the New Company Directors, shall be deemed to be effective immediately following the transfers of the Company Shares to Acquireco pursuant to Section 3.02(g);

(i) the Company shall file with the CRA an election pursuant to section 89(1) of the Tax Act to cease to be a public corporation for purposes of the Tax Act and shall make and file any and all elections pursuant to section 110(1.1) in respect of the transfer, disposition and cancellation of the In-the-Money Options pursuant to Section 3.02(a) and shall provide former holders of In-the-Money Options with evidence of the same; and

(j) Spinco shall issue the Purchaser Spinco Shares and Purchaser Spinco Warrants to the Purchaser in consideration for the payment of the Purchaser Spinco Subscription Amount, and the Depositary

shall release the Purchaser Spinco Subscription Amount to Spinco, and upon payment of the Purchaser Spinco Subscription Amount in accordance with this Section 3.02(j) Spinco shall be deemed to have issued such fully paid and non-assessable Purchaser Spinco Shares to the Purchaser, and the capital account maintained by Spinco in respect of the Spinco Common Shares shall be increased, in respect of the Purchaser Spinco Shares issued pursuant to this Section 3.02(j), by an amount equal to the Purchaser Spinco Subscription Amount.

Section 3.03 Pre-Effective Time Procedures

(a) Following the receipt of the Final Order and no later than one Business Day prior to the Effective Date:

(i) the Purchaser shall deliver or arrange to be delivered to the Depositary certificates representing the Purchaser Shares and the Purchaser Warrants, which certificates shall be held by the Depositary as agent and nominee for such Participating Former Securityholders for distribution to such Participating Former Securityholders in accordance with the provisions of Article 5;

(ii) the Purchaser shall deliver or arrange to be delivered to the Depositary cash in an amount sufficient to pay the Purchaser Spinco Subscription Amount, which cash shall be held by the Depositary as agent and nominee for Spinco for distribution to Spinco in accordance with the provisions of Section 3.02(j);

(iii) Spinco shall deliver or arrange to be delivered to the Depositary certificates representing the Spinco Shares and the Spinco Warrants required to be delivered to Participating Former Securityholders pursuant to Section 3.02 (after giving effect to the Spinco Share Consolidation), which certificates shall be held by the Depositary as agent and nominee for such Participating Former Securityholders for distribution to such Participating Former Securityholders in accordance with the provisions of Article 5; and

(iv) Spinco shall deliver or arrange to be delivered to the Depositary certificates representing the Purchaser Spinco Shares and the Purchaser Spinco Warrant, which certificates shall be held by the Depositary as agent and nominee for the Purchaser for distribution to the Purchaser in accordance with the provisions of Section 3.02(j);

(b) Subject to the provisions of Section 3.04 and Article 5, on the Effective Date the Participating Former Securityholders shall be entitled to receive delivery of the share certificates comprising the Arrangement Consideration to which they are entitled pursuant to Section 3.02.

Section 3.04 No Fractional Shares

No fractional Purchaser Shares or Spinco Shares shall be issued to Former Securityholders in connection with this Plan of Arrangement. The total number of Purchaser Shares or Spinco Shares to be issued to any Former Securityholder shall, without additional compensation, be rounded down to the nearest whole Purchaser Share or Spinco Share, as applicable, in the event that a Former Securityholder is entitled to a fractional share.

ARTICLE 4
DISSENT RIGHTS

Section 4.01 Dissent Rights

Pursuant to the Interim Order, registered Company Shareholders may exercise rights of dissent ("**Dissent Rights**") under Division 2 of Part 8 of the BCBCA, as modified by this Article 4, the Interim Order and the Final Order, with respect to Company Shares in connection with the Arrangement, provided that the written notice of dissent to the Arrangement Resolution contemplated by Section 242 of the BCBCA must be sent to the Company by holders who

wish to dissent at least two Business Days before the Company Meeting (or any date to which the Company Meeting may be postponed or adjourned), and provided further that holders who exercise such rights of dissent and who:

(a) are ultimately entitled to be paid fair value for their Company Shares (which fair value shall be the fair value of such shares immediately before the passing by the Affected Securityholders of the Arrangement Resolution) shall be paid an amount in cash equal to such fair value by the Company (including any successor or successors to the Company by amalgamation); and

(b) are ultimately not entitled, for any reason, to be paid fair value for their Company Shares shall be deemed to have participated in the Arrangement, as of the Effective Time, on the same basis as a non-dissenting Company Shareholder, but in no case shall the Purchaser, the Company, Acquireco or any other person be required to recognize Company Shareholders who exercise Dissent Rights as Company Shareholders after the time that is immediately prior to the Effective Time, and the names of such registered Company Shareholders who exercise Dissent Rights shall be deleted from the central securities register as holders of Company Shares at the Effective Time and their Company Shares shall be deemed to be surrendered to the Company and cancelled in accordance with Section 3.02(d).

ARTICLE 5
DELIVERY OF ARRANGEMENT CONSIDERATION

Section 5.01 Delivery of Arrangement Consideration

(a) On the Effective Date, each Participating Former Securityholder shall be entitled to receive, and the Depositary shall, provided such Participating Former Securityholder has otherwise complied with this Article 5, deliver to such Participating Former Securityholder, following the Effective Time, the Arrangement Consideration that such Former Securityholder is entitled to receive in accordance with Section 3.02 and Section 3.04.

(b) Upon surrender to the Depositary for cancellation of a certificate that immediately before the Effective Time represented one or more outstanding Company Shares or Company Warrants that were exchanged for Purchaser Shares, Purchaser Warrants, Spinco Shares and/or Spinco Warrants in accordance with Section 3.02, together with one or more duly completed Letter(s) of Transmittal and such other documents and instruments as the Depositary may reasonably require, the holder of such surrendered certificate shall be entitled to receive in exchange therefor, and the Depositary shall deliver to such holder following the Effective Time, the Arrangement Consideration that such holder is entitled to receive in accordance with Section 3.02 and Section 3.04.

(c) After the Effective Time and until surrendered for cancellation as contemplated by Section 5.01(b) hereof, each certificate that immediately prior to the Effective Time represented one or more Company Shares or Company Warrants shall, following completion of the transactions described in Section 3.02, be deemed at all times to represent only the right to receive in exchange therefor the Arrangement Consideration that the holder of such certificate is entitled to receive in accordance with Section 3.02.

Section 5.02 Lost Certificates

In the event any certificate that, immediately prior to the Effective Time, represented one or more outstanding Company Shares that were exchanged for Purchaser Shares and Spinco Shares, or Company Warrants that were exchanged for Purchaser Warrants and Spinco Warrants in accordance with Section 3.02 shall have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the holder claiming such certificate to be lost, stolen or destroyed, the Depositary shall deliver, in exchange for such lost, stolen or destroyed certificate, the certificates representing the aggregate Arrangement Consideration that such holder is entitled to receive in accordance with Section 3.02. When authorizing such delivery of a certificate representing Purchaser Shares, Spinco Shares, Purchaser Warrants

and/or Spinco Warrants that such holder is entitled to receive in exchange for such lost, stolen or destroyed certificate, the holder to whom certificates representing such securities are to be delivered shall, as a condition precedent to the delivery of the certificates representing such Arrangement Consideration, give a bond satisfactory to the Purchaser, Spinco and the Depositary in such amount as the Purchaser, Spinco and the Depositary may direct, or otherwise indemnify the Purchaser, Spinco and the Depositary, in a manner satisfactory to the Purchaser, Spinco and the Depositary, against any claim that may be made against the Purchaser, Spinco or the Depositary with respect to the certificate alleged to have been lost, stolen or destroyed, and shall otherwise take such actions as may be required by the articles of the Company.

Section 5.03 Distributions with Respect to Unsurrendered Certificates

No dividend or other distribution declared or made after the Effective Time with respect to Purchaser Shares or Spinco Shares with a record date after the Effective Time shall be delivered to the holder of any unsurrendered certificate that, immediately prior to the Effective Time, represented outstanding Company Shares unless and until the holder of such certificate shall have complied with the provisions of Section 5.01 or Section 5.02. Subject to applicable law and to Section 5.04, at the time of such compliance, there shall, in addition to the delivery of a certificate representing the Purchaser Shares and Spinco Shares to which such holder is thereby entitled, be delivered to such holder, without interest, the amount of any dividends or other distributions with a record date after the Effective Time theretofore paid with respect to such Purchaser Shares and Spinco Shares, as applicable.

Section 5.04 Withholding Rights

The Purchaser, Acquireco, the Company, Spinco and the Depositary shall be entitled to deduct and withhold from any consideration payable or otherwise deliverable to a Former Securityholder pursuant to the Arrangement and from any and all dividends or other distributions otherwise payable to any Former Securityholder, or failing that, any other amount due to any Former Securityholder by the Company, such amounts as the Purchaser, Acquireco, the Company, Spinco or the Depositary is required or permitted to deduct and withhold with respect to such payment under the Tax Act, the U.S. Tax Code or any provision of any applicable federal, provincial, state, local or foreign tax law or treaty, in each case, as amended, and may sell on behalf of a Former Securityholder any Purchaser Shares or Spinco Shares deliverable to such Former Securityholder, in order to remit to a taxing authority a sufficient amount to comply with such tax laws. To the extent that amounts are so withheld, such withheld amounts shall be treated for all purposes hereof as having been paid to the particular person in respect of which such deduction and withholding was made, provided that such withheld amounts are actually remitted to the appropriate taxing authority. Without restricting the intent of the above, the Purchaser, Acquireco, the Company, Spinco or the Depositary shall withhold from any Arrangement Consideration payable to a Company Optionholder and/or sell any component of the Arrangement Consideration deliverable to any Company Optionholder in order to remit to a taxing authority or remit to the Company for remittance to a taxing authority, a sufficient amount to comply with tax laws in respect of the cancellation of the Company Options pursuant to the Plan of Arrangement.

Section 5.05 Limitation and Proscription

To the extent that a Participating Former Securityholder shall not have complied with the provisions of Section 5.01 or Section 5.02 on or before the date that is three years after the Effective Date (the "**final proscription date**"), then the Purchaser Shares, Spinco Shares, Purchaser Warrants and Spinco Warrants (if then still exercisable) that such Participating Former Securityholder was entitled to receive shall be automatically cancelled without any repayment of capital in respect thereof and the certificates representing such securities shall be delivered by the Depositary to the Purchaser or Spinco, as applicable, and the interest of the Participating Former Securityholder in such Purchaser Shares, Spinco Shares, Purchaser Warrants and Spinco Warrants to which it was entitled shall be terminated as of such final proscription date.

ARTICLE 6
AMENDMENTS

Section 6.01 Amendments to Plan of Arrangement

(a) The Purchaser and the Company reserve the right to amend, modify or supplement this Plan of Arrangement at any time and from time to time, provided that each such amendment, modification or supplement must be (i) set out in writing, (ii) agreed to in writing by the Purchaser and the Company, (iii) filed with the Court and, if made following the Company Meeting, approved by the Court, and (iv) communicated to Affected Securityholders if and as required by the Court.

(b) Any amendment, modification or supplement to this Plan of Arrangement may be proposed by the Company at any time prior to the Company Meeting provided that the Purchaser shall have consented thereto in writing, with or without any other prior notice or communication, and, if so proposed and accepted by the persons voting at the Company Meeting (other than as may be required under the Interim Order), shall become part of this Plan of Arrangement for all purposes.

(c) Any amendment, modification or supplement to this Plan of Arrangement that is approved by the Court following the Company Meeting shall be effective only if: (i) it is consented to in writing by each of the Purchaser and the Company; and (ii) if required by the Court, it is consented to by the Affected Securityholders voting in the manner directed by the Court.

APPENDIX "E"
INTERIM ORDER

See attached.

No. S-233642
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF SECTION 288 OF THE BRITISH COLUMBIA *BUSINESS CORPORATIONS ACT*, S.B.C. 2002, CHAPTER 57, AS AMENDED

AND

IN THE MATTER OF A PROPOSED ARRANGEMENT INVOLVING ATAC RESOURCES LTD., ITS SHAREHOLDERS AND CERTAIN OF ITS OTHER SECURITYHOLDERS, HECLA MINING COMPANY and ALEXCO RESOURCE CORP.

ATAC RESOURCES LTD.

PETITIONER

ORDER MADE AFTER APPLICATION (INTERIM ORDER)

BEFORE MASTER HUGHES) 17/MAY/2023

ON THE APPLICATION of ATAC Resources Ltd. ("**ATAC**") for an Interim Order under section 291 of the British Columbia *Business Corporations Act*, S.B.C. 2002, c. 57, as amended (the "**BCBCA**"), in connection with an arrangement involving Hecla Mining Company ("**Hecla**") and Alexco Resource Corp. ("**Hecla Acquisition Subco**") under section 288 of the BCBCA

☑ without notice coming on for hearing at the Courthouse at 800 Smithe Street, Vancouver, British Columbia on 17/May/2023 and on hearing Darlene Crimeni, counsel for ATAC and upon reading the Petition herein and the Affidavit #1 of Graham Downs sworn on May 15, 2023 (the "**Downs Affidavit**");

THIS COURT ORDERS that:

DEFINITIONS

1. As used in this Order, unless otherwise defined, terms beginning with capital letters shall have the respective meanings set out in the draft management information circular of ATAC (the **"Information Circular"**) containing the draft Notice of Special Meeting (the **"Notice"**), which is attached as Exhibit "B" to the Downs Affidavit.

SPECIAL MEETING

2. Pursuant to section 291(2)(b)(i) and section 289(1)(a)(i) of the BCBCA, ATAC is authorized and directed to call, hold and conduct a special meeting (the **"Meeting"**) of the holders (the "**ATAC Shareholders**") of common shares in the capital of ATAC (the "**ATAC Shares**"), the holders (the "**ATAC Optionholders**") of options to acquire ATAC Shares (the "**ATAC Options**"), and the holders (the "**ATAC Warrantholders**", collectively with the ATAC Shareholders and ATAC Optionholders, the "**ATAC Securityholders**") of common share purchase warrants to acquire ATAC Shares (the "**ATAC Warrants**") to be held on June 23, 2023 at 10:00 a.m. (Vancouver time) (the "**Meeting Date**") held at the offices of Stikeman Elliott LLP, Suite 1700, 666 Burrard Street, Vancouver, B.C. V6C 2X8 to, *inter alia*, consider and, if deemed advisable, to pass, with or without variation, a special resolution (the "**Arrangement Resolution**") approving and adopting in accordance with section 289(1)(a)(i) of the BCBCA an arrangement under Section 288 of the BCBCA (the "**Arrangement**") substantially as contemplated in the plan of arrangement (the "**Plan of Arrangement**"), a draft of which special resolution is attached at Schedule "D" to the Information Circular.

3. At the Meeting, ATAC will also seek to transact such other business as is contemplated by the Information Circular or as otherwise may be properly brought before the Meeting.

4. The Meeting shall be called, held and conducted in accordance with the BCBCA, the Notice, the Information Circular, the articles of ATAC and applicable securities laws, subject to the terms of this Interim Order and any further Order of this Court, and the rulings and directions of the Chair of the Meeting, such rulings and directions not to be inconsistent with this Interim Order, and to the extent of any inconsistency, this Interim Order shall govern.

AMENDMENTS

5. ATAC is authorized to make, in the manner contemplated by and subject to the Arrangement Agreement, such amendments, modifications or supplements to the Arrangement, the Plan of Arrangement, the Arrangement Agreement, the Notice and the Information Circular as it may determine without any additional notice to or authorization of any of the ATAC Securityholders or further orders of this Court. The Arrangement, the Plan of Arrangement, the Arrangement Agreement, the Notice and the Information Circular as so amended, modified or supplemented, shall be the Arrangement, the Plan of Arrangement, the Arrangement Agreement, the Notice and the Information Circular to be submitted to the Meeting and the subject of the Arrangement Resolution.

ADJOURNMENTS AND POSTPONEMENTS

6. Notwithstanding the provisions of the BCBCA and the articles of ATAC, and subject to the terms of the Arrangement Agreement, the ATAC Board by resolution shall be entitled to adjourn, postpone or cancel the Meeting or the date of the Application for the Final Order (defined at paragraph 37 below) on one or more occasions without the necessity of first convening the Meeting or first obtaining any vote of the ATAC Securityholders respecting the adjournment or postponement, and without the need

for approval of this Court. ATAC shall provide notice of any such cancellation, adjournment or postponement of the Meeting by press release, newspaper advertisement or notice sent to the ATAC Securityholders by one of the methods specified in paragraph 9 of this Interim Order, as determined to be the most appropriate method of communication by the ATAC Board.

RECORD DATE

7. The record date for determining the ATAC Securityholders entitled to receive the Notice, the Information Circular, the form of proxy or voting instruction form and the letter of transmittal, all as applicable, for use by the ATAC Securityholders (collectively, the "**Meeting Materials**") shall be the close of business on May 9, 2023 (the "**Record Date**").

NOTICE OF SPECIAL MEETING

8. The Information Circular is hereby deemed to represent sufficient and adequate disclosure, including for the purpose of section 290(1)(a) of the BCBCA, and ATAC shall not be required to send to the ATAC Securityholders any other or additional statement pursuant to section 290(1)(a) of the BCBCA.

9. The Meeting Materials, with such amendments or additional documents as counsel for ATAC may advise are necessary or desirable, and as are not inconsistent with the terms of this Interim Order, shall be sent:

   (i) to registered ATAC Shareholders ("**Registered ATAC Shareholders**") (those whose names appear in the securities register of ATAC) determined as at the Record Date, at least twenty-one (21) days prior to the date of the Meeting, by prepaid ordinary mail or by delivery in person or by recognized courier service, addressed to the Registered ATAC Shareholder at its address as it appears in the central securities register of ATAC as at the Record Date;

   (ii) to beneficial ATAC Shareholders ("**Beneficial ATAC Shareholders**") (those whose names do not appear in the central securities register of ATAC), by providing, in accordance with National Instrument 54-101 – *Communications with Beneficial Owners of Securities of a Reporting Issuer* of the Canadian Securities Administrators, the requisite number of copies of the Meeting Materials to intermediaries and registered nominees to facilitate the distribution of the Meeting Materials to Beneficial ATAC Shareholders;

   (iii) to registered holders of ATAC Options ("**Registered ATAC Optionholders**") determined as at the Record Date, at least twenty-one (21) days prior to the date of the Meeting, by prepaid ordinary mail or by delivery in person or by recognized courier service or by email or facsimile transmission, addressed to the Registered ATAC Optionholder at its address as it appears in the register of option holders of ATAC as at the Record Date;

   (iv) to registered holders of ATAC Warrants ("**Registered ATAC Warrantholders**", collectively with the Registered ATAC Shareholders and Registered ATAC Optionholders, the "**Registered ATAC Securityholders**") determined as at the Record Date, at least twenty-one (21) days prior to the

date of the Meeting, by prepaid ordinary mail or by delivery in person or by recognized courier service or by email or facsimile transmission, addressed to the Registered ATAC Warrantholder at its address as it appears in the register of warrant holders of ATAC as at the Record Date;

(v) to the directors and auditors of ATAC by prepaid ordinary mail or by delivery in person or by recognized courier service or by email or facsimile transmission at least twenty-one (21) days prior to the date of the Meeting; and

(vi) at any time by email or facsimile transmission to any ATAC Securityholder who identifies himself, herself, itself to the satisfaction of ATAC (acting through its representatives), who requests such email or facsimile transmission and, if required by ATAC, agrees to pay the charges related to such transmission;

and substantial compliance with this paragraph shall constitute good and sufficient notice of the Meeting.

10. The Meeting Materials shall not be sent to ATAC Securityholders where mail previously sent to such holders by ATAC or its registrar and transfer agent has been returned to ATAC or its registrar and transfer agent on two or more previous consecutive occasions.

11. Accidental failure of or omission by ATAC to give notice to any one or more ATAC Securityholders or the directors and auditors of ATAC, or the non-receipt of such notice, or any failure or omission to give such notice as a result of events beyond the reasonable control of ATAC (including, without limitation, any inability to use postal services) shall not constitute a breach of this Interim Order or a defect in the calling of the Meeting and shall not invalidate any resolution passed or proceeding taken at the Meeting, but if any such failure or omission is brought to the attention of ATAC, then it shall use reasonable efforts to rectify it by the method and in the time most reasonably practicable in the circumstances.

DEEMED RECEIPT OF NOTICE

12. The Meeting Materials and any amendments, modifications, updates or supplements thereto and any notice of adjournment or postponement of the Meeting, shall be deemed to have been received,

(a) in the case of mailing, the day, Saturday and holidays excepted, following the date of mailing as specified in section 6 of the BCBCA;

(b) in the case of delivery in person, upon receipt thereof at the intended recipient's address or, in the case of delivery by courier, one (1) business day after receipt by the courier;

(c) in the case of transmission by email or facsimile, upon the transmission thereof;

(d) in the case of advertisement, at the time of publication of the advertisement;

(e) in the case of electronic filing on SEDAR, upon the transmission thereof; and

(f) in the case of Beneficial ATAC Shareholders, three (3) days after delivery thereof to intermediaries and registered nominees.

UPDATING MEETING MATERIALS

13. Notice of any amendments, modifications, updates or supplements to any of the information provided in the Meeting Materials may be communicated, at any time prior to the Meeting, to the ATAC Securityholders by press release, news release or newspaper advertisement or by notice sent to the ATAC Securityholders by any of the means set forth in paragraph 9, as determined to be the most appropriate method of communication by the ATAC Board.

PERMITTED ATTENDEES

14. The only persons entitled to attend the Meeting shall be:

(a) the Registered ATAC Securityholders as at the close of business on the Record Date, or their respective proxyholders;

(b) directors, officers and advisors of ATAC, Hecla and Hecla Acquisition Subco; and

(c) other persons with the prior permission of the Chair of the Meeting,

and the only persons entitled to vote on the Arrangement Resolution at the Meeting shall be the Registered ATAC Securityholders or their respective proxyholders.

SOLICITATION OF PROXIES

15. ATAC is authorized to use forms of proxy for ATAC Securityholders, as applicable, in substantially the same form as attached as Exhibit "C" to the Downs Affidavit, subject to ATAC's ability to insert dates and other relevant information in the final forms thereof and to make other non-substantive changes and changes legal counsel advise are necessary or appropriate, as well as a voting instruction form for ATAC Securityholders, as applicable. ATAC is authorized, at its expense, to solicit proxies directly and through its officers, directors, and employees, and through such agents or representatives as it may retain for that purpose (or that may be retained jointly by ATAC and Hecla) and by mail, telephone, or such other form of personal or electronic communication as it may determine.

16. The procedures for the use of proxies at the Meeting and revocation of proxies shall be as set out in the Notice and the Information Circular.

17. ATAC may in its discretion generally postpone or waive the time limits for the deposit of proxies by ATAC Securityholders if ATAC deems it advisable to do so, such waiver to be endorsed on the proxy by the initials of the Chair of the Meeting.

QUORUM AND VOTING

18. At the Meeting, the votes in respect of the Arrangement Resolution shall be taken on the following basis:

    (a) each Registered ATAC Shareholder whose name is entered on the central securities register of ATAC as at the close of business on the Record Date is entitled to one (1) vote for each ATAC Share registered in his/her/its name;

    (b) each Registered ATAC Optionholder whose name is entered on the register of option holders of ATAC as at the close of business on the Record Date is entitled to one (1) vote for each ATAC Option registered in his/her/its name;

    (c) each Registered ATAC Warrantholder whose name is entered on the register of warrant holders of ATAC as at the close of business on the Record Date is entitled to one (1) vote for each ATAC Warrant registered in his/her/its name; and

    (d) the vote required to pass the Arrangement Resolution shall be the affirmative vote of at least two thirds (66⅔%) of the votes cast by:

        (i) the Registered ATAC Shareholders present in person or by proxy at the Meeting; and

        (ii) the Registered ATAC Securityholders, voting together as a single class, present in person or represented by proxy.

19. The quorum at the Meeting shall be the presence of two persons who are, or who represent by proxy, ATAC Shareholders who, in the aggregate, hold at least 5% of the issued ATAC Shares entitled to be voted at the Meeting.

20. If, within one-half hour from the time set for holding the Meeting, the quorum is not present, the Meeting may be adjourned to a date at least 7 days after the Meeting Date, and not more than 60 days after the Record Date.

21. If, at the meeting to which the Meeting referred to in paragraph 20 was adjourned, a quorum is not present within one-half hour from the time set for holding the meeting, the person or persons present and being, or representing by proxy, one or more ATAC Shareholders entitled to attend and vote at the meeting constitute a quorum.

SCRUTINEER

22. The scrutineer for the Meeting shall be Computershare Investor Services Inc. (acting through its representatives for that purpose). The duties of the scrutineer shall include:

    (a) reviewing and reporting to the Chair on the deposit and validity of proxies;

    (b) reporting to the Chair on the quorum of the Meeting;

    (c) reporting to the Chair on the polls taken or ballots cast, if any, at the Meeting; and

(d) providing to ATAC and to the Chair written reports on matters related to their duties.

SHAREHOLDER DISSENT RIGHTS

23. Each Registered ATAC Shareholder will have the right to dissent in respect of the Arrangement Resolution in accordance with the provisions of Sections 237 to 247 of the BCBCA, as modified by the terms of this Interim Order, the Final Order and the Plan of Arrangement.

24. Only Registered ATAC Shareholders may dissent. A beneficial holder of ATAC Shares registered in the name of a broker, investment dealer or other intermediary, who wishes to dissent, must make arrangement for the applicable and corresponding Registered ATAC Shareholder to dissent on behalf of the beneficial holder of ATAC Shares or, alternatively, make arrangements to become a Registered ATAC Shareholder.

25. Holders of ATAC Options and ATAC Warrants will not have a right to dissent in respect of their ATAC Options or ATAC Warrants.

26. Registered ATAC Shareholders may exercise rights of dissent (the "**Dissent Rights**") with respect to such ATAC Shares pursuant to and in the manner set forth in sections 237 to 247 of the BCBCA, as modified or supplemented by the Interim Order and Plan of Arrangement. Registered ATAC Shareholders who duly exercise such rights of dissent and who:

(a) are ultimately entitled to be paid fair value for their ATAC Shares shall be entitled to be paid by ATAC, such fair value as determined as at the close of business on the business day immediately preceding the date on which the Arrangement Resolution is adopted by the ATAC Securityholders; or

(b) are ultimately not entitled, for any reason, to be paid fair value for their ATAC Shares, shall be deemed to have participated in the Arrangement on the same basis as a non-dissenting holder of ATAC Shares,

but in no case shall ATAC or any other person be required to recognize such dissenting holders as ATAC Shareholders after the Effective Time of the Arrangement, and the names of such ATAC Shareholders shall be removed from the register of ATAC Shareholders as to those ATAC Shares in respect of which Dissent Rights have been validly exercised. There can be no assurance that a ATAC Shareholder validly exercising Dissent Rights will receive consideration for its ATAC Shares of equal or greater value to the consideration that such ATAC Shareholder would have received on completion of the Arrangement.

27. To exercise Dissent Rights, an ATAC Shareholder must dissent with respect to all ATAC Shares of which he, she or it is the registered and beneficial owner.

28. In order to exercise Dissent Rights, a Registered ATAC Shareholder is required to send a written notice of dissent (the "**Notice of Dissent**") to ATAC in the form set out in Section 242 of the BCBCA and be addressed to the attention of the individual set out below and be sent not later than 5:00pm (Vancouver time) on June 21, 2023, or if

the Meeting is adjourned or postponed, by no later than two Business Days immediately preceding the date on which the adjourned or postponed Meeting is reconvened or convened, as applicable, by mail to:

ATAC Resources Ltd.
c/o Stikeman Elliott LLP
Suite 1700, 666 Burrard Street
Vancouver, British Columbia
V6C 2X8, Canada
Attention: Neville McClure

29. A vote against the Arrangement Resolution or not voting on the Arrangement Resolution does not constitute a written objection for purposes of the Notice of Dissent under Section 242 of the BCBCA.

30. The Notice of Dissent must set out the number of ATAC Shares in respect of which the Dissent Rights are being exercised (the "**Notice Shares**") and:

(a) if such Notice Shares constitute all of the ATAC Shares of which the ATAC Shareholder is the registered and beneficial owner and the ATAC Shareholder owns no other ATAC Shares beneficially, a statement to that effect;

(b) if such Notice Shares constitute all of the ATAC Shares of which the ATAC Shareholder is both the registered and beneficial owner, but the ATAC Shareholder owns additional ATAC Shares beneficially, a statement to that effect, including the names of the Registered ATAC Shareholder(s) of such additional ATAC Shares, the number of such additional ATAC Shares held by each such Registered ATAC Shareholder and a statement that written notices of dissent are being or have been sent with respect to such other ATAC Shares; or

(c) if the Dissent Rights are being exercised by a Registered ATAC Shareholder who is not the beneficial owner of such Notice Shares, a statement to that effect including the name and address of the Non-Registered ATAC Shareholder(s) of such ATAC Shares and a statement that each such Registered ATAC Shareholder is dissenting with respect to all ATAC Shares of the Non-Registered ATAC Shareholder registered in such Registered ATAC Shareholder's name.

31. If the Arrangement Resolution is approved at the Meeting, ATAC will notify registered holders of Notice Shares of ATAC's intention to act upon the Arrangement Resolution, and pursuant to Section 243 of the BCBCA, in order to exercise Dissent Rights, such ATAC Shareholder must, within one month after ATAC gives such notice, send to ATAC or its Transfer Agent and Registrar a written notice that such holder requires the purchase of all of the Notice Shares. Such written notice must be accompanied by the certificate or certificates or DRS Statement representing those Notice Shares (including a written statement prepared in accordance with Section 244(2) of the BCBCA if the dissent is being exercised by the Registered ATAC Shareholder on behalf of a Non-Registered ATAC Shareholder). Upon such written notice, and subject to the provisions of the BCBCA relating to the termination of

Dissent Rights, the ATAC Shareholder becomes a Dissenting Shareholder, and is bound to sell and ATAC (or any successor by amalgamation) is bound to purchase all of those Notice Shares. Such Dissenting Shareholder may not vote, or exercise or assert any rights of an ATAC Shareholder in respect of such Notice Shares, other than the rights set forth in Sections 237 to 247 of the BCBCA, as modified and supplemented by the Plan of Arrangement, the Interim Order and the Final Order.

32. If a Dissenting Shareholder is ultimately entitled to be paid by ATAC for their Dissent Shares, then such Dissenting Shareholder may enter into an agreement with ATAC (or any successor by amalgamation) for the fair value of such Dissent Shares. If such Dissenting Shareholder does not reach an agreement regarding the fair value of their Dissent Shares, then such Dissenting Shareholder, or ATAC, may apply to the Court, and the Court may determine the payout value of the Dissent Shares and make consequential orders and give directions as the Court considers appropriate. There is no obligation on ATAC to make an application to the Court. The Dissenting Shareholder will be entitled to receive the fair value that the ATAC Shares had immediately before the Arrangement Resolution is approved. After a determination of the fair value of the Dissent Shares, ATAC must then promptly pay that amount to the Dissenting Shareholder.

33. In no case will Hecla, ATAC, the Depositary or any other person be required to recognize Dissenting Shareholders as ATAC Shareholders after the Effective Time, and the names of such Dissenting Shareholders will be deleted from the central securities register as ATAC Shareholders at the Effective Time.

APPLICATION FOR FINAL ORDER

34. ATAC shall include in the Meeting Materials, when sent in accordance with paragraphs 9 to 11 of this Interim Order, a copy of the Notice of Petition, in substantially the form attached as Exhibit "D" to the Downs Affidavit, and the text of this Interim Order (collectively, the **"Court Materials"**), and such Court Materials shall be deemed to have been served at the times specified in accordance with paragraphs 9 and/or 12 of this Interim Order, whether such persons reside within British Columbia or within another jurisdiction.

35. The persons entitled to appear and be heard at any hearing to sanction and approve the Arrangement, shall be only:

(a) ATAC;

(b) Hecla;

(c) Hecla Acquisition Subco; and

(d) any ATAC Securityholder and other person who has served and filed a Response to Petition and has otherwise complied with paragraph 36 of this Interim Order and the Supreme Court Civil Rules.

36. The sending of the Meeting Materials in the manner contemplated by paragraphs 9 to 11 shall constitute good and sufficient service and no other form of service need

be effected and no other material need be served on such persons in respect of these proceedings, except with respect to any person who shall:

(a) file a Response to Petition, in the form prescribed by the Supreme Court Civil Rules, together with any evidence or material which is to be presented to the Court at the hearing of the Application; and

(b) deliver the filed Response to Petition together with a copy of any evidence or material which is to be presented to the Court at the hearing of the Application, to ATAC's counsel at:

Stikeman Elliott LLP
Barristers and Solicitors
1700 – 666 Burrard Street
Vancouver, British Columbia
V6C 2X8
Attention: Darlene Crimeni

by or before 4:00 p.m. (Vancouver time) on June 26, 2023.

37. Upon the approval by the ATAC Securityholders of the Arrangement Resolution, in the manner set forth in this Interim Order, ATAC may apply to this Court (the **"Application"**) for an Order:

(a) pursuant to section 291(4)(a) of the BCBCA approving the Arrangement; and

(b) pursuant to section 291(4)(c) of the BCBCA declaring that the Arrangement is procedurally and substantively fair and reasonable to the ATAC Securityholders

(collectively, the "**Final Order**"),

and the hearing of the Application will be held on June 28, 2023 at 9:45 a.m. (Vancouver time) or as soon thereafter as the Application can be heard or at such other date and time as the ATAC Board may advise at the Courthouse at 800 Smithe Street, Vancouver, British Columbia or as the Court may direct.

38. In the event that the hearing of the Application is adjourned, then only those persons who filed and delivered a Response to Petition in accordance with paragraph 36, need be served and provided with the materials filed and notice of the adjourned hearing date.

VARIANCE

39. ATAC, Hecla and Hecla Acquisition Subco shall be entitled, at any time, to apply to vary this Interim Order.

40. To the extent of any inconsistency or discrepancy between this Interim Order and the Information Circular, the BCBCA, applicable Securities Laws or the articles of ATAC, this Interim Order will govern.

41. Rules 8-1 and 16-1(8) – (12) will not apply to any further applications in respect of this proceeding, including the application for the Final Order and any application to vary this Interim Order.

THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:

Signature of Lawyer for
ATAC Resources Ltd.
Lawyer: Darlene Crimeni

BY THE COURT

Registrar

CHECKED

APPENDIX "F"
NOTICE OF PETITION

See attached.

No. S190264
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF SECTION 288 OF THE BRITISH COLUMBIA *BUSINESS CORPORATIONS ACT*, S.B.C. 2002, CHAPTER 57, AS AMENDED

AND

IN THE MATTER OF A PROPOSED ARRANGEMENT INVOLVING ATAC RESOURCES LTD., ITS SHAREHOLDERS AND CERTAIN OF ITS OTHER SECURITYHOLDERS, HECLA MINING COMPANY and ALEXCO RESOURCE CORP.

ATAC RESOURCES LTD.

PETITIONER

NOTICE OF PETITION

TO: The holders of common shares (the "**ATAC Shares**") in the capital of ATAC Resources Ltd. ("**ATAC**"), holders of options to acquire ATAC Shares, and holders of common share purchase warrants to acquire ATAC Shares (collectively, the "**ATAC Securityholders**")

NOTICE IS HEREBY GIVEN that a Petition to the Court has been filed by ATAC in the Supreme Court of British Columbia for approval, pursuant to section 291 of the *Business Corporations Act*, S.B.C. 2002 c. 57 and amendments thereto, of an arrangement contemplated in an arrangement agreement dated April 5, 2023, as amended by an agreement dated May 12, 2023, involving ATAC, Hecla Mining Company ("**Hecla**") and Alexco Resource Ltd. ("**Hecla Acquisition Subco**") (the "**Arrangement**").

NOTICE IS FURTHER GIVEN that by Order of Master Hughes, a master of the Supreme Court of British Columbia, dated May 17, 2023, the Court has given directions by means of an interim order (the ''**Interim Order**") on the calling of a special meeting (the ''**Meeting**") of the ATAC Securityholders for the purpose of, among other things, considering and voting upon a special resolution to approve the Arrangement.

NOTICE IS FURTHER GIVEN that if the Arrangement is approved at the Meeting, the Petitioner intends to apply to the Supreme Court of British Columbia for a final order (the ''**Final Order**'') approving the Arrangement and declaring it to be fair and reasonable to the ATAC Securityholders, which application will be heard at the Courthouse at 800 Smithey Street, in the City of Vancouver, in the Province of British Columbia or as the Court may direct on June 28, 2023 at 9:45 a.m. (Vancouver time), or so soon thereafter as counsel may be heard or at such other date and timing as the board of ATAC or the Court may direct.

IF YOU WISH TO BE HEARD AT THE HEARING OF THE APPLICATION FOR THE FINAL ORDER OR WISH TO BE NOTIFIED OF ANY FURTHER PROCEEDINGS, YOU MUST GIVE NOTICE OF YOUR INTENTION by filing a form entitled ‘‘Response to Petition’’ together with any evidence or materials which you intend to present to the Court at the Vancouver Registry of the Supreme Court of British Columbia or as the Court may direct and YOU MUST ALSO DELIVER a copy of the Response to Petition and any other evidence or materials to ATAC’s address for delivery, which is set out below, on or before June 26, 2023 at 4:00 p.m.

YOU OR YOUR SOLICITOR may file the Response to Petition. You may obtain a form of Response to Petition at the Registry or online from the BC Supreme Court website. The address of the Registry is 800 Smithe Street, Vancouver, British Columbia, V6Z 2E1.

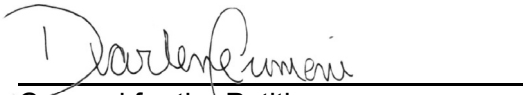
IF YOU DO NOT FILE A RESPONSE TO PETITION AND ATTEND EITHER IN PERSON (OR AS DIRECTED BY THE COURT) OR BY COUNSEL at the time of the hearing of the application for the Final Order, the Court may approve the Arrangement, as presented, or may approve it subject to such terms and conditions as the Court deems fit, all without further notice to you. If the Arrangement is approved, it will affect the rights of the ATAC Securityholders.

A copy of the Petition to the Court and the other documents that were filed in support of the Interim Order and will be filed in support of the Final Order will be furnished to any ATAC Securityholder upon request in writing addressed to the solicitors of the Petitioner at the address for delivery set out below.

The Petitioner’s address for delivery is:

Stikeman Elliott LLP
Barristers and Solicitors
1700 – 666 Burrard Street
Vancouver, BC V6C 2X8
Attention: Darlene Crimeni

DATED this 17th day of May, 2023



Counsel for the Petitioner,
ATAC Resources Ltd.

APPENDIX "G"
DIVISION 2 OF PART 8 OF THE BCBCA

Definitions and application

237 (1) In this Division:

"**dissenter**" means a shareholder who, being entitled to do so, sends written notice of dissent when and as required by section 242;

"**notice shares**" means, in relation to a notice of dissent, the shares in respect of which dissent is being exercised under the notice of dissent;

"**payout value**" means,

(a) in the case of a dissent in respect of a resolution, the fair value that the notice shares had immediately before the passing of the resolution,

(b) in the case of a dissent in respect of an arrangement approved by a court order made under section 291

(2) (c) that permits dissent, the fair value that the notice shares had immediately before the passing of the resolution adopting the arrangement,

(c) in the case of a dissent in respect of a matter approved or authorized by any other court order that permits dissent, the fair value that the notice shares had at the time specified by the court order, or

(d) in the case of a dissent in respect of a community contribution company, the value of the notice shares set out in the regulations,

excluding any appreciation or depreciation in anticipation of the corporate action approved or authorized by the resolution or court order unless exclusion would be inequitable.

(1) This Division applies to any right of dissent exercisable by a shareholder except to the extent that

(a) the court orders otherwise, or

(b) in the case of a right of dissent authorized by a resolution referred to in section 238 (1) (g), the court orders otherwise or the resolution provides otherwise.

Right to dissent

238 (1) A shareholder of a company, whether or not the shareholder's shares carry the right to vote, is entitled to dissent as follows:

(a) under section 260, in respect of a resolution to alter the articles

(i) to alter restrictions on the powers of the company or on the business the company is permitted to carry on, or

(ii) without limiting subparagraph (i), in the case of a community contribution company, to alter any of the company's community purposes within the meaning of section 51.91;

(b) under section 272, in respect of a resolution to adopt an amalgamation agreement;

(c) under section 287, in respect of a resolution to approve an amalgamation under Division 4 of Part 9;

(d) in respect of a resolution to approve an arrangement, the terms of which arrangement permit dissent;

(e) under section 301 (5), in respect of a resolution to authorize or ratify the sale, lease or other disposition of all or substantially all of the company's undertaking;

(f) under section 309, in respect of a resolution to authorize the continuation of the company into a jurisdiction other than British Columbia;

(g) in respect of any other resolution, if dissent is authorized by the resolution;

(h) in respect of any court order that permits dissent.

(1.1) A shareholder of a company, whether or not the shareholder's shares carry the right to vote, is entitled to dissent under section 51.995 (5) in respect of a resolution to alter its notice of articles to include or to delete the benefit statement.

(2) A shareholder wishing to dissent must

(a) prepare a separate notice of dissent under section 242 for

(i) the shareholder, if the shareholder is dissenting on the shareholder's own behalf, and

(ii) each other person who beneficially owns shares registered in the shareholder's name and on whose behalf the shareholder is dissenting,

(b) identify in each notice of dissent, in accordance with section 242 (4), the person on whose behalf dissent is being exercised in that notice of dissent, and

(c) dissent with respect to all of the shares, registered in the shareholder's name, of which the person identified under paragraph (b) of this subsection is the beneficial owner.

(3) Without limiting subsection (2), a person who wishes to have dissent exercised with respect to shares of which the person is the beneficial owner must

(a) dissent with respect to all of the shares, if any, of which the person is both the registered owner and the beneficial owner, and

(b) cause each shareholder who is a registered owner of any other shares of which the person is the beneficial owner to dissent with respect to all of those shares.

Waiver of right to dissent

239 (1) A shareholder may not waive generally a right to dissent but may, in writing, waive the right to dissent with respect to a particular corporate action.

(2) A shareholder wishing to waive a right of dissent with respect to a particular corporate action must

(a) provide to the company a separate waiver for

(i) the shareholder, if the shareholder is providing a waiver on the shareholder's own behalf, and

(ii) each other person who beneficially owns shares registered in the shareholder's name and on whose behalf the shareholder is providing a waiver, and

(b) identify in each waiver the person on whose behalf the waiver is made.

(3) If a shareholder waives a right of dissent with respect to a particular corporate action and indicates in the waiver that the right to dissent is being waived on the shareholder's own behalf, the shareholder's right to dissent with respect to the particular corporate action terminates in respect of the shares of which the shareholder is both the registered owner and the beneficial owner, and this Division ceases to apply to

(a) the shareholder in respect of the shares of which the shareholder is both the registered owner and the beneficial owner, and

(b) any other shareholders, who are registered owners of shares beneficially owned by the first mentioned shareholder, in respect of the shares that are beneficially owned by the first mentioned shareholder.

(4) If a shareholder waives a right of dissent with respect to a particular corporate action and indicates in the waiver that the right to dissent is being waived on behalf of a specified person who beneficially owns shares registered in the name of the shareholder, the right of shareholders who are registered owners of shares beneficially owned by that specified person to dissent on behalf of that specified person with respect to the particular corporate action terminates and this Division ceases to apply to those shareholders in respect of the shares that are beneficially owned by that specified person.

Notice of resolution

240 (1) If a resolution in respect of which a shareholder is entitled to dissent is to be considered at a meeting of shareholders, the company must, at least the prescribed number of days before the date of the proposed meeting, send to each of its shareholders, whether or not their shares carry the right to vote,

(a) a copy of the proposed resolution, and

(b) a notice of the meeting that specifies the date of the meeting, and contains a statement advising of the right to send a notice of dissent.

(2) If a resolution in respect of which a shareholder is entitled to dissent is to be passed as a consent resolution of shareholders or as a resolution of directors and the earliest date on which that resolution can be passed is specified in the resolution or in the statement referred to in paragraph (b), the company may, at least 21 days before that specified date, send to each of its shareholders, whether or not their shares carry the right to vote,

(a) a copy of the proposed resolution, and

(b) a statement advising of the right to send a notice of dissent.

(3) If a resolution in respect of which a shareholder is entitled to dissent was or is to be passed as a resolution of shareholders without the company complying with subsection (1) or (2), or was or is to be passed as a directors' resolution without the company complying with subsection (2), the company must, before or within 14 days after the passing of the resolution, send to each of its shareholders who has not, on behalf of every person who beneficially owns shares registered in the name of the shareholder, consented to the resolution or voted in favour of the resolution, whether or not their shares carry the right to vote,

(a) a copy of the resolution,

(b) a statement advising of the right to send a notice of dissent, and

(c) if the resolution has passed, notification of that fact and the date on which it was passed.

(4) Nothing in subsection (1), (2) or (3) gives a shareholder a right to vote in a meeting at which, or on a resolution on which, the shareholder would not otherwise be entitled to vote.

Notice of court orders

241 If a court order provides for a right of dissent, the company must, not later than 14 days after the date on which the company receives a copy of the entered order, send to each shareholder who is entitled to exercise that right of dissent

(a) a copy of the entered order, and

(b) a statement advising of the right to send a notice of dissent.

Notice of dissent

242 (1) A shareholder intending to dissent in respect of a resolution referred to in section 238 (1) (a), (b), (c), (d), (e) or (f) or (1.1) must,

(a) if the company has complied with section 240 (1) or (2), send written notice of dissent to the company at least 2 days before the date on which the resolution is to be passed or can be passed, as the case may be,

(b) if the company has complied with section 240 (3), send written notice of dissent to the company not more than 14 days after receiving the records referred to in that section, or

(c) if the company has not complied with section 240 (1), (2) or (3), send written notice of dissent to the company not more than 14 days after the later of

(i) the date on which the shareholder learns that the resolution was passed, and

(ii) the date on which the shareholder learns that the shareholder is entitled to dissent.

(2) A shareholder intending to dissent in respect of a resolution referred to in section 238 (1) (g) must send written notice of dissent to the company

(a) on or before the date specified by the resolution or in the statement referred to in section 240 (2) (b) or

(3) (b) as the last date by which notice of dissent must be sent, or

(b) if the resolution or statement does not specify a date, in accordance with subsection (1) of this section.

(3) A shareholder intending to dissent under section 238 (1) (h) in respect of a court order that permits dissent must send written notice of dissent to the company

(a) within the number of days, specified by the court order, after the shareholder receives the records referred to in section 241, or

(b) if the court order does not specify the number of days referred to in paragraph (a) of this subsection, within 14 days after the shareholder receives the records referred to in section 241.

(4) A notice of dissent sent under this section must set out the number, and the class and series, if applicable, of the notice shares, and must set out whichever of the following is applicable:

(a) if the notice shares constitute all of the shares of which the shareholder is both the registered owner and beneficial owner and the shareholder owns no other shares of the company as beneficial owner, a statement to that effect;

(b) if the notice shares constitute all of the shares of which the shareholder is both the registered owner and beneficial owner but the shareholder owns other shares of the company as beneficial owner, a statement to that effect and

(i) the names of the registered owners of those other shares,

(ii) the number, and the class and series, if applicable, of those other shares that are held by each of those registered owners, and

(iii) a statement that notices of dissent are being, or have been, sent in respect of all of those other shares;

(c) if dissent is being exercised by the shareholder on behalf of a beneficial owner who is not the dissenting shareholder, a statement to that effect and

(i) the name and address of the beneficial owner, and

(ii) a statement that the shareholder is dissenting in relation to all of the shares beneficially owned by the beneficial owner that are registered in the shareholder's name.

(5) The right of a shareholder to dissent on behalf of a beneficial owner of shares, including the shareholder, terminates and this Division ceases to apply to the shareholder in respect of that beneficial owner if subsections

(1) to (4) of this section, as those subsections pertain to that beneficial owner, are not complied with.

Notice of intention to proceed

243 (1) A company that receives a notice of dissent under section 242 from a dissenter must, if the company intends to act on the authority of the resolution or court order in respect of which the notice of dissent was sent, send a notice to the dissenter promptly after the later of

(i) the date on which the company forms the intention to proceed, and

(ii) the date on which the notice of dissent was received, or

(b) if the company has acted on the authority of that resolution or court order, promptly send a notice to the dissenter.

(2) A notice sent under subsection (1) (a) or (b) of this section must

(a) be dated not earlier than the date on which the notice is sent,

(b) state that the company intends to act, or has acted, as the case may be, on the authority of the resolution or court order, and

(c) advise the dissenter of the manner in which dissent is to be completed under section 244.

Completion of dissent

244 (1) A dissenter who receives a notice under section 243 must, if the dissenter wishes to proceed with the dissent, send to the company or its transfer agent for the notice shares, within one month after the date of the notice,

(a) a written statement that the dissenter requires the company to purchase all of the notice shares,

(b) the certificates, if any, representing the notice shares, and

(c) if section 242 (4) (c) applies, a written statement that complies with subsection (2) of this section.

(2) The written statement referred to in subsection (1) (c) must

(a) be signed by the beneficial owner on whose behalf dissent is being exercised, and

(b) set out whether or not the beneficial owner is the beneficial owner of other shares of the company and, if so, set out

(i) the names of the registered owners of those other shares,

(ii) the number, and the class and series, if applicable, of those other shares that are held by each of those registered owners, and

(iii) that dissent is being exercised in respect of all of those other shares.

(3) After the dissenter has complied with subsection (1),

(a) the dissenter is deemed to have sold to the company the notice shares, and

(b) the company is deemed to have purchased those shares, and must comply with section 245, whether or not it is authorized to do so by, and despite any restriction in, its memorandum or articles.

(4) Unless the court orders otherwise, if the dissenter fails to comply with subsection (1) of this section in relation to notice shares, the right of the dissenter to dissent with respect to those notice shares terminates and this Division, other than section 247, ceases to apply to the dissenter with respect to those notice shares.

(5) Unless the court orders otherwise, if a person on whose behalf dissent is being exercised in relation to a particular corporate action fails to ensure that every shareholder who is a registered owner of any of the shares beneficially owned by that person complies with subsection (1) of this section, the right of shareholders who are registered owners of shares beneficially owned by that person to dissent on behalf of that person with respect to that corporate action terminates and this Division, other than section 247, ceases to apply to those shareholders in respect of the shares that are beneficially owned by that person.

(6) A dissenter who has complied with subsection (1) of this section may not vote, or exercise or assert any rights of a shareholder, in respect of the notice shares, other than under this Division.

Payment for notice shares

245 (1) A company and a dissenter who has complied with section 244 (1) may agree on the amount of the payout value of the notice shares and, in that event, the company must

(a) promptly pay that amount to the dissenter, or

(b) if subsection (5) of this section applies, promptly send a notice to the dissenter that the company is unable lawfully to pay dissenters for their shares.

(2) A dissenter who has not entered into an agreement with the company under subsection (1) or the company may apply to the court and the court may

(a) determine the payout value of the notice shares of those dissenters who have not entered into an agreement with the company under subsection (1), or order that the payout value of those notice shares be established by arbitration or by reference to the registrar, or a referee, of the court,

(b) join in the application each dissenter, other than a dissenter who has entered into an agreement with the company under subsection (1), who has complied with section 244 (1), and

(c) make consequential orders and give directions it considers appropriate.

(3) Promptly after a determination of the payout value for notice shares has been made under subsection (2) (a) of this section, the company must

(a) pay to each dissenter who has complied with section 244 (1) in relation to those notice shares, other than a dissenter who has entered into an agreement with the company under subsection (1) of this section, the payout value applicable to that dissenter's notice shares, or

(b) if subsection (5) applies, promptly send a notice to the dissenter that the company is unable lawfully to pay dissenters for their shares.

(4) If a dissenter receives a notice under subsection (1) (b) or (3) (b),

(a) the dissenter may, within 30 days after receipt, withdraw the dissenter's notice of dissent, in which case the company is deemed to consent to the withdrawal and this Division, other than section 247, ceases to apply to the dissenter with respect to the notice shares, or

(b) if the dissenter does not withdraw the notice of dissent in accordance with paragraph (a) of this subsection, the dissenter retains a status as a claimant against the company, to be paid as soon as the company is lawfully able to do so or, in a liquidation, to be ranked subordinate to the rights of creditors of the company but in priority to its shareholders.

(5) A company must not make a payment to a dissenter under this section if there are reasonable grounds for believing that

(a) the company is insolvent, or

(b) the payment would render the company insolvent.

Loss of right to dissent

246 The right of a dissenter to dissent with respect to notice shares terminates and this Division, other than section 247, ceases to apply to the dissenter with respect to those notice shares, if, before payment is made to the dissenter of the full amount of money to which the dissenter is entitled under section 245 in relation to those notice shares, any of the following events occur:

(a) the corporate action approved or authorized, or to be approved or authorized, by the resolution or court order in respect of which the notice of dissent was sent is abandoned;

(b) the resolution in respect of which the notice of dissent was sent does not pass;

(c) the resolution in respect of which the notice of dissent was sent is revoked before the corporate action approved or authorized by that resolution is taken;

(d) the notice of dissent was sent in respect of a resolution adopting an amalgamation agreement and the amalgamation is abandoned or, by the terms of the agreement, will not proceed;

(e) the arrangement in respect of which the notice of dissent was sent is abandoned or by its terms will not proceed;

(f) a court permanently enjoins or sets aside the corporate action approved or authorized by the resolution or court order in respect of which the notice of dissent was sent;

(g) with respect to the notice shares, the dissenter consents to, or votes in favour of, the resolution in respect of which the notice of dissent was sent;

(h) the notice of dissent is withdrawn with the written consent of the company;

(i) the court determines that the dissenter is not entitled to dissent under this Division or that the dissenter is not entitled to dissent with respect to the notice shares under this Division.

Shareholders entitled to return of shares and rights

247 If, under section 244 (4) or (5), 245 (4) (a) or 246, this Division, other than this section, ceases to apply to a dissenter with respect to notice shares,

(a) the company must return to the dissenter each of the applicable share certificates, if any, sent under section 244 (1) (b) or, if those share certificates are unavailable, replacements for those share certificates,

(b) the dissenter regains any ability lost under section 244 (6) to vote, or exercise or assert any rights of a shareholder, in respect of the notice shares, and

(c) the dissenter must return any money that the company paid to the dissenter in respect of the notice shares under, or in purported compliance with, this Division.

APPENDIX "H"
INFORMATION CONCERNING ATAC

The following information should be read in conjunction with the information concerning ATAC appearing elsewhere in this Circular of which this Appendix "H" is a part. Capitalized terms used, but not otherwise defined in this Appendix "H" shall have the meaning ascribed to them in this Circular. The following information is presented on a pre Arrangement basis and reflects the current business, financial and share capital position of ATAC. For more information about ATAC and its properties on a pre Arrangement basis, see ATAC's financial statements, management discussion and analysis, material change reports, news releases and other documents filed under ATAC's profile on SEDAR at www.sedar.com.

Documents Incorporated by Reference

The following documents, filed by ATAC with the securities commissions of the Canadian provinces in which ATAC is a reporting issuer, are incorporated by reference into, and form part of this Circular:

1. audited consolidated financial statements for the years ended December 31, 2022 and 2021, together with the independent auditors' report thereon and the notes thereto;

2. management's discussion and analysis for the year ended December 31, 2022 (the "**ATAC Annual MD&A**");

3. management information circular of the Company dated July 7, 2022 for the Company's annual general and special meeting held on August 10, 2022;

4. news release dated February 21, 2023 with respect to the non-binding letter of intent between ATAC and Hecla Mining Company;

5. material change report dated April 6, 2023 with respect to the Arrangement Agreement;

6. news release dated July 28, 2022 announcing completion of an updated mineral resource estimate for its 100% owned Osiris Deposit, at the Rackla Gold Property;

7. news release dated October 12, 2022, announcing the results of Phase 1 surface exploration work at the Pil Property;

8. news release dated August 31, 2022 announcing the results of the Catch Property Phase 1 program;

9. news release dated November 1, 2022, announcing the results of diamond drilling at the Nadaleen Project (part of the Rackla Gold Property);

10. news release dated January 18, 2023 announcing the results of the 2022 exploration program results from the Connaught Property;

11. news release dated January 18, 2023, ATAC announcing the results of the Phase 2 program on the Pil Property;

12. news release dated January 23, 2023 announcing the results of the Phase 2 program on the Catch Property;

13. technical report titled "*Technical Report and Estimate of Mineral Resources for the Osiris Project, Yukon, Canada*" dated July 28, 2022 (the "**Osiris Technical Report**"); and

14. technical report titled "Technical Report and Preliminary Economic Assessment for the Tiger Deposit, Rackla Gold Property, Yukon, Canada" dated February 27, 2020 (the "**Tiger Technical Report**") (with the Osiris Technical Report, the "**Technical Reports**").

Copies of the foregoing documents may be obtained on request by any Securityholder without charge from the Company in writing to 1500-409 Granville St, Vancouver, BC, V6C 1T2, or can be found under ATAC's profile on SEDAR at www.sedar.com.

The technical and scientific information concerning the Company's mineral properties presented in this Appendix G has been reviewed and approved by Adam Coulter, M.Sc., P.Geo., and VP Exploration of the Company, a Qualified Person as defined in National Instrument 43-101 of the Canadian Securities Administrators ("**NI 43-101**").

Business Overview

General

ATAC is a Canadian company focused on exploring for gold and copper in the Yukon and British Columbia. ATAC's sole material property is the ~1,700 km^2 Rackla Gold Property located in the Yukon. Work on the Rackla Gold Property has resulted in the discovery of the Osiris Deposit and the Tiger Deposit, both of which are described below. ATAC also holds the early stage Connaught, Catch, Rosy, and Idaho Creek properties in Yukon, and the Pil Property in British Columbia.

ATAC's head office is located at 1500-409 Granville St, Vancouver, BC, V6C 1T2 and registered office is located at 1710 – 1177 West Hastings Street, Vancouver, BC V6E 2L3.

ATAC was incorporated under the laws of the Province of British Columbia on October 15, 1998, and it is a reporting issuer under the securities laws of the provinces of British Columbia and Alberta. The ATAC Shares are listed and posted for trading on the TSXV under the symbol "ATC", and on the OTCQB market under the symbol "ATADF".

Recent Developments

The following is a summary of developments during the 12-month period prior to the date of this Circular.

- On May 19, 2022, ATAC commenced exploration activities for the 2022 field season.
- On June 8, 2022, Maureen Upton was appointed to ATAC's Board of Directors.
- On July 28, 2022, ATAC announced the completion of an updated mineral resource estimate for its 100% owned Osiris Deposit, at the Rackla Gold Property, Yukon. A technical report titled "*Technical Report and Estimate of Mineral Resources for the Osiris Project, Yukon, Canada.*" was filed by the Company on August 30, 2022.
- On August 11, 2022, ATAC announced that Douglas Goss, ATAC's former director and Chairman, did not seek re-election to the Board at its annual general meeting held August 10, 2022. Robert Carne, a director of ATAC, was appointed as ATAC's new Chairman. In addition, Graham Downs, ATAC's President and CEO, was elected to the board.
- On August 31, 2022, results of the Catch Property Phase 1 program and commencement of a Phase 2 maiden drill program were announced.
- On October 12, 2022, ATAC announced the results of Phase 1 surface exploration work at the Pil Property in British Columbia, and the completion of Phase 2 work, including follow-up prospecting, mapping, and re-sampling of historical core, with results pending.
- On November 1, 2022, ATAC announced the results of diamond drilling at the Nadaleen Project (part of the Rackla Gold Property). The 2022 Nadaleen exploration program consisted of five diamond drill holes totaling 1,551 m at the Conrad, Osiris and Sunrise zones, part of the Osiris Deposit. Drilling focused on extending known gold mineralization down dip at Osiris and Sunrise and providing better definition of gold mineralization at Conrad.
- On November 3, 2022, ATAC received a 3-year permit for drilling and additional exploration activities at the Pil Property in British Columbia.

- On November 15, 2022, ATAC announced the closing of a $1 million flow-through private placement, consisting of the sale of 11,111,111 flow-through shares at a price of $0.09 per share.
- Effective January 15, 2023, ATAC acquired a 100% interest in the 2.1 km^2 Mag Property from a private owner pursuant to the terms of a property option agreement dated November 20, 2020 and amended December 12, 2022. ATAC's ownership of the Mag Property is subject to a 1% net smelter return royalty interest from conventional mining, and a 10% net smelter return royalty from small-scale high-grade mining retained by the private owner. ATAC has the right to purchase the conventional royalty interest from the owner at any time for $250,000.
- On January 18, 2023, ATAC announced the 2022 exploration program results from the Connaught Property, Yukon and Phase 2 results from the Pil Property, BC. Work at Connaught in 2022 included eight reverse circulation drill holes, totalling 2,164.08 m to evaluate Target Areas A and C, identified during the 2021 exploration program.
- On January 23, 2023, results of the Phase 2 program on the Catch Property were announced.
- On April 21, 2023, ATAC's Chief Operating Officer, Ian Talbot, resigned.

Technical Disclosure

Rackla Gold Property

ATAC's sole material property is the 100%-owned, 1,700 km^2 Rackla Gold Property, located in the Mayo Mining District of central Yukon, centered approximately 100 km northeast of Keno City, within the traditional territory of the First Nation of Na-Cho Nyak Dun.

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

From east to west, the Rackla Gold Property has been divided into two separate project areas:

(i) the Nadaleen Project, which hosts the Osiris Deposit and numerous other Carlin-type gold exploration targets; and

(ii) the Rau Project, which hosts the Tiger Deposit, intrusive-related precious and base metals exploration targets and orogenic gold targets.

Nadaleen Project

The Nadaleen Project is located at the eastern end of the Rackla Gold Property. Gold mineralization in the Nadaleen Project area was first discovered in July of 2010. Since 2010, 20 Carlin-type gold occurrences have been discovered over a 25 km long trend, including the Osiris Deposit. There are two distinct clusters of occurrences within the broader mineralization trend: the Osiris cluster, which hosts the Osiris Deposit; and the Anubis cluster, which hosts earlier stage Carlin-type occurrences. All zones remain open in multiple directions.

The Osiris cluster contains a total of seven Carlin-type gold prospects, four make up the Osiris Deposit and three are located outside the Deposit. On July 28, 2022, ATAC announced the highlights of an updated Mineral Resource for the Osiris Deposit, comprising both Inferred and Indicated material, as detailed in the Osiris Technical Report. A summary of the updated Mineral Resources are provided below:

Osiris Deposit – Mineral Resource Estimate Summary[1,2]

Classification	Type	Gold Cut-Off	Tonnes	Grade (Au g/t)	Gold (oz)
Indicated	Open-Pit[3]	1.0 g/t	4,658,000	4.03	604,000
	Underground-Constrained	2.0 g/t	870,400	4.58	128,000
	TOTAL		**5,528,400**	**4.12**	**732,000**
Inferred	Open-Pit[3]	1.0 g/t	5,370,000	3.07	530,000
	Underground-Constrained	2.0 g/t	3,990,000	4.01	514,000
	TOTAL		**9,360,000**	**3.47**	**1,044,000**

1 CIM definition standards were used for the Mineral Resource. The Qualified Person is Steven Ristorcelli, C.P.G. of MDA.

2 Numbers may not add due to rounding. Mineral resources that are not mineral reserves do not have demonstrated economic viability.

3 Open-Pit material was constrained using a Whittle™ optimization at US$1,800/oz gold price.

The Anubis cluster contains thirteen Carlin-type gold prospects located 10 km west of the Osiris Deposit. Diamond drilling has identified gold mineralization associated with the Anubis fault over a 2.5 km strike length and 540 m down dip. Between 2012 and 2018, a total of 15,018 m of diamond drilling in 49 holes was completed at the Anubis cluster. The Anubis fault remains open along strike and at depth. Highlight diamond drill results across the Anubis fault are presented in the table below:

Anubis Cluster Highlight Diamond Drill Results

Drill Hole	From (m)	To (m)	Interval (m)	Gold (g/t)
AN-12-001*	63.09	71.60	8.51	19.85
AN-12-003**	69.19	85.95	16.76	9.08
AN-16-010**	18.00	79.29	61.29	2.75
BDO-18-008*	509.84	514.50	4.66	6.95
BDO-18-017**	361.80	369.41	7.61	10.48
BDO-18-018*	166.73	177.46	10.73	7.20
BDO-18-019*	135.94	138.72	2.78	9.49

* True widths are estimated to be 70 – 100% of intersected widths.
** True widths are estimated to be 20 – 50% of intersected widths.

Rau Project

The Rau Project lies at the western end of the Rackla Gold Property and hosts the Tiger Deposit and numerous other gold and base metal targets.

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 related to a broad hydrothermal mineralizing system associated with the Rackla Pluton, located 3 km southeast of the Tiger Deposit.

The Tiger Deposit, the focus of the majority of the exploration to-date on the Rau Project, 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 February 27, 2020 ATAC announced the highlights of an updated Mineral Resource and Preliminary Economic Assessment for the Tiger Deposit, as detailed in the Tiger Technical Report.

A summary of the Tiger Deposit Mineral Resources are provided below:

Tiger Deposit Combined Oxide and Sulphide Resources by Mining Method[1,2]

Type	Classification	Cutoff g Au/t	Tonnes	g Au/t	oz Au	ppm W	Tonnes W
			Open Pit				
Oxide	Indicated	0.75	1,980,000	3.74	238,000	282	559
Sulfide	Measured	0.75	799,000	2.92	75,000	171	137
Sulfide	Indicated	0.75	847,000	2.68	73,000	164	139
Ox + S	M+I	0.75	3,626,000	3.31	386,000	230	835
			Underground				
Oxide	Indicated	1.50	165,000	3.09	16,000	253	42
Sulfide	Measured	1.50	29,000	2.06	2,000	188	5
Sulfide	Indicated	1.50	706,000	2.64	60,000	167	118
Ox + S	M+I	1.50	900,000	2.70	78,000	183	165
			Open Pit + Underground				
Ox + S	**M+I**	**Variable**	**4,526,000**	**3.19**	**464,000**	**221**	**1,000**
			Open Pit				
Oxide	Inferred	0.75	20,000	1.54	1,000	139	3
Sulfide	Inferred	0.75	7,000	2.41	500	123	1
Ox + S	Inferred	0.75	27,000	1.73	1,500	*135	4
Oxide	Inferred	1.50	41,000	2.62	3,000	112	5
Sulfide	Inferred	1.50	97,000	2.26	7,000	94	9
Ox + S	Inferred	1.50	138,000	*2.37	10,000	101	14
			Underground				
Oxide	Inferred	1.50	41,000	2.62	3,000	112	5
Sulfide	Inferred	1.50	97,000	2.26	7,000	94	9
Ox + S	Inferred	1.50	138,000	*2.37	10,000	101	14
			Open Pit + Underground				
Ox + S	**Inferred**	**Variable**	**165,000**	**2.17**	**11,500**	**109**	**18**

** These two grades are calculated slightly differently than all other grades in the resource tables. They are calculated based on full-precision tonnages, whereas all other grades are based on rounded tonnages. This was done to remove what looked like an inconsistency resulting from rounding small tonnages.*

1 CIM definition standards were used for the Mineral Resource. The Qualified Person is Steven Ristorcelli, C.P.G. of MDA.

2 Numbers may not add due to rounding. Mineral resources that are not mineral reserves do not have demonstrated economic viability.

A preliminary economic evaluation was prepared for the Tiger Deposit based on a pre-tax financial model. The following pre-tax financial parameters were calculated using the base case gold price of US$1,400/oz and an exchange rate of US$0.77:$1.00 (all currency units are Canadian dollars unless otherwise specified):

- 54.5% IRR
- 1.24-year payback on $110.1 million initial capital
- $118.2 million NPV at a 5% discount rate

The following post-tax financial results were calculated:

- 42.6% IRR
- 1.40 year payback on $110.1 million initial capital
- $85.4 million NPV at a 5% discount rate

Connaught Property

The 137.3 km^2 Connaught Property is located in the Dawson Mining District in west-central Yukon. It lies immediately south of the Sixty Mile placer gold camp, approximately 65 km west of Dawson City, within the traditional territory of the Tr'ondek Hwech'in First Nation. The majority of the property is 100%-owned by ATAC with a portion under option from a private individual.

Historically, the property was explored for high-grade epithermal veins. A total of 30 distinct silver-lead-zinc-gold ± copper ± zinc epithermal veins over 15 km in combined strike length and 450 m in vertical extent have been identified to date. Between 1969 and 2007, a total of 2,444 m of diamond drilling in 40 holes was completed. Assay values ranged from background up to 4,050 g/t silver, 79.41% lead, 10.90 g/t gold, 1.98% copper and 7.24% zinc.

Based on copper-molybdenum ± gold porphyry potential, in 2020, ATAC optioned two adjacent properties and staked additional claims in order to consolidate land on the eastern portion of the property. An initial RC drill program in 2022 encountered broad zones of elevated copper and molybdenum, including 67.06 m of 0.10% copper with 114 ppm molybdenum.

Connaught Geology and Mineralization

The Connaught Property lies within the northeast-trending 150 km long Sixtymile-Pika fault system which controlled Late Cretaceous magmatism, hydrothermal activity and associated porphyry, skarn and epithermal mineralization in Yukon and Alaska. The property is underlain by Carboniferous-to-Devonian gneiss, marble and metavolcanic rocks and Permian schists which are intruded by the Late Cretaceous Prospector Mountain Suite granodiorite, diorite and quartz monzonite.

The Prospector Mountain Suite rocks observed to date consist of multiple phases of intrusive stocks, dykes and breccias including: equigranular quartz monzonite, quartz monzonite porphyry, quartz feldspar porphyry and intrusion breccia. Copper mineralization observed to date includes disseminated and fracture coated malachite-tenorite ± azurite within a quartz monzonite porphyry, disseminated chalcopyrite-pyrite within an intrusion breccia and disseminated malachite-tenorite within quartz feldspar porphyry dykes. At surface, the rocks containing copper mineralization are intensely

weathered, are commonly stained orange, yellow and/or brown by iron oxides and clays and are friable to the touch and are interpreted as a copper depleted leached cap.

The style of mineralization, lithologies and alteration observed to date are typical of copper-gold-molybdenum porphyry systems such as Western Copper and Gold's Casino project in Yukon and Kenorland Minerals' Tanacross project in Alaska.

Option Terms – Blackbear Claims

ATAC can acquire a 100% interest in the 13.2 km^2 Blackbear claims from a private owner by making aggregate cash payments of $100,000 and issuing an aggregate 200,000 shares on or before February 28, 2026. Following the exercise of the option, the property will remain subject to a 2% net smelter return royalty interest from conventional mining, and a 5% net smelter return royalty from small-scale high-grade mining. One half (1%) of the conventional royalty can be purchased by ATAC for $500,000.

Catch Property

The Catch Property is located in an underexplored part of south-central Yukon, 56 km south-east of Carmacks. It is accessible by float plane. Preliminary sampling on the property has returned very encouraging results indicative of the potential for significant copper-gold porphyry mineralization. The property is located 20 km from an all-season highway and powerline, within the traditional territory of the Little Salmon Carmacks First Nation.

Prospecting in key parts of the property has returned results including 3.03% copper with 4.46 g/t gold, 0.42% copper with 14.60 g/t gold, and 1.57% copper with 7.45 g/t gold. The property also exhibits extensive copper and gold soil geochemistry anomalism, including a 5,000 x 500 m zone of anomalous copper and gold.

Option Terms

Under an agreement dated January 20, 2022, ATAC was granted an option to acquire a 100% interest in the property by making aggregate cash payments of $325,000, issuing an aggregate 2,000,000 shares (to a maximum cash-equivalent value of $380,000), and incurring aggregate exploration expenditures of $3,600,000 on or before December 31, 2026. Following the exercise of the option, the vendor of the property will retain a 2% net smelter return royalty, of which one half (1%) can be purchased by ATAC for $1,000,000. A milestone payment of $1 per ounce of gold (or gold equivalent) will also be due to the property vendor upon identification of a measured or indicated mineral resource on the property equal to or greater than 1,000,000 ounces of gold (or gold equivalent).

The Catch Property and option agreement will be transferred to Cascadia on closing of the Arrangement.

Pil Property

The road-accessible Pil Property is located in the prolific Toodoggone porphyry and epithermal district of northern British Columbia. The property is 25 km northwest of the past producing Kemess Mine, 15 km east of Benchmark Metals' Lawyers Project and is immediately adjacent to both TDG Gold Corp.'s Shasta Project and AMARC Resources' Joy Project, which is being explored in partnership with Freeport-McMoRan Inc.

Historical exploration at the Pil Property has identified multiple compelling porphyry and epithermal targets that have seen limited exploration over the last decade and much of the property has seen minimal work. The property is located within the traditional territories of the Kwadacha, Tsay Keh Dene, Takla and Tahltan First Nations.

Work in recent years by the previous operators has identified numerous zones of interest, including a 1,300 x 750 m copper-gold-molybdenum soil anomaly at the Copper Ridge Zone which has not been drill tested. Composite talus sampling in 2015 at the Copper Cliff discovery returned 25 m of 1.04% copper and has also not been evaluated by drilling. Historical grab sampling at the Atlas East target returned 489.71 g/t gold with 6,514 g/t silver from a brecciated bedrock source and 72.47 g/t gold with 2,187 g/t silver from quartz vein float material.

Option Terms

By agreement dated February 21, 2022, and as amended on February 28, 2022, Finlay Minerals Ltd. ("**Finlay**") granted ATAC an option to acquire a 70% interest in the Pil Property. To exercise the option, ATAC is required to make aggregate cash payments of $650,000, issue an aggregate value of no more than $1,250,000 in ATAC shares and/or cash and incur an aggregate $12,000,000 in exploration expenditures on or before December 31, 2026. Following the exercise of the option, ATAC and Finlay will hold interests in the property of 70% and 30%, respectively, and will form a joint venture to further develop the property.

The property is subject to an underlying 3% net smelter return royalty held by Electrum Resource Corp., one-half of which (1.5%) can be purchased for $2,000,000. This buyback right currently held by Finlay will be transferred to the joint venture following exercise of the option by ATAC.

The Pil Property and option agreement will be transferred to Cascadia on closing of the Arrangement.

Other Properties

Idaho Creek Property

The 13.9 km^2 Idaho Creek Property is located 150 km south of Dawson City and 14 km east of the Casino Cu-Mo-Au porphyry project, within the traditional territory of the Selkirk First Nation. By agreement dated August 19, 2020, ATAC granted Makara Mining Corp. ("**Makara**") an option to acquire a 100% interest in the property, which is adjacent to Makara's Rude Creek gold project. Makara can exercise the option by; (i) making aggregate cash payments of $150,000; (ii) issuing ATAC an aggregate of 750,000 shares; and (iii) completing $2,000,000 in work expenditures by December 1, 2024.

A one-time milestone payment of $1.00 per ounce gold (or gold equivalent) will be paid to ATAC if a mineral resource is identified on the property. ATAC will also retain a 2% net smelter return on the property, one half of which (1%) can be purchased by Makara for $1,000,000. The Idaho Creek Property and option agreement will be transferred to Cascadia on closing of the Arrangement.

Rosy Property

The 100%-owned 61 km^2 Rosy Property is located 77 km east of Whitehorse and surrounds the Red Mountain Molybdenum deposit, within the traditional territory of the Teslin Tlingit Council. The property covers a large system of gold-silver epithermal veins. Historic work programs from 2008 to 2017 included geophysics, geochemistry, and limited drilling. This work identified two main areas of vein mineralization and a number of gold-in-soil anomalies. The Rosy Property will be transferred to Cascadia on closing of the Arrangement.

Ownership of Securities by Directors, Officers and Insiders

As of the date of this Circular, the ATAC Directors and officers of ATAC beneficially owned, directly or indirectly, or exercised control or direction over, in the aggregate (i) 3,565,164 ATAC Shares, representing approximately 1.61% of the issued and outstanding ATAC Shares; (ii) 6,795,000 Options, representing approximately 68.46% of the issued and outstanding Options; and (iii) 245,168 Warrants, representing approximately 1.06% of the issued and outstanding Warrants.

The following table sets out, as of the date of this Circular, the number of ATAC Securities, together with the percentage of the total number of ATAC Securities outstanding in each class, beneficially owned or over which control or direction is exercised by the Company's directors and officers, and, to the knowledge of the Company, insiders (other than its directors and officers) and their associates or affiliates.

Name and Office Held	Number and Percentage of ATAC Shares Held[(1)]	Number and Percentage of Options Held	Number and Percentage of Warrants Held
Graham N. Downs President, Chief Executive Officer, and Director	370,371 0.17%	975,000 9.82%	27,686 0.12%
Jasmine W.C. Lau Chief Financial Officer	31,250 0.01%	nil 0%	15,625 0.07%
Andrew O. Carne VP Corporate & Project Development	328,000 0.15%	900,000 9.07%	42,500 0.18%
Adam B. Coulter VP Exploration	81,250 0.04%	970,000 9.77%	28,125 0.12%
Robert C. Carne Chairman and Director	1,887,126 0.85%	875,000 8.82%	nil 0%
James D. Gray Director	100,000 0.05%	500,000 5.04%	50,000 0.22%
Maureen Upton Director	nil 0%	250,000 2.52%	nil 0%
Donald W. Poirier Director	100,000 0.05%	775,000 7.81%	nil 0%
Glenn R. Yeadon Secretary and Director	507,167 0.23%	775,000 7.81%	31,250 0.13%
Bruce A. Youngman Director	160,000 0.07%	775,000 7.81%	50,000 0.22%
Barrick Gold Corporation	27,886,960 10.95%	nil 0%	nil 0%

Notes:
(1) The information as to ATAC Securities beneficially owned or controlled by each director or officer of the Company is not within the knowledge of ATAC's management and has been furnished by the respective individual.

Interests of Certain Persons in the Arrangement

In considering the recommendation of the Board with respect to the Arrangement, Securityholders should be aware that certain directors or executive officers have certain interests in connection with the Arrangement that may present them with actual or potential conflicts of interest in connection with the Arrangement.

All benefits received, or to be received, by directors or executive officers of the Company as a result of the Arrangement are, and will be, solely in connection with their services as directors or employees of the Company or as Securityholders. No benefit has been, or will be, conferred for the purpose of increasing the value of consideration payable to any such person for their ATAC Securities, nor is it, or will it be, conditional on the person supporting the Arrangement.

Termination or Change of Control Payments

The Company has certain employment agreements (the "**Management Agreements**") with its officers that require that additional payments of up to approximately $610,000 be made upon the occurrence of certain events, including termination or a "**change of control**" of the Company.

Pursuant to the terms of the Management Agreements, assuming the Arrangement is completed and the agreement with such officer is terminated upon completion of the change of control, the estimated payments would be as follows:

Name	Position	Payment[(1)]
Graham Downs	President and Chief Executive Officer	$450,000
Andrew Carne	VP Corporate & Project Development	$80,000
Adam Coulter	VP Exploration	$80,000

Note:

(1) Amounts are before deduction of any applicable statutory withholdings or source deductions, and assuming the Arrangement is completed.

Compensation Securities

Pursuant to the Stock Option Plan, the Company is authorized to grant Options of up to 10% of its issued and outstanding shares at the time of the stock option grant, from time to time, with no vesting provisions. As of the date of this Circular, there is an aggregate of 9,925,000 Options outstanding under the Stock Option Plan, representing approximately 4.48% of the issued and outstanding ATAC Shares. Directors and executive officers of the Company hold an aggregate of 6,795,000 Options. For a summary of such holdings, see "*Ownership of Securities by Directors, Officers and Insiders*" above.

Pursuant to the Arrangement Agreement, unless otherwise excluded, all in-the-money Options, which remain unexercised at the effective time of the Arrangement, will have their vesting accelerated and be deemed to be exercised on a "cashless exercise" basis under the arrangement for ATAC Shares, which will be exchanged for Hecla Shares and Cascadia Shares at an exchange ratio of 0.0166 Hecla Shares for each ATAC Share, and 0.10 Cascadia Shares for each ATAC Share. All out-of-the-money Options, which remain unexercised at the effective time of the Arrangement, will be cancelled without any payment.

Pursuant to the Arrangement Agreement, unless otherwise excluded, ATAC Warrants will be exchanged for Hecla Warrants and Cascadia Warrants. The ATAC Warrants exercisable for cash consideration of $0.22 per ATAC Share on or before March 31, 2024 will be exchanged at a ratio of 0.0166 Hecla Warrants exercisable for payment of cash consideration of US$7.81 for each Hecla Share and 0.1 Cascadia Warrants exercisable for payment of cash consideration of $0.45 per Cascadia Share. The ATAC Warrants exercisable for cash consideration of $0.24 per ATAC Share on or before June 25, 2024 will be exchanged at a ratio of 0.0166 Hecla Warrants exercisable for payment of cash consideration of US$8.53 per Hecla Share and 0.1 Cascadia Warrants exercisable for payment of cash consideration of $0.49 per Cascadia Share.

Run-Off Insurance

ATAC may purchase customary "run-off" policies of directors' and officers' liability insurance, at a cost not exceeding 250% of the current annual aggregate premium for policies currently maintained by ATAC, providing coverage for a period of six years from the Effective Date with respect to claims arising from or related to facts or events which occur on or prior to the Effective Date. All rights to indemnification existing in favour of the present and former directors and officers of ATAC and its Subsidiaries in effect as of the date of the Arrangement Agreement and as disclosed to Hecla will survive and will continue in full force and effect and without modification, and ATAC, its Subsidiaries and any successor to ATAC or any of its Subsidiaries shall continue to honour such rights of indemnification.

Indemnification

Pursuant to the Arrangement Agreement, the Company and the Purchaser have agreed that all current rights to indemnification in favour of the present and former directors and officers of the Company and its Subsidiaries, as provided by contracts or agreements to which the Company is a party and in effect as of the date the Arrangement Agreement, will survive and continue in full force and effect for a period of six years from the Effective Date.

Material Changes in the Affairs of ATAC

To the knowledge of the directors and officers of the Company, and except as publicly disclosed or otherwise described in this Circular, there are no plans or proposals for material changes in the affairs of the Company.

Previous Purchases

ATAC has not purchased any of its own securities during the twelve-month period prior to the date of this Circular.

Prior Sales

During the 12-month period before the date of this Circular, ATAC has issued the following ATAC Shares and securities convertible into or exchangeable into ATAC Shares.

Date of Issuance	Type of Security	Issue Price/Exercise Price/Conversion Price	Number Issued
June 8, 2022	Options	$0.16	4,400,000
November 15, 2022	Common Shares	$0.09	11,111,111
December 9, 2022	Common Shares	$0.085	100,000
December 13, 2022	Common Shares	$0.08	476,191

Commitments to Acquire ATAC Shares

As of the date of this Circular, there are (i) 9,925,000 Options outstanding to acquire the same number of ATAC Shares, with exercise prices ranging between $0.16 and $0.30 and expiring no later than June 8, 2027; and (ii) 23,204,353 ATAC Warrants outstanding to acquire the same number of ATAC Shares, with an exercise price ranging between $0.22 and $0.24 and expiring no later than June 25, 2024.

ATAC is also required to issue 140,000 shares to exercise the Blackbear property option; 1,900,000 shares (to a maximum value for $360,000) to exercise the Catch property option; and shares having a value of $1,150,000 to exercise the Pil Property option. The number of shares potentially issuable depends on the market price of the shares at the time such share issuances are made.

Auditor

The external auditor of the Company, Davidson & Company LLP, Chartered Professional Accountants, is independent in accordance with the Code of Professional Conduct of the Chartered Professional Accountants of British Columbia.

Dividends and Dividend Policy

The Constating Documents of the Company do not limit the Company's ability to pay dividends on the ATAC Shares. However, the Company has not paid any dividends since incorporation and does not expect to pay dividends in the foreseeable future. Payment of dividends in the future will be made at the discretion of the Board.

Expenses

ATAC estimates that it will incur costs, fees and expenses in the aggregate amount of approximately $1.8 million if the Arrangement is completed, including, without limitation, financial advisor fees, legal and accounting fees, filing fees, severance and change of control payments, and the costs of preparing printing and mailing this Circular.

Management Contracts

The management functions of the Company or any of its Subsidiaries are performed by its directors and executive officers and the Company has no management agreements or arrangements under which such management functions are performed by persons other than the directors and executive officers of the Company or private companies controlled by such directors and executive officers.

Price Range and Trading Volume of ATAC Shares

The following table sets forth trading information for the ATAC Shares over the past 12 months prior to the date of this Circular, the reported high and low trading prices and the aggregate trading volume of the ATAC Shares on the TSXV.

Month	Price Range ($)		Aggregate Monthly Trading Volume
	High	Low	
May 1 – 12, 2023	0.155	0.135	6,931,017
April 2023	0.165	0.135	16,033,764
March 2023	0.14	0.13	6,424,820
February 2023	0.145	0.065	29,525,463
January 2023	0.095	0.07	2,641,818
December 2022	0.085	0.075	1,777,386
November 2022	0.095	0.075	4,467,865
October 2022	0.10	0.075	1,389,411
September 2022	0.115	0.075	1,670,251
August 2022	0.1125	0.10	979,416
July 2022	0.12	0.095	1,694,524
June 2022	0.115	0.095	1,568,787
May 2022	0.115	0.095	1,691,548

On May 12, 2023, the last day of trading before the date of this Circular on the TSXV, the closing price of ATAC Shares was $0.135.

Indebtedness of Directors and Executive Officers

No executive officer, director, employee, former executive officer, former director, former employee, proposed nominee for election as a director, or associate of any such person has been indebted to the Company or its subsidiaries at any time since the commencement of the Company's last completed financial year. No guarantee, support agreement, letter of credit or other similar arrangement or understanding has been provided by the Company or its subsidiaries at any time since the beginning of the most recently completed financial year with respect to any indebtedness of any such person.

Interest of Informed Persons in Material Transactions

Other than as disclosed herein, to the knowledge of the Company, after reasonable enquiry, none of the directors or executive officers of ATAC, or persons or companies that beneficially own, or control or direct, directly or indirectly, more than 10% of the outstanding ATAC Shares, or any associate or Affiliate of any of the foregoing, has any material interest, direct or indirect, in any transaction since December 31, 2022 or in any proposed transaction, which has materially affected or would materially affect the Company or any of its Subsidiaries.

APPENDIX "I"
INFORMATION CONCERNING CASCADIA

NOTICE TO READER

The following is a summary of the principal features of Cascadia Minerals Ltd. ("Cascadia") and its expected business and operations which should be read together with the other information and financial statements contained in the management information circular (the "Circular") of ATAC Resources Ltd ("ATAC"), to which this Appendix "I" is attached. The information contained in this Appendix "I", unless otherwise indicated, is given as of May 15, 2023, the date of the Circular. All capitalized terms used in this Appendix "I" that are not otherwise defined herein have the meaning ascribed to such terms elsewhere in the Circular.

Unless otherwise indicated herein, references to "$", "C$" or "Canadian dollars" are to Canadian dollars and references to "US$" or "U.S. dollars" are to United States dollars. See also in the Circular "Forward-Looking Information".

CORPORATE STRUCTURE AND HISTORY

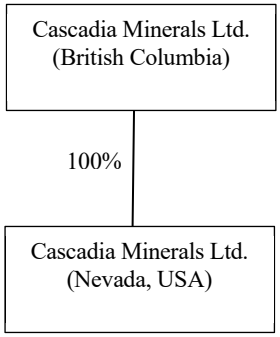
Cascadia was incorporated under the name "**Cascadia Minerals Ltd.**" under the BCA on March 23, 2023, for the purposes of completing the Arrangement. The registered and records office of Cascadia is located at Suite 1700, Park Place, 666 Burrard Street, Vancouver, BC, V6C 2X8. The head office is located at 1500-409 Granville St., Vancouver, BC, V6C 1T2.

Cascadia has not carried on any active business since its incorporation. Cascadia is not a reporting issuer (or the equivalent) in any jurisdiction. Cascadia has applied to have the Cascadia Shares listed on the TSXV. Listing is subject to the approval of the TSXV in accordance with its original listing requirements. The TSXV has not conditionally approved Cascadia's listing application and there is no assurance that the TSXV will approve the listing application. Upon completion of the Arrangement, Cascadia expects to become a reporting issuer (or the equivalent) in British Columbia and Alberta.

Cascadia is currently a wholly-owned subsidiary of ATAC. At the Effective Time, Cascadia will cease to be a wholly-owned subsidiary of ATAC and it is expected that 80.1% of the Cascadia Shares will be owned by former ATAC Shareholders (other than Dissenting Shareholders), and 19.9% of the Cascadia Shares will be owned by Hecla on completion at closing of the Hecla Financing, as defined below. Pursuant to the Arrangement, Cascadia will acquire the Cascadia Assets (as defined herein). Following completion of the Arrangement, Cascadia will own ATAC's rights and interests in the Cascadia Assets, subject to a right of first refusal retained by Hecla as detailed in the Ancillary Rights Agreement. See in this Appendix "I", "*Description of the Business*". Cascadia will have approximately $2.6 million in cash following completion of the Arrangement. See in this Appendix "I", "*General Description of the Business" and "Available Funds*", and see in the Circular, "*The Arrangement*".

While Cascadia has applied to list the Cascadia Shares on the TSXV, there can be no assurance as to when, or if, the Cascadia Shares will be listed on the TSXV or on any other stock exchange. **As at the date of the Circular, there is no market through which the Cascadia Shares, to be distributed pursuant to the Arrangement, may be sold, and Cascadia Shareholders may not be able to resell them. This may affect the pricing of the Cascadia Shares in the secondary market, the transparency and availability of trading prices, the liquidity of the Cascadia Shares, and the extent of the regulations to which Cascadia is subject.** See in this Appendix "I", "*Market for Securities" and "Risk Factors—No Assurance of Listing of Cascadia Shares*".

As of the date of the Circular, Cascadia does not have any subsidiaries. However, upon completion of the Arrangement, it is expected that Cascadia will own the following subsidiary (the "**Cascadia Subsidiary**"). All of the shares of the Cascadia Subsidiary are expected to be held directly by Cascadia.



DESCRIPTION OF THE BUSINESS

General Description of the Business

Cascadia's vision is to explore for copper and gold deposits in underexplored parts of Yukon and British Columbia, leveraging the management team's knowledge and experience in these jurisdictions, and demonstrated track record of rapidly moving from a grassroots discovery to resource definition. Following completion of the Arrangement, and subject to financing, Cascadia intends to proceed with a maiden drill program at the Catch Property in Yukon, which will be Cascadia's flagship project. Work will also continue at the Pil Property in British Columbia to advance target definition in preparation for drilling in the 2024 exploration season. Cascadia's strategy will be to create shareholder value through advancement and development of its existing mineral properties, as well as through acquisition and exploration of additional properties in the copper and gold commodity space.

The Catch Property is an early-stage copper-gold exploration project, located in central Yukon, and considered by Cascadia to be its sole material property for the purposes of NI 43-101. See in this Appendix "I", "*Principal Properties – Catch Property*". The Catch Property is described in more detail in the Catch Technical Report, as defined below, a copy of which is available under ATAC's profile on SEDAR at www.sedar.com.

Following completion of the Arrangement, Cascadia will also have acquired from ATAC certain cash and other assets, including (i) all fixed assets and inventories of ATAC relating exclusively to the Cascadia Properties or located within the boundaries of the Cascadia Properties, (ii) all joint venture, earn-in, other contracts entered into by ATAC, and royalties or other similar rights that relate exclusively to the Cascadia Properties, (iii) all exploration information, data reports and studies including all geological, geophysical and geochemical information and data (including all drill, sample and assay results and all maps) and all technical reports, feasibility studies and other similar reports and studies of all nature concerning the Cascadia Properties in ATAC's possession or control relating to the Cascadia Properties, (iv) ATAC's remaining cash balance following completion of the Arrangement; and (v) the shares of the Cascadia Subsidiaries (collectively, with the Cascadia Properties, the "**Cascadia Assets**") and will assume all of the liabilities of ATAC, contingent or otherwise, which pertain to, or arise in connection with, the operation of the Cascadia Assets (the "**Cascadia Liabilities**"), as described in Appendix "J" to this Circular, "*Cascadia's Carve-Out Financial Statements and Management's Discussion and Analysis*".

Cascadia Contribution Agreement

On April 5, 2023, ATAC entered into the Arrangement Agreement with Hecla pursuant to which Hecla agreed to acquire all of the issued and outstanding securities of ATAC pursuant to the Arrangement to be effected under the *Business Corporations Act* (British Columbia). It is a term of the Arrangement Agreement that the Cascadia Assets will be transferred to Cascadia prior the completion of the Arrangement and the distribution of Cascadia common shares to ATAC's shareholders.

As of the day prior to the Effective Date, Cascadia will have entered into the Cascadia Contribution Agreement with ATAC, pursuant to which Cascadia will acquire the Cascadia Assets from ATAC and assume all of the Cascadia Liabilities. The Cascadia Assets include the Catch Option Agreement and the Pil Option Agreement, ATAC's interest in the Idaho Creek and Rosy properties, certain camp, office and other equipment owned by ATAC, and intellectual property pertaining to the Cascadia Properties.

Ancillary Rights Agreement

As part of the Arrangement, Cascadia will enter into the Ancillary Rights Agreement with Hecla whereby Hecla will invest $2 million in Cascadia and acquire 5,502,957 Cascadia Shares (representing 19.9% of Cascadia's issued and outstanding shares at closing) and 5,502,957 share purchase warrants entitling Hecla to purchase an additional Cascadia Shares at a price of $0.36 for a period of five years after closing (the "**Hecla Financing**"). In addition, the Ancillary Rights Agreement fixes the number of directors of Cascadia at a maximum of seven, and allows Hecla to nominate (i) two directors so long as Hecla's shareholdings remain above 10%; or (ii) one director so long as Hecla's shareholdings are between 5% and 10%. The Ancillary Rights Agreement also grants Hecla a right of first refusal on the sale or joint venture of the Cascadia Properties.

Business Objectives and Operations

Following completion of the Arrangement, Cascadia will continue with exploration activities at the Catch Property, as Cascadia's management may determine to be appropriate, with the goal of advancing Catch to the drill discovery stage by the end of 2023. Cascadia will also advance the other Cascadia Properties, as Cascadia's management may deem to be appropriate, with the long-term goal of identifying copper and gold resources in Yukon and British Columbia.

Market Opportunities

Cascadia will consider the acquisition of additional mineral property interests, or corporations holding mineral property interests, on a going-forward basis after the Effective Time, with the objectives of: (i) creating additional value for shareholders through the acquisition of additional mineral exploration properties; and (ii) helping to minimize exploration or production risk by attempting to diversify Cascadia's portfolio of properties. See in this Appendix "I", "*Risk Factors — Commodity Prices*" and *"Risk Factors — Exploration*". As a result, acquiring additional mineral properties, some of which may be prospective in other commodities, may minimize overall production and exploration risk and risks associated with fluctuating commodities. Accordingly, Cascadia may seek to acquire additional mineral resource properties in the near future. However, there can be no assurance that Cascadia will be able to identify suitable additional mineral properties, that Cascadia will have sufficient financial resources to acquire such mineral properties, or that such properties will be available on terms acceptable to Cascadia or at all. See in this Appendix "I", "*Risk Factors — Reliance on a Limited Number of Properties*".

In determining whether to make an expenditure to acquire an additional mineral property that Cascadia considers prospective, Cascadia Board will consider criteria such as the exploration history of the property, its location, or a combination of these and other factors. There can be no assurances that Cascadia will be able to identify any such properties, or to acquire any such properties on favorable terms. Risk factors to be considered in connection with Cascadia's search for and acquisition of additional mineral properties include the significant expenses required to locate and establish mineral reserves; the fact that expenditures made by Cascadia may not result in discoveries of commercial quantities of minerals; environmental risks; risks associated with land title, option and/or joint venture agreements, and property disputes; the competition faced by Cascadia; and the potential failure of Cascadia to generate adequate funding for any such acquisitions. See in this Appendix "I", "*Available Funds and Principal Purposes*".

As Cascadia's portfolio of properties grows, Cascadia anticipates that there will be a greater emphasis on the exploration of such properties, with the long-term goal of developing the properties and achieving commercial production. Cascadia may enter into partnerships or joint ventures in order to fully exploit the exploration and production potential of its assets.

Environmental Regulation

All aspects of Cascadia's field operations will be subject to environmental regulations and generally will require approval by appropriate regulatory authorities prior to commencement. Any failure to comply with applicable environmental regulations could result in fines and penalties. Should any projects advance to the production stage, then more time and capital would be required in satisfying environmental protection requirements. Compliance with such legislation can require significant expenditures or result in operational restrictions. Breaches of such requirements may also result in the suspension or revocation of necessary licenses and authorizations, potential civil liability and the imposition of fines and penalties, all of which might have a significant negative impact on Cascadia. See in this Appendix "I", "*Risk Factors — Government Regulations*".

Social and Environmental Policies

Cascadia will operate under principles of good environmental, social and governance practices, and it will be an objective of Cascadia to be a responsible operator and friendly neighbor. Cascadia's goal will be to proactively work with first nations and community stakeholders to build respectful and collaborative relationships, and make positive contributions to local economic development.

Employees

As of the date of this Circular, Cascadia does not have any employees. At the Effective Time, Cascadia expects to have five full time employees and one part-time consultant. All of Cascadia's employees will be former employees of ATAC. Cascadia also intends to retain, from time to time, contractors and consultants to perform specialized services.

Cascadia believes that its success is dependent on the performance of its management and key employees, many of whom will have specialized knowledge and skills relating to the precious metals and mineral production and exploration business. Cascadia believes it will have adequate personnel with the specialized skills required to successfully carry out its operations. See in this Appendix "I", "*Risk Factors — Key Personnel*".

Competitive Conditions

The mining industry is competitive in all phases of exploration, development and production. Cascadia will compete with numerous companies and individuals that have resources significantly in excess of the resources of Cascadia, in the search for (i) attractive mineral properties; (ii) qualified service providers and employees; and (iii) equipment and suppliers. The ability of Cascadia to acquire attractive mineral properties in the future depends not only on its success in exploring and developing its current properties, but also on its ability to select, acquire and bring to production suitable properties or prospects for exploration, mining and development. As a result of this competition, Cascadia may be unable to acquire attractive properties in the future on terms it considers acceptable or at all. Factors beyond the control of Cascadia may affect the marketability of any minerals mined or discovered by Cascadia. See in this Appendix "I", "*Risk Factors — Competition*".

Market Trends

Cascadia's financial success will depend upon the extent to which it can discover mineralization and the economic viability of the development of its properties. Such development may take years to complete, and the resulting income, if any, is difficult to determine with any certainty. The sales value of any mineralization discovered by Cascadia will be largely dependent upon factors beyond Cascadia's control, such as the market value of the commodities produced.

There are significant uncertainties regarding the price of minerals and the availability of equity financing for mineral exploration and development. Cascadia's future performance is largely tied to the development of its current mineral property interests and the overall financial markets. Financial markets are likely to be volatile in Canada well into 2023, reflecting ongoing concerns about the stability of the global economy.

As a result, Cascadia may have difficulties raising equity financing for mineral exploration and development, particularly without excessively diluting Cascadia Shareholders. Continued market volatility and slower worldwide

economic growth may limit Cascadia's ability to develop and/or further explore the Catch Property, the other Cascadia Properties and/or other property interests acquired in the future.

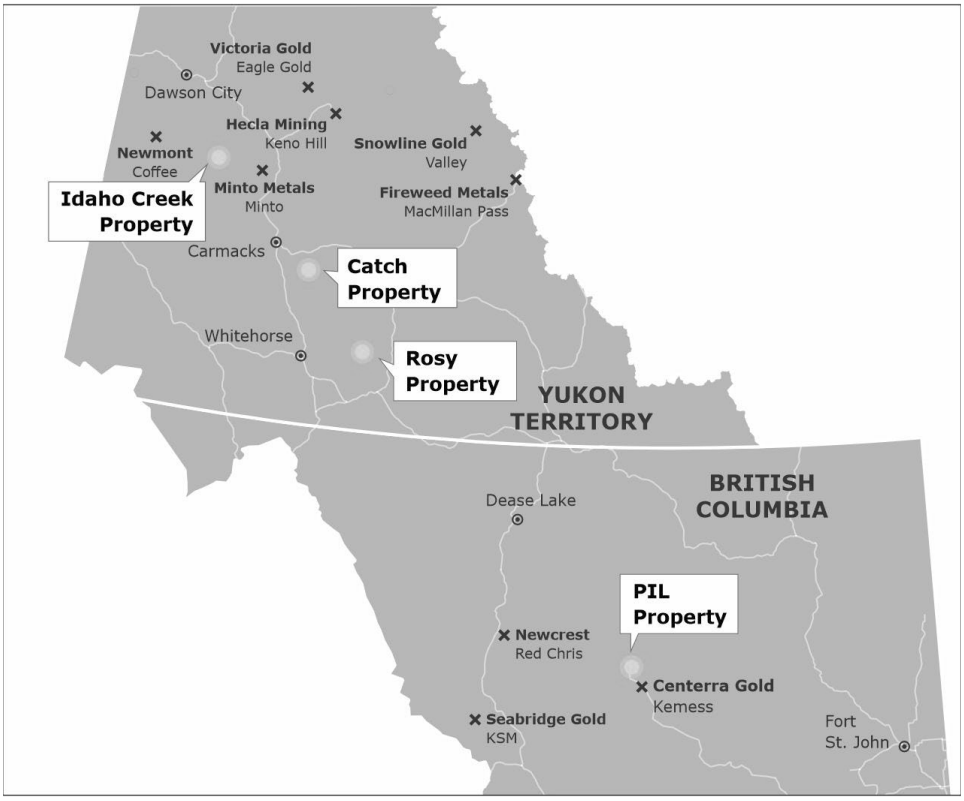
Apart from these and the risk factors noted under the heading "**Risk Factors**", management is not aware of any other trends, commitments, events or uncertainties that would have a material effect on Cascadia's business, financial condition or results of operations.

PRINCIPAL PROPERTIES

If the Arrangement is completed, Cascadia will, directly or indirectly, acquire ATAC's interests in the Cascadia Properties. At this time, the Catch Property is not considered by ATAC to be a material property for the purposes of NI 43-101. Following completion of the Arrangement, Cascadia will focus its efforts on the continued exploration of the Catch Property. The Catch Property is considered by Cascadia to be its sole material property for the purposes of NI 43-101. Work will also continue at the Pil Property, Rosy Property, and Idaho Creek Property as warranted.

The Cascadia Properties are discussed in more detail below.

Location of the Cascadia Properties



Yukon

A. Catch Property

The Catch Property is described in more detail in the technical report titled "*NI 43-101 Technical Report for the Catch Project, Yukon, Canada*", dated May 9, 2023 (the "**Catch Technical Report**"), a copy of which is available under ATAC's profile on SEDAR at www.sedar.com.

The 71 km^2 Catch Property is located in an under-explored part of south-central Yukon, approximately 130 km north of Whitehorse and 56 km south-east of Carmacks. Current access to the property is by helicopter, or by float plane to

Claire Lake, which lies directly west and south of the project area. A small fishing lodge is operational at the south end of the property, providing boat access to the property. Preliminary sampling on the property has returned very encouraging results indicative of the potential for significant copper-gold porphyry mineralization. The property is located 20 km from an all-season highway and powerline, within the traditional territory of the Little Salmon Carmacks First Nation.

Prospecting in key parts of the property has returned results including 3.03% copper with 4.46 g/t gold, 0.42% copper with 14.60 g/t gold, and 1.57% copper with 7.45 g/t gold. The property also exhibits extensive copper and gold soil geochemistry anomalism, including a 5,000 by up to 1,200 m zone of anomalous copper and gold.

Property Geology and Mineralization

The Catch Property lies within the Stikine Terrane and is immediately adjacent to the 1,000+ km long, deep seated, crustal scale strike-slip Teslin-Thibert fault. The Stikine Terrane is characterized by Late Triassic to early Jurassic volcanic-plutonic arc complexes that are well-endowed with copper-gold-molybdenum porphyries including the Red Chris, Schaft Creek, Kemess, KSM and Galore Creek deposits and mines.

Historic exploration at the Catch Property and surrounding area has been extremely limited. Most of the regional exploration efforts have focused on outcropping intrusive plugs near Carmacks, that are associated with known copper porphyry-style mineralization. The Catch Property lies in the Intermontane Terrane of Western Canada, within a package of mafic to intermediate volcanic and volcaniclastic rocks of the Upper Triassic Semenof formation. Limited regional mapping has been undertaken in the project area. Geochronological data in the project area is limited to a single imprecise K-Ar hornblende age of 199 ± 32 Ma collected from intermediate volcanic rocks about 500 m north of the Catch Property claims. As discussed by Colpron et al. (2022), several Late Triassic to Early Jurassic- batholiths lie within the broader belt although none have been mapped within the property boundary.

Prospecting and soil sampling programs completed in 2020, 2021 and 2022 defined a 5 km long by up to 1,200 m wide zone of anomalous copper- and gold-in-soil, with subsequent rock sampling (n = 229) defining a 400 by 500 m core with an average grade of 0.36% copper, 0.78 g/t gold, 2.67 g/t silver and 0.38% zinc. The geochemical signature at the property is copper-gold-silver, with accessory zinc-molybdenum-arsenic. Mineralization identified to date is associated with disseminated pyrite-pyrrhotite-chalcopyrite in highly altered rock of interpreted volcanic origin (Main Zone), in addition to intrusion-cemented breccias that appear to lie on the margins of narrow diorite porphyry intrusions (Diorite Zone).

Land Tenure

The following table provides a list of Yukon quartz mining claims in the Whitehorse district comprising the Catch Property.

Claim	Numbers	Grants	Expiry	Registered Owner	Count
CATCH	1-4	YE96876-YE96879	2030-05-01	Ryan Burke - 100%	4
CATCH	5-18	YE98084-YE98097	2027-05-01	Ryan Burke - 100%	14
CATCH	19-22	YE97026-YE97029	2027-05-01	Ryan Burke - 100%	4
CATCH	23-34	YE98098-YE98109	2027-05-01	Ryan Burke - 100%	12
CATCH	35-46	YE97030-YE97041	2027-05-01	Ryan Burke - 100%	12
CATCH	47-55	YE98110-YE98118	2027-05-01	Ryan Burke - 100%	9
CATCH	56	YE98119	2029-05-01	Ryan Burke - 100%	1
CATCH	57	YE98120	2027-05-01	Ryan Burke - 100%	1
CATCH	58-62	YE97042-YE97046	2027-05-01	Ryan Burke - 100%	5
CATCH	63-66	YE97047-YE97050	2028-05-01	Ryan Burke - 100%	4

Claim	Numbers	Grants	Expiry	Registered Owner	Count
CATCH	75-77	YE98121-YE98123	2028-05-01	Ryan Burke - 100%	3
CATCH	78-81	YE96887-YE96890	2028-05-01	Ryan Burke - 100%	4
CATCH	82	YE96891	2027-05-01	Ryan Burke - 100%	1
CATCH	83	YE97051	2028-05-01	Ryan Burke - 100%	1
CATCH	84-149	YE97474-YE97539	2027-05-01	ATAC Resources Ltd. - 100%	66
CATCH	150-158	YE31977-YE31985	2028-05-01	ATAC Resources Ltd. - 100%	9
CATCH	159-349	YF87259-YF87449	2024-03-16	ATAC Resources Ltd. - 100%	191

Option Terms

The Catch 1-158, 163, 165, 167, 169, 171, 187-199, 201, 203, 205, 207, 209-223, 225, 227-235, 237, 239, 249, 251, 253, 272-276, and 278 claims are subject to the Catch Property Option Agreement, under which Cascadia will be earning into 100% ownership of the Catch Property. The remaining Catch Property claims will be 100% owned by Cascadia with no underlying royalties or other encumbrances. On its assignment to Cascadia, the Catch Property Option Agreement will provide that Cascadia can acquire a 100% interest in the property by making aggregate cash payments of $325,000, issuing an aggregate 1,200,000 shares and incurring aggregate exploration expenditures of $3,600,000 on or before December 31, 2026. The payments, share issuances and expenditures required to be incurred by December 31, 2022 have already been made by ATAC.

Following the exercise of the option, the vendor of the property will retain a 2% net smelter return royalty, of which one half (1%) can be purchased by Cascadia for $1,000,000. A milestone payment of $1 per ounce of gold (or gold equivalent) will also be due to the property vendor upon identification of a measured or indicated mineral resource on the property equal to or greater than 1,000,000 ounces of gold (or gold equivalent).

Recent Developments

Two phases of exploration work were completed on the Catch Property in 2022 by ATAC.

Phase 1 exploration at the property consisted of prospecting, mapping, soil sampling and geophysical surveys. A total of 50 rock samples and 359 soil samples were collected. 10.1 line-km of induced polarization and 49.3 line-km of ground magnetics and very low frequency surveys were completed.

Broad-spaced soil sampling (100 x 500 m) extended the primary copper-in-soil anomaly by 1.5 km to the north, to a total of 5 km x 500 m in size. Additional areas of anomalous copper-in-soil were identified outside the main target area and provided compelling targets for Phase 2 prospecting work.

Rock sampling extended areas of known mineralization at surface. Hand pitting 100 m north of Trench 8 yielded a sample returning 1.16% copper. Follow-up sampling at Trench 9 yielded a sample returning 1.36% copper with 0.13 g/t gold. Sampling 135 m west of Trench 1 returned 1.01% copper with 1.03 g/t gold from a hand pit. Sampling 50 m east of Trench 7 returned 1.57% copper. Apart from the follow-up sampling at Trench 9, all of these samples were from new mineral occurrences within the main target area, significantly extending known mineralization at surface. The primary anomaly area remains underexplored and numerous additional targets were evaluated in Phase 2 work.

A separate copper-in-soil anomaly located 1.5 km south of the trenching area returned 1.09% copper from outcrop in an area that remains underexplored. This area and additional soil anomalies located further south were also evaluated in Phase 2 work.

The induced polarization survey returned an open ended (NW-SE), 1,000 x 600 x 400 m coincident chargeability and resistivity high coincident with the primary zone of copper-gold mineralization. This area lies within a moderate magnetic high and is immediately adjacent to a 1.5 x 1.2 km circular magnetic high.

Phase 2 exploration at the Catch Property included collection of 33 infill soil samples, 176 rock samples, and 473.97 m of reverse circulation drilling in 6 holes.

The prospecting program was highly successful in identifying new zones of surface mineralization, and in expanding the footprint of the main zone. Numerous high-grade outcrop samples were collected, including 3.03% copper with 4.46 g/t gold, 2.83% copper with 6.07 g/t gold, and 0.42% copper with 14.60 g/t gold – all from the Main Zone. Mineralization throughout this area is extensive, with high-grade samples collected from outcrops across a 500 m area. Float samples from this zone extended mineralization to a 400 x 600 m area.

A new Diorite Zone with an outcropping diorite porphyry was also identified over 2 km south of the main zone. Samples of the diorite returned 1.45% copper with 0.20 g/t gold and 1.27% copper with 0.57 g/t gold and are coincident with a pronounced 600 x 600 m magnetic low. This outcrop was discovered by prospecting in the final days of the exploration program and very limited sampling has been conducted in this area to-date.

Initial petrographic studies show mineralization at the main zone is dominantly associated with propylitic to sericitic alteration of basalt, hydrothermal breccias and rare diorite host rocks. Petrography of the diorite zone shows dominantly sericitic alteration of diorite and lesser hydrothermal breccia host rocks.

Reverse circulation drilling was aimed at evaluating coincident copper-gold geochemistry at surface and induced polarization chargeability at depth within the Main Zone. Unfortunately, ground conditions proved more challenging than anticipated and the heli-portable drill rig was not able to reach target depth in any hole. Anomalous copper and gold were intersected in multiple holes; however, no significant intercepts were returned. The primary induced polarization target remains untested, and numerous other areas on the property with high-grade copper and gold in rock have yet to be evaluated by drilling, including the Diorite Zone.

B. Idaho Creek Property

The 13.9 km^2 Idaho Creek Property is located 150 km south of Dawson City and 14 km east of the Casino copper-molybdenum-gold porphyry project. The property hosts gold and silver mineralization, geophysical anomalies, and soil geochemical anomalies. The property is located within the traditional territory of the Selkirk First Nation.

Land Tenure

The following table provides a list of Yukon quartz mining claims in the Whitehorse district comprising the Idaho Creek Property.

Claim	Numbers	Grants	Expiry	Registered Owner	Count
IDAHO	1-22	YC41111-YC41132	2026-02-15	ATAC Resources Ltd. - 100%	22
IDAHO	23-52	YC46510-YC46539	2026-02-15	ATAC Resources Ltd. - 100%	30
IDAHO	53-58	YE12153-YE12158	2026-02-15	ATAC Resources Ltd. - 100%	6
IDAHO	59-94	YE94739-YE94774	2023-09-03	ATAC Resources Ltd. - 100%	36
IDAHO	95-99	YE94775-YE94779	2026-02-15	ATAC Resources Ltd. - 100%	5
IDAHO	100-103	YE94780-YE94783	2023-09-03	ATAC Resources Ltd. - 100%	4
IDAHO	104-117	YE94784-YE94797	2026-02-15	ATAC Resources Ltd. - 100%	14
IDAHO	118-119	YE94798-YE94799	2023-09-03	ATAC Resources Ltd. - 100%	2

Option Terms

By agreement dated August 19, 2020 and as amended on November 25, 2020, October 13, 2021, and March 21, 2023, Makara has been granted an option to acquire a 100% interest in the property, which is adjacent to Makara's Rude Creek gold project. Makara can exercise the option by; (i) making aggregate cash payments of $150,000; (ii) issuing an aggregate of 750,000 shares; and (iii) completing $2,000,000 in work expenditures by December 1, 2024.

A one-time milestone payment of $1.00 per ounce gold (or gold equivalent) will be paid to Cascadia if a mineral resource is identified on the property. Cascadia will also retain a 2% net smelter return on the property, one half of which can be purchased by Makara for $1,000,000.

C. Rosy Property

The 100%-owned 61 km^2 Rosy Property is located 77 km east of Whitehorse and surrounds the Red Mountain Molybdenum deposit. The Rosy Property covers a large system of gold-silver epithermal veins. Historic work programs from 2008 to 2017 included geophysics, geochemistry, and limited drilling. This work identified two main areas of vein mineralization and a number of gold-in-soil anomalies. The Rosy Property is located within the traditional territory of the Teslin Tlingit Council.

Land Tenure

The following table provides a list of Yukon quartz mining claims in the Whitehorse district comprising the Rosy Property.

Claim	Numbers	Grants	Expiry	Registered Owner	Count
ROSY	1-20	YC18054-YC18073	2026-03-21	ATAC Resources Ltd. - 100%	20
ROSY	21-30	YC18159-YC18168	2026-03-21	ATAC Resources Ltd. - 100%	10
ROSY	31-90	YC83534-YC83593	2026-03-21	ATAC Resources Ltd. - 100%	60
ROSY	91-152	YF56521-YF56582	2026-03-21	ATAC Resources Ltd. - 100%	62
SAM	1-45	YF49455-YF49499	2026-03-21	ATAC Resources Ltd. - 100%	45
SAM	46-132	YF52516-YF52602	2026-03-21	ATAC Resources Ltd. - 100%	87
SAM	133-187	YF52603-YF52657	2025-03-21	ATAC Resources Ltd. - 100%	55
SAM	188-201	YF52658-YF52671	2024-03-21	ATAC Resources Ltd. - 100%	14

The Rosy Property claims will be held 100% by Cascadia with no underlying royalties or other encumbrances.

British Columbia

A. Pil Property

The road-accessible 151.5 km^2 Pil Property is located in the prolific Toodoggone porphyry and epithermal district of northern British Columbia (the "**Toodoggone District**"). The property is 25 km northwest of the past producing Kemess Mine, 15 km east of Benchmark Metals' Lawyers Project and is immediately adjacent to both TDG Gold Corp.'s Shasta Project and Amarc Resources' Joy Project, which is being explored in partnership with Freeport-McMoRan Inc. Historical exploration at the Pil Property has identified multiple compelling porphyry and epithermal targets that have seen limited exploration over the last decade and much of the property has seen minimal work. The property is located within the traditional territories of the Kwadacha, Tsay Keh Dene, Takla and Tahltan First Nations.

Work in recent years by the previous operators has identified numerous zones of interest, including a 1,300 x 750 m copper-gold-molybdenum soil anomaly at the Copper Ridge Zone which has not been drill tested. Composite talus sampling in 2015 at the Copper Cliff discovery returned 25 m of 1.04% copper and has also not been evaluated by drilling. Historical grab sampling at the Atlas East target returned 489.71 g/t gold with 6,514 g/t silver from a brecciated bedrock source and 72.47 g/t gold with 2,187 g/t silver from quartz vein float material.

Property Geology and Mineralization

The Pil Property is located in the Stikine Terrane and is juxtaposed against the Quesnel Terrane by the 1,000+ km long, deep seated, crustal scale strike-slip Teslin-Thibert fault approximately 8 km northeast of the property boundary. The Stikine and Quesnel Terranes are characterized by similar Late Triassic to Early Jurassic volcanic-plutonic arc complexes that host numerous copper-gold-molybdenum porphyry mines, deposits and prospects including Red Chris

(Newcrest Mining), Galore Creek (Teck/Newmont), Kemess (Centerra Gold), and Mount Milligan (Centerra Gold). Numerous epithermal gold-silver projects are also found in the region, including Bruce Jack (Newcrest), Ranch (Thesis Gold) and Lawyers (Benchmark Metals).

The Pil Property is in the heart of the 90 x 20 km, NW trending Toodoggone District, in the eastern part of the Stikine Terrane. The district is underlain by volcanic and sedimentary rocks of the Early to Middle Jurassic Hazelton Group and coeval intrusive complex of the Early Jurassic Black Lake Plutonic Suite. There is a prominent northwest-trending regional structural fabric with several steeply dipping normal faults and a few strike-slip and thrust faults have disrupted strata in the Toodoggone District.

The Toodoggone District contains several mineralization types including epithermal gold-silver, porphyry copper-gold-molybdenum and skarn.

Land Tenure

The following table provides a list of British Columbia mining claims comprising the Pil Property.

Tenure Number	Claim Name	Issue Date	Good To Date	Size (Ha)	Owner
414307	GOLD 5	2004-09-09	2025-07-21	25	FINLAY MINERALS LTD.
340215	PIL 20	1995-09-16	2025-07-14	225	FINLAY MINERALS LTD.
340216	PIL 21	1995-09-16	2025-07-18	400	FINLAY MINERALS LTD.
405040	PN2	2003-09-10	2025-07-13	375	FINLAY MINERALS LTD.
405042	PN 10	2003-09-09	2025-07-15	300	FINLAY MINERALS LTD.
386615	GOLD 1	2001-05-17	2025-07-01	100	FINLAY MINERALS LTD.
308128	PIL 2	1992-03-14	2025-07-26	500	FINLAY MINERALS LTD.
405041	PN 9	2003-09-09	2025-07-14	300	FINLAY MINERALS LTD.
405043	PN 11	2003-09-09	2025-07-16	500	FINLAY MINERALS LTD.
414305	GOLD 3	2004-09-09	2025-07-19	25	FINLAY MINERALS LTD.
316957	PIL 11	1993-03-29	2025-07-05	500	FINLAY MINERALS LTD.
316952	PIL 6	1993-03-29	2025-07-06	300	FINLAY MINERALS LTD.
316956	PIL 10	1993-03-29	2025-07-04	450	FINLAY MINERALS LTD.
316955	PIL 9	1993-03-29	2025-07-30	400	FINLAY MINERALS LTD.
405074	PN8	2003-08-29	2025-07-02	400	FINLAY MINERALS LTD.
510672		2005-04-13	2025-07-23	523.739	FINLAY MINERALS LTD.
516763		2005-07-11	2025-08-24	471.329	FINLAY MINERALS LTD.
516769		2005-07-11	2025-07-25	366.467	FINLAY MINERALS LTD.
516783		2005-07-11	2026-08-10	1644.194	FINLAY MINERALS LTD.
516792		2005-07-11	2026-07-04	87.519	FINLAY MINERALS LTD.
516810		2005-07-11	2025-08-27	1502.031	FINLAY MINERALS LTD.
515084		2005-06-23	2026-09-04	349.677	FINLAY MINERALS LTD.
316953	PIL 7	1993-03-29	2025-07-29	500	FINLAY MINERALS LTD.
340217	PIL 22	1995-09-16	2025-07-10	400	FINLAY MINERALS LTD.
386616	GOLD 2	2001-05-17	2025-07-11	100	FINLAY MINERALS LTD.

Tenure Number	Claim Name	Issue Date	Good To Date	Size (Ha)	Owner
340218	PIL 23	1995-09-17	2025-07-09	450	FINLAY MINERALS LTD.
414308	GOLD 6	2004-09-09	2025-07-22	25	FINLAY MINERALS LTD.
414306	GOLD 4	2004-09-09	2025-07-20	25	FINLAY MINERALS LTD.
404834	PN 3	2003-08-13	2025-07-12	400	FINLAY MINERALS LTD.
405073	PN7	2003-08-29	2025-07-17	400	FINLAY MINERALS LTD.
517539	PN12	2005-07-12	2025-07-28	227.078	FINLAY MINERALS LTD.
517555	PN13	2005-07-12	2025-07-01	87.477	FINLAY MINERALS LTD.
861007	G2P-NORTH	2011-06-28	2025-07-02	17.4727	FINLAY MINERALS LTD.
861187	G2P-WEST	2011-06-28	2025-07-05	17.4764	FINLAY MINERALS LTD.
1036398	G2P WEST 2	2015-05-28	2025-07-11	17.4765	FINLAY MINERALS LTD.
1036399	G2P WEST 3	2015-05-28	2025-07-12	17.4764	FINLAY MINERALS LTD.
1036400	G2P EAST	2015-05-28	2025-07-13	52.4279	FINLAY MINERALS LTD.
1060537	SPRUCE 1	2005-07-11	2025-09-07	697.9437	FINLAY MINERALS LTD.
1060538	SPRUCE 2	2005-07-11	2025-09-08	784.7063	FINLAY MINERALS LTD.
1094650	MT. GRAVES	2022-03-30	2025-07-30	52.3455	ATAC RESOURCES LTD.
1097021	SPRUCE 3	2022-08-10	2025-08-10	209.2738	ATAC RESOURCES LTD.

Option Terms

By agreement dated February 21, 2022, and as amended on February 28, 2022 and April 28, 2023, Finlay Minerals Ltd. ("**Finlay**") granted ATAC an option to acquire a 70% interest in the Pil Property, which will be assigned to Cascadia as part of the Arrangement. To exercise the option, Cascadia will be required to make aggregate cash payments of $650,000, issue an aggregate value of no more than $1,250,000 in shares and/or cash and incur an aggregate $12,000,000 in exploration expenditures on or before December 31, 2026. Following the exercise of the option, Cascadia and Finlay will hold interests in the Pil Property of 70% and 30%, respectively, and will form a joint venture to further develop the Pil Property.

The Pil Property is subject to an underlying 3% net smelter return royalty held by Electrum Resource Corp., one-half of which (1.5%) can be purchased for $2,000,000. This buyback right currently held by Finlay will be transferred to the joint venture following exercise of the option by Cascadia.

Under an agreement dated July 14, 2022, ATAC acquired the Mount Graves claim from Eagle Plains, which will be transferred to Cascadia as part of the Arrangement. The purchase price consisted of a $2,500 cash payment and Eagle Plains retaining a 2% net smelter royalty interest. Cascadia will have the right to purchase one-half (1%) of the net smelter royalty interest at any time for $500,000.

The Mount Graves claim is located adjacent to the Pil Property, but outside of the area of interest as defined in the Pil Property Option Agreement with Finlay and is not subject to that agreement.

In August of 2022, the Spruce 3 claim in the Pil Property area was acquired through online staking. This claim is located within the area of interest covered by the Pil Property Option Agreement and Finlay has elected to include the claim in the Pil Property under the option agreement.

AVAILABLE FUNDS AND PRINCIPAL PURPOSES

Available Funds

Pursuant to the terms of the Arrangement Agreement and assuming completion of the Arrangement the transfer of the Cascadia Assets, and the Hecla Investment, on the Effective Date it is anticipated that Cascadia will have available cash of $2.6 million. It is expected that these available funds will be used to carry out the business objectives of Cascadia set out under the heading "*Description of the Business — Business Objectives and Operations*". See also Appendix "J" to this Circular for Cascadia's Management's Discussion and Analysis, and see in the Circular, "*The Arrangement — Principal Steps of the Arrangement*".

Principal Purposes

The following table summarizes Cascadia's intended use of the funds anticipated to be available to it, based on its current plans, and as required to achieve its business objectives, during the 12 month period following completion of the Arrangement.

Principal Purpose	**Amount**
Cash transferred from ATAC to Cascadia at closing	$0.60M
Investment in Cascadia by Hecla at closing	$2.00M
Total cash available to Cascadia at closing	$2.60M
Catch Property exploration[(1)]	$0.40M
Pil Property exploration[(2)]	$0.35M
Corporate overhead cash outflow	
Salaries and benefits	$0.76M
Accounting and Legal	$0.16M
Regulatory and shareholder communications	$0.06M
Travel	$0.01M
Marketing	$0.01M
General and administrative	$0.22M
Residual cash	$0.63M

Notes:
(1) Catch Property exploration includes completion of Phase 1 work identified in the Catch Technical Report
(2) Pil Property exploration is not yet allocated and totals the amount required to keep the option agreement in good standing.

Based on the initial working capital available and the expenditures assumed (as listed above), Cascadia expects to have funding for at least 12 months following completion of the Arrangement. See in this Appendix "I", "*Risk Factors — Additional Capital*". Cascadia intends to seek additional funding following the completion of the Arrangement to expand the work program at the Catch Property in 2023 to complete Phase 2 work identified in the Catch Technical Report, which would include a 2,500 m diamond drill program, however there can be no assurance that these additional funds will be secured.

While Cascadia currently intends to spend the funds available to it as stated in the table above, there may be circumstances where, for sound business reasons, Cascadia may reallocate the use of funds in order for

Cascadia to meet its business objectives. The above-noted allocation represents Cascadia's intention with respect to its use of available funds based on current knowledge and planning.

Business Objectives

Following completion of the Arrangement, Cascadia will have the main objectives of pursuing the advancement of the Cascadia Properties, as well as acquiring and exploring other properties, located mainly throughout Yukon and British Columbia that it considers to have potential for copper and gold discoveries. Cascadia's strategy will be to create shareholder value through the acquisition, exploration, advancement and development of mineral properties.

SELECTED FINANCIAL INFORMATION

Financial Statements

Included as Appendix "J" to this Circular are *Cascadia's Carve Out Financial Statements and Management's Discussion and Analysis* which comprise the carve-out financial statements for the audited financial years ended 2022 and 2021, comprised of carve-out statements of financial position, carve-out of net earnings (loss) and comprehensive income, carve-out statement of change in owner's net investment and carve-out statements of cash flow, and notes to such statements.

DESCRIPTION OF CASCADIA SECURITIES

Cascadia Shares

The authorized capital of Cascadia consists of an unlimited number of Cascadia Shares. Cascadia Shareholders are entitled to dividends, if, as and when declared by the Cascadia Board, to one vote per share at meetings of the shareholders of Cascadia and, upon liquidation, to receive such assets of Cascadia as are distributable to the holders of Cascadia Shares. The Cascadia Shares do not carry any pre-emptive, subscription, redemption, retraction, surrender or conversion or exchange rights, nor do they contain any sinking or purchase fund provisions.

Listing of Cascadia Shares

Cascadia has applied to have the Cascadia Shares listed on TSXV. Listing is subject to the approval of the TSXV in accordance with its original listing requirements. The TSXV has not conditionally approved Cascadia's listing application and there can be no assurances as to if, or when, the Cascadia Shares will be listed or traded on the TSXV, or on any other stock exchange.

As at the date of the Circular, there is no market through which the Cascadia Shares to be distributed pursuant to the Arrangement may be sold, and ATAC Shareholders may not be able to resell the Cascadia Shares distributed to them pursuant to the Arrangement. This may affect the pricing of the Cascadia Shares in the secondary market, the transparency and availability of trading prices, the liquidity of the Cascadia Shares, and the extent of the regulations to which Cascadia is subject. See in this Appendix "I", "*Risk Factors —No Assurance of Listing of Cascadia Shares*".

As at the date of the Circular, Cascadia does not have any of its securities listed or quoted, has not applied to list or to quote any of its securities, and does not intend to apply to list or quote any of its securities on a U.S. marketplace, or a marketplace outside Canada and the United States of America.

Cascadia Warrants

Cascadia anticipates that approximately 7.82 million Cascadia Warrants will be outstanding as of the Effective Date.

Each whole Cascadia Series 1 Warrant entitles the holder to acquire one Cascadia Share at an exercise price of $0.45 on or before March 31, 2024, while each whole Cascadia Series 2 Warrant entitles the holder to acquire one Cascadia Share at an exercise price of $0.49 before June 25, 2024.

The Cascadia Warrants will be evidenced by definitive Cascadia Warrant certificates (each a "**Cascadia Warrant Certificate**"). The Cascadia Warrant Certificates will provide for customary adjustment in the number of Cascadia Shares issuable upon the exercise of the Cascadia Warrants and/or the exercise price per Cascadia Warrant upon the occurrence of certain events.

No fractional Cascadia Shares will be issuable upon the exercise of any Cascadia Warrants and no cash or other consideration will be paid in lieu of fractional Cascadia Shares. Holders of Cascadia Warrants will not have any voting or pre-emptive rights or any other rights which a holder of Cascadia Shares would have.

The Cascadia Warrants and the Cascadia Shares issuable upon the exercise of the Cascadia Warrants have not been and will not be registered under the U.S. Securities Act or any state securities laws. The Cascadia Warrants will not be exercisable by, or on behalf of, a person in the United States or a U.S. person, nor will any certificates.

DIVIDEND POLICY

Cascadia has not paid dividends since its incorporation. While there are no restrictions precluding Cascadia from paying dividends, it has no source of cash flow and anticipates using all available cash resources towards its stated business objectives. At present, Cascadia's policy is to retain earnings, if any, to finance its business operations. The Cascadia Board will determine if and when dividends should be declared and paid in the future based on Cascadia's financial position at the relevant time.

PRIOR SALES

The following table contains the details of the prior sales of securities by Cascadia from incorporation to the date of the Circular:

Date	Initial Cascadia Shares	Issue Price
March 23, 2023	1	$1.00

Notes:
(1) Cascadia was incorporated on March 23, 2023.

PRINCIPAL SHAREHOLDERS OF CASCADIA

As of the date of the Circular, ATAC holds the Initial Cascadia Share representing 100% of the issued and outstanding Cascadia Shares. Upon completion of the Arrangement and pursuant to its terms, it is expected that 80.1% of the Cascadia Shares will be owned by former ATAC Shareholders (other than Dissenting Shareholders), and 19.9% of the Cascadia Shares will be owned by Hecla Mining Company. For further details with respect to the distribution of the Cascadia Shares on completion of the Arrangement, see in the Circular, "*Part 7 - The Arrangement", and in particular: "Arrangement Mechanics", "Treatment of ATAC Options", "Treatment of ATAC Warrants", "Fractional Interests", "Limitation and Proscription After Three Years" and "Part 14 - Risk Factors Relating to the Arrangement".*

Assuming completion of the Arrangement, to the knowledge of Cascadia's directors and officers, no person will beneficially own, directly or indirectly, or exercise control or direction over more than 10% of the then outstanding Cascadia Shares other than:

Name	Number of Cascadia Shares Assuming Completion of the Arrangement[(1)]	Percentage of Cascadia Shares Assuming Completion of the Arrangement[(1)]
Hecla Mining Company	5,502,957[(2)]	19.90%[(3)]

Notes:
(1) Information as to holdings of ATAC Shares and for the purpose of these calculations has been taken from the central securities registers of ATAC or from insider reports or other disclosure documents electronically filed with regulators and publicly available

through the Internet at the website for the Canadian System for Electronic Disclosure by Insiders (SEDI) at www.sedi.ca or SEDAR at www.sedar.com.

(2) The number of Cascadia Shares that will be owned by Hecla Mining Company or one of its affiliates following completion of the Arrangement is subject to adjustment if any ATAC Shareholders exercise their Dissent Rights, if any in-the-money ATAC options are exercised, and in connection with the elimination of fractional Cascadia Shares pursuant to the Plan of Arrangement.

(3) Assumes 22,150,094 Cascadia Shares issued and outstanding after completion of the Arrangement.

ESCROWED SECURITIES

As of the date of the Circular, no Cascadia Shares are held in escrow or are anticipated to be held in escrow following the Effective Date pursuant to the Arrangement Agreement and the Plan of Arrangement.

DIRECTORS AND OFFICERS OF CASCADIA

As of the date of the Circular, the sole director of Cascadia is Graham Downs. At the Effective Time, the proposed seven directors of Cascadia listed below are intended to be the directors of Cascadia. Each of the directors of Cascadia will hold office until the next annual general meeting of Cascadia Shareholders unless the director's office is earlier vacated in accordance with the articles of Cascadia or the director becomes disqualified to serve as a director.

The following table sets forth the name, province or state and country of residence, anticipated position with Cascadia, principal occupation and the pro forma number of voting securities beneficially owned, directly or indirectly, or over which control or direction is exercised, for the proposed directors and executive officers of Cascadia after giving effect to the Arrangement.

Name of Nominee, Residence, and Anticipated Position	**Principal Occupation**	**Pro Forma Number of Shares Beneficially Owned or Controlled**
Graham N. Downs British Columbia, Canada Proposed President, CEO, and Director	President and Chief Executive Officer of ATAC Resources Ltd.	37,037
Jasmine W.C. Lau British Columbia, Canada Proposed CFO	Chartered Professional Accountant; Chief Financial Officer of ATAC Resources Ltd. and other junior mining companies	3,125
Glenn R. Yeadon British Columbia, Canada Proposed Corporate Secretary	Barrister and Solicitor, Director and Corporate Secretary of ATAC Resources Ltd.	50,717
Adam B. Coulter British Columbia, Canada Proposed Vice President, Exploration	Geologist; Vice-President Exploration of ATAC Resources Ltd.	8,125
Andrew O. Carne British Columbia, Canada Proposed Vice President, Corporate Development	Engineer; Vice-President Corporate and Project Development of ATAC Resources Ltd.	32,800
Robert C. Carne British Columbia, Canada Proposed Chairman	Geologist; Chairman and Director of ATAC Resources Ltd.	188,712

James D. Gray British Columbia, Canada Proposed Director and Member of Audit Committee (Chair)	Chartered Professional Accountant; Managing Partner of De Visser Gray LLP	10,000
James Sabala Idaho, USA Proposed Director and Member of Audit Committee	Retired businessman; director of Thunder Mountain Gold, Inc. and Dolly Varden Silver Corporation; former CFO and Senior VP of Hecla	0
Kurt Allen Washington, USA Proposed Director	Vice President - Exploration for Hecla	0
Maureen Upton Colorado, USA Proposed Director and Member of Audit Committee	Principal, Maureen Upton Ltd.	0
Bruce A. Youngman British Columbia, Canada Proposed Director	Director of each of Strategic Metals Ltd., Rockhaven Resources Ltd., Silver Range Resources Ltd. and Pacific Ridge Explorations Ltd.	16,000

Management of Cascadia

The following is a brief description of the background and experience of each proposed member of the Cascadia management team and Cascadia Board. Unless otherwise specified, the organizations named in the descriptions below are still carrying on business.

Name	Biography
Graham N. Downs Proposed President and Chief Executive Officer, and Director	Graham Downs began his career in the mineral exploration industry over 25 years ago with Archer, Cathro & Associates (1981) Limited, a consulting geological engineering firm focused in Yukon. He held a number of positions within Archer, Cathro ranging from prospecting to managing early and advanced stage exploration programs. He transitioned his field experience into marketing and communications for a number of junior resource companies before focusing on business development including financing and property transactions. In 2007, he was appointed CEO of ATAC Resources Ltd. and in 2015 he was made President. Since that time, ATAC has successfully advanced its project generator model to solely focus on its flagship Rackla Gold Project, which hosts Canada's first Carlin-type gold district. He is also a director of Trifecta Gold Ltd and Arcus Development Inc.
Jasmine W.C. Lau, CPA, BCom. Proposed CFO	Jasmine Lau is a member of the Chartered Professional Accountants of British Columbia and has an extensive background in the resource sector. Jasmine has served as CFO and controller of several public exploration companies with projects throughout the world. In addition to her experience working with junior resource companies, Jasmine worked at Teck Resources Ltd. as a SOX Auditor. Prior to Teck Resources Ltd., Jasmine worked for Deloitte & Touche LLP's Vancouver Assurance & Advisory group where she focused on audits of public mining and resource companies. Jasmine earned a

Name	Biography
	Bachelor of Commerce from the University of British Columbia.
Glenn R. Yeadon Proposed Corporate Secretary	Glenn R. Yeadon is a barrister and solicitor in British Columbia, practicing mainly in the field of securities law. He has been associated in the practice of law with Tupper, Jonsson & Yeadon and predecessor firms since 1980. He obtained a Bachelor of Commerce from the University of British Columbia in 1975, and a Bachelor of Laws from the University of British Columbia in 1976. He has been a director and an officer of a number of reporting issuers for many years.
Adam B. Coulter, M.Sc., P.Geo. Vice President, Exploration	Mr. Coulter is a Professional Geoscientist registered in British Columbia and holds a Masters of Science in Geology and a Bachelor of Science (Honours) in Geology from the University of Western Ontario. Adam has worked as an exploration geologist in Canada and the United States since 2012, concentrating in precious metals, base metals and diamonds from grassroots exploration through to production. Adam has been working in Yukon with ATAC since 2017 as part of the core technical team who designed and implemented large exploration programs and advanced the Osiris Project through to the maiden resource.
Andrew O. Carne, M.Eng., P.Eng. Vice President, Corporate Development	Mr. Carne is a Professional Engineer registered in British Columbia and holds a Masters of Engineering in Project and Construction Management and a Bachelor of Applied Science in Materials Engineering from the University of British Columbia. Andrew has worked in the mineral exploration and development industry in Canada continuously since 2012. Andrew started his career with a geological consulting company, Archer, Cathro & Associates (1981) Limited, before joining ATAC Resources Ltd. in 2020 as their VP Corporate & Project Development. Andrew also currently sits as the Vice President of the Yukon Chamber of Mines.
Robert C. Carne, M.Sc., P.Geo. Proposed Chairman	Mr. Carne is a Professional Geoscientist registered in British Columbia. He obtained a Bachelor of Science (Geology) degree from the University of British Columbia in 1974, and a Master of Science (Geology) degree from the University of British Columbia in 1979. He has been a geologist with Archer, Cathro & Associates (1981) Limited since 1977 and a principal from 1981 to 2002. Rob has been actively involved in mineral exploration, principally in the Yukon since 1972, and he has authored or co-authored a number of technical papers on Yukon mineral deposits. He has served as a director and officer of numerous public companies on the TSX Venture Exchange since the mid-1980's.
James D. Gray, CPA, CA Proposed Director and Member of Audit Committee (Chair)	Mr. James (Jim) Gray is the managing partner of De Visser Gray LLP located in Vancouver, BC. Mr. Gray practices as a personal and corporate tax generalist and has extensive experience in accounting and audit engagements involving junior resource issuers and not-for-profit organizations. Mr. Gray is also the firm's representative on the CPABC's Public Company Technical Forum, which liaises with and advises senior staff of the BC Securities Commission. In a volunteer capacity, Jim served as Treasurer of the Association for Mineral Exploration British Columbia ("**AME**") from 2004 to 2019 and for a total of 11 years was a founding director and Secretary-Treasurer of Geoscience BC. For his service to AME, Jim received that organization's Gold Pan Award for 2008. Mr. Gray is also a director of Arcus Development Group Inc.

Name	Biography
James Sabala Proposed Director and Member of Audit Committee	Mr. James (Jim) Sabala is an experienced mining professional. Over his 40 year career, Mr. Sabala held the positions of Senior Vice President and Chief Financial Officer of Hecla, Executive Vice President and Chief Financial Officer of Coeur d'Alene Mines Corporation, as well as the Vice President-Chief Financial Officer of Stillwater Mining Company. Mr. Sabala also serves as a director of Dolly Varden Silver and Thunder Mountain Gold and has previously served as a director of Arch Coal and Coeur d'Alene Mines Corporation. Mr. Sabala graduated from the University of Idaho with a B.S. Business, Summa Cum Laude in 1978.
Kurt D. Allen Proposed Director	Kurt D. Allen is the Vice President - Exploration for Hecla. Mr. Allen has held various geology positions with Hecla in both exploration and operations including Director of Exploration, Director of New Projects, Chief Geologist and Exploration Manager at Hecla's San Sebastian Mine in Durango, Mexico. Mr. Allen has over 35 years of exploration and operations experience in the mining industry. Mr. Allen is registered as Certified Professional Geologist (CPG) with the American Institute of Professional Geologists (AIPG).
Maureen Upton, MBA Proposed Director and Member of Audit Committee	Ms. Upton is an expert in environmental, social and governance ("**ESG**") practices, working for over 20 years with multinational mining corporations and financial institutions on ESG strategy, implementation, and measurement. Since 2017 she has been a member of Women Corporate Directors, the world's largest membership organization of women corporate board directors. Ms. Upton continues to advise executive management on ESG strategies, and is an independent director for the exchange-traded funds (ETFs) of Janus Henderson Investors. In addition to her ESG consulting, she has served as Sustainability Advisor to the World Gold Council, Director of Public Affairs and Communications at Newmont Mining Corporation and Principal Consultant for Sustainability & Economics at SRK Consulting. She holds both an MBA in Finance and a Master of International Affairs in Economic Policy from Columbia University.
Bruce A. Youngman, B.Sc. Proposed Director	Mr. Youngman has over 35 years of experience in the minerals industry. From 2008 to 2010, he was President and Chief Operating Officer of Canplats Resources Corporation, during which time the four-million-ounce Camino Rojo deposit in Mexico was outlined and the company was acquired by Goldcorp for $300 million. He previously held senior positions with Northern Dynasty Minerals Ltd., including President, Vice President and Director, and was closely involved in the acquisition and expansion of the Pebble gold-copper-porphyry project in Alaska. Mr. Youngman graduated with a Bachelor of Science degree in geology from the University of British Columbia.

Corporate Cease Trade Orders, Bankruptcies, Penalties or Sanctions

As at the date of the Circular, no proposed director or executive officer of Cascadia is, or within the 10 years prior to the date of the Circular has been, a director, chief executive officer or chief financial officer of any company (including Cascadia), that:

(a) While that person was acting in that capacity was subject to:

(i) a cease trade order (including any management cease trade order which applied to directors or executive officers of a company, whether or not the person is named in the order), or

(ii) an order similar to a cease trade order, or

(iii) an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days; or

(b) was subject to an order under (a)(iii) that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

Except as described below, to the knowledge of Cascadia, as at the date of the Circular, no proposed director, executive officer, or shareholder holding a sufficient number of securities of Cascadia to affect materially the control of Cascadia is, or within the 10 years prior to the date of the Circular has:

(a) been a director or executive officer of any company (including Cascadia) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or

(b) become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver manager or trustee appointed to hold the assets of the director, executive officer or shareholder.

Mr. Sabala served as a director of Arch Coal (NYSE:ACI) ("**Arch**") commencing February of 2015. On January 11, 2016, Arch and substantially all of its wholly-owned domestic subsidiaries filed voluntary petitions for reorganisation under Chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the Eastern District of Missouri. Arch and the ad hoc creditor group agreed to the principal terms of a Chapter 11 plan of reorganisation, which was subject to approval by the Bankruptcy Court. On July 8, 2016, the United States Bankruptcy Court for the Eastern District of Missouri approved the Disclosure Statement filed in connection with Arch's proposed Plan of Reorganisation. With this approval, Arch solicited approval of the Plan of Reorganisation from its creditors. A hearing to consider confirmation of the Plan of Reorganisation by the Bankruptcy Court was held on September 13, 2016. Arch emerged from reorganisation on October 1, 2016 and Mr. Sabala's tenure as a director ended.

To the knowledge of Cascadia, as at the date of the Circular, no proposed director, executive officer, or shareholder holding a sufficient number of securities of Cascadia to affect materially the control of Cascadia has been subject to:

(a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or

(b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

Conflicts of Interest

There are potential conflicts of interest to which the directors and officers of Cascadia will be subject in connection with the business of Cascadia. In particular, certain of the proposed directors and/or officers of Cascadia serve as directors and/or officers of other companies that are similarly engaged in the business of acquiring, developing and exploiting natural resource properties and whose business may, from time to time, be in direct or indirect competition with Cascadia. Such associations may give rise to conflicts of interest from time to time. The directors of Cascadia are required by law to act honestly and in good faith with a view to the best interests of Cascadia and to disclose any interest, which they may have in any project opportunity of Cascadia. Conflicts, if any, will be subject to and governed by laws applicable to directors' and officers' conflicts of interest, including the procedures and remedies available

under the BCBCA. The BCBCA provides that, in the event that a director has an interest in a contract or proposed contract or agreement, the director shall disclose his interest in such contract or agreement and shall refrain from voting on any matter in respect of such contract or agreement unless otherwise provided by the BCBCA. As at the date of the Circular, Cascadia is not aware of any existing or potential material conflicts of interest between Cascadia and any current or proposed director or officer of Cascadia. See in this Appendix "I", "*Risk Factors — Conflicts of Interest*".

EXECUTIVE COMPENSATION

For purposes of this section, the terms "**Named Executive Officers**" or "**NEO**" refer to each of the following individuals:

(a) a chief executive officer ("**CEO**") of the corporation;

(b) a chief financial officer ("**CFO**") of the corporation;

(c) each of the corporation's three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than $150,000; and

(d) each individual who would be an NEO under paragraph (c) above but for the fact that the individual was neither an executive officer of the corporation, nor acting in a similar capacity, at the end of that financial year.

Compensation Discussion and Analysis

It is expected that the Cascadia Board will have a compensation and nomination committee (the "**Cascadia Compensation Committee**") that will be responsible for ensuring that Cascadia has in place an appropriate plan for executive compensation and for making recommendations to the Cascadia Board with respect to the compensation of Cascadia's executive officers. It is expected that the Cascadia Compensation Committee will ensure that total compensation paid to all NEOs is fair and reasonable and is consistent with Cascadia's compensation philosophy.

Compensation plays an important role in achieving short and long-term business objectives that ultimately drive business success. Cascadia's compensation philosophy will be to foster entrepreneurship at all levels of the organization through, among other things, the granting of securities-based awards, which will be a significant component of executive compensation. This approach is based on the assumption that the performance of the Cascadia Share price over the long-term is an important indicator of long-term performance.

It is expected that Cascadia's compensation philosophy will be based on the following fundamental principles:

(a) Compensation programs align with shareholder interests – Cascadia aligns the goals of executives with maximizing long term shareholder value;

(b) performance sensitive – compensation for executive officers should be linked to operating and market performance of Cascadia and fluctuate with the performance; and

(c) offer market competitive compensation to attract and retain talent – the compensation program should provide market competitive pay in terms of value and structure in order to retain existing employees who are performing according to their objectives and to attract new individuals of the highest caliber.

The objectives of the compensation program in compensating all NEOs will be developed based on the above-mentioned compensation philosophy and will be as follows:

- to attract and retain highly qualified executive officers;

- to align the interests of executive officers with shareholders' interests and with the execution of the Cascadia's business strategy;
- to evaluate executive performance on the basis of key measurements that correlate to long-term shareholder value; and
- to tie compensation directly to those measurements and rewards based on achieving and exceeding predetermined objectives.

Aggregate compensation for each NEO will be designed to be competitive. The Cascadia Compensation Committee will review from time to time the compensation practices of similarly situated companies when considering Cascadia's executive compensation policy. Although the Cascadia Compensation Committee will review each element of compensation for market competitiveness, and it may weigh a particular element more heavily based on the NEO's role within Cascadia, it will be primarily focused on remaining competitive in the market with respect to total compensation.

From time to time, on an ad hoc basis, the Cascadia Compensation Committee will review data related to compensation levels and programs of various companies that are similar in size to Cascadia and operate within the mining exploration and development industry. The Cascadia Compensation Committee will also rely on the experience of its members as officers and/or directors at other companies in similar lines of business as Cascadia in assessing compensation levels.

Aligning the Interests of the NEOs with the Interests of the Cascadia Shareholders

Cascadia believes that transparent, objective and easily verified corporate goals, combined with individual performance goals, play an important role in creating and maintaining an effective compensation strategy for the NEOs. Cascadia's objective will be to establish benchmarks and targets for its NEOs which, if achieved, will enhance shareholder value. A combination of fixed and variable compensation will be used to motivate executives to achieve overall corporate goals. The three basic components of Cascadia's executive officer compensation program will be:

- fixed salary;
- annual incentives (cash bonus); and
- security based compensation.

Fixed salary will comprise a portion of the total cash-based compensation; however, annual incentives and security based compensation arrangements represent compensation that is "at risk" and thus may or may not be paid to the respective executive officer depending on: (i) whether the executive officer is able to meet or exceed his or her applicable performance targets; and (ii) market performance of the Cascadia Shares. No specific formulae have been developed to assign a specific weighting to each of these components. Instead, the Cascadia Board will consider each performance target and Cascadia's performance and assigns compensation based on this assessment and the recommendations of the Cascadia Compensation Committee.

Base Salary

The Cascadia Compensation Committee and the Cascadia Board will approve the salary ranges for the NEOs. The base salary review for each NEO will be based on assessment of factors such as current competitive market conditions, compensation levels within compensation practices of similarly situated companies and particular skills, such as leadership ability and management effectiveness, experience, responsibility and proven or expected performance of the particular individual. Cascadia may consider comparative data for corporation's peer group which would be accumulated from a number of external sources including independent consultants. Cascadia's policy for determining salary for executive officers will be consistent with the administration of salaries for all other employees. As of the date of the Circular, Cascadia has not paid any salaries.

Annual Incentives

To date, Cascadia has not awarded any annual incentives by way of cash bonuses. However, Cascadia, in its discretion, may award such incentives in order to motivate executives to achieve short-term corporate goals. The Cascadia Compensation Committee and the Cascadia Board will approve annual incentives.

The success of NEOs in achieving their individual objectives and their contribution to Cascadia in reaching its overall goals are to be factors in the determination of their annual bonus. The Cascadia Compensation Committee shall assess each NEO's performance on the basis of his or her respective contribution to the achievement of the predetermined corporate objectives, as well as to needs of Cascadia that arise on a day to day basis. This assessment will be used by the Cascadia Compensation Committee in developing its recommendations to the Cascadia Board with respect to the determination of annual bonuses for the NEOs. Where the Cascadia Compensation Committee cannot unanimously agree, the matter will be referred to the full Cascadia Board for decision. The Cascadia Board will rely heavily on the recommendations of the Cascadia Compensation Committee in granting annual incentives.

Security-Based Awards

Subject to shareholder approval, following completion of the Arrangement, Cascadia will have a mechanism pursuant to which awards may be granted by Cascadia to its directors, NEOs, executive officers and key employees. This mechanism is the Cascadia Omnibus Equity Incentive Plan, which will be implemented when the Cascadia Shares are listed on the TSXV or another stock exchange.

Cascadia Omnibus Equity Incentive Plan

The Omnibus Equity Incentive Plan will (if approved) serve as a long-term incentive plan, pursuant to which Options, RSUs, DSUs, PSUs, and SARs may be granted to senior officers of Cascadia, including the Named Executive Officers, directors of Cascadia and certain employees, consultants and contractors of Cascadia. The purposes of the Cascadia Omnibus Equity Incentive Plan are: (i) to promote a significant alignment between officers of Cascadia and employees of the Cascadia and its affiliates and the growth objectives of Cascadia; (ii) to associate a portion of participating employees' compensation with the performance of Cascadia over the long term; and (iii) to attract, motivate and retain the critical employees to drive the business success of Cascadia. For a summary of the Omnibus Incentive Plan, see "*Part 23 – Cascadia Omnibus Incentive Plan – Particulars of the Omnibus Incentive Plan*" of this Circular. For the full text of the Omnibus Incentive Plan, see Schedule A to this Appendix "I".

Compensation of Executives

As at the date of the Circular, no remuneration or other compensation has been paid or provided by Cascadia to its executive officers for their services.

The Cascadia Board will approve targeted amounts of annual incentives for each NEO at the beginning of each financial year. The targeted amounts will be determined by the Cascadia Compensation Committee based on a number of factors, including comparable compensation of similar companies.

Achieving predetermined individual and/or corporate targets and objectives, as well as general performance in day-to-day corporate activities, will trigger the award of a bonus payment to the NEOs. The NEOs will receive a partial or full incentive payment depending on the number of the predetermined targets met and the Cascadia Compensation Committee's and the Cascadia Board's assessment of overall performance. The determination as to whether a target has been met will ultimately be made by the Cascadia Board and the Cascadia Board will reserve the right to make positive or negative adjustments to any bonus payment if they consider them to be appropriate.

At or prior to the date of this Circular, Cascadia has not entered into employment contracts with any NEOs and that compensation for certain NEOs will be determined prior to the completion of the Arrangement.

Compensation Risk Considerations

The Cascadia Compensation Committee will be responsible for considering, establishing and reviewing executive compensation programs, and whether the programs encourage unnecessary or excessive risk taking. Cascadia

anticipates the programs will be balanced and do not motivate unnecessary or excessive risk taking. Cascadia does not currently have a policy that restricts its directors or NEOs from purchasing financial instruments, including, for greater certainty, prepaid variable forward contracts, equity swaps, collars, or units of exchange funds that are designed to hedge or offset a decrease in market value of equity. However, to the knowledge of Cascadia, as of the date of hereof, no director or NEO of Cascadia has participated in the purchase of such financial instruments.

Base salaries will be fixed in amount and will not encourage risk taking. While annual incentive awards will focus on the achievement of short-term or annual goals and short-term goals may encourage the taking of short-term risks at the expense of long term results, Cascadia's annual incentive award program will represent a small percentage of employees' compensation opportunities. Annual incentive awards will be based on various personal and company-wide achievements. Such performance goals are subjective and include achieving individual and/or corporate targets and objectives, as well as general performance in day-to-day corporate activities which would trigger the award of a bonus payment to the NEO. The determination as to whether a target has been met will ultimately be made by the Cascadia Board (after receiving recommendations of the Cascadia Compensation Committee) and the Cascadia Board will reserve the right to make positive or negative adjustments to any bonus payment if they consider them to be appropriate. Funding of the annual incentive awards will be capped at the company level and the distribution of funds to the executive officers will be at the discretion of the Cascadia Compensation Committee.

Awards granted under the Omnibus Incentive Plan are important to further align employees' interests with those of the Cascadia Shareholders. The ultimate value of the Awards is tied to the price of the Cascadia Shares and since awards are expected to be staggered and subject to long-term vesting schedules, they will help ensure that NEOs have significant value tied in long-term stock price performance.

Compensation of Directors

No remuneration has been paid to the sole director for their services as director to the date hereof.

As of the date of this Circular, Cascadia has not established an annual retainer fee, attendance fees or other fees for directors. Cascadia expects to establish directors' fees in the future and will reimburse directors for all reasonable expenses incurred in order to attend meetings and in connection with their service as directors. It is anticipated that the Cascadia directors' fees and reimbursements will be comparable to those currently paid by ATAC or as the Cascadia Board otherwise determines to be appropriate, from time to time. In addition, each of the directors will be entitled to participate in the Cascadia Omnibus Equity Incentive Plan as more fully described under the heading "*Options and Other Rights to Purchase Securities of Cascadia*" in this Appendix "I".

OPTIONS AND OTHER RIGHTS TO PURCHASE SECURITIES OF CASCADIA

Cascadia Omnibus Equity Incentive Plan

Cascadia will adopt the Omnibus Incentive Plan, subject to its ratification and confirmation by ATAC Shareholders at the Meeting. If the Omnibus Incentive Plan Resolution is not approved at the Meeting, or if the Arrangement is not completed, the Omnibus Incentive Plan will not be implemented. For the full text of the Omnibus Incentive Plan Resolution, see Appendix "M" to this Circular.

The material terms of the Omnibus Incentive Plan are described in see "*Part 23 – Cascadia Omnibus Incentive Plan – Particulars of the Omnibus Incentive Plan*" of this Circular. If approved, the Omnibus Incentive Plan will be implemented if and when the Cascadia Shares are listed on the TSXV or another stock exchange. The Cascadia Board does not intend to grant any options or other securities-based compensation prior to the listing of the Cascadia Shares on the TSXV or other stock exchange.

Cascadia Warrants

Pursuant to the Arrangement, Cascadia will issue Cascadia Warrants to former holders of ATAC Warrants. The following table sets out the anticipated number of Cascadia Warrants to be issued (subject to rounding) and their respective exercise price and expiry dates:

Series	Number of Warrants	Exercise Price	Expiry Date
Series 1 Warrants	1,394,487	$0.45	March 31, 2024
Series 2 Warrants	925,947	$0.49	June 25, 2024

In addition, Hecla will acquire 5,502,957 Cascadia Warrants pursuant to the Hecla Financing (the "**Hecla Warrants**"). The Hecla Warrants will entitle Hecla to acquire 5,502,957 common shares of Cascadia at a price of $0.36 per share for a period of five years following the closing date of the Arrangement.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

None of the current or proposed directors or officers of Cascadia, nor any affiliate or associate of the current or proposed directors or officers of Cascadia, is or was indebted to Cascadia or to another entity which is the subject of a guarantee support agreement, letter of credit, or other similar arrangement or undertaking provided by Cascadia entered into in connection with a purchase of securities or otherwise at any time since its incorporation.

AUDIT COMMITTEE

The audit committee of Cascadia (the "**Cascadia Audit Committee**") will be responsible for monitoring Cascadia's accounting and financial reporting practices and procedures, the adequacy of internal accounting controls and procedures, the quality and integrity of financial statements and for directing the auditors' examination of specific areas. All of the members of the Cascadia Audit Committee will be "independent" directors as defined in NI 52-110 and the initial members of the Cascadia Audit Committee will be James Gray, Maureen Upton and James Sabala. Each member of the Cascadia Audit Committee will be considered to be "financially literate" within the meaning of NI 52-110 which includes the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of Cascadia's financial statements. The Cascadia Board intends to adopt a charter for the Cascadia Audit Committee prior to the Effective Time.

Relevant Education and Experience

The relevant education and experience of each of the proposed members of the Cascadia Audit Committee is as follows:

Name of Member	Biography
James D. Gray, Chair (Independent)	Mr. James (Jim) Gray is the managing partner of De Visser Gray LLP located in Vancouver, BC. Mr. Gray practices as a personal and corporate tax generalist and has extensive experience in accounting and audit engagements involving junior resource issuers and not-for-profit organizations. Mr. Gray is also the firm's representative on the CPABC's Public Company Technical Forum, which liaises with and advises senior staff of the BC Securities Commission.
Maureen Upton (Independent)	Ms. Upton is an expert in environmental, social and governance ("**ESG**") practices, working for over 20 years with multinational mining corporations and financial institutions on ESG strategy, implementation, and measurement. Since 2017 she has been a member of Women Corporate Directors, the world's largest membership organization of women corporate board directors. Ms. Upton continues to advise executive management on ESG strategies, and is an Independent Director for the exchange-traded funds (ETFs) of Janus Henderson Investors. In addition to her ESG consulting, she has served as Sustainability Advisor to the World Gold Council, Director of Public Affairs and Communications at Newmont Mining Corporation and Principal Consultant for

Name of Member	Biography
	Sustainability & Economics at SRK Consulting. She holds both an MBA in Finance and a Master of International Affairs in Economic Policy from Columbia University.
James Sabala (Independent)	Mr. Sabala is an experienced mining professional. Over his 40 year career, Mr. Sabala held the positions of Senior Vice President and Chief Financial Officer of Hecla, Executive Vice President and Chief Financial Officer of Coeur d'Alene Mines Corporation, as well as the Vice President-Chief Financial Officer of Stillwater Mining Company. Mr. Sabala also serves as a director of Dolly Varden Silver and Thunder Mountain Gold and has previously served as a director of Arch Coal and Coeur d'Alene Mines Corporation. Mr. Sabala graduated from the University of Idaho with a B.S. Business, Summa Cum Laude in 1978.

All three members of the Cascadia Audit Committee are financially literate and have experience and education that are relevant to the performance of their responsibilities as a member of the Cascadia Audit Committee. The three members of the Cascadia Audit Committee are considered independent.

Pre-Approval Policies and Procedures

The Cascadia Audit Committee shall pre-approve all audit and non-audit services not prohibited by law to be provided by the independent auditors of Cascadia.

CORPORATE GOVERNANCE

Policy Statement 58-201 to *Corporate Governance Guidelines* sets out a series of guidelines for effective corporate governance (the "**Guidelines**"). The Guidelines address matters such as the constitution and independence of corporate boards, the functions to be performed by boards and their committees and the effectiveness and education of board members. NI 58-101 requires the disclosure by each listed corporation of its approach to corporate governance with reference to the Guidelines as it is recognized that the unique characteristics of individual corporations will result in varying degrees of compliance.

Set out below is a description of Cascadia's intended approach to corporate governance in relation to the Guidelines.

The Board of Directors

NI 58-101 defines an "independent director" as a director who has no direct or indirect material relationship with the corporation. A "material relationship" is in turn defined as a relationship which could, in the view of the Cascadia Board, be reasonably expected to interfere with such member's independent judgment. At the Effective Time, the Board is expected to be comprised of seven members, five of whom the Cascadia Board has determined will be "independent directors" within the meaning of NI 58-101.

At the Effective Time, of Cascadia's proposed directors, James Gray, Maureen Upton, Bruce Youngman, James Sabala and Kurt Allen will be considered independent directors since they are each independent of management and free from any material relationship with Cascadia. The basis for this determination is that, since the date of incorporation of Cascadia, none of the independent directors have worked for Cascadia, received remuneration from Cascadia or had material Contracts with or material interests in Cascadia which could interfere with their ability to act with a view to the best interests of Cascadia. Graham Downs is not an independent director since he will be an officer of Cascadia. Robert Carne is not an independent director since he will be the chairman of Cascadia.

The Cascadia Board believes that it will function independently of management. To enhance its ability to act independent of management, the Cascadia Board may in the future meet in the absence of members of management or

may excuse such persons from all or a portion of any meeting where an actual or potential conflict of interest arises or where the Cascadia Board otherwise determines is appropriate.

Directorships

Certain of the proposed directors of Cascadia are also current directors of other reporting issuers (or equivalent) in a jurisdiction or a foreign jurisdiction as follows:

Director	**Other Issuers**
Robert C. Carne	None
Graham N. Downs	Trifecta Gold Ltd., Arcus Development Inc.
James D. Gray	Arcus Development Inc.
James Sabala	Dolly Varden Silver Corporation and Thunder Mountain Gold, Inc.
Kurt Allen	None
Maureen Upton	None
Bruce A. Youngman	Strategic Metals Ltd., Silver Range Resources Ltd., Rockhaven Resources Ltd. and Pacific Ridge Exploration Ltd.

Orientation and Continuing Education

While Cascadia currently has no formal orientation and education program for new Cascadia Board members, it is expected that sufficient information (such as recent financial statements, technical reports and various other operating, property and budget reports) will be provided to all new members of the Cascadia Board to ensure that new directors are familiarized with Cascadia's business and the procedures of the Cascadia Board. In addition, new directors will be encouraged to visit and meet with management on a regular basis. Cascadia will also encourage continuing education of its directors and officers where appropriate in order to ensure that they have the necessary skills and knowledge to meet their respective obligations to Cascadia. The Cascadia Board's continuing education will also consist of correspondence with Cascadia's legal counsel to remain up to date with developments in relevant corporate and securities' law matters.

Ethical Business Conduct

A director, in the exercise of his or her functions and responsibilities, must act with complete honesty and good faith in the best interest of Cascadia. He or she must also act in accordance with the applicable laws, regulations and policies.

In the event of a conflict of interest, a director is required to declare the nature and extent of any material interest he or she has in any important contract or proposed contract of Cascadia, as soon as he or she has knowledge of the agreement or of Cascadia's intention to consider or enter into the proposed contract and in such a case, the director shall abstain from voting on the subject.

Cascadia will adopt a code of ethics and business conduct for directors, officers and employees of Cascadia (the "**Code of Ethics**"). Consultants and suppliers of goods and services will be also required to comply with the provisions of the Code of Ethics.

Board Committees

The Cascadia Board will have two standing committees: the Cascadia Audit Committee and the Cascadia Compensation Committee. The proposed members of these committees are in Appendix "I" under the heading "*Audit*

Committee" above, and under the heading "*Compensation Committee*". The Cascadia Board intends to adopt a charter for the Cascadia Audit Committee and for the Cascadia Compensation Committee prior to the Effective Time.

Nomination of Directors

The responsibility for identifying new candidates to join the Cascadia Board will belong to the Cascadia Board as a whole. The Cascadia Board will encourage all directors to participate in the process of identifying and recruiting new candidates. The Cascadia Compensation Committee will have the responsibility of making recommendations to the Cascadia Board with respect to the new nominees and for assessing directors on an on-going basis. While there are no specific criteria for Cascadia Board membership, Cascadia will seek to attract and retain directors with business knowledge and a particular expertise in mineral exploration and development or other areas of specialized knowledge (such as finance) which will assist in guiding the officers of Cascadia. The initial members of the Cascadia Compensation Committee will be determined prior to the Effective Date. See in this Appendix "I", "*Executive Compensation"* and *"— Compensation*".

Compensation Committee

The Cascadia Compensation Committee will be responsible for assisting Cascadia in determining compensation of senior management as well as reviewing the adequacy and form of the directors' compensation and will ensure that the levels of compensation of the Cascadia Board reflect the responsibilities, time commitment and risks involved in being an effective director. The Cascadia Compensation Committee is expected to annually review the annual goals and objectives of Cascadia's senior executives and to perform an appraisal of their performance for the previous financial year. The Cascadia Compensation Committee will also administer and make recommendations regarding the operation of the Cascadia's incentive plans. See in this Appendix "I", "*Executive Compensation"* and *"— Compensation*".

Audit Committee

On or before the Effective Date, Cascadia will establish the Cascadia Audit Committee comprised of directors considered to be independent and financially literate in accordance with applicable securities laws. The Cascadia Board intends to adopt a charter for the Cascadia Audit Committee prior to the Effective Time. The initial members of the Cascadia Audit Committee will be James Gray (Chair), Maureen Upton and James Sabala.

Other Board Committees

Other than the Cascadia Audit Committee and the Cascadia Compensation Committee, it is not anticipated that Cascadia will have any additional committees immediately following the Effective Time. The Cascadia Board may, however, establish additional committees after the Effective Time, depending on the needs of Cascadia.

The Cascadia Board does not intend to adopt a written formal mandate describing the Cascadia Board's duties, responsibilities and role as well as the Cascadia's expectations of individual directors and of management.

Primary Role and Objectives

The mandate of the Cascadia Board will be to supervise the management of the business and affairs of Cascadia. The Cascadia Board will monitor the manner in which Cascadia will conduct its business as well as the senior management responsible for the day-to-day operations of Cascadia. The Cascadia Board will set Cascadia's policies, assesses their implementation by management and reviews the results.

The Cascadia Board's fundamental objectives will be to enhance and preserve long-term shareholder value and to ensure that Cascadia will conduct business in an ethical and safe manner, having regard for the legitimate interests of its stakeholders.

The Cascadia Board, either directly or through one of its committees, will assume specific responsibility for the following five matters: (i) the adoption of a strategic planning process; (ii) the identification of the principal risks of Cascadia's business and the implementation of appropriate systems to effectively manage these risks; (iii) the

appointing, training, evaluation and monitoring of senior management as well as planning for their succession; (iv) communications with shareholders and the public at large; and (v) the integrity of Cascadia's internal control and management information systems. At the end of each fiscal year, the Cascadia Board will receive, analyse and, where appropriate, approve a yearly plan of action and budget submitted by the president and chief executive officer of Cascadia for the following fiscal year. Throughout the fiscal year, the Board will receive periodic reports from the president and chief executive officer and other senior executives to monitor Cascadia's performance with reference to the adopted budget. Cascadia periodically will review its strategic plan in light of developments in the mining industry and Cascadia's development. In addition to decisions requiring formal approval by the Cascadia Board pursuant to the law or Cascadia's Articles and By-laws, the Cascadia Board will make all important decisions concerning, among other things, major investments and significant divestitures.

Assessments

Given its early stage of development, the Cascadia Board will not initially take any formal steps to assess the performance of the Cascadia Board or its committees. The Cascadia Board will consider Cascadia Board and committee performance, from time to time, as required.

RISK FACTORS

There are a number of risks that may have a material and adverse impact on the future operating and financial performance of Cascadia and could cause Cascadia's operating and financial performance to differ materially from the estimates described in forward-looking statements related to Cascadia. These include widespread risks associated with any form of business and specific risks associated with Cascadia's business and its involvement in the mineral exploration and development industry. An investment in the Cascadia Shares, as well as Cascadia's prospects, are highly speculative due to the high-risk nature of its business and the present stage of its operations. Shareholders of Cascadia may lose their entire investment. The risks described below are not the only ones facing Cascadia. Additional risks not currently known to Cascadia, or that Cascadia currently deems immaterial, may also impair Cascadia's business or operations. If any of the following risks actually occur, Cascadia's business, financial condition, operating results and prospects could be adversely affected.

ATAC Shareholders should consult with their professional advisors to assess the Arrangement and their resulting investment in Cascadia. In evaluating Cascadia and its business and whether to vote in favour of the Arrangement, ATAC Shareholders should carefully consider, in addition to the other information contained in the Circular and this Appendix "I", the risk factors which follow, as well as the risks associated with the Arrangement (see "*Part 14 – Risk Factors Relating to the Arrangement*" of the Circular.). These risk factors may not be a definitive list of all risk factors associated with the Arrangement, an investment in Cascadia or in connection with Cascadia's business or operations.

Commodity Prices

The price of Cascadia's securities, its financial results, and its access to the capital required to finance its exploration activities may in the future be adversely affected by declines in the price of precious and base metals and, in particular, the prices of copper or gold. Metal prices fluctuate widely and are affected by numerous factors beyond Cascadia's control such as the sale or purchase of metals by various dealers, central banks and financial institutions, interest rates, exchange rates, inflation or deflation, currency exchange fluctuation, global and regional supply and demand, production and consumption patterns, speculative activities, increased production due to improved mining and production methods, government regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals, environmental protection, and international political and economic trends, conditions and events. If these or other factors adversely affect the price of copper or gold, the market price of Cascadia's securities may decline.

Project Risk

The ability of Cascadia to successfully explore its properties and find sufficient mineral resources and reserves to consider mine development, and there after sustain or increase levels of production will be dependent in part on the success of its exploration work. The only material project contemplated for exploration at this time is the Catch

Property. However, this project may not proceed, and other projects may arise. Risks and unknowns inherent in all projects include, but are not limited to, the accuracy of resource and reserve estimates; metallurgical recoveries; geotechnical and other technical assumptions; capital and operating costs of such projects; the future price of metals; and scoping of major projects including delays, aggressive schedules and unplanned events and conditions. The significant capital expenditures and long time period required to explore for and develop new mines or other projects are considerable and changes in costs and market conditions or unplanned events or construction schedules can affect project economics. Actual costs and economic returns may differ materially from Cascadia's estimates or Cascadia could fail or be delayed in obtaining the governmental approvals necessary for the execution of a project, in which case, the project may not proceed either on its original timing or at all.

Cascadia may be unable to develop projects that demonstrate attractive economic feasibility at low metal prices. The number of projects in the future may outweigh Cascadia's capital, financial and staffing capacity restricting the ability to concurrently execute multiple projects and adversely affecting the potential timing of when those projects can be put into production. The inability to execute adequate governance over developmental projects can also have a major negative impact on project development activities.

Exploration

The exploration process generally begins with the identification and appraisal of mineral prospects. Exploration and development projects have no operating history upon which to base estimates of future operating costs and capital requirements. Mining projects frequently require a number of years and significant expenditures during the mine development phase before production is possible. Development projects are subject to the completion of successful feasibility studies and environmental assessments, issuance of necessary governmental permits, acquiring title to prospects and the receipt of adequate financing. The economic feasibility of development projects is based on many factors such as:

- estimation of reserves;
- anticipated metallurgical recoveries;
- environmental considerations and permitting;
- estimates of future metal prices; and
- anticipated capital and operating costs of such projects.

Exploration and development of mineral deposits thus involve significant financial risks which a combination of careful evaluation, experience and knowledge may not eliminate. The discovery of an ore body may result in substantial rewards, however, few properties which are explored are ultimately developed into producing mines. A mine must generate sufficient revenues to offset operating and development costs such as the costs required to establish reserves by drilling, to develop metallurgical processes, to construct facilities and to extract and process metals from the ore. Once in production, it is impossible to determine whether current exploration and development programs at any given mine will result in the establishment of new reserves.

The only material property interest of Cascadia is its interest in the Catch Property in Yukon. As a result, unless Cascadia acquires additional property interests, any adverse developments affecting this property could have a material adverse effect upon Cascadia and would materially and adversely affect the potential mineral resource production, profitability, financial performance and results of operations of Cascadia. While Cascadia may seek to acquire additional mineral properties that are consistent with its business objectives, there can be no assurance that Cascadia will be able to identify suitable additional mineral properties or, if it does identify suitable properties, that it will have sufficient financial resources to acquire such properties or that such properties will be available on terms acceptable to Cascadia or at all. See "*Principal Properties*" in this Appendix "I".

Cascadia's properties are at an early stage of exploration with no defined resources or reserves. There are no assurances that future exploration activities will be successful in identifying mineralization at the quantity or quality necessary to become resources or reserves.

Titles

The acquisition of title to mineral properties is a very detailed and time-consuming process. Title to, and the area of, mineral deposits may be disputed. Although Cascadia believes it has taken reasonable measures to ensure proper title to its properties, there is no guarantee that title to any of its properties will not be challenged or impaired. Third parties may have valid claims on underlying portions of Cascadia's interests, including prior unregistered liens, agreements, transfers or claims, including indigenous land claims, and title may be affected by, among other things, undetected defects. In addition, Cascadia may be unable to operate its properties as permitted or to enforce its rights in respect of its properties. Moreover, where Cascadia's interest in a property is less than 100%, or a third party holds a form of profit sharing interest, Cascadia's entitlement to, and obligations in respect of, the property are subject to the terms of the agreement relating to that property, or in the absence of an agreement subject to provincial or federal Laws and regulations, which in certain circumstances may be the subject of differing interpretations between the parties.

Permitting

Mineral exploration and mining activities may only be conducted by entities that have obtained or renewed exploration or mining permits and licenses in accordance with the relevant mining laws and regulations. No guarantee can be given that the necessary exploration and mining permits and licenses will be issued to Cascadia in a timely manner, or at all, or, if they are issued, that they will be renewed, or that Cascadia will be in a position to comply with or can afford to comply with all conditions that may be imposed.

First Nations and Nearby Communities

Some of the regions in which Cascadia's properties are located do not have fully settled First Nations land claims. In areas where land claims are settled and treaties are signed, regional land use planning may still be pending. It is possible that some or all of Cascadia's claims may be impacted by future First Nations land claims or by restrictions brought about during land use planning processes. Furthermore, while Cascadia will endeavour to work with and accommodate impacted First Nations and local communities, it is possible that opposition to exploration or development may be voiced by these groups, and could impact the ability for Cascadia's projects to move forward.

Government regulations

Cascadia's exploration activities are subject to the laws and regulations of federal, provincial, and local governments in the jurisdictions in which Cascadia operates. These laws and regulations are extensive and govern prospecting, exploration, development, production, exports, taxes, labour standards, occupational health and safety, waste disposal, toxic substances, environmental protection, mine safety and other matters. Compliance with such laws and regulations increases the costs of planning, designing, drilling, developing, constructing, operating, closing, reclaiming and rehabilitating mines and other facilities. New laws, regulations or taxes, amendments to current laws, regulations or taxes governing operations and activities of mining corporations or more stringent implementation or interpretation thereof could have a material adverse impact on Cascadia, cause a reduction in levels of production and delay or prevent the development of new mining properties.

The Canadian mining industry is subject to federal and provincial environmental protection legislation. This legislation sets high standards on the mining industry in order to reduce or eliminate the effects of waste generated by extraction and processing operations and subsequently emitted into the air or water. Consequently, drilling and other exploration activities are subject to the restrictions imposed by such legislation. Compliance with such laws and regulations increases the costs of planning, designing, drilling, developing, constructing, operating and closing mines and other facilities.

All of Cascadia's operations are subject to reclamation, site restoration and closure requirements. Costs related to ongoing site restoration programs are expensed when incurred. Cascadia calculates its estimates of the ultimate reclamation liability based on current laws and regulations and the expected future costs to be incurred in reclaiming, restoring and closing its operating mine sites. It is possible that Cascadia's estimates of its ultimate reclamation liability could change as a result of possible changes in laws and regulations and changes in cost estimates.

Failure to comply with applicable laws and regulations may result in enforcement actions thereunder, and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions. Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of the mining activities and may become subject to civil or criminal fines or penalties for violations of applicable laws or regulations.

New or expanded environmental regulations, if adopted, or more stringent enforcement of existing laws and regulations, could affect Cascadia's projects or otherwise have a material adverse effect on its operations. As a result, expenditures on any and all projects, among other things, may be materially and adversely affected and may differ materially from anticipated expenditures. Any such event would materially and adversely affect Cascadia's business, financial condition, results of operations and cash flows.

Key Personnel

Exploration of Cascadia's projects will be dependent on the efforts of Cascadia's employees and contractors. Changes in the relationship between Cascadia and its employees or contractors may have a material adverse effect on Cascadia's business, results of operations and financial condition.

Cascadia will be also dependent upon key management personnel. The loss of the services of one or more of such key management personnel could have a material adverse effect on Cascadia. Cascadia's ability to manage its exploration and financing activities will depend in large part on the efforts of these individuals. Cascadia faces significant competition for qualified personnel and Cascadia may not be able to attract and retain such personnel.

Competition

The mining industry is intensely competitive, and Cascadia will be in competition with other mining corporations for the acquisition of interests in precious and other metal or mineral mining properties which are in limited supply. In the pursuit of such acquisition opportunities, Cascadia will compete with other Canadian and foreign companies that may have substantially greater financial and other resources. As a result of this competition, Cascadia may be unable to maintain or acquire attractive mining properties on acceptable terms, or at all.

On a regular basis, Cascadia will evaluate potential acquisitions of mining properties and/or interests in other mining corporations, which may entail certain risks.

Consistent with its growth strategy, Cascadia will evaluate the potential acquisition of exploration assets on a regular basis. From time to time, Cascadia may also acquire securities of or other interests in corporations with whom Cascadia may complete acquisition or other transactions. These transactions involve inherent risks, including, without limitation:

- accurately assessing the value, strengths, weaknesses, contingent and other liabilities and potential profitability of acquisition candidates;
- ability to achieve identified and anticipated operating and financial synergies;
- unanticipated costs;
- diversion of management attention from existing business;
- potential loss of key employees or the key employees of any business Cascadia acquires;
- unanticipated changes in business, industry or general economic conditions that affect the assumptions underlying the acquisition; and
- decline in the value of acquired properties, corporations or securities.

Any one or more of these factors or other risks could cause Cascadia not to realize the benefits anticipated to result from the acquisition of properties or corporations, and could have a material adverse effect on Cascadia's ability to grow and, consequently, on Cascadia's financial condition and results of operations.

Cascadia will seek acquisition opportunities consistent with its acquisition and growth strategy, however, it may not be able to identify additional suitable acquisition candidates available for sale at reasonable prices, to consummate any acquisition, or to integrate any acquired business into its operations successfully. Acquisitions may involve a number of special risks, circumstances or legal liabilities, some or all of which could have a material adverse effect on Cascadia's business, results of operations and financial condition. In addition, to acquire properties and corporations, Cascadia could use available cash, incur debt, issue Cascadia Shares or other securities, or a combination of any one or more of these. This could limit Cascadia's flexibility to raise additional capital, to operate, explore and develop its properties and to make additional acquisitions, and could further dilute and decrease the trading price of the Cascadia Shares. When evaluating an acquisition opportunity, Cascadia cannot be certain that it will have correctly identified and managed the risks and costs inherent in the business that it is acquiring.

At any given time, discussions and activities can be in the process on a number of initiatives, each at different stages of development. Potential transactions may not be successfully completed, and, if completed, the business acquired may not be successfully integrated into Cascadia's operations. If Cascadia fails to manage its acquisition and growth strategy successfully, it could have a material adverse effect on its business, results of operations and financial condition.

Additional Capital

Cascadia's continued operation will be dependent in part upon its ability to generate operating revenues and to procure additional financing. Fluctuations of global equity markets can have a direct effect on the ability of exploration companies, including Cascadia, to finance project acquisition and development through the equity markets. There can be no assurance that it will be able to obtain adequate financing in the future or that the terms of such financing will be favourable. Failure to obtain additional financing on a timely basis may cause Cascadia 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.

IT Systems Security

Cascadia may be exposed to pilferage of private and sensitive data to deliberate cyber attacks or inadvertent loss of media, such as loss of laptops, phones, etc. in public places. Furthermore, unauthorized access to confidential information would have a negative effect on Cascadia's reputation, business, prospects, results of operations and financial condition. The systems that are in place may not be enough to guard against loss of data due to the rapidly evolving cyber threats. Cascadia may be required to increasingly invest in better systems, software, and use of consultants to periodically review and adequately adapt and respond to dynamic cyber risks.

Asset Valuation

Cascadia tests the valuation of its property, plant and equipment and exploration and evaluation assets when indications of potential impairment or reversal of a previously recognized impairment are identified.

Cascadia's management's assumptions and estimates of future cash flows are subject to risks and uncertainties, particularly in market conditions where higher volatility exists, and may be partially or totally outside of Cascadia's control. Therefore, it is reasonably possible that changes could occur with evolving economic and market conditions, which may affect the fair value of Cascadia's property, plant and equipment and exploration and evaluation assets resulting in either an impairment charge or reversal of impairment.

If Cascadia fails to achieve its valuation assumptions or if any of its property, plant and equipment, exploration and evaluation assets or cash generating units have experienced a decline in fair value, an impairment charge may be required to be recorded, causing a reduction in Cascadia's earnings.

Conversely, if there are observable indicators that any of its property, plant and equipment, exploration and evaluation assets or cash generating units have experienced an increase in fair value, a reversal of a prior impairment may be required to be recorded, causing an increase in Cascadia's earnings.

Stock Price Volatility

The market price of Cascadia Shares may fluctuate due to a variety of factors relating to Cascadia's business, including the announcement of expanded exploration, development and production activities by Cascadia and its competitors, metal price volatility, exchange rate fluctuations, consolidations, dispositions, acquisitions and financing, sales of Cascadia Shares in the marketplace, failure to meet analysts' expectations, changes in quarterly revenue or earnings estimates made by the investment community, speculation in the press or investment community about Cascadia's strategic position, results of operations, business or significant transactions and general conditions in the mining industry or the worldwide economy. In addition, wide price swings are currently common in the markets on which Cascadia's securities trade. This volatility may adversely affect the prices of Cascadia Shares regardless of Cascadia's operating performance. The market price of Cascadia Shares may experience significant fluctuations in the future, including fluctuations that are unrelated to Cascadia's performance. Securities class action litigation has often been brought against companies following periods of volatility in the market price of their securities. Cascadia may in the future be the target of similar litigation. Securities litigation could result in substantial costs and damages and divert management's attention and resources.

No Assurance of Listing of Cascadia Shares

The Cascadia Shares are not currently listed on any stock exchange. Although an application has been made to the TSXV for listing of the Cascadia Shares on the TSXV, there is no assurance when, or if, the Cascadia Shares will be listed on the TSXV or on any other stock exchange. Until the Cascadia Shares are listed on a stock exchange, shareholders of Cascadia may not be able to sell their Cascadia Shares. Even if a listing is obtained, ownership of Cascadia Shares will entail a high degree of risk.

Litigation

Cascadia could be subject to litigation arising in the normal course of business and may be involved in legal disputes or matters with other parties, including governments and their agencies, regulators and members of Cascadia's own workforce, which may result in litigation. The causes of potential litigation cannot be known and may arise from, among other things, business activities, employment matters, including compensation issues, environmental, health and safety laws and regulations, Tax matters, volatility in Cascadia's stock price, failure to comply with disclosure obligations or labour disruptions at its work sites. Regulatory and government agencies may initiate investigations relating to the enforcement of applicable laws or regulations and Cascadia may incur expenses in defending them and be subject to fines or penalties in case of any violation, and could face damage to its reputation in the case of recurring workplace incidents resulting in an injury or fatality for which Cascadia is found responsible. The results and costs of litigation and investigations cannot be predicted with certainty. If Cascadia is unable to resolve these disputes or matters favourably, this may have a material adverse impact on Cascadia's financial performance, cash flows and results of operations.

Bankruptcy, Liquidation or Reorganization

In the event of a bankruptcy, liquidation or reorganization of Cascadia, holders of certain of its indebtedness and certain trade creditors will generally be entitled to payment of their claims from the assets of Cascadia before any assets are made available for distribution to the shareholders. The Cascadia Shares will be effectively subordinated to most of the other indebtedness and liabilities of Cascadia.

Taxes and Tax Audits

Cascadia is subject to routine tax audits by various tax authorities. Tax audits may result in additional tax, interest and penalties, which would negatively affect Cascadia's financial condition and operating results. Changes in tax rules and regulations or in the interpretation of tax rules and regulations by the courts or the tax authorities may also have a substantial negative impact on Cascadia's business.

Going Concern and Insolvency

Cascadia's financial statements will be prepared on a going concern basis, which assumes that Cascadia will be able to realize its assets and discharge its liabilities in the normal course of business as they come due into the foreseeable future.

Conflicts of Interest

Some of the directors and officers of Cascadia will be engaged as directors or officers of other corporations involved in the exploration and development of mineral resources. Such engagement could result in conflicts of interest. Any decision taken by these directors and officers and involving Cascadia will be in conformity with their duties and obligations to act fairly and in good faith with Cascadia and these other corporations. Moreover, these directors and officers will declare their interests and refrain from voting on any issue which could give rise to a conflict of interest.

Shareholder Activism

Recently, there has been increased shareholder activism in the mining industry. Should an activist shareholder engage with Cascadia, it could cause disruption to its strategy, operations and leadership organization, resulting in a material unfavourable impact on the financial performance and longer-term value creation strategy of Cascadia.

Inadequate Controls Over Financial Reporting

NI 52-109 requires an annual assessment by management of the effectiveness of Cascadia's internal control over financial reporting. Cascadia's failure to satisfy the requirements of NI 52-109 on an ongoing and timely basis could result in the loss of investor confidence in the reliability of its financial statements, which in turn could harm Cascadia's business and negatively impact the trading price of its Cascadia Shares or market value of its other securities. In addition, any failure to implement required new or improved control(s), or difficulties encountered in their implementation could harm Cascadia's operating results or cause it to fail to meet its reporting obligations. No evaluation can provide complete assurance that Cascadia's internal control over financial reporting will detect or uncover all failures of persons within Cascadia to disclose material information required to be reported. Accordingly, Cascadia's management does not expect that its internal control over financial reporting will prevent or detect all errors and all fraud. In addition, the challenges involved in implementing appropriate internal control over financial reporting will increase and will require that Cascadia continue to improve its internal control over financial reporting.

Public Company Obligations

As a publicly traded company, listed on the TSXV or a recognised stock exchange, Cascadia will be subject to numerous laws, including, without limitation, corporate, securities and environmental laws, compliance with which is both very time consuming and costly. The failure to comply with any of these laws, individually or in the aggregate, could have a material adverse effect on Cascadia, which could cause a significant decline in Cascadia's stock price.

Furthermore, laws applicable to Cascadia constantly change and Cascadia's continued compliance with changing requirements is both very time consuming and costly. Cascadia's continued efforts to comply with numerous changing laws and adhere to a high standard of corporate governance will increase general and administrative expenses and a diversion of management time and attention from revenue-generating activities to compliance activities.

Sensitivity to general economic conditions

Cascadia's business will be influenced by a variety of economic and business conditions (including inflation, interest rates, exchange rates and access to debt and capital markets), as well as by monetary and regulatory policies. Deterioration in economic conditions increase in interest rates or a decrease in consumer demand and/or a decrease in investment demand, could have an adverse impact on Cascadia's financial performance and condition, cash flows and growth prospects.

INTEREST OF MANAGEMENT IN MATERIAL TRANSACTIONS

Certain directors and officers of ATAC have certain interests in connection with the Arrangement. See "*Part 7 – The Arrangement – Interests of Certain Persons in the Arrangement – Executive Officers*" of the Circular.

Since Cascadia's incorporation, no director, executive officer, or Cascadia Shareholder who beneficially owns, or controls or directs, directly or indirectly, more than 10% of the outstanding Cascadia Shares, or any known associates or affiliates or such persons, has or has had any material interest, direct or indirect, in any transaction or in any proposed transaction that has materially affected or is reasonably expected to materially affect Cascadia other than ATAC in connection with Cascadia's incorporation (see in this Appendix "I", "*Corporate Structure and History*"), the entering into of the Arrangement Agreement (see in the Circular, "*Part 7 – The Arrangement*"), and the transfer of the Cascadia Assets to Cascadia in connection with the Arrangement (see in this Appendix "I", "*Description of the Business*"). See also in this Appendix "I", "*Material Contracts*" below.

The proposed directors and officers of Cascadia are also currently directors and officers of ATAC or Hecla. See "*Part 7 – The Arrangement*" of the Circular for additional information.

MATERIAL CONTRACTS

The only material Contracts entered into by Cascadia, other than in the ordinary course of business, since the date of incorporation of Cascadia or to be entered into in connection with the Arrangement are the Cascadia Contribution Agreement and Ancillary Rights Agreement (see in this Appendix "I", "*Description of the Business – Acquisition of the Cascadia Assets*").

A copy of the Cascadia Contribution Agreement and Ancillary Rights Agreement will be available for inspection by ATAC Shareholders at the head office of ATAC at 1500-409 Granville St., Vancouver, BC, V6C 1T2, during normal business hours prior to the Meeting. Following completion of the Arrangement, the Cascadia Contribution Agreement and Ancillary Rights Agreement will be filed electronically with regulators by Cascadia and will be available for public viewing under Cascadia's profile on SEDAR at www.sedar.com.

AUDITORS, TRANSFER AGENT AND REGISTRAR

The auditors of Cascadia is expected to be Davidson & Company LLP, Chartered Professional Accountants.

LEGAL MATTERS

There are no legal proceedings or regulatory actions involving Cascadia or its properties as at the date of the Circular, and Cascadia knows of no such proceedings or actions currently contemplated.

INTERESTS OF EXPERTS

Alan Wilson of GeoAqua Consultants Limited acted as the "qualified person" within the meaning of NI 43-101, on the Catch Property Technical Report. To Cascadia's knowledge, each of the foregoing firms or persons beneficially owns, directly or indirectly, less than 1% of the issued and outstanding ATAC Shares.

The technical and scientific information contained in this Appendix "I", including in respect of the Catch Property, was reviewed and approved in accordance with NI 43-101 by Adam Coulter, Vice-President Exploration for ATAC., and a "Qualified Person" as defined in NI 43-101. To Cascadia's knowledge, Adam Coulter beneficially owns, directly or indirectly, less than 1% of (i) the issued and outstanding ATAC Shares; and (ii) the issued and outstanding Cascadia Shares.

As of the date of the Circular, Davidson & Company are the auditors of Cascadia and they are independent with respect to Cascadia within the meaning of the relevant rules and related interpretations prescribed by the relevant bodies in Canada.

Certain legal matters relating to the Arrangement are to be passed upon Stikeman Elliott LLP on behalf of Cascadia. Based on security holdings as of the date of the Circular, the partners and associates of Stikeman Elliott LLP will hold less than 1% of the Cascadia Shares on the Effective Date.

Other than as described above, none of the aforementioned persons or companies, nor any director, officer or employee of any of the aforementioned persons or companies, is or is expected to be elected, appointed or employed as a director, officer or employee of Cascadia or of any associate or affiliate of Cascadia.

PROMOTER

ATAC, the sole shareholder of Cascadia as at the date of this Circular, may be considered to be a promoter of Cascadia within the meaning of relevant Canadian securities legislation. As of the date hereof, ATAC beneficially owns or exercises control or direction over one Cascadia Share, comprising 100% of all issued and outstanding Cascadia Shares as of the date hereof. Following completion of the Arrangement, the Initial Cascadia Share held by ATAC will be cancelled without any payment therefor and ATAC will be removed from the register of holders of Cascadia Shares. See in this Appendix "I", "*Principal Shareholders of Cascadia*".

SCHEDULE A

CASCADIA OMNIBUS EQUITY INCENTIVE PLAN

See attached.

CASCADIA MINERALS LTD.

OMNIBUS EQUITY INCENTIVE PLAN

Adopted [●], 2023

Article 1
PURPOSE

Section 1.1 Purpose

The purpose of this Plan is to provide the Company, and each subsidiary of the Company, with a share-related mechanism to attract, retain and motivate qualified Directors, Officers, Employees and Consultants of the Company and its subsidiaries, to reward such of those Directors, Officers, Employees and Consultants as may be granted Awards under this Plan by the Committee from time to time for their contributions toward the long term goals and success of the Company and to enable and encourage such Directors, Officers, Employees and Consultants to acquire Common Shares as long term investments and proprietary interests in the Company.

Article 2
DEFINITIONS

Section 2.1 Definition

As used herein, unless there is something in the subject matter or context inconsistent therewith, the following terms will have the meanings set forth below:

(a) "**Affiliate**" has the meaning given to such term in TSXV Policy 1.1 of the policy manual of the TSXV.

(b) "**Award**" means, individually or collectively, a grant under this Plan of Options, Restricted Share Units, Deferred Share Units, Performance Share Units or Stock Appreciation Rights, in each case subject to the terms of this Plan.

(c) "**Award Agreement**" means either (i) a written agreement entered into by the Company or an Affiliate of the Company and a Participant; or (ii) a written statement issued by the Company or an Affiliate of the Company to a Participant, describing the terms and provisions of such Award and need not be identical to other Award Agreements either in form or substance.

(d) "**BCSA**" means the Securities *Act* (British Columbia), as may be amended from time to time.

(e) "**Blackout Period**" means an interval of time during which the Company has determined that one or more Participants may not trade any securities of the Company in accordance with the requirements of TSXV Policy 4.4.

(f) "**Board**" or "**Board of Directors**" means the Board of Directors of the Company.

(g) "**Cashless Exercise**" means the exercise of an Option whereby the Company has an arrangement with a brokerage firm pursuant to which the brokerage firm will loan money to a Participant to purchase the Common Shares underlying the Options to be exercised and the brokerage firm then sells a sufficient number of Common Shares to cover the exercise price of the Options in order to repay the loan made to the Participant resulting in the Participant receiving the net balance of the Common Shares underlying the exercised Options or the net cash proceeds from the exercise of the Options.

(h) "**Cause**" means:

(i) Cause as such term is defined in the written employment agreement between the Company and the Officer or Employee; or

(ii) in the event there is no written employment agreement between the Company and the Officer or Employee or Cause is not defined therein, the usual meaning of just cause under

the common law or the laws of the jurisdiction in which the Officer or Employee is employed provided, however, if an employee Participant's employment is governed by the Province of Ontario, then Cause, means the employee Participant's wilful misconduct, disobedience or wilful neglect of duty by that is not trivial and has not been condoned by the Company or any of its Affiliates, provided, further, that if the Participant is a U.S. Participant, then Cause shall be defined in the applicable Award Agreement, or in the absence of any definition of Cause contained therein, means (A) the Participant's indictment for, conviction of or plea of *nolo contendere* to, a felony (other than in connection with a traffic violation) under any state or federal law, (B) the Participant's failure to substantially perform his or her essential job functions after receipt of written notice from the Company requesting such performance, (C) an act of fraud or gross misconduct with respect, in each case, to the Company, by the Participant, (D) any material misconduct by the Participant that could be reasonably expected to damage the reputation or business of the Company or any of its Affiliates, or (E) the Participant's violation of a material policy of the Company. Any determination of whether Cause exists shall be made by the Committee in its sole discretion.

(i) "**Change of Control**" shall occur if any of the following events occur:

(i) the acquisition or potential acquisition, directly or indirectly and by any means whatsoever, by any person, or by a group of persons acting jointly or in concert, of beneficial ownership or control or direction over that number of Voting Securities which is greater than 50% of the total issued and outstanding Voting Securities immediately after such acquisition, unless such acquisition arose as a result of or pursuant to:

(A) an acquisition or redemption by the Company of Voting Securities which, by reducing the number of Voting Securities outstanding, increases the proportionate number of Voting Securities beneficially owned by such person to 50% or more of the Voting Securities then outstanding;

(B) acquisitions of Voting Securities which were made pursuant to a dividend reinvestment plan of the Company;

(C) the receipt or exercise of rights issued by the Company to all the holders of Voting Securities to subscribe for or purchase Voting Securities or securities convertible into Voting Securities, provided that such rights are acquired directly from the Company and not from any other person;

(D) a distribution by the Company of Voting Securities or securities convertible into Voting Securities for cash consideration made pursuant to a public offering or by way of a private placement by the Company ("**Exempt Acquisitions**");

(E) a stock-dividend, a stock split or other event pursuant to which such person receives or acquires Voting Securities or securities convertible into Voting Securities on the same pro rata basis as all other holders of securities of the same class ("**Pro-Rata Acquisitions**");

(F) the exercise of securities convertible into Voting Securities received by such person pursuant to an Exempt Acquisition or a Pro-Rata Acquisition ("**Convertible Security Acquisitions**"); or

(G) a sale by the Company of greater than 50% of the fair market value of the assets of the Company, through one or a series of transactions, to an entity that is not controlled by either the shareholders of the Company or by the Company.

provided, however, that if a person shall acquire 50% or more of the total issued and outstanding Voting Securities by reason of any one or a combination of (1) acquisitions or redemptions of Voting Shares by the Company, (2) Exempt Acquisitions, (3) Pro-Rata Acquisitions, or (4) Convertible Security Acquisitions and, after such share acquisitions or redemptions by the Company or Exempt Acquisitions or Pro-Rata Acquisitions or Convertible Security Acquisitions, acquires additional Voting Securities exceeding one per cent of the Voting Securities outstanding at the date of such acquisition other than pursuant to any one or a combination of Exempt Acquisitions, Convertible Security Acquisitions or Pro-Rata Acquisitions, then as of the date of such acquisitions such acquisition shall be deemed to be a "**Change of Control**";

(ii) the replacement by way of election or appointment at any time of one-half or more of the total number of the then incumbent Directors, unless such election or appointment is approved by 50% or more of the Directors in office immediately preceding such election or appointment in circumstances where such election or appointment is to be made other than as a result of a dissident public proxy solicitation, whether actual or threatened; and

(iii) any transaction or series of transactions, whether by way of reorganization, consolidation, amalgamation, arrangement, merger, transfer, sale or otherwise, whereby all or substantially all of the shares or assets of the Company become the property of any other person (the "**Successor Entity**") (other than a subsidiary of the Company) unless:

(A) individuals who were holders of Voting Securities immediately prior to such transaction hold, as a result of such transaction, in the aggregate, more than 50% of the voting securities of the Successor Entity;

(B) a majority of the Directors of the Successor Entity is comprised of individuals who were members of the Board immediately prior to such transaction; and

(C) after such transaction, no person or group of persons acting jointly or in concert, holds more than 50% of the voting securities of the Successor Entity unless such person or group of persons held securities of the Company in the same proportion prior to such transaction.

Notwithstanding the foregoing, for purposes of any Award that constitutes "deferred compensation" (within the meaning of Section 409A of the Code), the payment of which is triggered by or would be accelerated upon a Change in Control, a transaction will not be deemed a Change in Control for Awards granted to any Participant who is a U.S. Participant unless the transaction qualifies as "a change in control event" within the meaning of Section 409A of the Code.

(j) "**Change of Control Price**" means (i) the highest price per Common Share offered in conjunction with any transaction resulting in a Change of Control (as determined in good faith by the Committee if any part of the offered price is payable other than in cash), or (ii) in the case of a Change of Control occurring solely by reason of a change in the composition of the Committee, the highest Fair Market Value of the Common Shares on any of the thirty (30) trading days immediately preceding the date on which a Change of Control occurs, except if the relevant participant is subject to taxation under the ITA such Change of Control price shall be deemed to be a price determined by the Committee based on the closing price of a Common Share on the TSXV on the trading day preceding the Change of Control date or based on the volume weighted average trading price of the Common Shares on the TSXV for the five trading days immediately preceding the Change of Control date.

(k) "**Code**" means the U.S. Internal Revenue Code of 1986, as amended from time to time, or any successor thereto.

(l) "**Common Shares**" or "**Common Shares**" means, as the case may be, one or more common shares in the capital of the Company.

(m) "**Committee**" means the Board of Directors or if so delegated in whole or in part by the Board, any duly authorized committee appointed by the Board to administer the Plan.

(n) "**Company**" means Cascadia Minerals Ltd., a company incorporated under the laws of the Province of British Columbia, and any successor thereto as provided in Article 17 herein.

(o) "**Consultant**" has the meaning given to such term in TSXV Policy 4.4.

(p) "**Deferred Share Unit**" means an Award denominated in units that provides the holder thereof with a right to receive Common Shares, an amount in cash having an equivalent value or a combination thereof upon settlement of the Award, granted under Article 7 herein and subject to the terms of this Plan.

(q) "**Director**" has the meaning given to such term in TSXV Policy 4.4.

(r) "**Disability**" has the meaning attributed thereto in the Participant's written agreement with the Company or an Affiliate and if there is no such defined term, means the Participant's inability to substantially fulfil their duties on behalf of the Company as a result of illness or injury for a continuous period of nine (9) nine months or more or for an aggregate period of twelve (12) months or more during any consecutive twenty-four (24) month period, despite the provision of reasonable accommodations by the Company or an Affiliate, as applicable.

(s) "**Disinterested Shareholder Approval**" has the meaning given to "disinterested Shareholder approval" in section 5.3 of TSXV Policy 4.4.

(t) "**Dividend Equivalent**" means a right with respect to an Award to receive cash, Common Shares or other property equal in value and form to dividends declared by the Committee and paid with respect to outstanding Common Shares. Dividend Equivalents shall not apply to an Award unless specifically provided for in the Award Agreement, and if specifically provided for in the Award Agreement shall be subject to such terms and conditions set forth in the Award Agreement as the Committee shall determine.

(u) "**Employee**" has the meaning given to such term in TSXV Policy 4.4.

(v) "**Exercise Notice**" means the notice respecting the exercise of an Option, in the form substantially similar to that set out as Schedule "B" hereto.

(w) "**Exercise Price**" means the price at which a Common Share may be purchased by a Participant pursuant to an Option, as determined by the Committee.

(x) "**Fair Market Value**" or "**FMV**" means, unless otherwise required by any applicable provision of the Code or any regulations thereunder or by any applicable accounting standard for the Company's desired accounting for Awards or by the rules of the TSXV, a price that is determined by the Committee, provided that such price cannot be less than the greater of (i) the volume weighted average trading price of the Common Shares on the TSXV for the five trading days immediately prior to the applicable date or (ii) the closing price of the Common Shares on the TSXV on the trading day immediately prior to the applicable date, and provided, further, that with respect to an Option granted to a U.S. Participant, such Participant and the number of Common Shares subject to such Award shall be identified by the Board or the Committee prior to the start of the applicable five (5) trading day period. In the event that such Common Shares are not listed and posted for trading on any exchange, the Fair Market Value shall be the fair market value of such Common

Shares as determined by the Committee in its sole discretion and, with respect to an Award made to a U.S. Participant, in accordance with Section 409A of the Code.

(y) "**Incapacity**" or "**Incapacitated**" means the incapacity or inaptitude of a Participant to administer the Participant's estate, that results in the appointment of an administrator of the Participant's estate or that enables a person or entity to act on the Participant's behalf pursuant to a power of attorney.

(z) "**Insider**" has the meaning given to such term in TSXV Policy 1.1.

(aa) "**Investor Relations Activities**" has the meaning given such term in TSXV Policy 1.1 and for purpose of this Plan, Persons retained to perform Investor Relations Activities shall include any Consultant that performs Investor Relations Activities and any Employee, Management Company Employee, Officer or Director whose role and duties primarily consist of Investor Relations Activities.

(bb) "**ITA**" means the *Income Tax Act* (Canada) and the regulations adopted thereunder, as amended from time to time.

(cc) "**ISO**" has the meaning given to that term under Section 15.1.

(dd) "**Management Company Employee**" has the meaning given to such term in TSXV Policy 4.4.

(ee) "**Market Price**" has the meaning ascribed thereto in TSXV Policy 1.1.

(ff) "**Non-Qualified Security**" has the meaning ascribed thereto in Section 110 of the ITA.

(gg) "**Notice Period**" means only that period constituting the minimum notice of termination period that is required to be provided to a Participant pursuant to applicable employment standards legislation (if applicable and if any). For certainty, the "Notice Period" shall exclude any other period that follows or ought to have followed, as applicable, the later of (i) the end of the minimum notice of termination period that is required to be provided to a Participant pursuant to applicable employment standards legislation (if applicable and if any), or (ii) the Participant's last day of performing work for the Company or an Affiliate (including any period of vacation, Disability, or other leave permitted by legislation) whether that period arises from a contractual or common law right.

(hh) "**Officer**" has the meaning given such term in TSXV Policy 4.4.

(ii) "**Option**" means the conditional right to purchase Common Shares at a stated Exercise Price for a specified period of time, granted under Article 5 herein and subject to the terms of this Plan.

(jj) "**Participant**" means a Director, Officer, Employee, Management Company Employee or Consultant that is the recipient of an Award granted or issued by the Company under this Plan and, as context requires, shall include a registered retirement savings plan ("**RRSP**") or registered retirement income fund ("**RRIF**") established and controlled by a Participant or a company that is wholly owned by an individual Participant.

(kk) "**Performance Goal**" means conditions, if any, imposed on an Award which are required to be satisfied or discharged during the Performance Period in order that an Award shall vest as further described in Section 8.3.

(ll) "**Performance Period**" means the period of time during which Performance Goal must be satisfied or discharged following which the Award shall terminate unvested.

(mm) "**Performance Share Unit**" means an Award denominated in units subject to a Performance Period, with a right to receive Common Shares or cash or a combination thereof upon settlement of the Award, as a function of the extent to which corresponding Performance Goals have been achieved, granted under Article 8 herein and subject to the terms of this Plan.

(nn) "**Person**" shall have the meaning ascribed to such term in Section 1(1) of the BCSA.

(oo) "**Plan**" means this Omnibus Equity Incentive Plan.

(pp) "**Restriction Period**" means a period determined by the Board, in its sole discretion, ending in all cases no later than (i) in the case of Performance Share Units and Restricted Share Units that are subject to the ITA, three (3) years after the last day of the calendar year in which the performance of services for which Performance Share Units or Restricted Share Units are granted, occurred, (ii) in the case of Deferred Share Units that are subject to the ITA, the last day of the calendar year following the Participant's Termination Date; and (iii) in every other case, the date determined by the Board at the time any Award is granted or at any time thereafter during which any Restricted Share Units or Deferred Share Units is subject to vesting, risk of forfeiture or deferral, as applicable.

(qq) "**Restricted Share Unit**" means an Award denominated in units subject to a Restricted Period, with a right to receive Common Shares or cash or a combination thereof upon settlement of the Award, as a function of the extent to which corresponding vesting criteria have been achieved, granted under Article 6 herein and subject to the terms of this Plan.

(rr) "**Retirement**" or "**Retire**" means a Participant's permanent withdrawal from employment or office with the Company or Affiliate on terms and conditions accepted and determined by the Committee.

(ss) "**Separation from Service**" has the meaning ascribed to it under Section 409A of the Code.

(tt) "**Stock Appreciation Right**" means an Award denominated in units subject to a Restricted Period, with a right to receive Common Shares or cash or a combination thereof upon settlement of the Award, based on the appreciated value of the Common Shares, granted under Article 9 herein and subject to the terms of this Plan.

(uu) "**Successor Entity**" has the meaning ascribed thereto under subsection (v) of the definition of Change of Control.

(vv) "**Termination Date**" means, in the case of a Participant whose employment or term of office or engagement with the Company or an Affiliate terminates:

(i) by reason of the Participant's death or Incapacity, the date of death or Incapacity, then such date of death or incapacity;

(ii) by reason of termination for Cause, resignation by the Participant or Retirement, the Participant's last day actively at work or actively performing services for the Company or an Affiliate;

(iii) by reason of Disability, then the date on which the Participant is determined to have a Disability as defined herein;

(iv) for any reason whatsoever other than death, Incapacity, termination for Cause, Retirement or termination by reason of Disability, the later of the (i) date of the Participant's last day actively at work or actively performing services for the Company or the Affiliate, and (ii) the last date of the Notice Period;

(v) the resignation of a director and the expiry of a director's term on the Board without re-election (or nomination for election) shall each be considered to be a termination of his or her term of office; and

(vi) in the case of a U.S. Participant, a Participant's "Termination Date" will be the date the Participant experiences a Separation from Service.

(ww) "**Total Share Authorization**" has the meaning ascribed thereto under Section 3.5(a).

(xx) "**TSXV**" means the TSX Venture Exchange and at any time the Common Shares are not listed and posted for trading on the TSXV, shall be deemed to mean such other stock exchange or trading platform upon which the Common Shares trade and which has been designated by the Committee.

(yy) "**TSXV Policies**" means the policies included in the TSX Venture Exchange Corporate Finance Manual and "**TSXV Policy**" means any one of them, as such policies may be amended, supplemented or replaced from time to time.

(zz) "**TSXV Policy 1.1**" means Policy 1.1 – *Interpretation* of the TSXV Policies, as may be amended, supplemented or replaced from time to time.

(aaa) "**TSXV Policy 4.4**" means Policy 4.4 – *Security Based Compensation* of the TSXV Policies, as may be amended, supplemented or replaced from time to time.

(bbb) "**U.S. Participant**" has the meaning given to that term under Section 15.1.

(ccc) "**U.S. Securities Act**" means the United States Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

(ddd) "**Voting Securities**" shall mean any securities of the Company ordinarily carrying the right to vote at elections of directors and any securities immediately convertible into or exchangeable for such securities.

Article 3
ADMINISTRATION

Section 3.1 Administration

This Plan shall be administered by the Board, or any Committee appointed by the Board to administer this Plan. Without limiting the generality of the foregoing, where a Committee has been appointed by the Board to administer this Plan pursuant to a resolution passed by the Board, such Committee has authority to:

(a) grant to Participants, an RRSP or RRIF established and controlled by a Participant or a company that is wholly owned by an individual Participant up to the number of Awards specified by the Board in the resolution appointing the Committee or in any other subsequent resolution(s) of the Board, the whole on the terms set out in such resolution(s);

(b) exercise rights reserved to the Company under this Plan;

(c) determining Award terms and conditions including, but not limited to, issuance price, vesting terms, Performance Goals, exercise conditions and expiry periods (all as applicable) for Awards granted under this Plan in accordance with the terms and conditions of this Plan;

(d) establishing the form or forms of Award Agreements;

(e) cancel, amend, adjust or otherwise change any Award under such circumstance as the Committee may consider appropriate in accordance with the provisions of this Plan; and

(f) make all other determinations, including, but not limited to determinations regarding whether Performance Goals have been achieved and take all other actions as it considers necessary or advisable for implementation and administration of this Plan.

Section 3.2 Delegation.

The Committee may delegate to one or more of its members any of the Committee's administrative duties or powers as it may deem advisable; provided, however, that any such delegation must be permitted under applicable corporate law.

Section 3.3 Interpretation Binding

The interpretation, construction and application of this Plan and any Award Agreements shall be made by the Board or a Committee and shall be final and binding on all holders of Awards granted under this Plan and all Persons eligible to participate under the provisions of this Plan.

Section 3.4 Limitation of Liability

No member of the Board or Committee shall be liable for any action or determination taken or made in good faith in the administration, interpretation, construction or application of this Plan or any Awards granted under it.

Section 3.5 Common Shares Subject to the Plan

(a) Subject to adjustment as provided for herein, the maximum number of Common Shares which may be issued to Participants under the Plan, or under any other share compensation arrangements of the Company, pursuant to the issuance of Awards, collectively, shall not in the aggregate exceed 10% of the total Common Shares issued and outstanding, calculated on the date the Award is granted or issued to such person (the "**Total Share Authorization**"). If any Award is terminated, cancelled, forfeited, has expired without being fully exercised or is otherwise settled in cash, any unissued Common Shares which have been reserved to be issued upon the exercise of the Award will be returned to the Total Share Authorization become available to be issued under Awards subsequently granted under the Plan.

(b) The following limits apply to the operation of this Plan:

(i) unless the Company has obtained the requisite Disinterested Shareholder Approval,

(A) the maximum aggregate number of Common Shares that are issuable under all share compensation arrangements of the Company granted or issued in any 12-month period to any one person (and companies owned or controlled by that Person) must not exceed 5% of the total number of Common Shares issued and outstanding, calculated as at the date any Award is granted or issued to such person;

(B) the maximum aggregate number of Common Shares which may be issued under share compensation arrangements of the Company granted or issued to Insiders as a group must not exceed 10% of the Common Shares issued and outstanding at any point in time; and

(C) the maximum aggregate number of Common Shares that are issuable under all share compensation arrangements of the Company granted or issued in any 12-

month period to Insiders as a group must not exceed 10% of the Common Shares issued and outstanding, calculated on the date any Award is granted to an Insider; and

(ii) the maximum aggregate number of Common Shares that are issuable under all share compensation arrangements of the Company granted or issued in a 12-month period to any one Consultant must not exceed 2% of the Common Shares issued and outstanding, calculated at the date any Award is granted to the Consultant; and

(iii) the maximum aggregate number of Common Shares that are issuable under all share compensation arrangements of the Company granted or issued in a 12-month period to all persons retained to provide Investor Relations Activities must not exceed 2% of the Common Shares issued and outstanding, calculated at the date any Award is granted to any such Person.

(c) The Board (which for these purposes does not include a reference to a Committee) shall allot, set aside and reserve for issuance for the purpose of this Plan a sufficient number of Common Shares at each meeting of the Board such that the number of Common Shares issuable under Section 3.5(a) shall be properly allotted, set aside and reserved for issuance.

Article 4
ELIGIBILITY AND GRANT OF AWARDS

Section 4.1 Eligibility

Awards may only be granted to Participants, an RRSP or RRIF established and controlled by a Participant or a company that is wholly owned by an individual Participant and provided that the participation is voluntary. A Participant will not be entitled to receive a grant of an Award after the date that the Participant ceases to be a Director, an Officer, an Employee, a Management Company Employee or a Consultant in each case for any reason.

Section 4.2 Transfers of Employment and Changes of Role

For purposes of the Plan, unless otherwise provided by the Committee, a transfer of employment of a Participant between the Company and an Affiliate or among Affiliates or a change of role with the Company or an Affiliate, shall not be deemed a termination of employment provided that the Participant remains a Participant. The Committee may provide in a Participant's Award Agreement or otherwise the conditions under which a transfer of employment to an entity that is spun off from the Company or an Affiliate shall not be deemed a termination of employment for purposes of an Award.

Section 4.3 Committee's Discretion

(a) Subject to the foregoing, the Committee shall have full and final authority to determine the Participants who are to be allocated and granted Awards under this Plan and the number of Common Shares subject to each Award grant. Subject to Article 11, Awards granted under this Plan shall be for Common Shares only, and for no other security.

(b) Unless limited by the terms of this Plan or any regulatory or stock exchange requirement, the Committee shall have full and final authority, in its discretion, to determine the nature, terms and conditions attached to any grant of Awards under this Plan.

Section 4.4 Bona Fide Representation.

For Awards granted to Employees, Consultants or Management Company Employees, the Company and the Participant are responsible for ensuring and confirming that the Participant is a bona fide Employee, Consultant or Management Company Employee, as the case may be.

Section 4.5 Eligibility of Persons Retained to Provide Investor Relations Activities.

Persons retained to provide Investor Relations Activities may only be granted Options under this Plan.

Section 4.6 Specific Allocation

The Company cannot grant or issue an Award hereunder unless and until the Award has been allocated to a particular Participant.

Section 4.7 Notification of Award

Following the approval by the Committee of the granting or issuance of an Award, the Committee will notify the recipient in writing of the Award and will enclose with such notice the Award Agreement representing the Award so awarded.

Section 4.8 Copy of Plan

In addition to the notice of the Award and Award Agreement, as set out in Section 4.7 hereto, the Company will also forward to the Participant a copy of this Plan (on the first grant of an Award hereunder) and any other documentation that may be required by applicable law, stock exchange or regulatory requirements.

Section 4.9 Non-Transferability of Awards

Subject to applicable law, no Award granted under this Plan shall be assignable or transferable otherwise than:

(a) by will or by the laws of descent and distribution, and such Award shall be exercisable, during a Participant's lifetime, only by the Participant (subject to Section 10.1);

(b) to a Participant's RRSP or RRIF, provided that the Participant is, during the Participant's lifetime, the sole beneficiary of the RRSP or RRIF; or

(c) a company that is wholly owned by an individual Participant provided that such company has complied with the requirements of section 2(c) of TSXV Policy 4.4.

Section 4.10 Other Requirements

(a) The date that an Award is granted shall be the date such grant was approved by the Committee.

(b) The Company may only grant Awards pursuant to resolutions of the Committee.

(c) The Company may not grant any Awards while there is an undisclosed material change or undisclosed material fact relating to the Company.

(d) Any Award granted under this Plan shall be subject to the requirement that, if at any time the Company determines that the listing, registration or qualification of the Common Shares subject to such Award, or such Award itself, upon any stock exchange or under any law or regulation of any jurisdiction, or the consent or approval of any stock exchange or any governmental or regulatory body, is necessary as a condition of, or in connection with, the grant or exercise of such Award or

the issuance or purchase of Common Shares thereunder, such Award may not be granted, accepted, exercised or vest in whole or in part unless such listing, registration, qualification, consent or approval shall have been effected or obtained on conditions acceptable to the Board (which for these purposes does not include a reference to a Committee).

(e) All Awards and Common Shares issuable thereunder are subject to any applicable resale restrictions under securities laws and the Exchange Hold Period (as defined in TSXV Policy 1.1), and shall have affixed thereto any legends required under securities laws and the policies of the TSXV.

(f) If any Awards are issued to a U.S. Participant or anyone who becomes a U.S. Participant, who is granted an Award in the United States, who is a resident of the United States or who is otherwise subject to the U.S. Securities Act or the securities laws of any state of the United States, such Participant shall receive an Award Agreement which sets out the applicable United States restrictions.

(g) The Committee shall not grant any Awards that may be denominated or settled in Common Shares to residents of the United States or a US. Participant unless such Awards and the Common Shares issuable upon exercise thereof are registered under the U.S. Securities Act or are issued in compliance with an available exemption from the registration requirements of the U.S. Securities Act.

(h) Awards granted to U.S. Participants and any Common Shares issued on the exercise of such Awards may be subject to additional resale restrictions as outlined in the Award Agreement.

Section 4.11 Blackout Period

Notwithstanding the expiry date, redemption date or settlement date of any Award, such expiry date, redemption date or settlement date, as applicable, of the Award shall be extended to the tenth business day following the last day of a Blackout Period if the expiry date, redemption date or settlement date of the Award would otherwise occur in a Blackout Period or within five days after the end of the Blackout Period. The following requirements are applicable to any such automatic extension provision:

(a) the Blackout Period must be formally imposed by the Corporation pursuant to its internal trading policies as a result of the bona fide existence of undisclosed material information;

(b) the automatic extension of the expiry date, redemption date or settlement date, as applicable, of a Participant's Award is not permitted where the Participant or the Corporation is subject to a cease trade order (or similar order under Canadian securities laws) in respect of the Corporation's securities; and

(c) the automatic extension is available to all eligible Participants under the Plan under the same terms and conditions.

Section 4.12 Participation in this Plan

(a) The Company makes no representation or warranty as to the future market value of the Shares or with respect to any income tax matters affecting any Participant resulting from the grant, vesting or settlement of an Award, the exercise of an Option or resulting from any transactions in the Shares or any other event affecting the Awards. The Company and its Affiliates do not assume responsibility for the income or other tax consequences resulting to any Participant and each Participant is advised to consult with his or her own tax advisors.

(b) Unless otherwise determined by the Board, the Company shall not offer financial assistance to any Participant in regard to the exercise of any Award granted under this Plan.

Article 5
STOCK OPTIONS

Section 5.1 Grant of Options.

Subject to the terms and provisions of the Plan, Options may be granted to Participants in such number, and upon such terms, and at any time and from time to time as shall be determined by the Committee in its discretion, which need not be the same for each grant or for each Participant.

Section 5.2 Award Agreement.

Each Option grant shall be evidenced by an Award Agreement, an indicative form of which is attached as Schedule "A" hereto, that shall specify the terms and conditions of the Option grant including, the award date of the Option, the Exercise Price, the duration of the Option, the number of Common Shares to which the Option pertains, the conditions upon which an Option shall become vested and exercisable, and any such other provisions as the Committee shall determine. The Award Agreement shall contain such terms and conditions that may be considered necessary in order for the Options to comply with any provisions respecting options contained in any income tax laws or any other laws in force in any country or jurisdiction of which the Participant may from time to time be a resident or citizen or the rules of any regulatory body having jurisdiction over the Company.

Section 5.3 Exercise Price.

The Exercise Price for each grant of an Option under this Plan shall be determined by the Committee and shall be specified in the Award Agreement. The Option exercise price per Common Share shall not be less than the Market Price or, with respect to any Option granted under to a U.S. Participant, less than the Fair Market Value of a Common Share on the date such Option is granted.

Section 5.4 Duration of Options.

Each Option granted to a Participant shall expire and become null, void and of no effect as of 5:00 p.m. local time in Vancouver British Columbia on the expiry date, as determine at the time of grant; provided, however, that (i) no Option shall be granted with a term exceeding the tenth (10th) anniversary date of its grant; and (ii) no Option shall expire in a period greater than one year following the date on which a Participant ceases to be an eligible Participant. Notwithstanding the foregoing, the expiry date of any Option shall be extended in the circumstances described in Section 4.11.

Section 5.5 Vesting.

(a) The Committee shall have the authority to determine vesting terms applicable to grants of Options, which Options in its discretion, which need not be the same for each grant or for each Participant.

(b) Notwithstanding the foregoing, Options issued to Persons retained to provide Investor Relations Activities must vest in stages over a period of not less than 12 months, and no more than 25% of such Options may vest in any three month period, but in any event, such Options shall not vest sooner than:

(i) one quarter (¼) of the Options on the date which is three (3) months from the date of grant;

(ii) one quarter (¼) of the Options on the date which is six (6) months from the date of grant;

(iii) one quarter (¼) of the Options on the date which is nine (9) months from the date of grant; and

(iv) the final one quarter (¼) of the Options on the date which is twelve (12) months from the date of grant.

Section 5.6 Exercisability

(a) Subject to Article 10, an Option may be exercised in whole or in part from time to time once it has vested and until expiration or termination by delivering to the Company at its head or registered office, a written Exercise Notice substantially in the form set out as Schedule "B" or following such alternative procedures which may be authorized by the Committee, specifying the number of Common Shares with respect to which the Option is being exercised and accompanied by payment for the full amount of the purchase price of the Common Shares then being purchased by certified cheque, wire transfer, bank draft or money order payable to the Company or by such other means as might be specified from time to time by the Committee. Subject to any governing rules or regulations, as soon as practicable after receipt of a notification of exercise and full payment for the Common Shares, the Common Shares in respect of which the Option has been exercised shall be issued as fully-paid and non-assessable common shares of the Company.

(b) Notwithstanding Section 4.10(d), the Company shall not, upon the exercise of any Option, be required to register, issue or deliver any Common Shares prior to:

(i) the listing of such Common Shares on any stock exchange on which the Common Shares may then be listed; and

(ii) the completion of such registration or other qualification of such Common Shares under any law, rules or regulation as the Company shall determine to be necessary or advisable (including, without limitation, NI 45-106).

If any Common Shares cannot be registered, issued or delivered to any Participant for whatever reason, the obligation of the Company to issue such Common Shares shall terminate and any Option exercise price paid to the Company shall be returned to the Participant without deduction or interest.

(c) No Option holder who is resident in the United States or a U.S. Participant may exercise Options unless the underlying Common Shares are registered under the U.S. Securities Act or are issued in compliance with an available exemption from the registration requirements of the U.S. Securities Act.

Section 5.7 Cashless Exercise.

Options may exercise, at the option of the Participant, on a Cashless Exercise basis in accordance with TSXV Policy 4.4, provided that the Company has entered into an agreement with a brokerage firm to facilitate such Cashless Exercise.

Section 5.8 Grant of Options for Non-Qualifying Canadian Securities

At the time of the grant of any Option, the Board may designate, or shall, to the extent required by the ITA, designate, that such Option shall be in respect of Shares that are Non-Qualifying Securities, and the Board shall cause to be provided notice of such designation of Shares as Non-Qualifying Securities in the manner and by the date(s) required by subsection 110(1.9) of the ITA to each of:

(a) the Participant (including, where permitted by the ITA, in a Award Agreement); and

(b) the Minister of National Revenue for Canada.

Article 6
RESTRICTED SHARE UNITS

Section 6.1 Grant of Restricted Share Units.

Subject to the terms and conditions of the Plan, the Committee, at any time and from time to time, may, subject to Section 4.5, grant Restricted Share Units to Participants in such amounts and upon such terms as the Committee shall determine, which need not be the same for each grant or for each Participant, provided that the terms comply with Section 409A of the Code with respect to a U.S. Participant or an applicable exemption thereunder.

Section 6.2 Restricted Share Unit Agreement.

(a) Each Restricted Share Unit grant shall be evidenced by an Award Agreement, an indicative form of which is attached as Schedule "C" hereto, that shall specify the Period(s) of Restriction, the number of Restricted Share Units granted, the settlement date (which shall not be later than the last day of the Restricted Period) for Restricted Share Units, and any such other provisions as the Committee shall determine, including, without limitation, a requirement that Participants pay a stipulated purchase price for each Restricted Share Unit, restrictions based upon the achievement of specific Performance Goals, time-based restrictions on vesting following the attainment of the Performance Goals, time-based restrictions, restrictions under applicable laws or under the requirements of any stock exchange or market upon which such Common Shares are listed or traded, or holding requirements or sale restrictions placed on the Common Shares by the Company upon vesting of such Restricted Share Units.

(b) In making such determination, the Board shall consider the timing of crediting Restricted Share Units, including crediting Restricted Share Units in connection with Dividend Equivalents, to a Participant's account, the vesting requirements and settlement timing applicable to such Restricted Share Units to ensure that the crediting of the Restricted Share Units to the Participant's account, the vesting requirements and settlement timing are not considered a "salary deferral arrangement" for the purposes of the ITA and any applicable provincial legislation.

(c) The Award Agreement in respect of Restricted Share Units shall contain such terms that may be considered necessary in order that the Restricted Share Units will comply with any provisions respecting restricted share units in the income tax or other laws in force in any country or jurisdiction of which the Participant may from time to time be a resident or citizen or the rules of any regulatory body having jurisdiction over the Company.

Section 6.3 Vesting Restriction

Restricted Share Units will vest on such terms as shall be specified by the Committee at the time of granting such Restricted Share Units, which need not be the same for each grant or for each Participant, and such vesting period shall be reflected in the Award Agreement. Except pursuant to Section 10.1 or as otherwise determined by the Board in connection with a Change of Control pursuant to Section 11.2 or other similar transaction, no Restricted Share Units may vest or become freely trading before the date that is one year following the date it is granted or issued. For greater certainty, the vesting period must fall after the end of the Performance Period, if any, but no later than the last day of the Restriction Period.

Section 6.4 Dividends and Other Distributions.

During the Restricted Period, Participants holding Restricted Share Units granted hereunder may, if the Committee so determines, be credited with dividends paid with respect to the underlying Common Shares or Dividend Equivalents while they are so held in accordance with the Plan and otherwise in such a manner determined by the Committee in its sole discretion. Dividend Equivalents shall not apply to an Award unless specifically provided for in the Award Agreement. The Committee may apply any restrictions to the

dividends or Dividend Equivalents that the Committee deems appropriate. The Committee, in its sole discretion, may determine the form of payment of dividends or Dividend Equivalents, including cash, Common Shares, or Restricted Share Units, provided that any Dividend Equivalents paid in the form of additional Awards or Common Shares shall reduce the applicable pool of Common Shares available for issuance under all share compensation arrangements of the Company. Further, any additional Restricted Share Units credited to the Participant's account in satisfaction of payment of dividends or Dividend Equivalents will vest in proportion to and will be paid under the Plan in the same manner as the Restricted Share Units to which they relate. If the Company does not have a sufficient number of Common Shares available under this Plan to satisfy the payment of any dividends or Dividend Equivalent under this Section 6.4, or the issuance of any Awards or Common Shares in satisfaction of any dividends or Dividend Equivalents under this Section 6.4 would result in the breach of any limit contained in this Plan, the Company shall satisfy any such dividend payment in cash.

Section 6.5 Payment in Settlement of Restricted Share Units.

When and if Restricted Share Units become payable, the Participant issued such units shall be entitled to receive payment, no later than the last day of the Restricted Period, from the Company in settlement of such units in cash, Common Shares of equivalent value (based on the FMV as of the settlement date), in some combination thereof, or in any other form, all as determined by the Committee at its sole discretion. The Committee's determination regarding the form of payout shall be set forth or reserved for later determination in the Award Agreement for the grant of the Restricted Share Units. Any Common Shares issued under this Section 6.5 shall be considered as fully paid in consideration of past services rendered that are not less in value than the fair equivalent of money that the Company would have received if the Common Shares were issued for money. Notwithstanding the foregoing, any payment in settlement of Restricted Share Units shall be in manner that is exempt from, or complies with, Section 409A of the Code with respect to any U.S. Participant.

Section 6.6 U.S. Participants.

No Restricted Share Unit holder who is resident in the United States may settle Restricted Share Units for Common Shares unless the Common Shares issuable upon settlement of the Restricted Share Units are registered under the U.S. Securities Act or are issued in compliance with an available exemption from the registration requirements of the U.S. Securities Act.

Article 7
DEFERRED SHARE UNITS

Section 7.1 Grant of Deferred Share Units.

Subject to the terms and conditions of the Plan, the Committee, at any time and from time to time, may, subject to Section 4.5, grant Deferred Share Units to Participants in such amounts and upon such terms as the Committee shall determine, which need not be the same for each grant or for each Participant, provided that the terms comply with Section 409A of the Code with respect to a U.S. Participant or an applicable exemption thereunder.

Section 7.2 Deferred Share Unit Agreement.

(a) Each Deferred Share Unit grant shall be evidenced by an Award Agreement, an indicative form of which is attached as Schedule "C" hereto, that shall specify the number of Deferred Share Units granted, the settlement date for Deferred Share Units, and any other provisions as the Committee shall determine, including, without limitation, a requirement that Participants pay a stipulated purchase price for each Deferred Share Unit, restrictions based upon the achievement of specific Performance Goals, time-based restrictions on vesting following the attainment of the Performance Goals, time-based restrictions, restrictions under applicable laws or under the requirements of any stock exchange or market upon which such Common Shares are listed or traded, or holding

requirements or sale restrictions placed on the Common Shares by the Company upon vesting of such Deferred Share Units.

(b) In making such determination, the Board shall consider the timing of crediting Deferred Share Units, including crediting Deferred Share Units in connection with Dividend Equivalents, to a Participant's Account, any vesting requirements and settlement timing applicable to such Deferred Share Units to ensure that the crediting of the Deferred Share Units to the Participant's Account, any vesting requirements and settlement timing are compliant with Regulation 6801(d) under the ITA and any applicable provincial legislation.

Section 7.3 Vesting Restriction

(a) Deferred Share Units will vest on such terms as shall be specified by the Committee at the time of granting such Deferred Share Units, which need not be the same for each grant or for each Participant, and such vesting period shall be reflected in the Award Agreement. Except pursuant to Section 10.1 or as otherwise determined by the Board in connection with a Change of Control pursuant to Section 11.2 or other similar transaction, no Deferred Share Units may vest or become freely trading before the date that is one year following the date it is granted or issued.

(b) Notwithstanding any provision to the contrary in this Plan or any applicable Award Agreement, the Board may, in its sole discretion, make adjustments to the calculation of any Deferred Share Units granted to Participants based on its assessment of the risk level, events that may impact the value of the Deferred Share Units or when calculations do not properly reflect all of the relevant considerations, provided further that, in respect of any Deferred Share Units subject to the ITA, no such adjustments shall entitle the Participant or a person with whom the employee does not deal at arm's length, either immediately or in the future, either absolutely or contingently, to receive or obtain any amount or benefit granted or to be granted for the purpose of reducing the impact, in whole or in part, of any reduction in the Fair Market Value of the Shares.

Section 7.4 Dividends and Other Distributions.

During the Restricted Period, Participants holding Deferred Share Units granted hereunder may, if the Committee so determines, be credited with dividends paid with respect to the underlying Common Shares or Dividend Equivalents while they are so held in accordance with the Plan and otherwise in such a manner determined by the Committee in its sole discretion. Dividend Equivalents shall not apply to an Award unless specifically provided for in the Award Agreement. The Committee may apply any restrictions to the dividends or Dividend Equivalents that the Committee deems appropriate. The Committee, in its sole discretion, may determine the form of payment of dividends or Dividend Equivalents, including cash, Common Shares, or Deferred Share Units, provided that any Dividend Equivalents paid in the form of additional Awards or Common Shares shall reduce the applicable pool of Common Shares available for issuance under all share compensation arrangements of the Company. Further, any additional Deferred Share Units credited to the Participant's account in satisfaction of payment of dividends or Dividend Equivalents will vest in proportion to and will be paid under the Plan in the same manner as the Deferred Share Units to which they relate. If the Company does not have a sufficient number of Common Shares available under this Plan to satisfy the payment of any dividends or Dividend Equivalent under this Section 7.4, or the issuance of any Awards or Common Shares in satisfaction of any dividends or Dividend Equivalents under this Section 7.4 would result in the breach of any limit contained in this Plan, the Company shall satisfy any such dividend payment in cash.

Section 7.5 Payment in Settlement of Deferred Share Units.

When and if Deferred Share Units become payable, the Participant issued such units shall be entitled to receive payment from the Company in settlement of such units in cash, Common Shares of equivalent value (based on the FMV as of the settlement date), in some combination thereof, or in any other form, all as determined by the Committee at its sole discretion. The Committee's determination regarding the form of payout shall be set forth or reserved for later determination in the Award Agreement for the grant of the

Deferred Share Units. The applicable settlement period in respect of a particular Deferred Share Units shall be determined by the Board and set forth in an Award Agreement but shall be in any case after the Restriction Period. In the case of a Deferred Share Unit that is subject to the ITA, all vested Deferred Share Units shall be settled no later than the earlier the last day of the calendar year following the Participant's Termination Date. Notwithstanding the foregoing, any payment in settlement of Deferred Share Units shall be in manner that is exempt from, or complies with, Section 409A of the Code with respect to any U.S. Participant.

Section 7.6 U.S. Participants

No Deferred Share Unit holder who is resident in the United States may settle Deferred Share Units for Common Shares unless the Common Shares issuable upon settlement of the Deferred Share Units are registered under the U.S. Securities Act or are issued in compliance with an available exemption from the registration requirements of the U.S. Securities Act.

Article 8
PERFORMANCE SHARE UNITS

Section 8.1 Grant of Performance Share Units.

Subject to the terms and conditions of the Plan, the Committee, at any time and from time to time, may, subject to Section 4.5, grant Performance Share Units to Participants in such amounts and upon such terms as the Committee shall determine, which need not be the same for each grant or for each Participant, provided that the terms comply with Section 409A of the Code with respect to a U.S. Participant or an applicable exemption thereunder.

Section 8.2 Performance Share Unit Agreement.

(a) Each Performance Share Unit grant shall be evidenced by an Award Agreement, an indicative form of which is attached as Schedule "C" hereto, that shall specify the number of Performance Share Units granted, the Restricted Period, the Performance Period for Performance Share Units, and any other provisions as the Committee shall determine, including, without limitation, a requirement that Participants pay a stipulated purchase price for each Performance Share Unit, restrictions based upon the achievement of specific Performance Goals, time-based restrictions on vesting following the attainment of the Performance Goals, time-based restrictions, restrictions under applicable laws or under the requirements of any stock exchange or market upon which such Common Shares are listed or traded, or holding requirements or sale restrictions placed on the Common Shares by the Company upon vesting of such Performance Share Units.

(b) In making such determination, the Board shall consider the timing of crediting Performance Share Units, including crediting Performance Share Units in connection with Dividend Equivalents, to a Participant's account, the vesting requirements and settlement timing applicable to such Performance Share Units to ensure that the crediting of the Performance Share Units to the Participant's account, the vesting requirements and settlement timing are not considered a "salary deferral arrangement" for the purposes of the ITA and any applicable provincial legislation.

(c) The Award Agreement in respect of Performance Share Units shall contain such terms that may be considered necessary in order that the Performance Share Units will comply with any provisions respecting performance share units in the income tax or other laws in force in any country or jurisdiction of which the Participant may from time to time be a resident or citizen or the rules of any regulatory body having jurisdiction over the Company.

Section 8.3 Performance Goals.

The Performance Goals may be based upon the achievement of corporate, divisional or individual goals, and may be applied to performance relative to an index or comparator group, or on any other basis determined by the Committee. The Committee may modify the Performance Goals as necessary to align them with the Company's corporate objectives, subject to any limitations set forth in an Award Agreement or an employment or other agreement with a Participant. The Performance Goals may include a threshold level of performance below which no payment will be made (or no vesting will occur), levels of performance at which specified payments will be made (or specified vesting will occur, and a maximum level of performance above which no additional payment will be made (or at which full vesting will occur)), all as set forth in the applicable Award Agreement.

Section 8.4 Vesting Restriction.

Performance Share Units will vest on such terms as shall be specified by the Committee at the time of granting such Performance Share Units, which need not be the same for each grant or for each Participant, and such vesting period shall be reflected in the Award Agreement. Except pursuant to Section 10.1 or as otherwise determined by the Board in connection with a Change of Control pursuant to Section 11.2 or other similar transaction, no Performance Share Units may vest or become freely trading before the date that is one year following the date it is granted or issued. For greater certainty, the vesting period must fall after the end of the Performance Period but no later than the last day of the Restriction Period.

Section 8.5 Dividends and Other Distributions.

During the Restricted Period, Participants holding Performance Share Units granted hereunder may, if the Committee so determines, be credited with dividends paid with respect to the underlying Common Shares or Dividend Equivalents while they are so held in accordance with the Plan and otherwise in such a manner determined by the Committee in its sole discretion. Dividend Equivalents shall not apply to an Award unless specifically provided for in the Award Agreement. The Committee may apply any restrictions to the dividends or Dividend Equivalents that the Committee deems appropriate. The Committee, in its sole discretion, may determine the form of payment of dividends or Dividend Equivalents, including cash, Common Shares, or Performance Share Units, provided that any Dividend Equivalents paid in the form of additional Awards or Common Shares shall reduce the applicable pool of Common Shares available for issuance under all share compensation arrangements of the Company. Further, any additional Performance Share Units credited to the Participant's account in satisfaction of payment of dividends or Dividend Equivalents will vest in proportion to and will be paid under the Plan in the same manner as the Performance Share Units to which they relate. If the Company does not have a sufficient number of Common Shares available under this Plan to satisfy the payment of any dividends or Dividend Equivalent under this Section 8.5, or the issuance of any Awards or Common Shares in satisfaction of any dividends or Dividend Equivalents under this Section 8.5 would result in the breach of any limit contained in this Plan, the Company shall satisfy any such dividend payment in cash.

Section 8.6 Payment in Settlement of Performance Share Units.

Subject to the terms of this Plan and the applicable Award Agreement, after the applicable Performance Period has ended and no later than the last day of the Restricted Period, the holder of Performance Share Units shall be entitled to receive payout on the value and number of Performance Share Units, determined as a function of the extent to which the corresponding Performance Goals have been achieved. When and if Preferred Share Units become payable, the Participant issued such units shall be entitled to receive payment from the Company in settlement of such units in cash, Common Shares of equivalent value (based on the FMV as of the settlement date), in some combination thereof, or in any other form, all as determined by the Committee at its sole discretion. The Committee's determination regarding the form of payout shall be set forth or reserved for later determination in the Award Agreement for the grant of the Preferred Share Units. Any Common Shares issued under this Section 8.6 shall be considered as fully paid in consideration of past services rendered that are not less in value than the fair equivalent of money that the Company would have received if the Common Shares were issued for money. Notwithstanding the foregoing, any

payment in settlement of Performance Share Units shall be in manner that is exempt from, or complies with, Section 409A of the Code with respect to any U.S. Participant.

Section 8.7 U.S. Participants

No Performance Share Unit holder who is resident in the United States may settle Performance Share Units for Common Shares unless the Common Shares issuable upon settlement of the Performance Share Units are registered under the U.S. Securities Act or are issued in compliance with an available exemption from the registration requirements of the U.S. Securities Act.

Article 9
STOCK APPRECIATION RIGHTS

Section 9.1 Grant of Stock Appreciation Rights.

Subject to the terms and conditions of the Plan, the Committee, at any time and from time to time, may, subject to Section 4.5, grant Stock Application Rights to Participants in such amounts and upon such terms as the Committee shall determine, which need not be the same for each grant or for each Participant, provided that the terms comply with Section 409A of the Code with respect to a U.S. Participant or an applicable exemption thereunder.

Section 9.2 Stock Appreciation Right Agreement.

Each Stock Appreciation Right grant shall be evidenced by an Award Agreement, an indicative form of which is attached as Schedule "C" hereto, that shall specify the number of Stock Appreciation Rights granted, the grant price of the Stock Appreciation Right which shall not be less than the Market Price, the settlement date for Stock Appreciation Rights, and any other provisions as the Committee shall determine, including, without limitation, a requirement that Participants pay a stipulated purchase price for each Stock Appreciation Right, restrictions based upon the achievement of specific Performance Goals, time-based restrictions on vesting following the attainment of the Performance Goals, time-based restrictions, restrictions under applicable laws or under the requirements of any stock exchange or market upon which such Common Shares are listed or traded, or holding requirements or sale restrictions placed on the Common Shares by the Company upon vesting of such Stock Appreciation Rights. Notwithstanding the foregoing, in no event may an Award Agreement covering Stock Appreciation Rights granted to U.S. Participants have an exercise or base price (per share) that is less than the Fair Market Value per Common Share on the date of grant or expire more than ten years following the date of grant.

Section 9.3 Vesting Restriction

Stock Appreciation Rights will vest on such terms as shall be specified by the Committee at the time of granting such Stock Appreciation Rights, which need not be the same for each grant or for each Participant, and such vesting period shall be reflected in the Award Agreement. Except pursuant to Section 10.1 or as otherwise determined by the Board in connection with a Change of Control pursuant to Section 11.2 or other similar transaction, no Stock Appreciation Rights may vest or become freely trading before the date that is one year following the date it is granted or issued.

Section 9.4 Payment in Settlement of Stock Appreciation Rights.

When and if Stock Appreciation Rights become payable, the Participant issued such units shall be entitled to receive payment from the Company in settlement of such units in cash, Common Shares of equivalent value (based on the FMV as of the settlement date), in some combination thereof, or in any other form, all as determined by the Committee at its sole discretion. The Committee's determination regarding the form of payout shall be set forth or reserved for later determination in the Award Agreement for the grant of the Stock Appreciation Rights. Any Common Shares issued under this Section 9.4 shall be considered as fully paid in consideration of past services rendered that are not less in value than the fair equivalent of money

that the Company would have received if the Common Shares were issued for money. Notwithstanding the foregoing, any payment in settlement of Stock Appreciation Rights shall be in manner that is exempt from, or complies with, Section 409A of the Code with respect to any U.S. Participant.

Section 9.5 U.S. Participants

No Stock Appreciation Right holder who is resident in the United States may settle Stock Appreciation Rights for Common Shares unless the Common Shares issuable upon settlement of the Stock Appreciation Rights are registered under the U.S. Securities Act or are issued in compliance with an available exemption from the registration requirements of the U.S. Securities Act.

Article 10
TERMINATION OF EMPLOYMENT OR SERVICES

Section 10.1 Death, Incapacity and Disability.

If a Participant dies or becomes Incapacitated during the term of any Award or suffers a Disability while a Participant and, as a result, his or her employment, term of office or engagement with the Company or an Affiliated is terminated:

(a) any Awards held by the Participant that are not yet vested at the Termination Date shall continue to vest in accordance with their terms;

(b) any Awards held by the Participant that are subject to a Performance Goal shall be deemed to have been satisfied upon completion of the Performance Period;

(c) the executor, liquidator or administrator of the Participant's estate may exercise Options or other exercisable Awards of the Participant that become exercisable (including Awards which vested pursuant to the foregoing paragraphs) prior to the termination of such Awards in accordance with Section 10.1(e);

(d) any Restricted Share Units, Deferred Share Units, Performance Share Units, or Stock Appreciation Rights held by the Participant that have vested or vest (including Awards which vested pursuant to Section 10.1(a) or Section 10.1(b)) prior to their termination in accordance with Section 10.1(e), and do not otherwise have exercise requirements, shall be paid to the Participant, executor, liquidator or administrator of the Participant's estate in accordance with the terms of the Plan and Award Agreement;

(e) the right to exercise or be paid for an Award terminates on the earlier of: (i) the date that is 12 months after the Termination Date; (ii) the date on which the particular Award expires or terminates; and (iii) with respect to Awards subject to Section 409A of the Code awarded to U.S. Participant, the last day of the same calendar year as the Participant's Separation from Service; and

(f) such Participant's eligibility to receive further grants of Awards under the Plan ceases as of the Termination Date.

Section 10.2 Retirement.

If a Participant voluntarily Retires then:

(a) any Awards held by the Participant that are not yet vested at the Termination Date shall continue to vest in accordance with their terms;

(b) the Participant or, if applicable, the executor, liquidator or administrator of the Participant's estate may exercise Options or other exercisable Awards of the Participant that become exercisable

(including Awards which vested pursuant to the foregoing paragraphs) prior to the termination of such Awards in accordance with Section 10.2(d);

(c) any Restricted Share Units, Deferred Share Units, Performance Share Units, or Stock Appreciation Rights held by the Participant that have vested or vest (including Awards which vested pursuant to Section 10.2(a) prior to their termination in accordance with Section 10.2(d)), and do not otherwise have exercise requirements, shall be paid to the Participant or, if applicable, the executor, liquidator or administrator of the Participant's estate in accordance with the terms of the Plan and Award Agreement;

(d) the right to exercise or be paid for an Award terminates on the earlier of: (i) the date that is 12 months after the Termination Date; (ii) the date on which the particular Award expires or terminates; and (iii) with respect to Awards subject to Section 409A of the Code awarded to U.S. Participant, to the extent necessary to comply with Section 409A of the Code, the last day of the same calendar year as the Participant's Separation from Service; and

(e) such Participant's eligibility to receive further grants of Awards under the Plan ceases as of the Termination Date.

Section 10.3 Termination For Cause:

Except for explicit modifications of the application of this clause set out in a Participant's employment or such other services agreement (which shall have paramountcy over this clause) and subject to the discretion of the Board to determine otherwise (which for the purposes of this Section 10.3 does not include reference to a Committee), where a Participant's employment, term of office or engagement terminates for just Cause:

(a) any vested but unexercised Options or other exercisable Awards held by the Participant at the Termination Date will be immediately cancelled and forfeited to the Company on the Termination Date for no consideration;

(b) any other Awards held by the Participant that are not yet vested or payable by the Company at the Termination Date will be immediately cancelled and forfeited to the Company on the Termination Date for no consideration;

(c) any remaining Awards held by the Participant that have vested and become payable by the Company before the Termination Date shall be paid to the Participant; and

(d) the eligibility of a Participant to receive further grants under the Plan ceases as of the date that the Company or an Affiliate, as the case may be, provides the Participant with written notification that the Participant's employment or term of office or engagement, is terminated for Cause,

provided that, in any case where the Board determines otherwise or as otherwise agreed in any contract with any Participant which has been approved by the Board, the exercise or settlement period of an Award held by a Person who ceases to be a Participant shall not be longer than 12 months following the Termination Date.

Section 10.4 Termination for any Other Reason

Except for explicit modifications of the application of this clause set out in a Participant's employment agreement (which shall have paramountcy over this clause) and subject to the discretion of the Board to determine otherwise (which for these purposes of this Section 10.4 does not include reference to a Committee), where a Participant's employment or term of office or engagement terminates for any reason other than pursuant to Section 10.1, Section 10.2 or Section 10.3, then:

(a) any Options or other Awards held by the Participant that are exercisable at the Termination Date continue to be exercisable by the Participant until the earlier of:

(i) the date that is 90 days after the Termination Date;

(ii) the date on which the exercise period of the particular Award expires; and

(iii) with respect to Awards subject to Section 409A of the Code awarded to U.S. Participant, to the extent necessary to comply with Section 409A of the Code, the last day of the same calendar year as the Participant's Separation from Service,

(b) any non-exercisable Restricted Share Units, Deferred Share Units, Performance Share Units, or Stock Appreciation Rights held by the Participant that have vested or vest (subject to Section 11.2(c) or otherwise) prior to their termination in accordance with Section 10.4(c), and do not otherwise have exercise requirements, shall be paid to the Participant in accordance with the terms of the Plan and Award Agreement;

(c) subject to Section 11.2(c), any Award held by the Participant that are not yet vested at the Termination Date immediately expire and are cancelled and forfeited to the Company on the Termination Date; and

(d) the eligibility of a Participant to receive further grants under the Plan ceases as of the Termination Date,

provided that, in any case where the Board determines otherwise or as otherwise agreed in any contract with any Participant which has been approved by the Board, the exercise or settlement period of an Award held by a Person who ceases to be a Participant shall not be longer than 12 months following the Termination Date.

Article 11
ADJUSTMENT

For the purposes of this Article 11, any reference to the Board does not include a reference to a Committee.

Section 11.1 Adjustments in Authorized Shares.

(a) Subject to the approval of the TSXV, where applicable, in the event of any corporate event or transaction (including, but not limited to, a change in the Common Shares of the Company or the capitalization of the Company) such as a merger, arrangement or amalgamation that does not constitute a Change of Control under Section 11.2, or a consolidation, reorganization, recapitalization, separation, stock dividend, extraordinary dividend, stock split, reverse stock split, or other distribution of stock or property of the Company, combination of securities, exchange of securities, dividend in kind, or other like change in capital structure or distribution (other than normal cash dividends) to shareholders of the Company, or any similar corporate event or transaction (collectively, a "**Corporate Reorganization**"), the Board shall make or provide for such adjustments or substitutions, as applicable, as are equitably necessary to prevent dilution or enlargement of Participants' rights under the Plan that otherwise would result from such Corporate Reorganization including adjustments or substitutions to the number and kind of Common Shares that may be issued under the Plan, the number and kind of Common Shares subject to outstanding Awards, the Exercise Price or grant price applicable to outstanding Awards, the Total Share Authorization, and any other value determinations applicable to outstanding Awards or to this Plan, In connection with an adjustment in connection with a Corporate Reorganization, the Board shall have the discretion to permit a holder of Awards to purchase or receive (at the times, for the consideration, and subject to the terms and conditions set out in this Plan and the applicable Award Agreement) and the holder will then accept on the exercise or settlement of such Award, in lieu of

the Common Shares that such holder would otherwise have been entitled to receive, the kind and amount of shares or other securities or property that such holder would have been entitled to receive as a result of a Corporate Reorganization if, on the effective date thereof, that holder had owned all Common Shares that were subject to the Award.

(b) The Board shall also make appropriate adjustments in the terms of any Awards under the Plan as are equitably necessary to reflect such Corporate Reorganization and may modify any other terms of outstanding Awards, including modifications of Performance Goals and changes in the length of Performance Periods. The determination of the Board as to the foregoing adjustments, if any, shall be conclusive and binding on Participants under the Plan, provided that any such adjustments must comply with Section 409A of the Code with respect to any U.S. Participants and the rules of any stock exchange or market upon which such Common Shares are listed or traded.

Section 11.2 Change of Control

(a) Subject to the provisions of Section 11.2(b) or as otherwise provided in the Plan, in the event of a Change of Control, the Board shall have the discretion to:

(i) to amend, abridge or eliminate any vesting terms (except, without the prior approval of the TSXV, the vesting terms of Options granted to Persons retained to perform Investor Relation Activities), conditions or schedule or to otherwise amend the conditions of exercise so that any such Award may be exercised or settled in whole or in part, conditionally or otherwise, by the Participant so as to entitle the Participant to either tender Common Shares into a transaction that could result in a Change of Control or receive any securities, property or cash which the Participant would have received upon such Change of Control if the Participant had exercised or settled their Award immediately prior to the applicable record date or event and, if determined appropriate by the Board, any such Award not exercised or otherwise settled at the effective time or record date (as applicable) of such Change of Control will be deemed to have expired; or

(ii) unilaterally determine that all outstanding Awards (other than Deferred Share Units and Options subject to the ITA) shall be cancelled upon a Change of Control, and that the value of such Awards, as determined by the Board in accordance with the terms of the Plan and the Award Agreements, shall be paid out in cash in an amount based on the Change of Control Price within a reasonable time subsequent to the Change of Control, subject to the approval of the TSXV,

provided that, if the transaction that constitutes the Change of Control is not completed with within the time specified therein; then, at the discretion of the Board, the Common Shares may be returned to the Company and with respect to such returned Common Shares, the Award shall be reinstated as if it had not been exercised and the amended, abridged or otherwise eliminated vesting terms, conditions or schedules shall be reinstated and the affected Awards shall continue as if not amended, abridged or otherwise adjusted pursuant to this Section 11.2(a).

(b) Notwithstanding Section 11.2(a), no cancellation, acceleration of vesting, lapsing of restrictions or payment of an Award shall occur with respect to any Award if the Board reasonably determines in good faith prior to the occurrence of a Change of Control that such Award shall be honored or assumed, or new rights substituted therefor (with such honored, assumed or substituted Award hereinafter referred to as an "**Alternative Award**") by any successor to the Company or an Affiliate as described in Article 17 and provided that the successor entity agrees to assume the obligation to provide Alternative Awards and; provided, however, that any such Alternative Award must:

(i) be based on stock which is traded on the TSXV and/or the Toronto Stock Exchange;

(ii) provide such Participant with rights and entitlements substantially equivalent to or better than the rights, terms and conditions applicable under such Award, including, but not limited to, an identical or better exercise or vesting schedule (including vesting upon termination of employment) and identical or better timing and methods of payment;

(iii) recognize, for the purpose of vesting provisions, the time that the Award has been held prior to the Change of Control; and

(iv) have substantially equivalent economic value to such Award (determined prior to the time of the Change of Control).

(c) Where a Participant's employment or term of office or engagement is terminated for any reason, other than for Cause, during the 24 months following a Change in Control, any unvested Awards as at the date of such termination shall be deemed to have vested as at the date of such termination and shall become payable or exercisable as at the date of termination.

Section 11.3 Board Discretion

Adjustments and determinations under this Article 11 shall be made by the Board, whose decisions as to the adjustments or determination which shall be made, and the extent thereof, shall be final, binding, and conclusive.

Article 12
BENEFICIARY ON DEATH OR INCAPACITY

In the event of a Participant's death or Incapacity, all amounts due under the Plan shall only be paid to, and all rights of a Participant shall only be exercised by, the administrator, liquidator or executor of the Participant's estate.

Article 13
RIGHTS OF PERSONS ELIGIBLE TO PARTICIPATE

Section 13.1 Employment.

(a) Nothing in the Plan or an Award Agreement shall interfere with or limit in any way the right of the Company or an Affiliate to terminate any Participant's employment, consulting or other service relationship with the Company or an Affiliate at any time, nor confer upon any Participant any right to continue in the capacity in which he or she is employed or otherwise serves the Company or an Affiliate.

(b) The rights of a Participant pursuant to this Plan and any Award granted hereunder are the only rights to which the Participant (or the administrator, liquidator or executor of his or her estate) is entitled on termination of Employment with respect to such Participant's Award. The Participant acknowledges and agrees that they shall have no entitlement to damages or other compensation arising from or related to not receiving any Awards, grants, incentive compensation, payment or benefit that would have accrued to the Participant after the Termination Date. For clarity, no period of common law reasonable notice shall be used for purposes of calculating a Participant's entitlement under this Plan or any Award Agreement entered into in connection with same. By participating in this Plan, the Participant waives the right to receive damages or payment in lieu of any forfeited remuneration or Award under this Plan or any Award Agreement entered into in connection with same that would have accrued during any common law reasonable notice period that exceeds the Participant's minimum statutory notice of termination period under the applicable employment standards legislation (if any and if applicable).

(c) The Participant's participation in this Plan and acceptance of the Awards hereunder are voluntary. The Awards and payments hereunder are not compensation for services rendered and are an extraordinary item of compensation that is outside the scope of the Participant's employment or engagement with the Company, whether written or oral, and nothing can or must automatically be inferred from such the granting of such Awards. The Awards do not form an integral, normal, or expected part of the Participant's compensation from employment or engagement, and will not be counted for any purpose including relating to the calculation of any overtime, severance, resignation, termination of employment payments, or any long-service awards, bonuses, pension or retirement income or similar payments, and the Participant waives any claim on such basis.

Section 13.2 Participation.

No Participant shall have the right to be selected to receive an Award. No person selected to receive an Award shall have the right to be selected to receive a future Award, or, if selected to receive a future Award, the right to receive such future Award on terms and conditions identical or in proportion in any way to any prior Award.

Section 13.3 Rights as a Shareholder.

A Participant shall have none of the rights of a shareholder with respect to Common Shares covered by any Award until the Participant becomes the record holder of such Common Shares.

Article 14
AMENDMENT, MODIFICATION, SUSPENSION AND TERMINATION

Section 14.1 Amendment, Modification, Suspension and Termination.

(a) Subject to any applicable rules of the TSXV, the Board (which for these purposes does not include a reference to a Committee) may from time to time, in its absolute discretion and without the approval of shareholders, suspend or terminate the Plan, or make the following amendments to the Plan or any Option or Award:

(i) amend the vesting provisions of the Plan, any Option or any Award;

(ii) amend the Plan, an Option or Award as necessary to comply with applicable law or the requirements of the TSXV or any other regulatory body having authority over the Company, the Plan or the shareholders;

(iii) any amendment of a "housekeeping" nature, including, without limitation, to clarify the meaning of an existing provision of the Plan, correct or supplement any provision of the Plan that is inconsistent with any other provision of the Plan, correct any grammatical or typographical errors or amend the definitions in the Plan regarding administration of the Plan; and

(iv) any amendment respecting the administration of the Plan; and

(v) any other amendment that does not require the approval of shareholders under this Article 14.

(b) Shareholder approval is required for any of the following amendments to the Plan or any Awards and with respect to those amendments listed in Section 14.1(b)(i)-(vi) Disinterested Shareholder Approval is required:

(i) any individual Award grant or amendment to this Plan that would result in or permit the maximum aggregate number of Shares which may be issued under Awards granted or

issued to Insiders (as a group) to exceed ten percent 10% of the issued Shares at any point in time;

(ii) any individual Award grant or amendment to this Plan that would result in or permit the grant to Insiders (as a group), within a twelve (12) month period, of an aggregate number of Shares exceeding ten percent (10%) of the issued Shares, calculated on the date the Award is granted to any Insider;

(iii) any individual Award grant or amendment to this Plan that would result in or permit the number of Shares issued to any individual in any twelve (12) month period under this Plan to exceeding five percent (5%) of the issued Shares of the Company;

(iv) any reduction in the exercise price of an Option or SAR, or the extension of the term of an Option, if the Participant is an Insider of the Company at the time of the proposed amendment;

(v) any amendment to an Award that results in a benefit to an Insider, and for further clarity, if the Company cancels any Award and within one year grants or issues a new Award to the same person, that is considered an amendment;

(vi) any individual Award grant that would result in the Total Share Authorization being exceeded;

(vii) any change that would materially modify the eligibility requirements for participation in this Plan;

(viii) an increase to the Total Share Authorization;

(ix) any amendment that would extend the maximum permittable term of any Award; and

(x) any amendment to Section 14.1(a) and this Section 14.1(b);

(c) Other than as expressly provided in an Award Agreement or as set out in Section 11.2 hereof or with respect to a Change of Control, the Committee shall not alter or impair any rights or increase any obligations with respect to an Award previously granted under the Plan without the consent of the Participant;

(d) The Committee may amend the terms of an Award without the acceptance of the TSXV in the following circumstances:

(i) to reduce the number of Common Shares under any Awards;

(ii) to impose additional performance criteria or other vesting conditions under any Awards; or

(iii) to cancel an Award.

Section 14.2 Adjustment of Awards Upon the Occurrence of Unusual or Nonrecurring Events.

Subject to the approval of the TSXV, the Committee may make adjustments in the terms and conditions of, and the criteria included in, Awards in recognition of unusual or nonrecurring events in addition to the events described in Article 11 hereof affecting the Company or the financial statements of the Company or of changes in applicable laws, regulations or accounting principles, whenever the Committee determines that such adjustments are appropriate in order to prevent unintended dilution or enlargement of the benefits or potential benefits intended to be made available under the Plan. The determination of the Committee as to the foregoing adjustments, if any, shall be conclusive and binding on Participants under the Plan.

Section 14.3 Awards Previously Granted.

Notwithstanding any other provision of the Plan to the contrary, no termination, amendment, suspension or modification of the Plan shall adversely affect in any material way any Award previously granted under the Plan, without the written consent of the Participant holding such Award.

Article 15
U.S. TAXPAYERS

Section 15.1 U.S. Participants

Any Option granted under the Plan to a Participant who is a citizen or resident of the United States (including its territories, possessions and all areas subject to the jurisdiction) or otherwise a "U.S. person" as defined in Rule 902(k) of Regulation S under the U.S. Securities Act (a "**U.S. Participant**") may, at the sole discretion of the Company, be an incentive stock option (an "**ISO**") within the meaning of Section 422 of the Code, but only if so designated by the Company in the Award Agreement evidencing such Option. Subject to any limitations in Section 3.5(a), the aggregate number of Shares reserved for issuance in respect of ISOs shall not exceed 12,834,531 Common Shares. No provision of this Plan, as it may be applied to a U.S. Participant with respect to Options which are designated as ISOs, shall be construed so as to be inconsistent with any provision of Section 422 of the Code or the Treasury Regulations thereunder. Grants of Options to U.S. Participants which are not designated as or otherwise do not qualify as ISOs will be treated as non-statutory stock options for U.S. federal tax purposes. Notwithstanding anything in this Plan contained to the contrary, the following provisions shall apply to ISOs granted to each U.S. Participant:

(a) ISOs shall only be granted to individual U.S. Participants who are, at the time of grant, employees of the Company within the meaning of the Code;

(b) the aggregate fair market value (determined as of the time an ISO is granted) of the Common Shares subject to ISOs exercisable for the first time by a U.S. Participant during any calendar year under this Plan and all other stock option plans, within the meaning of Section 422 of the Code, of the Company shall not exceed One Hundred Thousand Dollars in U.S. funds (U.S.$100,000);

(c) the Exercise Price for Common Shares under each ISO granted to a U.S. Participant pursuant to this Plan shall be not less than Fair Market Value of such Common Shares at the time the Option is granted, as determined in good faith by the Committee at such time (unless such ISO is granted pursuant to an assumption or substitution for another option in a manner satisfying the provisions of Section 424(a) of the Code);

(d) if any U.S. Participant to whom an ISO is to be granted under the Plan at the time of the grant of such ISO is the owner of Voting Securities possessing more than ten percent (10%) of the total combined voting power of all classes of shares of the Company, then the following special provisions shall be applicable to the ISO granted to such individual:

  (i) the Exercise Price (per Common Share) subject to such ISO shall not be less than one hundred ten percent (110%) of the Fair Market Value of one Common Share at the time of grant; and

  (ii) for the purposes of this Section 15.1 only, the exercise period shall not exceed five (5) years from the date of grant;

(e) an ISO cannot be transferred assigned, pledged or hypothecated or otherwise disposed of by the Participant except by will or the laws of descent and distribution;

(f) in the event that this Plan is not approved by the shareholders of the Corporation as required by Section 422 of the Code within twelve (12) months before or after the date of adoption of the Plan

by the Board, ISOs granted under the Plan automatically will be deemed to be nonqualified stock options.

(g) no ISO may be granted hereunder to a U.S. Participant following the expiration of ten (10) years after the date on which this Plan is adopted by the Company or the date on which the Plan is approved by the shareholders of the Company, whichever is earlier;

(h) no ISO granted to a U.S. Participant under the Plan shall become exercisable unless and until the Plan shall have been approved by the shareholders of the Company; and

(i) the Corporation shall not be liable to any Participant or to any other person if it is determined that an Option intended to be an ISO does not qualify as an ISO.

Section 15.2 Disqualifying Dispositions

Each person awarded an ISO under this Plan shall notify the Corporation in writing immediately after the date he or she makes a disposition or transfer of any Common Shares acquired pursuant to the exercise of such ISO if such disposition or transfer is made: (i) within two years from the date of grant of the ISO; or (ii) within one year after the date such person acquired the Common Shares. Such notice shall specify the date of such disposition or other transfer and the amount realized, in cash, other property, assumption of indebtedness or other consideration, by the person in such disposition or other transfer. The Corporation may, if determined by the Committee and in accordance with procedures established by it, retain possession of any Common Shares acquired pursuant to the exercise of an ISO as agent for the applicable person until the end of the later of the periods described in clause (a) or (b) above, subject to complying with any instructions from such person as to the sale of such Common Shares.

Section 15.3 Section 409A of the Code

(a) This Plan and Awards will be construed and interpreted to be exempt from, or where not so exempt, to comply with Section 409A of the Code to the extent required to preserve the intended tax consequences of this Plan. Any reference in this Plan to Section 409A of the Code also include any regulation promulgated thereunder or any other formal guidance issued by the Internal Revenue Service with respect to Section 409A of the Code. Each Award shall be drafted, construed and administered such that the Award either (A) qualifies for an exemption from the requirements of Section 409A of the Code or (B) satisfies the requirements of Section 409A of the Code. If an Award is subject to Section 409A of the Code, (I) distributions shall only be made in a manner and upon an event permitted under Section 409A of the Code, (II) payments to be made upon a termination of employment or service shall only be made upon a Separation from Service, (III) unless the Award specifies otherwise, each installment payment shall be treated as a separate payment for purposes of Section 409A of the Code, and (IV) in no event shall a Participant, directly or indirectly, designate the calendar year in which a distribution is made except in accordance with Section 409A of the Code. To the extent that an Award or payment, or the settlement or deferral thereof, is subject to Section 409A of the Code, the Award will be granted, paid, settled or deferred in a manner that will meet the requirements of Section 409A of the Code, such that the grant, payment, settlement or deferral will not be subject to the additional tax or interest applicable under Section 409A of the Code. The Corporation reserves the right to amend this Plan to the extent it reasonably determines is necessary in order to preserve the intended tax consequences of this Plan in light of Section 409A of the Code. In no event will the Corporation or any of its subsidiaries or Affiliates be liable for any tax, interest or penalties that may be imposed on a Participant under Section 409A of the Code or any damages for failing to comply with Section 409A of the Code.

(b) All terms of the Plan that are undefined or ambiguous must be interpreted in a manner that complies with Section 409A of the Code if necessary to comply with Section 409A of the Code.

(c) The Committee, in its discretion, may permit the acceleration of the time or schedule of payment of a U.S. Participant's vested Awards in the Plan that constitute "deferred compensation" subject to Section 409A of the Code under circumstances that constitute permissible acceleration events under Section 409A of the Code.

(d) Notwithstanding any provisions of the Plan to the contrary, in the case of any "specified employee" within the meaning of Section 409A of the Code who is a U.S. Participant, distributions of non-qualified deferred compensation under Section 409A of the Code made in connection with a Separation from Service may not be made prior to the date which is six months after the date of Separation from Service (or, if earlier, the date of death of the U.S. Participant). Any amounts subject to a delay in payment pursuant to the preceding sentence shall be paid as soon practicable following such six-month anniversary of such Separation from Service.

Section 15.4 Section 83(b) Election

If a Participant makes an election pursuant to Section 83(b) of the Code with respect to an Award of Shares subject to vesting or other forfeiture conditions, the Participant shall be required to promptly file a copy of such election with the Corporation.

Section 15.5 Application of Article 15 to U.S. Participants

For greater certainty, the provisions of this Article 15 shall only apply to U.S. Participants.

Article 16
TAX AND WITHHOLDING

Section 16.1 Withholding.

(a) Notwithstanding any other provision of this Plan, all distributions, delivery of Shares or payments (including, for greater certainty, payments of Cash Equivalent) to a Participant (or to the liquidator, executor or administrator, as the case may be, of the estate of such Participant) under the Plan shall be made net of applicable taxes and social security and other source deductions. The Board shall determine, in its sole discretion, the form of payment acceptable for such tax withholding obligations, including the delivery of cash or cash equivalents, Shares (including through delivery of previously owned Shares, net settlement, a broker-assisted sale, or other cashless withholding or reduction of the amount of Shares otherwise issuable or delivered pursuant to the Award), other property, or any other legal consideration the Board deems appropriate.

(b) Participants will be responsible for (and will indemnify the Company and any Affiliate in respect of) all taxes, social security contributions (including, if the terms of the Participant's Option Agreement so provides, and if lawful, employer social security contributions) and other liabilities arising out of or in connection with any Award or the acquisition, holding or disposal of Shares. If the Company or any Affiliate or the trustee of any employee benefit trust has any liability to pay or account for any such tax or contribution, it may meet the liability by:

(i) selling Shares to which the Participant becomes entitled on his behalf and using the proceeds to meet the liability;

(ii) deducting the amount of the liability from any cash payment due under this Plan;

(iii) reducing the number of Shares to which the Participant would otherwise be entitled; and/or

(iv) deducting the amount from any payment of salary, bonus or other payment due to the Participant.

(c) A Canadian tax resident Participant shall not settle any tax or social security contributions, or other such liabilities, by the sale of Shares, acquired through a prior Award, to the Company.

Section 16.2 Acknowledgement.

With an Award Agreement, (i) Participant shall acknowledge and agree that the ultimate liability for all taxes legally payable by Participant is and remains Participant's responsibility and may exceed the amount actually withheld by the Company; (ii) Participant shall further acknowledge that the Company: (a) makes no representations or undertakings regarding the treatment of any taxes in connection with any aspect of this Plan; and (b) does not commit to and is under no obligation to structure the terms of this Plan to reduce or eliminate Participant's liability for taxes or achieve any particular tax result, and (iii) further, if Participant has become subject to tax in more than one jurisdiction, Participant shall acknowledge that the Company may be required to withhold or account for taxes in more than one jurisdiction.

Section 16.3 Participant's Tax Responsibility

It is the responsibility of the Participant to ensure that they adhere to tax legislation in their jurisdiction regarding the reporting of benefits derived from the exercise or settlement of an Award.

Article 17
SUCCESSORS

Any obligations of the Company or an Affiliate under the Plan with respect to Awards granted hereunder shall be binding on any successor to the Company or Affiliate, respectively, whether the existence of such successor is the result of a direct or indirect purchase, merger, consolidation or otherwise, of all or substantially all of the businesses and/or assets of the Company or Affiliate, as applicable.

Article 18
GENERAL PROVISIONS

Section 18.1 Forfeiture Events and Clawback.

Notwithstanding any other provisions in this Plan, any Award which is subject to recovery under any law, government regulation or stock exchange listing requirement, will be subject to such deductions and clawback as may be required to be made pursuant to such law, government regulation or stock exchange listing requirement (or any policy adopted by the Company pursuant to any such law, government regulation or stock exchange listing requirement). Without limiting the generality of the foregoing, the Board may provide in any case that outstanding Awards (whether or not vested or exercisable) and the proceeds from the exercise or disposition of Awards or Shares acquired under Awards will be subject to forfeiture and disgorgement to the Company, with interest and other related earnings, if the Participant to whom the Award was granted violates (a) a non-competition, non-solicitation, confidentiality or other restrictive covenant by which he or she is bound, or (b) any policy adopted by the Company applicable to the Participant that provides for forfeiture or disgorgement with respect to incentive compensation that includes Awards under the Plan. In addition, the Board may require forfeiture and disgorgement to the Company of outstanding Awards and the proceeds from the exercise or disposition of Awards or Shares acquired under Awards, with interest and other related earnings, to the extent required by law or applicable stock exchange listing standards and any related policy adopted by the Company. Each Participant, by accepting or being deemed to have accepted an Award under the Plan, agrees to cooperate fully with the Board, and to cause any and all permitted transferees of the Participant to cooperate fully with the Board, to effectuate any forfeiture or disgorgement required hereunder. Neither the Board nor the Company nor any other Person, other than the Participant and his or her permitted transferees, if any, will be responsible for any adverse tax or other consequences to a Participant or his or her permitted transferees, if any, that may arise in connection with this Section 18.1.

Section 18.2 Legend.

The certificates for Common Shares may include any legend that the Committee deems appropriate to reflect any restrictions on transfer of such Common Shares.

Section 18.3 Delivery of Title.

The Company shall have no obligation to issue or deliver evidence of title for Common Shares issued under the Plan prior to:

(a) Obtaining any approvals from governmental agencies that the Company determines are necessary or advisable; and

(b) Completion of any registration or other qualification of the Common Shares under any applicable law or ruling of any governmental body that the Company determines to be necessary or advisable.

Section 18.4 Investment Representations.

The Committee may require each Participant receiving Common Shares pursuant to an Award under this Plan to represent and warrant in writing that the Participant is acquiring the Common Shares for investment and without any present intention to sell or distribute such Common Shares.

Section 18.5 Uncertificated Common Shares.

To the extent that the Plan provides for issuance of certificates to reflect the transfer of Common Shares, the transfer of such Common Shares may be effected on a non-certificated basis to the extent not prohibited by applicable law or the rules of any applicable stock exchange.

Section 18.6 Unfunded Plan.

Participants shall have no right, title or interest whatsoever in or to any investments that the Company or an Affiliate may make to aid it in meeting its obligations under the Plan. Nothing contained in the Plan, and no action taken pursuant to its provisions, shall create or be construed to create a trust of any kind, or a fiduciary relationship between the Company or an Affiliate and any Participant, beneficiary, legal representative or any other person. Awards shall be general unsecured obligations of the Company, except that if an Affiliate executes an Award Agreement instead of the Company the Award shall be a general unsecured obligation of the Affiliate and not any obligation of the Company. To the extent that any individual acquires a right to receive payments from the Company or an Affiliate, such right shall be no greater than the right of an unsecured general creditor of the Company or Affiliate, as applicable. All payments to be made hereunder shall be paid from the general funds of the Company or Affiliate, as applicable, and no special or separate fund (unless decided otherwise by the Company) shall be established and no segregation of assets shall be made to assure payment of such amounts except as expressly set forth in the Plan.

Section 18.7 No Fractional Common Shares.

No fractional Common Shares shall be issued or delivered pursuant to the Plan or any Award Agreement. In such an instance, unless the Committee determines otherwise, fractional Common Shares and any rights thereto shall be forfeited or otherwise eliminated.

Section 18.8 Other Compensation and Benefit Plans.

Nothing in this Plan shall be construed to limit the right of the Company or an Affiliate to establish other compensation or benefit plans, programs, policies or arrangements. Except as may be otherwise specifically stated in any other benefit plan, policy, program or arrangement, no Award shall be treated as

compensation for purposes of calculating a Participant's rights under any such other plan, policy, program or arrangement.

Section 18.9 No Constraint on Corporate Action.

Nothing in this Plan shall be construed (i) to limit, impair or otherwise affect the Company's or an Affiliate's right or power to make adjustments, reclassifications, reorganizations or changes in its capital or business structure, or to merge or consolidate, or dissolve, liquidate, sell or transfer all or any part of its business or assets, or (ii) to limit the right or power of the Company or an Affiliate to take any action which such entity deems to be necessary or appropriate.

Section 18.10 Compliance with Canadian Securities Laws.

All Awards and the issuance of Common Shares underlying such Awards issued pursuant to the Plan will be issued pursuant to an exemption from the prospectus requirements of Canadian securities laws where applicable.

Article 19
LEGAL CONSTRUCTION

Section 19.1 Gender and Number.

Except where otherwise indicated by the context, any masculine term used herein also shall include the feminine, the plural shall include the singular, and the singular shall include the plural.

Section 19.2 Headings

The headings used herein are for convenience only and are not to affect the interpretation of the Plan.

Section 19.3 Severability.

In the event any provision of this Plan shall be held illegal or invalid for any reason, the illegality or invalidity shall not affect the remaining parts of the Plan, and the Plan shall be construed and enforced as if the illegal or invalid provision had not been included.

Section 19.4 Requirements of Law.

The granting of Awards and the issuance of Common Shares under the Plan shall be subject to all applicable laws, rules and regulations, and to such approvals by any governmental agencies or securities exchanges as may be required. The Company or an Affiliate shall receive the consideration required by law for the issuance of Awards under the Plan. The inability of the Company or an Affiliate to obtain authority from any regulatory body having jurisdiction, which authority is deemed by the Company or an Affiliate to be necessary for the lawful issuance and sale of any Common Shares hereunder, shall relieve the Company or Affiliate of any liability in respect of the failure to issue or sell such Common Shares as to which such requisite authority shall not have been obtained.

Section 19.5 Governing Law.

The Plan and each Award Agreement shall be governed by the laws of the Province of British Columbia excluding any conflicts or choice of law rule or principle that might otherwise refer construction or interpretation of the Plan to the substantive law of another jurisdiction.

Section 19.6 Compliance with Section 409A of the Code.

(a) To the extent the Plan is applicable to a particular Participant subject to the Code, it is intended that this Plan and any Awards made hereunder shall not provide for the payment of "deferred compensation" within the meaning of Section 409A of the Code or shall be structured in a manner and have such terms and conditions that would not cause such a Participant to be subject to taxes and interest pursuant to Section 409A of the Code. This Plan and any Awards made hereunder shall be administrated and interpreted in a manner consistent with this intent.

(b) To the extent that any amount or benefit in favour of a Participant who is subject to the Code would constitute "deferred compensation" for purposes of Section 409A of the Code would otherwise be payable or distributable under this Plan or any Award Agreement by reason of the occurrence of a Change of Control or the Participant's disability or separation from service, such amount or benefit will not be payable or distributable to the Participant by reason of such circumstance unless: (i) the circumstances giving rise to such Change of Control, disability or separation from service meet the description or definition of "change in control event," "disability," or "separation from service," as the case may be, in Section 409A of the Code and applicable proposed or final Treasury regulations thereunder, and (ii) the payment or distribution of such amount or benefit would otherwise comply with Section 409A of the Code and not subject the Participant to taxes and interest pursuant to Section 409A of the Code. This provision does not prohibit the vesting of any Award or the vesting of any right to eventual payment or distribution of any amount or benefit under this Plan or any Award Agreement.

(c) The Committee shall use its reasonable discretion to determine the extent to which the provisions of this Section 19.6 will apply to a Participant who is subject to taxation under the ITA.

Section 19.7 Approval.

(a) Unless the TSXV Policies otherwise provide, this Plan must receive the approval of shareholders at the annual general meeting of the Company for that year.

(b) Where any shareholder approval required in this Plan is required to be Disinterested Shareholder Approval, such approval must be determined and calculated as required by TSXV Policies.

(c) This Plan was:

(i) initially approved by the Board on [●], 2023; and

(ii) initially approved by shareholders on [●], 2023.

SCHEDULE "A"
OPTION CERTIFICATE

CASCADIA MINERALS LTD.

OMNIBUS EQUITY INCENTIVE PLAN

OPTION CERTIFICATE

This Certificate is issued pursuant to the provisions of the Cascadia Minerals Ltd. (the "**Company**") Omnibus Equity Incentive plan (the "**Plan**") and evidences that **[•]** is the holder (the "**Optionee**") of an option (the "**Option**") to purchase Common Shares Without Par Value (the "**Common Shares**") in the capital stock of the Company subject to the terms and conditions set out herein.

Subject to the provisions of the Plan:

(a) The Optionee may purchase up to **[•]** Common Shares pursuant to this Option, as and to the extent that the Option vests and becomes exercisable;

(b) The exercise price of the Option is **[•]** per Common Share (the "**Exercise Price**");

(c) the grant date of the Option is **[•]**;

(d) the expiry date of the Option is **[•]** (the "**Expiry Date**");

(e) Non-Qualified Securities (Canadian Participant)**;** and

(f) the Option shall vest in accordance with the following schedule:

(i) **[•]**; and

(ii) **[•]**.

The vested portion or portions of the Option may be exercised at any time and from time to time from and including the grant date through to 5:00 p.m. local time in Vancouver, British Columbia on the Expiry Date by delivering to the administrator of the Plan an Exercise Notice, in the form provided in the Plan, together with this Certificate and (a) a certified cheque or bank draft payable to "Perimeter Medical Imaging AI, Inc." in an amount equal to the aggregate of the Exercise Price of the Common Shares in respect of which the Option is being exercised or (b) if an alternative arrangement has been made with the Company (i.e. Cashless Exercise), notice of the election to exercise on such alternative basis.

This Certificate and the Option evidenced hereby are only assignable, transferable or negotiable in limited circumstance and are subject to the detailed terms and conditions contained in the Plan, the terms and conditions of which the Optionee hereby expressly agrees with the Company to be bound by. This Certificate is issued for convenience only and in the case of any dispute with regard to any matter in respect hereof, the provisions of the Plan and the records of the Company will prevail.

The Option is also subject to the terms and conditions contained in the schedules, if any, attached hereto. All terms not otherwise defined in this Certificate will have the meanings given to them under the Plan.

Wherever possible, each provision of this Certificate shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Certificate is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other provision or any other jurisdiction, but this Certificate shall be

reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision had never been contained herein.

This Certificate and the Plan embody the entire agreement and understanding among the parties and supersede and pre-empt any prior understandings, agreements or representations by or among the parties, written or oral, which may have related to the subject matter hereof in any way.

This Agreement shall bind and enure to the benefit of the Optionee and the Company and their respective successors and permitted assigns.

Dated this **[•]** day of **[•]**.

CASCADIA MINERALS LTD.

Per: _____

Administrator, Omnibus Equity Incentive Plan
Cascadia Minerals Ltd.

CASCADIA MINERALS LTD.

OMNIBUS EQUITY INCENTIVE PLAN

OPTION CERTIFICATE - SCHEDULE

The additional terms and conditions attached to the Option represented by this Certificate are as follows:

1. **[•]**

CASCADIA MINERALS LTD.

Per: _____

Administrator, Omnibus Equity Incentive Plan
Cascadia Minerals Ltd.

SCHEDULE "B"
EXERCISE NOTICE

CASCADIA MINERALS LTD.

EXERCISE NOTICE

TO: The Administrator, Omnibus Equity Incentive Plan
Cascadia Minerals Ltd.
1500 – 409 Granville St.
Vancouver, BC V6C 1T2
Canada

The undersigned hereby irrevocably gives notice, pursuant to the Cascadia Minerals Ltd. Omnibus Equity Incentive Plan (the "Plan"), of the exercise of the Option to acquire and hereby subscribes for (cross out inapplicable item):

Number of Common Shares: _____

Exercise Price (per Common Share) CAD$ _____

Aggregate Purchase Price CAD$ _____

Amount enclosed CAD$ _____

☐ Check here if alternative arrangements have been made with respect to Aggregate Purchase Price (i.e. Cashless Exercise) otherwise please contact the Company with details where the amount enclosed does not equal the Aggregate Purchase Price above

The undersigned tenders herewith a certified cheque or bank draft payable to "Cascadia Minerals Ltd." in an amount equal to the Aggregate Purchase Price of the aforesaid Common Shares and directs the Company to issue and deliver the certificate or statement evidencing said Common Shares as follows:

Registration Instructions	Delivery Instructions
	☐ Same as Registration Instructions
_____	OR
(Name)	
_____	_____
_____	_____
_____	_____
(Address)	(Address)

By executing this Exercise Notice the undersigned hereby confirms that the undersigned has read the Plan and agrees to be bound by the provisions of the Plan. All terms not otherwise defined in this Exercise Notice will have the meanings given to them under the Option Certificate.

DATED the _____ day of _____, _____.

_____	_____
Name of Optionee (Please Print)	Signature of Optionee

SCHEDULE "C"
AWARD CERTIFICATE

CASCADIA MINERALS LTD.

OMNIBUS EQUITY INCENTIVE PLAN

[RESTRICTED SHARE UNIT/PERFORMANCE SHARE UNIT/DEFERRED SHARE UNIT/STOCK APPRECIATION RIGHT] AWARD CERTIFICATE

This Certificate is issued pursuant to the provisions of the Cascadia Minerals Ltd. (the "**Company**") Omnibus Equity Incentive plan (the "**Plan**") and evidences that **[•]** is the holder (the "**Holder**") of an award (the "**Award**") issued pursuant to the Plan and subject to the terms and conditions set out herein.

Subject to the provisions of the Plan:

Your Grant:	**[Details of Award to be Inserted]**
Grant Price	**[To be Inserted if Applicable]**
Performance Goals:	**[To be Inserted if Applicable]**
Vesting Conditions:	**[To be Inserted if Applicable]**
Exercise Conditions:	**[To be Inserted if Applicable]**
Settlement Date:	**[To be Inserted if Applicable]**
Expiry Date:	**[To be Inserted if Applicable]**
Other Terms and Conditions:	**[To be Inserted if Applicable]**

The Award is also subject to the terms and conditions contained in the schedules, if any, attached hereto. All terms not otherwise defined in this Certificate will have the meanings given to them under the Plan.

This Certificate and the Award evidenced hereby are only assignable, transferable or negotiable in limited circumstance and are subject to the detailed terms and conditions contained in the Plan, the terms and conditions of which the Holder hereby expressly agrees with the Company to be bound by. This Certificate is issued for convenience only and in the case of any dispute with regard to any matter in respect hereof, the provisions of the Plan and the records of the Company will prevail.

All terms not otherwise defined in this Certificate will have the meanings given to them under the Plan.

Wherever possible, each provision of this Certificate shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Certificate is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other provision or any other jurisdiction, but this Certificate shall be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision had never been contained herein.

This Certificate and the Plan embody the entire agreement and understanding among the parties and supersede and pre-empt any prior understandings, agreements or representations by or among the parties, written or oral, which may have related to the subject matter hereof in any way.

This Agreement shall bind and enure to the benefit of the Holder and the Company and their respective successors and permitted assigns.

Dated this **[•]** day of **[•]**.

CASCADIA MINERALS LTD.

Per: _____

Administrator, Omnibus Equity Incentive Plan
Cascadia Minerals Ltd.

CASCADIA MINERALS LTD.

OMNIBUS EQUITY INCENTIVE PLAN

AWARD CERTIFICATE - SCHEDULE

The additional terms and conditions attached to the Award represented by this Certificate are as follows:

1. **[•]**

CASCADIA MINERALS LTD.

Per: _____

Administrator, Omnibus Equity Incentive Plan
Cascadia Minerals Ltd.

APPENDIX "J"
CASCADIA'S CARVE OUT FINANCIAL STATEMENTS AND MANAGEMENT'S DISCUSSION AND ANALYSIS

See attached.

ATAC Resources Ltd. Carve-out

Carve-Out Consolidated Financial Statements
Years ended December 31, 2022 and 2021
(Expressed in Canadian dollars)

INDEPENDENT AUDITOR'S REPORT

To the Directors of
ATAC Resources Ltd.

Opinion

We have audited the accompanying carve-out consolidated financial statements of ATAC Resources Ltd. Carve-Out (the "Entity"), which comprise the carve-out consolidated statements of financial position as at December 31, 2022 and 2021, and the carve-out consolidated statements of loss and comprehensive loss, cash flows, and net parent investment for the years then ended, and notes to the carve-out consolidated financial statements, including a summary of significant accounting policies.

In our opinion, these carve-out consolidated financial statements present fairly, in all material respects, the financial position of the Entity as at December 31, 2022 and 2021, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards ("IFRS").

Basis for Opinion

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

Material Uncertainty Related to Going Concern

We draw attention to Note 2 of the carve-out consolidated financial statements, which indicates that the Entity is dependent on its ability to obtain public equity financing, or achieve profitable operations in the future. As stated in Note 2, these events and conditions indicate that a material uncertainty exists that may cast significant doubt on the Entity's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Emphasis of Matter – Basis of Preparation

We draw attention to Note 3 to the financial statements which describes the basis of preparation used in these consolidated financial statements and the purpose of the consolidated financial statements.

Our opinion is not modified in respect to this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the carve-out consolidated financial statements of the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Except for the matter described in the Material Uncertainty Related to Going Concern section, we have determined that there are no other key audit matters to communicate in our auditor's report.

Other Information

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

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

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

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

Responsibilities of Management and Those Charged with Governance for the Carve-out Consolidated Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Carve-out Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the carve-out consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

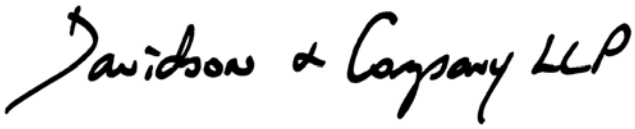
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the carve-out consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the carve-out consolidated financial statements, including the disclosures, and whether the carve-out consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Entity to express an opinion on the carve-out consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor’s report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor’s report is Stephen Hawkshaw.



Vancouver, Canada

Chartered Professional Accountants

May 4, 2023

ATAC RESOURCES LTD. CARVE-OUT

Carve-Out Consolidated Statements of Financial Position
(Expressed in Canadian Dollars)
As at

	December 31, 2022	December 31, 2021
ASSETS		
Current assets:		
Receivables and prepayments (Note 5)	$ 136,552	$ 44,456
Non-current assets		
Mineral property interests (Note 6)	334,763	84,690
Reclamation deposit (Note 7)	31,000	-
Equipment (Note 8)	11,858	9,819
	377,621	94,509
Total Assets	$ 514,173	$ 138,965
LIABILITIES AND NET PARENT INVESTMENT		
Current liabilities:		
Accounts payable and accrued liabilities	$ 88,918	$ 1,644
Accounts payable to related parties (Note 9)	6,472	1,123
Total liabilities	95,390	2,767
Net parent investment	418,783	136,198
Total liabilities and net parent investment	$ 514,173	$ 138,965

Nature of operations and arrangement agreement (Note 1)

The accompanying notes are an integral part of these carve-out consolidated financial statements.

ATAC RESOURCES LTD. CARVE-OUT

Carve-Out Consolidated Statements of Loss and Comprehensive Loss
(Expressed in Canadian Dollars)
For the years ended December 31,

	2022	2021
Expenses:		
Consulting fees	$ 37,336	$ 3,670
Depreciation (Note 8)	6,274	2,370
Exploration expenses (Note 6)	1,431,128	106,780
General administrative expenses	16,249	1,696
Insurance	18,177	2,248
Investor relations and shareholder information	54,826	3,099
Management, administration, and corporate development fees	13,839	1,482
Office rent	14,500	1,948
Professional fees	54,992	6,600
Property examination costs	16,812	54,932
Salaries and benefits	145,514	13,254
Transfer agent and filing fees	18,959	1,203
Travel and meals	19,215	477
Loss from operating expenses	(1,847,821)	(199,759)
Foreign exchange gain	1,472	388
Interest income	64,492	41,196
Gain on option of mineral property interest (Note 6)	26,000	30,000
	91,964	71,584
Loss and comprehensive loss for the year	$ (1,755,857)	$ (128,175)

The accompanying notes are an integral part of these carve-out consolidated financial statements.

ATAC RESOURCES LTD. CARVE-OUT

Carve-Out Consolidated Statements of Net Parent Investment
(Expressed in Canadian Dollars)

		Net parent investment
January 1, 2021	$	107,146
Net contributions from ATAC Resources Ltd.		157,227
Loss and comprehensive loss for the year		(128,175)
December 31, 2021		136,198
Net contributions from ATAC Resources Ltd.		2,038,442
Loss and comprehensive loss for the year		(1,755,857)
December 31, 2022	$	418,783

The accompanying notes are an integral part of these carve-out consolidated financial statements.

ATAC RESOURCES LTD. CARVE-OUT

Carve-Out Consolidated Statements of Cash Flows
(Expressed in Canadian Dollars)
For the years ended December 31,

	2022	2021
Cash flows from operating activities:		
Loss and comprehensive loss for the year	$ (1,755,857)	$ (128,175)
Items not involving cash:		
Depreciation	6,274	2,370
Interest income	(59,210)	(41,196)
Gain on option of mineral property interest	(26,000)	(30,000)
Changes in non-cash working capital items:		
Receivables and prepayments	(59,979)	(44,179)
Accounts payable and accrued liabilities	87,274	1,069
Due to related parties	5,349	878
Net cash used in operating activities	(1,802,149)	(239,233)
Cash flows from investing activities		
Interest received	2,093	40,932
Reclamation deposit	(31,000)	-
Purchase of equipment	(8,313)	(12,189)
Yukon mining exploration grant received	25,000	23,263
Mineral property acquisition costs	(149,965)	-
Option payments received	20,000	10,000
Net cash provided by (used in) investing activities	(142,185)	62,006
Cash flows from financing activities		
Net contributions with ATAC Resources Ltd.	1,944,334	177,227
Net cash provided by financing activities	1,944,334	177,227
Net change in cash	-	-
Cash, beginning of the year	-	-
Cash, end of the year	$ -	$ -

Supplemental cash flow information (Note 11)

During the years ended December 31, 2022 and 2021, no amounts were paid for interest or income tax expenses.

The accompanying notes are an integral part of these carve-out consolidated financial statements.

1. Nature of operations and arrangement agreement

These carve-out consolidated financial statements reflect the assets, liabilities, income, expenses and cash flows of the operations of the exploration business associated with ATAC Resources Ltd Carve-out (the "Entity"), that are to be transferred to Cascadia Minerals Ltd. ("Cascadia" or the "Company") by ATAC Resources Ltd. ("ATAC") for inclusion in the listing application of ATAC in conjunction with the spin-out of Cascadia, a wholly-owned subsidiary of ATAC as of March 23, 2023. The accounting policies applied in these carve-out consolidated financial statements are, to the extent applicable, consistent with accounting policies applied in the ATAC audited consolidated financial statements for the year ended December 31, 2022. The carve-out consolidated financial statements have been prepared on a "carve-out basis" from the ATAC audited consolidated financial statements for the purpose of presenting the financial position, results of operations and cash flows of the Entity.

Cascadia was incorporated under the laws of the Province of British Columbia, Canada as a wholly-owned subsidiary of ATAC on March 23, 2023. The Company's head office is located at 1500 – 409 Granville Street, Vancouver, British Columbia, Canada, V6C 1T2. Its records office is located at 1710 – 1177 West Hastings Street, Vancouver, British Columbia, Canada, V6E 2L3.

The main business activity of the Entity is the acquisition, exploration and evaluation of mineral property interests located in Canada and United States.

Arrangement agreement

On April 6, 2023, ATAC announced that it had entered into a definitive agreement (the "Arrangement Agreement") with Hecla Mining Company ("Hecla") whereby Hecla will acquire all of the issued and outstanding shares of ATAC for consideration payable in Hecla common shares and in shares of Cascadia (the "Transaction"). The consideration will consist of 0.0166 common shares in the capital of Hecla and 0.1 common shares in the capital of Cascadia for each one common share of ATAC.

Cascadia will hold all of the rights and interests related to the Catch, PIL, Rosy, and Idaho Creek projects (the "Cascadia Assets"), subject to a right of first refusal to Hecla to acquire any or all of the Cascadia Assets, as well as ATAC's cash balance following completion of the Transaction. The Company intends to apply for a listing of its shares on the TSX Venture Exchange.

Hecla has also agreed to make a $2,000,000 strategic investment into Cascadia (the "Strategic Investment"), in which Hecla will acquire 5,502,957 units of Cascadia (the "Cascadia Units") at a price of $0.36 per Cascadia Unit. Each Cascadia Unit will contain one common share of Cascadia and one warrant, each warrant entitling Hecla to purchase one additional Cascadia common share for a period of five years at a price of $0.36. Following completion of the Transaction and the Strategic Investment, ATAC shareholders will own 80.1% and Hecla will own 19.9% of Cascadia's issued and outstanding common shares.

The Transaction allows for Hecla to obtain ATAC's Rackla Gold Property which is adjacent to Hecla's Keno Hill mining project. Cascadia, the resulting spin-out entity, will be copper-focused with the continuing Cascadia Assets.

2. Going concern

The Entity is in the process of exploring its mineral property interests and has not yet determined whether they contain mineral reserves that are economically recoverable. The Entity's continuing operations and the underlying value and recoverability of the amounts shown for mineral property interests are entirely dependent upon the existence of economically recoverable mineral reserves, the ability of the Entity to obtain the necessary financing to complete the exploration and development of the mineral property interests, obtaining the necessary permits to mine, and on future profitable production or proceeds from the disposition of the mineral property interests.

These carve-out consolidated financial statements are prepared on the basis that the Entity will continue as a going concern, which assumes that the Entity will be able to continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of operations. These carve-out consolidated financial statements reflect the standalone operations of the Entity for the periods presented which require significant estimates with respect to corporate costs to maintain the operations of the Company. Significantly, the Entity is presented as wholly reliant on the financial support of the parent entity, ATAC, for the periods presented and will require financial support in the future to operate independently. Financial support will be dependent on the Entity's ability to obtain public equity financing, or achieve profitable operations in the future. Management may consider other forms of financing in order to maintain operations or curtail expenditures as required.

2. Going concern (continued)

These material uncertainties may cast significant doubt about the Company's ability to continue as a going concern.

The Cascadia Assets to be spun-out into the Company are exploration stage and do not have proven economic viability.

If the going concern assumption was not appropriate for these carve-out consolidated financial statements then adjustments would be necessary to the carrying value of assets and liabilities, the reported expenses, and the carve-out statement of financial position classifications used, and such amounts would be material.

Recent global issues, including the ongoing COVID-19 pandemic and the 2022 Russian invasion of Ukraine have adversely affected workplaces, economies, supply chains and financial markets globally. It is not possible for the Entity to predict the duration or magnitude of the adverse results of these issues and their effects on the Entity's business or results of operations at this time.

3. Basis of presentation

Statement of compliance

These carve-out consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). The financial statements were approved by the Board of Directors of the Company on May 4, 2023.

Basis of presentation

The purpose of these carve-out consolidated financial statements is to provide general purpose historical financial information of the Entity in connection with the arrangement detailed in Note 2. Therefore, these carve-out consolidated financial statements present the historical financial information of ATAC that make up the Entity. These financial statements are generally inclusive of results and disclosures found in the ATAC audited consolidated financial statements for the year ended December 31, 2022, and are intended to be read in conjunction with those statements.

Carve-Out Consolidated Statements of Financial Position

The carve-out consolidated statements of financial position reflect the assets and liabilities recorded by ATAC which are to be assigned to the Company on the basis that they are specifically identifiable and attributable to the Entity. The Entity is presented as wholly reliant on ATAC for cash funding as was the case in the periods presented.

Carve-Out Consolidated Statements of Loss and Comprehensive Loss

The Entity has an accounting policy of expensing exploration expenditures as incurred. The carve-out consolidated statements of loss and comprehensive loss include all exploration and evaluation expenditures incurred with respect to the Cascadia Assets for the periods presented.

The carve-out consolidated statements of loss and comprehensive loss include a pro-rata allocation of ATAC's non-exploration expenses incurred in each of the periods presented based on a percentage of the exploration and evaluation activity on the Cascadia Assets relative to the overall exploration expenditures incurred by ATAC in those periods. Specific identifiable activities attributable to the Company have been included. The allocation of expense for each period presented is as follows: 2022 – 31%; 2021 – 4%.

Other items

Income taxes have been calculated as if the Entity had been a separate legal entity and filed separate tax returns for the periods presented. The flow-through obligations of ATAC for the periods presented have been assumed to be those of ATAC and not Cascadia.

3. Basis of presentation (continued)

Other items (continued)

The preparation of carve-out financial statements requires management to make significant estimates and judgments with respect to activities and expenditures undertaken by the Entity. Management cautions readers of the carve-out consolidated financial statements that the Entity's results do not necessarily reflect what the results of the operations, financial position, or cash flows would have been as a standalone entity. Further, the allocation of income and expense in these carve-out statements of loss and comprehensive loss does not necessarily reflect the nature and level of the Company's future income and operating expenses. Net parent investment, presented as equity in these carve-out financial statements, includes the accumulated total loss and comprehensive loss of the Entity.

Basis of measurement

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

All amounts in these carve-out consolidated financial statements are presented in Canadian dollars which is the functional currency of the Entity and its subsidiary.

Basis of consolidation

These consolidated financial statements incorporate the financial statements of the Entity and its wholly controlled subsidiary. Control exists when the Entity has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The carve-out consolidated financial statements of the Entity include ATAC's direct wholly owned subsidiary. All significant intercompany transactions and balances have been eliminated.

	Country of Incorporation	Effective Interest	Functional currency
Cascadia Minerals Ltd.*	USA	100%	Canadian Dollar

* Incorporated on January 14, 2021.

4. Significant accounting policies

Financial instruments

The Entity classifies its financial instruments in the following categories: as fair value through profit or loss ("FVTPL"), financial assets at amortized cost and other financial liabilities. The classification depends on the purpose for which the financial assets or liabilities were acquired. Management determines the classification of financial assets and liabilities at initial recognition.

(i) Non-derivative financial assets and liabilities

Recognition

The Entity recognizes financial assets and financial liabilities on the date the Company becomes a party to the contractual provisions of the instruments.

Classification

The Entity classifies its financial assets and financial liabilities using the following measurement categories:

(a) Those to be measured subsequently at fair value (either through other comprehensive income (loss) or through profit or loss); and

(b) Those to be measured at amortized cost.

4. Significant accounting policies (continued)

Financial instruments (continued)

(i) Non-derivative financial assets and liabilities (continued)

Classification (continued)

The classification of financial assets depends on the business model for managing the financial assets and the contractual terms of the cash flows. Financial liabilities are classified as those to be measured at amortized cost unless they are designated as those to be measured subsequently at FVTPL (an irrevocable election at the time of recognition). For assets and liabilities measured at fair value, gains and losses are either recorded in profit or loss or other comprehensive income (loss).

The Entity reclassifies financial assets when and only when its business model for managing those assets changes. Financial liabilities are not reclassified.

Reclamation deposits are classified as FVTPL and are accounted for at fair value.

Receivables are classified as financial assets at amortized cost.

(ii) Other financial liabilities

The Entity has the following other financial liabilities: accounts payable and accrued liabilities, deposits received, and due to related parties. Such financial liabilities are recognized initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition these financial liabilities are measured at amortized cost using the effective interest method. Interest expense is recorded to profit or loss.

Mineral property interests

The acquisition costs of mineral property interests are capitalized until the property to which they relate is placed into production, sold, allowed to lapse or abandoned. Exploration and evaluation costs are expensed as incurred until it has been established that a mineral property is commercially viable. Mineral property interests that have close proximity and have the possibility of being developed as a single mine are grouped as projects and are considered separate cash generating units (“CGU”) for the purpose of determining future mineral reserves and impairments.

The acquisition costs include the cash consideration paid and the fair value of any shares issued for mineral property interests being acquired or optioned pursuant to the terms of relevant agreements.

Proceeds received from a partial sale or option of any interest in a property are credited against the carrying value of the property. When the proceeds exceed the carrying costs the excess is recorded in profit or loss in the year the excess is received. When all of the interest in a property is sold, subject only to any retained royalty interests which may exist, the accumulated property costs are written-off, with any gain or loss included in profit or loss in the year the transaction takes place. No initial value is assigned to any retained royalty interest. The royalty interest is subsequently assessed for value by reference to developments on the underlying mineral property.

Management reviews its mineral property interests at each reporting period for signs of impairment and annually after each exploration season to consider if there is impairment in value taking into consideration current year exploration results and management’s assessment of the future probability of profitable operations from the property, or likely gains from the disposition or option of the property. If a property is abandoned or inactive for a prolonged period, or considered to have no future economic potential, the acquisition costs are written-off to profit or loss.

4. Significant accounting policies (continued)

Mineral property interests (continued)

Once an economically viable resource has been determined for an area and the decision to proceed with development has been approved, mineral property interests attributable to that area are first tested for impairment and then reclassified to property and equipment. Subsequent recovery of the resulting carrying value depends on successful development or sale of the undeveloped project. Should a project be put into production, the costs of acquisition will be amortized over the life of the project based on estimated economic reserves. If the carrying value of a project exceeds its estimated net realizable value or value in use, an impairment provision is recorded.

When entitled, the Entity records refundable mineral exploration tax credits or incentive grants on an accrual basis and as a reduction of the exploration expenditures incurred that give rise to the credits. When the Entity is entitled to non-refundable exploration tax credits, and it is probable that they can be used to reduce future taxable income, a deferred income tax benefit is recognized.

Equipment

Equipment is measured at cost less accumulated depreciation and impairment losses. Equipment not available for use is not subject to depreciation. Depreciation is recognized on a straight-line basis over the equipment's useful life. Computer equipment is recognized over 3 years, and field equipment is recognized over 5 years.

An asset's residual value, useful life and depreciation method is reviewed at each reporting period and adjusted if appropriate. When parts of an item of equipment have different useful lives, they are accounted for as separate items (major components) of equipment.

Subsequent costs that meet the asset recognition criteria are capitalized, while costs incurred that do not extend the economic useful life of an asset are considered repairs and maintenance, which are accounted for as an expense recognized during the period. Gains and losses on disposal of an item are determined by comparing the proceeds from disposal with the carrying amount of the item and recognized in profit or loss.

Impairment

(i) Financial assets

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

(ii) Non-financial assets

Non-financial assets are reviewed quarterly by management for indicators that carrying value is impaired and may not be recoverable. When indicators of impairment are present the recoverable amount of an asset is evaluated at the CGU level, which is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. The recoverable amount of a CGU is the greater of the CGU's fair value less costs to sell and its value in use. An impairment loss is recognized in profit or loss to the extent that the carrying amount exceeds the recoverable amount. The Entity's mineral property interest impairment policy is more specifically discussed above.

4. Significant accounting policies (continued)

Environmental rehabilitation

An obligation to incur restoration, rehabilitation and environmental costs arises when environmental disturbance is caused by the exploration, development or ongoing production of a mineral property interest. The estimated costs arising from the decommissioning of plant and other site preparation work, discounted to their net present value, are determined, and capitalized at the start of each project to the carrying amount of the asset, as soon as the obligation to incur such costs arises. Discount rates, using a pre-tax rate that reflects the time value of money, are used to calculate the net present value. These costs are charged against profit or loss over the economic life of the related asset, through depreciation using either the unit-of-production or the straight-line method. The related liability is adjusted at each reporting date for the unwinding of the discount rate, for changes to the current market-based discount rate, and for changes to the amount or timing of the underlying cash flows needed to settle the obligation. Costs for restoration of subsequent site damage which is created on an ongoing basis during production are provided for at their net present values and charged to profit or loss as extraction progresses.

Income taxes

Income tax expense is comprised of current and deferred income taxes. Current income tax and deferred income tax are recognized in profit or loss, except to the extent that they relate to items recognized directly in equity or equity investments.

Current income tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred income tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred income tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred income tax assets and liabilities are offset if there is a legally enforceable right to offset current income tax liabilities and assets, and they relate to income taxes levied by the same tax authority for the same taxable entity. A deferred income tax asset is recognized for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable income will be available against which they can be utilized. Deferred income tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related income tax benefit will be realized.

Contributions

Contributions from ATAC to the Entity are presented as part of equity. The Entity has no share capital, options or warrants, and as a result, there are no applicable share-related disclosures.

Use of estimates and critical judgments

The preparation of these carve-out consolidated financial statements requires management to make estimates and judgments that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates and judgments. Those areas requiring the use of management estimates and judgments include:

Judgment is used mainly in determining how a balance or transaction should be recognized in the carve-out consolidated financial statements. Estimates and assumptions are used mainly in determining the measurement of recognized transactions and balances. Actual results may differ from these estimates.

(Expressed in Canadian dollars)

4. Significant accounting policies (continued)

Estimates

Other than entity-specific items, the Entity has estimated its share of non-exploration-related expenses based on its proportionate share of ATAC's consolidated exploration spending. This is a reasonable but arbitrary determination made largely for the purposes of presentation.

Judgments

(i) Recorded costs of mineral property interests are not intended to reflect present or future values of these properties. The recorded costs are subject to measurement uncertainty and it is reasonably possible, based on existing knowledge, that change in future conditions could require a material change in the recognized amount. Management is required, at each reporting date, to review its mineral property interests for signs of impairment. This is a highly subjective process taking into consideration exploration results, metal prices, economics, financing prospects and sale or option prospects. Management makes these judgments based on information available, but there is no certainty that a property is or is not impaired. Although the Entity has taken steps to verify title to mineral properties in which it has an interest, these procedures do not guarantee the Entity's title. Such properties may be subject to prior agreements or transfers and title may be affected by undetected defects.

(ii) Expenditures on properties made on behalf of a farmee subject to a farm-in agreement are not considered to be those of the Entity. Funding advanced to the Entity by the farmee and payments made by the Entity on its behalf are considered cash flows by the Entity.

(iii) The determination of deferred income tax assets or liabilities requires subjective assumptions regarding future income tax rates and the likelihood of utilizing tax carry-forwards. Changes in these assumptions could materially affect the recorded amounts, and therefore do not necessarily provide certainty as to their recorded values.

(iv) The assessment of the Entity's ability to continue as a going concern on the basis of its relationship with ATAC and anticipated viability on a standalone basis subsequent to completion of the Transaction.

5. Receivables and prepayments

Receivables and prepayments consist of the following:

	December 31, 2022	December 31, 2021
Sales tax recoverable	$ 54,620	$ 6,740
Exploration incentives receivable (Note 6)	50,000	25,000
Prepaid expenses and deposits	31,932	12,716
	$ 136,552	$ 44,456

(Expressed in Canadian dollars)

6. Mineral property interests

The Entity's mineral property interests consist of exploration stage properties located in the Yukon Territory, Canada, British Columbia, Canada and Nevada, USA. The properties have been grouped into wholly-owned, and under option. Properties which are in close proximity and could be developed as a single economic unit are grouped into projects. Changes in the project carrying amounts for the year ended December 31, 2022, and 2021 are summarized as follows:

	January 1, 2022	Acquisitions / staking / assessments	Cash / Shares Received	Gain on option	December 31, 2022
Wholly-owned projects					
Idaho Creek	$ -	$ -	$ (26,000)	$ 26,000	$ -
Rosy	84,690	-	-	-	84,690
	84,690	-	(26,000)	26,000	84,690
Under option projects					
Catch	-	45,060	-	-	45,060
PIL	-	205,013	-	-	205,013
Total	$ 84,690	$ 250,073	$ (26,000)	$ 26,000	$ 334,763

	January 1, 2021	Cash / Shares Received	Gain on option	December 31, 2021
Wholly-owned projects				
Idaho Creek	$ -	$ (30,000)	$ 30,000	$ -
Rosy	84,690	-	-	84,690
Total	$ 84,690	$ (30,000)	$ 30,000	$ 84,690

6. Mineral property interests (continued)

a) Wholly-owned projects

The Entity's wholly owned projects are comprised of the rights to explore various mineral claims located in the Yukon Territory, which are at various stages of exploration. They are not subject to any option or sale agreements, except as noted below.

Idaho Creek project

The Idaho Creek project consists of a 100% interest in the Idaho mineral claims located in the Whitehorse Mining District, Yukon Territory.

On August 19, 2020, and amended on November 25, 2020, October 13, 2021 and March 21, 2023, the Entity signed a property option agreement (the "Option Agreement") with Makara Mining Corp. ("Makara"), whereby Makara has the option to earn a 100% interest in the Entity's Idaho Creek project. Pursuant to the Option Agreement, Makara can earn the interest through completion of the following:

Cash payments of $150,000:

- $5,000 on execution of the Option Agreement (received);
- $10,000 on or before May 1, 2021 (received);
- $20,000 on or before May 1, 2022 (received);
- $40,000 on or before August 31, 2023; and
- $75,000 on or before May 1, 2024.

Issuance of 750,000 common shares:

- 25,000 common shares on execution of the Option Agreement (received at a fair value of $33,500);
- 50,000 common shares on or before May 1, 2021 (received at a fair value of $20,000);
- 100,000 common shares on or before May 1, 2022 (received at a fair value of $6,000);
- 250,000 common shares on or before May 1, 2023 (received at a fair value of $6,250); and
- 325,000 common shares on or before May 1, 2024.

Common shares of Makara received by the Entity will be retained by ATAC pursuant to the Arrangement.

In addition, Makara is required to incur $2,000,000 in exploration expenditures on the project as follows:

- $50,000 on or before December 1, 2020 (incurred);
- An additional $25,000 on or before December 1, 2021 (incurred);
- An additional $725,000 on or before December 1, 2023 (not yet incurred); and
- An additional $1,200,000 on or before December 1, 2024.

If an aggregate of $725,000 in exploration expenditures is not incurred by December 1, 2023, Makara is required to pay the difference between actual expenditures and $725,000 to the Entity by December 15, 2023, notwithstanding the termination of the Option Agreement.

Pursuant to the Option Agreement, the Entity retains a 2% net smelter royalty ("NSR") from any commercial production of precious metals from the Idaho Creek project of which Makara can repurchase one-half (being 1%) for $1,000,000.

Further, in addition to the NSR, the Entity shall be entitled to receive a one-time cash payment equal to $1 per ounce of gold (or the value equivalent in other metals) identified in the earlier of a National Instrument 43-101 Standards of Disclosure for Mineral Property compliant: (i) measured and indicated resource estimate applicable to the project; or (ii) a proven and probable reserve estimate applicable to the project.

In the year ended December 31, 2022, the Entity recognized a recovery in excess of carrying costs of $26,000 (2021 - $30,000).

6. Mineral property interests (continued)

a) Wholly-owned projects (continued)

Rosy project

The Rosy project consists of a 100% interest in the Rosy and Sam mineral claims located in the Whitehorse Mining District, Yukon Territory.

In 2021, the Entity was approved to receive financial assistance from the Yukon Government on 2021 qualified exploration expenditures on its Rosy project, to a maximum of $25,000. The grant was received in the year ended December 31, 2022.

b) Projects under option

Catch Property Option Agreement

On January 20, 2022, ATAC entered into a property option agreement with a vendor, whereby ATAC had the option to earn a 100% interest in the Catch Property, located in Yukon Territory. On April 19, 2023, the Company, ATAC and the optionor entered into an assignment agreement, wherein the Company acquired the right to earn 100% interest in the Catch Property through completion of the following, amended terms:

Cash payments of $325,000:

- $10,000 on exchange acceptance of the Option Agreement (paid by ATAC);
- $15,000 on or before December 31, 2022 (paid by ATAC);
- $25,000 on or before December 31, 2023;
- $50,000 on or before December 31, 2024;
- $75,000 on or before December 31, 2025; and
- $150,000 on or before December 31, 2026.

Conditional to the completion of the Arrangement Agreement, the Company will issue an aggregate of 1,200,000 common shares as follows:

- 50,000 common shares or that number of common shares with a value not greater than $10,000 on exchange acceptance of the Option Agreement (issued ATAC shares at a fair value of $5,000);
- 50,000 common shares or that number of common shares with a value not greater than $10,000 on or before December 31, 2022 (issued ATAC shares at a fair value $4,500);
- 100,000 common shares of the Company on or before December 31, 2023;
- 200,000 common shares of the Company on or before December 31, 2024;
- 300,000 common shares of the Company on or before December 31, 2025; and
- 500,000 common shares of the Company on or before December 31, 2026.

Incurrence of $3,600,000 in exploration expenditures on the project as follows:

- $150,000 on or before December 31, 2022 (incurred);
- $200,000 on or before December 31, 2023 (incurred);
- $350,000 on or before December 31, 2024 (incurred);
- $900,000 on or before December 31, 2025; and
- $2,000,000 on or before December 31, 2026;

The Catch Property is subject to an annual advance royalty of $25,000, due on or before December 31 of each calendar year, commencing in the year in which a pre-feasibility study is completed and continuing until the earlier of: 1) the commence of commercial production, or 2) the vendor having received an aggregate $500,000 in advance royalty payments. The Catch Property is also subject to a 2% NSR, with the Company having a right to buy back one-half of the NSR for $1,000,000.

6. Mineral property interests (continued)

b) Projects under option (continued)

Catch Property Option Agreement (continued)

Upon the determination of an initial resource equal or greater than 1,000,000 ounces of gold equivalent on the Catch Property, the vendor is also entitled to a milestone payment of $1 per ounce of gold equivalent, which may be satisfied wholly or partially by the issuance of common shares, to be calculated using the 10-day volume-adjusted weighted average price, subject to such price not being less than $0.05.

In 2022, the Entity was approved to receive financial assistance from the Yukon Government on 2022 qualified exploration expenditures on its Catch project, to a maximum of $50,000 (Note 5). The grant was received subsequent to December 31, 2022.

PIL Property Option Agreement

On February 21, 2022 and as amended on February 28, 2022 and April 28, 2023, ATAC entered into a property option agreement with Finlay Minerals Ltd. ("Finlay") to acquire a 70% interest in the PIL Property in northern British Columbia. On April 20, 2023, the Company, ATAC and Finlay entered into an assignment agreement, wherein the Company acquired the right to earn 100% interest in the PIL Property through completion of the following terms:

Cash payments of $650,000:

- $50,000 on exchange acceptance of the option agreement (paid);
- $50,000 on or before December 31, 2022 (paid);
- $50,000 on or before December 31, 2023;
- $100,000 on or before December 31, 2024;
- $100,000 on or before December 31, 2025; and
- $300,000 on or before December 31, 2026.

Issuance of common shares with an aggregate value of not more than $1,250,000:

- $50,000 on exchange acceptance of the option agreement (issued 375,094 ATAC common shares issued at a fair value of $52,513);
- $50,000 on or before December 31, 2022 (issued 467,191 ATAC common shares issued at a fair value of $38,095);
- $100,000 on or before December 31, 2023;
- $200,000 on or before December 31, 2024;
- $300,000 on or before December 31, 2025; and
- $550,000 on or before December 31, 2026.

For each share issuance above, if the Company's volume weighted-average price for the ten trading days immediately preceding the share issuance date ("10-day VWAP") is less than $0.105, the Company must fulfill the requirement by: (a) issuing common shares equal to the required value divided by $0.105, and (b) completing a cash payment equal to the difference between the required value and value of the number of shares issued based on the Company's actual 10-day VWAP. Finlay has consented to the receipt of common shares in the Company in lieu of ATAC common shares.

In addition, the Company must incur exploration expenditures on the project as follows:

- $300,000 on or before December 31, 2022 (incurred);
- $600,000 on or before December 31, 2023; and
- $1,500,000 on or before December 31, 2024.

Following the exercise of the option, the Company and Finlay will hold interests in the property of 70% and 30%, respectively, and a joint venture will be formed. The PIL Property is also subject to a 3% net smelter return royalty held by Electrum Resource Corp., with a right to buy back one-half of the royalty (1.5%) for $2,000,000. This buyback right will be transferred to the joint venture following completion of the option.

(Expressed in Canadian dollars)

6. Mineral property interests (continued)

b) Projects under option (continued)

PIL Property Option Agreement (continued)

Under an agreement dated July 14, 2022, the Entity acquired the Mount Graves claim from Eagle Plains Resources Inc. ("Eagle Plains"). The purchase price consisted of a $2,500 cash payment and Eagle Plains retaining a 2% net smelter royalty interest. The Company has the right to purchase one-half (1%) of the net smelter royalty interest at any time for $500,000.

The Mount Graves claim is located east of the PIL property, but outside of the area of interest as defined in the PIL property option agreement with Finlay and is not subject to that agreement.

In August of 2022, the Entity acquired the Spruce 3 claim in the PIL property area through online staking. This claim is located within the area of interest covered by the PIL property option agreement and Finlay has elected to include the claim in the PIL property under the option agreement.

c) Exploration expenditures

Exploration and evaluation expenditures on the projects consisted of the following:

For the year ended December 31, 2022	Catch	PIL	General Exploration and Other	Total
Assays	$ 57,431	$ 65,899	$ 245	$ 123,575
Assessment costs	-	866	3,292	4,158
Drilling	162,182	1,177	-	163,359
Field and camp	125,486	3,851	11,013	140,350
Government and community relations	-	24,382	-	24,382
Helicopter and fixed wing	245,844	86,578	-	332,422
Labour	85,685	39,835	2,402	127,922
Surveys and consulting	178,678	285,395	-	464,073
Travel and accommodation	68,697	32,190	-	100,887
	$ 924,003	$ 540,173	$ 16,952	$ 1,481,128
Less: Exploration grant	(50,000)	-	-	(50,000)
Total by Project	$ 874,003	$ 540,173	$ 16,952	$ 1,431,128

For the year ended December 31, 2021	General Exploration and Other	Total
Assays	$ 33,310	$ 33,310
Drilling	-	-
Field and camp	9,631	9,631
Helicopter and fixed wing	39,806	39,806
Labour	47,914	47,914
Resource, engineering and environmental studies	788	788
Surveys and consulting	-	-
Travel and accommodation	331	331
	$ 131,780	$ 131,780
Less: Exploration grant	(25,000)	(25,000)
Total by Project	$ 106,780	$ 106,780

(Expressed in Canadian dollars)

7. Reclamation deposit

As at December 31, 2022, the Company has pledged reclamation deposits of $31,000 (2021 - $nil) with respect to the PIL project.

8. Equipment

	Computer equipment	Field equipment	Total
Cost			
January 1, 2021	$ -	$ -	$ -
Additions	12,189	-	12,189
December 31, 2021	12,189	-	12,189
Accumulated depreciation			
January 1, 2021	-	-	-
Depreciation	2,370	-	2,370
December 31, 2021	$ 2,370	$ -	$ 2,370
Cost			
January 1, 2022	$ 12,189	$ -	$ 12,189
Additions	4,813	3,500	8,313
December 31, 2022	17,002	3,500	20,502
Accumulated depreciation			
January 1, 2022	2,370	-	2,370
Depreciation	5,399	875	6,274
December 31, 2022	$ 7,769	$ 875	$ 8,644
Net book value			
December 31, 2021	$ 9,819	$ -	$ 9,819
December 31, 2022	$ 9,233	$ 2,625	$ 11,858

9. Related party payables and transactions

For the periods presented, the Entity's activities were under the direction of the key management personnel of ATAC. The allocation of pro-rata expenses of ATAC to the results of the Entity result in the inclusion of a pro-rata portion of ATAC's compensation for its key management personnel.

ATAC contributed cash and shares for the acquisition of exploration and evaluation assets (Note 6); as well as for the operational activities of the Entity.

Net financing transactions with ATAC as presented in the carve-out statements of cash flows represents the net cash contributions related to the funding of the Entity's carve-out activities.

(Expressed in Canadian dollars)

10. Income taxes

Income tax recovery for the years ended December 31, 2022 and December 31, 2021 varies from the amount that would be computed from applying the combined federal and provincial income tax rate to loss before income taxes as follows:

	December 31, 2022	December 31, 2021
Loss before income taxes	$ (1,755,857)	$ (128,175)
Statutory Canadian corporate tax rate	27.0%	27.0%
Anticipated income tax recovery	(474,000)	(35,000)
Change in tax resulting from:		
Unrecognized items for tax purposes and other	1,000	(3,000)
Change in unrecognized deductible temporary differences	473,000	38,000
Net deferred income tax recovery	$ -	$ -

The significant components of the Entity's unrecognized deferred income tax asset (recognized deferred income tax liability) are as follows:

	December 31, 2022	December 31, 2021
Mineral property interest	$ 469,000	$ 85,000
Equipment	2,000	1,000
Non-capital loss carryforwards	173,000	85,000
Tax benefits unrecognized	(644,000)	(171,000)
Net deferred income tax asset (liability)	$ -	$ -

As at December 31, 2022, the Entity has non-capital loss carryforwards of approximately $5,000 (2021 - $5,000) in the United states and approximately $639,000 (2021 - $311,000) in Canada. Canadian losses will begin to expire in 2035.

Income tax attributes are subject to review, and potential adjustments, by tax authorities.

11. Supplemental cash flow information

The Entity incurred non-cash financing and investing activities during the year ended December 31, 2022 and 2021 as follows:

	2022	2021
Non-cash financing activities:		
Shares issued by ATAC Resources Ltd. for mineral property interests	$ 100,108	$ -

	2022	2021
Non-cash investing activities:		
Marketable securities received by ATAC Resources Ltd. as mineral property option payment	$ (6,000)	$ (20,000)

(Expressed in Canadian dollars)

12. Financial risk management

Capital management

The Entity's capital consists of contributions from ATAC. The Entity is a junior exploration company and its predominant capital management objective is to ensure its ability to continue as a going concern. The Entity manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of underlying assets.

The Entity currently has no source of revenues. In order to fund future projects and pay for administrative costs, the Entity will spend its existing working capital and raise additional funds as needed. The Entity's ability to continue as a going concern on a long-term basis and realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation is primarily dependent upon its ability to sell or option its mineral properties and its ability to raise additional funds from equity markets.

The Entity is not subject to any externally imposed capital requirements and does not presently utilize any quantitative measures to monitor its capital. The Entity has no debt and does not expect to enter into debt financing. There were no changes to the Entity's capital structure during the years ended December 31, 2022 and 2021.

Financial instruments - fair value

The Entity's financial instruments consist of receivables, reclamation deposit, accounts payable and accrued liabilities, and accounts payable to related parties.

The carrying value of receivables, accounts payable and accrued liabilities, and accounts payable to related parties received approximates their fair value because of the short-term nature of these instruments.

Financial instruments measured at fair value on the consolidated statements of financial position are summarized into the following fair value hierarchy levels:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	Level 1	Level 2	Level 3	Total
December 31, 2022				
Reclamation deposits	$ 31,000	$ -	$ -	$ 31,000
	$ 31,000	$ -	$ -	$ 31,000

12. Financial risk management (continued)

Financial instruments - risk

The Entity's financial instruments can be exposed to certain financial risks, including credit risk, interest rate risk, liquidity risk and market and currency risk.

a) Credit risk

The Entity has minimal accounts receivable exposure as its refundable credits are due primarily from the Canadian Government.

b) Liquidity risk

Liquidity risk is the risk that the Entity is unable to meet its financial obligations as they come due. The Entity manages this risk by careful management of its working capital to ensure its expenditures will not exceed available resources.

c) Market risk

The Entity is exposed to market risk because of the fluctuating values of its publicly traded marketable securities. The Entity has no control over these fluctuations and does not hedge its investments.

d) Currency risk

The Entity is exposed to currency risk because it holds funds and receivables in United States Dollars ("USD"), which, because of fluctuating exchange rates can create gains or losses at the time the funds are converted to Canadian dollars. The Entity has no control over these fluctuations and does not hedge its foreign currency holdings. Based on its December 31, 2022 USD holdings, every 5% increase or decrease in the exchange rate would have had an insignificant impact on profit or loss before income taxes.

13. Segmented information

As at December 31, 2022 and 2021, the Entity's long-term assets are located in Canada.

ATAC RESOURCES LTD. CARVE-OUT
MANAGEMENT DISCUSSION AND ANALYSIS
for the Years ended December 31, 2022 and 2021
(including any Significant Subsequent Events to May 4, 2023)

The following discussion and analysis ("MD&A") of the results of operations and financial condition of the exploration business associated with ATAC Resources Ltd Carve-out (the "Entity"), that are to be transferred to Cascadia Minerals Ltd. ("Cascadia" or the "Company") by ATAC Resources Ltd. ("ATAC") for inclusion in the listing application of ATAC in conjunction with the spin-out of the Cascadia, a wholly owned subsidiary of ATAC. This MD&A for the years ended December 31, 2022 and 2021 should be read in conjunction with the Entity's audited carve-out consolidated financial statements and related notes for years ended December 31, 2022 and 2021 ("Financial Statements"). All 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 MD&A, is complete and reliable.

The Entity is a subset of the financial operations of ATAC. The Financial Statements are a set of carve-out consolidated financial statements prepared to provide general purpose historical financial information for inclusion in the listing application of ATAC in conjunction with the spin-out of the Company, a wholly owned subsidiary of ATAC. The accounting policies applied in the carve-out consolidated financial statements are, to the extent applicable, consistent with accounting policies applied in the ATAC audited consolidated financial statements for the year ended December 31, 2022. The carve-out consolidated financial statements have been prepared on a "carve-out basis" from the ATAC audited consolidated financial statements for the purpose of presenting the financial position, results of operations and cash flows of the Entity on a stand-alone basis.

The preparation of carve-out financial statements requires management to make significant estimates and judgements with respect to activities and expenditures undertaken by the carve-out entity. Management cautions readers of the carve-out consolidated financial statements that the Entity's results do not necessarily reflect what the results of the operations, financial position, or cash flows would have been as a standalone entity. Further, the allocation of income and expense in these carve-out statements of loss and comprehensive loss does not necessarily reflect the nature and level of the Entity's future income and operating expenses. Net parent investment, presented as equity in these carve-out financial statements, includes the accumulated total loss and comprehensive loss of the Entity.

Further information with respect to presentation is provided in the Financial Statements.

FORWARD-LOOKING STATEMENTS

Except for statements of historical fact, certain information contained herein constitutes forward-looking statements. Forward-looking statements are usually identified by Cascadia'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 Cascadia'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 Cascadia's business model; future operations; products and services; the impact of regulatory initiatives on Cascadia's operations; the size of and opportunities related to the market for Cascadia'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 Cascadia. If risks or uncertainties materialize, or if underlying assumptions prove incorrect, the actual results may vary materially from those expected, estimated or projected. Cascadia 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.

CAUTIONARY NOTE TO US READERS

Information concerning mineral properties in this MD&A has been prepared in accordance with Canadian disclosure standards under applicable Canadian securities laws, which are not comparable in all respects to United States disclosure standards. The terms "mineral resource", "measured resource", "indicated resource" and "inferred resource" (and similar expressions) used in this MD&A are Canadian mining terms as defined in accordance with National Instrument 43 - 101 under guidelines set out in the standards set by the Canadian Institute of Mining, Metallurgy and Petroleum.

While the terms "mineral resource", "measured resource", "indicated resource" and "inferred resource" are recognized and required by Canadian regulations, they are not defined terms under the standards of the U.S. Securities and Exchange Commission ("SEC"). As such, certain information contained or incorporated by reference in this MD&A concerning descriptions of mineralization and resources under Canadian standards is not comparable to similar information made public by U.S. companies subject to the reporting and disclosure requirements of the SEC.

An "inferred resource" has a great amount of uncertainty as to its existence and as to its economic and legal feasibility. It cannot be assumed that all or any part of an "inferred resource" will ever be upgraded to a higher category. Under Canadian regulations, estimates of inferred resources may not form the basis of feasibility or other economic studies.

Readers are cautioned not to assume that all or any part of measured, indicated or inferred resources will ever be converted into Mineral Reserves. Readers are also cautioned not to assume that all or any part of an "inferred resource" exists, or is economically or legally mineable.

This MD&A also contains information with respect to adjacent or similar exploration and evaluation assets in respect of which Cascadia has no interest or rights to explore or mine. Cascadia advises US readers that the mining guidelines of the US Securities and Exchange Commission (the “SEC”) set forth in the SEC’s Industry Guide 7 (“SEC Industry Guide 7”) strictly prohibit information of this type in documents filed with the SEC. Readers are cautioned that Cascadia has no interest in or right to acquire any interest in any such properties, and that mineral deposits on adjacent or similar properties, and any production therefore or economics with respect thereto, are not indicative of mineral deposits on Cascadia’s properties or the potential production from, or cost or economics of, any future mining of any of Cascadia’s exploration and evaluation assets.

DESCRIPTION OF BUSINESS

Cascadia is in the business of exploring for metals and minerals in Canada. It does not own interests in any producing mines. At present, management is concentrating most of its efforts on the mineral properties in Yukon Territory and British Columbia, Canada to be spun-out from ATAC. See “Exploration Properties” for additional information.

ARRANGEMENT AGREEMENT

On April 6, 2023, ATAC announced that it had entered into a definitive agreement (the “Arrangement Agreement”) with Hecla Mining Company (“Hecla”) whereby Hecla will acquire all of the issued and outstanding shares of ATAC for consideration payable in Hecla common shares and in shares of Cascadia (the “Transaction”). The consideration will consist of 0.0166 common shares in the capital of Hecla and 0.1 common shares in the capital of Cascadia for each one common share of ATAC.

Cascadia will hold all of the rights and interests related to the Catch, PIL, Rosy, and Idaho Creek projects (the “Cascadia Assets”), subject to a right of first refusal to Hecla to acquire any or all of the Cascadia Assets, as well as ATAC’s cash balance following completion of the Transaction. The Company intends to apply for a listing of its shares on the TSX Venture Exchange.

Hecla has also agreed to make a $2,000,000 strategic investment into Cascadia (the “Strategic Investment”), in which Hecla will acquire 5,502,957 units of Cascadia (the “Cascadia Units”) at a price of $0.36 per Cascadia Unit. Each Cascadia Unit will contain one common share of Cascadia and one warrant, each warrant entitling Hecla to purchase one additional Cascadia common share for a period of five years at a price of $0.36. Following completion of the Transaction and the Strategic Investment, ATAC shareholders will own 80.1% and Hecla will own 19.9% of Cascadia’s issued and outstanding common shares.

The Transaction allows for Hecla to obtain ATAC’s Rackla Gold Property which is adjacent to Hecla’s Keno Hill mining project. Cascadia, the resulting spin-out entity, will be copper-focused with the continuing Cascadia Assets.

The Transaction will be effected by way of a court-approved plan of arrangement under the Business Corporations Act (British Columbia), requiring the approval of: (i) at least 66 2/3% of the votes cast by the shareholders, option holders and certain warrant holders of ATAC, voting together as a single class (the "Arrangement Resolution"); and (ii) a simple

majority of the votes cast by holders of the ATAC's shares at a special meeting of the ATAC securityholders called to consider, among other matters, the Arrangement Resolution and the Transaction (the "Meeting").

The directors and officers of ATAC have entered into voting support agreements with Hecla, pursuant to which they have agreed, among other things, to vote their securities in favour of the Arrangement Resolution and the Transaction.

In addition to shareholder and court approvals, the Transaction is subject to applicable regulatory approvals including, but not limited to, TSX-V acceptance and the satisfaction of certain other closing conditions customary in transactions of this nature. The Arrangement Agreement contains customary provisions including non-solicitation, "fiduciary out" and "right to match" provisions, as well as a C$1.65 million termination fee payable by ATAC to Hecla under certain circumstances. The Arrangement Agreement, which describes the full particulars of the Arrangement, will be made available on SEDAR under ATAC's issuer profile at www.sedar.com.

OVERALL PERFORMANCE

The Company intends to pursue the exploration and evaluation of the Cascadia Assets following completion of the Transaction.

EXPLORATION PROPERTIES

The current focus of Cascadia's exploration activities are several properties located in Yukon Territory, Canada, and the PIL property in British Columbia, Canada.

A. Yukon Properties

1. Rosy Property

The 100%-owned 61 km^2 Rosy property is located 77 km east of Whitehorse and surrounds the Red Mountain Molybdenum deposit. The property covers a large system of gold-silver epithermal veins. Historic work programs from 2008 to 2017 included geophysics, geochemistry, and limited drilling. This work identified two main areas of vein mineralization and a number of gold-in-soil anomalies.

Work in 2021 consisted of prospecting, mapping, and geochemical sampling to build a more comprehensive understanding of gold-silver potential at the property.

2. Catch Property

The Catch property is located in an underexplored part of south-central Yukon, 56 km south-east of Carmacks. It is accessible by float plane. Preliminary sampling on the property has returned very encouraging results indicative of the potential for significant copper-gold porphyry mineralization. The property is located 20 km from an all-season highway and powerline, within the traditional territory of the Little Salmon Carmacks First Nation.

Prospecting in key parts of the property has returned results including 3.03% copper with 4.46 g/t gold, 0.42% copper with 14.60 g/t gold, and 1.57% copper with 7.45 g/t gold. The property also exhibits extensive copper and gold soil geochemistry anomalism, including a 5,000 x 500 m zone of anomalous copper and gold.

Property Geology and Mineralization

The Property lies within the Stikine Terrane and is immediately adjacent to the 1,000+ km long, deep seated, crustal scale strike-slip Teslin-Thibert fault. The Stikine Terrane is characterized by Late Triassic to early Jurassic volcanic-plutonic arc complexes that are well-endowed with copper-gold-molybdenum porphyries including the Red Chris, Schaft Creek, Kemess, KSM and Galore Creek deposits and mines.

The Property is mostly underlain by augite phyric basalt of the Semenof Formation, centered on a 7 x 3 km regional magnetic high. Mineralization is associated with propylitic to sericitic alteration of basalt and lesser diorite host rocks. Locally there is intense silicification, brecciation and up to 10% disseminated to blebby pyrite, chalcopyrite and trace bornite and pyrrhotite. Secondary copper minerals including malachite, azurite and tenorite are widespread at surface, and coat fracture surfaces, and are often associated with gypsum.

The geology, alteration and mineralization observed throughout the Property are all indicative of a nearby copper-gold ± molybdenum bearing porphyry system.

2022 Exploration Program

On August 31, 2022, results of the Phase 1 program and commencement of a Phase 2 maiden drill program were announced. On January 23, 2023, results of the Phase 2 program were announced; Phase 1 and 2 work is summarized below.

Phase 1 exploration at Catch consisted of prospecting, mapping, soil sampling and geophysical surveys. A total of 50 rock samples and 359 soil samples were collected. 10.1 line-km of IP and 49.3 line-km of ground magnetics and very low frequency (VLF) surveys were completed.

Broad-spaced soil sampling (100 x 500 m) extended the primary copper-in-soil anomaly by 1.5 km to the north, to a total of 5 km x 500 m in size. Additional areas of anomalous copper-in-soil were identified outside the main target area and provide compelling targets for Phase 2 prospecting work.

Rock sampling extended areas of known mineralization at surface. Hand pitting 100 m north of Trench 8 yielded a sample returning 1.16% copper. Follow-up sampling at Trench 9 yielded a sample returning 1.36% copper with 0.13 g/t gold. Sampling 135 m west of Trench 1 returned 1.01% copper with 1.03 g/t gold from a hand pit. Sampling 50 m east of Trench 7 returned 1.57% copper. Apart from the follow-up sampling at Trench 9, all of these samples are from new mineral occurrences within the main target area, significantly extending known mineralization at surface. The primary anomaly area remains underexplored and numerous additional targets were evaluated in Phase 2 work.

A separate copper-in-soil anomaly located 1.5 km south of the trenching area returned 1.09% copper from outcrop in an area that remains underexplored. This area and additional soil anomalies located further south were also evaluated in Phase 2 work.

The IP survey returned an open ended (NW-SE), 1,000 x 600 x 400 m coincident chargeability and resistivity high coincident with the primary zone of copper-gold mineralization. This area lies within a moderate magnetic high and is immediately adjacent to a 1.5 x 1.2 km circular magnetic high.

Phase 2 exploration at Catch included collection of 33 infill soil samples, 176 rock samples, and 473.97 m of reverse circulation (“RC”) drilling in 6 holes.

The prospecting program was highly successful in identifying new zones of surface mineralization, and in expanding the footprint of the main zone. Numerous high-grade outcrop samples were collected, including 3.03% copper with 4.46 g/t gold, 2.83% copper with 6.07 g/t gold, and 0.42% copper with 14.60 g/t gold – all from the main zone. Mineralization throughout this area is extensive, with high-grade samples collected from outcrops across a 500 m area. Float samples from this zone extend mineralization to a 400 x 600 m area.

A new zone with an outcropping diorite porphyry was also identified over 2 km south of the main zone. Samples of the diorite returned 1.45% copper with 0.20 g/t gold and 1.27% copper with 0.57 g/t gold and are coincident with a pronounced 600 x 600 m magnetic low. This outcrop was discovered by prospecting in the final days of the exploration program and very limited sampling has been conducted in this area to-date. With these robust grades and potential for additional associated porphyry-style copper and gold mineralization, this target area is being prioritized for additional work in early 2023.

Initial petrographic studies show mineralization at the main zone is dominantly associated with propylitic to sericitic alteration of basalt, hydrothermal breccias and rare diorite host rocks. Petrography of the diorite zone shows dominantly sericitic alteration of diorite and lesser hydrothermal breccia host rocks.

RC drilling was aimed at evaluating coincident copper-gold geochemistry at surface and IP chargeability at depth within the main zone. Unfortunately, ground conditions proved more challenging than anticipated and the heli-portable RC rig was not able to reach target depth in any hole. Anomalous copper and gold were intersected in multiple holes; however, no significant intercepts were returned. The primary IP target remains untested, and numerous other areas on the Property with high-grade copper and gold in rock have yet to be evaluated by drilling, including the diorite zone.

Option Terms

Please refer to the consolidated carve-out financial statements for the years ended December 31, 2022 and 2021 for the option terms with respect to the Catch Property.

3. Idaho Creek Property

The 13.9 km^2 Idaho Creek property is located 150 km south of Dawson City and 14 km east of the Casino Cu-Mo-Au porphyry project.

The Idaho Creek Property is currently under option to Makara Mining Corp. Please refer to the consolidated carve-out financial statements for the years ended December 31, 2022 and 2021 for the option terms with respect to the Idaho Creek Property.

B. PIL Property (British Columbia)

The road-accessible PIL property is located in the prolific Toodoggone porphyry and epithermal district of northern British Columbia. The property is 25 km northwest of the past producing Kemess Mine, 15 km east of Benchmark Metals' Lawyers Project and is immediately adjacent to both TDG Gold Corp.'s Shasta Project and AMARC Resources' Joy Project, which is being explored in partnership with Freeport-McMoRan Inc.

Historical exploration at the PIL property has identified multiple compelling porphyry and epithermal targets that have seen limited exploration over the last decade and much of the property has seen minimal work. The property is located within the traditional territories of the Kwadacha, Tsay Keh Dene, Takla and Tahltan First Nations, and Cascadia looks forward to building strong and respectful relationships with all local First Nations communities.

Work in recent years by the previous operators has identified numerous zones of interest, including a 1300 x 750 m copper-gold-molybdenum soil anomaly at the Copper Ridge Zone which has not been drill tested. Composite talus sampling in 2015 at the Copper Cliff discovery returned 25 m of 1.04% copper and has also not been evaluated by drilling. Historical grab sampling at the Atlas East target returned 489.71 g/t gold with 6,514 g/t silver from a brecciated bedrock source and 72.47 g/t gold with 2,187 g/t silver from quartz vein float material.

Property Geology and Mineralization

The PIL property is located in the Stikine Terrane and is juxtaposed against the Quesnel Terrane by the 1,000+ km long, deep seated, crustal scale strike-slip Teslin-Thibert fault approximately 8 km northeast of the property boundary. The Stikine and Quesnel Terranes are characterized by similar Late Triassic to Early Jurassic volcanic-plutonic arc complexes that host numerous copper-gold-molybdenum porphyry mines, deposits and prospects including Red Chris (Newcrest Mining), Galore Creek (Teck/Newmont), Kemess (Centerra Gold), and Mount Milligan (Centerra Gold). Numerous epithermal gold-silver projects are also found in the region, including Bruce Jack (Newcrest), Ranch (Thesis Gold) and Lawyers (Benchmark Metals).

The property is in the heart of the 90 x 20 km, NW trending Toodoggone district in northern British Columbia in the eastern part of the Stikine Terrane. The district is underlain by volcanic and sedimentary rocks of the Early to Middle Jurassic Hazelton Group and coeval intrusive complex of the Early Jurassic Black Lake Plutonic Suite. There is a prominent northwest-trending regional structural fabric with several steeply dipping normal faults and a few strike-slip and thrust faults have disrupted strata in the Toodoggone.

The Toodoggone district contains several mineralization types including epithermal gold-silver, porphyry copper-gold-molybdenum and skarn.

2022 Exploration Program

Work in 2022 has advanced these targets and begun to evaluate other areas of the property, much of which has seen little historical work. The Phase 1 program commenced in June, with a 20 line-km IP survey focused on the Copper Ridge zone. Prospecting, mapping and alteration characterization were also conducted at priority targets, and regional-scale geochemical sampling occurred across underexplored portions of the property. A Phase 2 program was conducted in October, including follow-up prospecting and mapping at the PIL South target, and re-sampling of historical core from the Atlas target. Results of Phase 1 and Phase 2 work are summarized below.

The Phase 1 program at PIL included prospecting, mapping, hyperspectral alteration sampling, soil sampling, and IP surveys. A total of 295 rock samples and 589 soil samples were collected and sent for assay, and 10 line-km of IP were completed at the Spruce, PIL South and Copper Ridge targets.

Prospecting at the Atlas target returned an outcrop sample that graded 78.30 g/t gold with 2,830 g/t silver on the eastern extent of the zone, approximately 400 m east of a historical 2006 rock sample that returned 489.71 g/t gold with 6,514 g/t silver. Extensive surface alteration and gold-silver anomalism in soils and rocks is present across this zone, presenting a large and compelling target area for epithermal gold-silver exploration.

At the Spruce target, prospecting returned samples including 18.40% copper with 111 g/t silver from a float sample, 3.65% copper with 56 g/t silver and 263 ppm molybdenum from outcrop, and 0.25% copper with 26 g/t silver and 10.9% lead from outcrop. The first sample represents the highest-grade copper value ever collected on the property. The nature and extent of mineralization at Spruce is not yet fully understood and follow-up work will be conducted in future seasons to characterize the target.

Work at the PIL South target returned multiple samples with elevated copper and molybdenum, including 3.89% copper with 173 g/t silver and 119 ppm molybdenum from outcrop and 2.07% copper with 21 g/t silver and 96 ppm molybdenum in float. An IP line along the PIL South ridge returned strong chargeability anomalies extending to depth within propylitically altered Takla Group basalt flows. PIL South is a priority target that received additional prospecting and mapping during the Phase 2 work program, with 83 additional rock samples collected and pending assay.

Sampling at the Copper Cliff target identified copper mineralization across 50 m of outcrop, with individual grab samples returning 2.23% copper, 1.81% copper, and 1.25% copper. Due to the steep terrain, much of the Copper Cliff area remains under-sampled and will see follow-up work in future seasons.

Exploration at the Copper Ridge target has not yet explained the extensive copper-gold-molybdenum soil anomaly observed at surface. Prospecting in the main anomaly returned 1.56% copper from a narrow outcrop exposure in the center of the anomaly, but did not identify more extensive mineralization. An outcrop sample 1.6 km south returned 3.44% copper with 1.12 g/t gold on the periphery of the soil anomaly. Two IP lines were completed across the Copper Ridge target, with one line indicating anomalous chargeability at depth.

The phase two program at PIL had two objectives. The first was to conduct follow-up prospecting at the PIL South target, including collection of samples grading 0.70% copper, and 0.64% copper with 77 g/t silver and 155 ppm molybdenum in outcrop 700 m north of the previously defined primary target area. Follow-up sampling in the primary target area yielded samples returning 1.29% copper and 1.24% copper in outcrop. With the large extent of copper mineralization at PIL South in an area of very anomalous copper soil geochemistry, it is being prioritized for exploration in 2023.

Crews also sawed and assayed previously unsampled sections of historical drill core from the Atlas zone core, an epithermal gold-silver target. A total of 567.70 m of core, from holes AE-07-001 and AE-07-003 (3.33 g/t gold with 52 g/t silver over 10.0 m previously reported), was split and sent for assay. While elevated gold and silver were returned in these newly sampled areas, the resample yielded no significant additional intersections. The completed geochemical data is being used to refine modeling of trends to better target future drillholes.

On November 3, 2022, Cascadia received a 3-year permit for drilling and additional exploration activities at the PIL property.

Option Terms

Please refer to the consolidated carve-out financial statements for the years ended December 31, 2022 and 2021 for the option terms with respect to the PIL Property.

TECHNICAL REVIEW

Technical information disclosed in this MD&A has been reviewed by Adam Coulter, M.Sc., P. Geo., a qualified person for the purposes of National Instrument 43-101. Adam Coulter is the Vice President of Exploration of Cascadia.

SELECTED ANNUAL FINANCIAL INFORMATION

The following summary financial information has been derived from the carve-out consolidated financial statements of the Entity, which have been prepared in accordance with IFRS. The Entity's significant accounting policies are outlined within Note 4 to the audited carve-out consolidated financial statements of the Entity for the year ended December 31, 2022.

	December 31, 2022	December 31, 2021	December 31, 2020
Revenues	Nil	Nil	Nil
Net (Loss)	($1,755,857)	($128,175)	($22,306)
Total Assets	$514,173	$138,965	$107,966
Total Long-term Financial Liabilities	Nil	Nil	Nil

Cascadia's net loss for each respective year is relative to activity on the Cascadia Assets.

RESULTS OF OPERATIONS

For the years ended December 31,	2022	2021
Expenses:		
Consulting fees	$ 37,336	$ 3,670
Depreciation	6,274	2,370
Exploration expenses (Note 1)	1,431,128	106,780
General administrative expenses	16,249	1,696
Insurance	18,177	2,248
Investor relations and shareholder information	54,826	3,099
Management, administration, and corporate development fees	13,839	1,482
Office rent	14,500	1,948
Professional fees	54,992	6,600
Property examination costs	16,812	54,932
Salaries and benefits	145,514	13,254
Transfer agent and filing fees	18,959	1,203
Travel and meals	19,215	477
Total expenses	$ 1,847,821	$ 199,759

The Entity has an accounting policy of expensing exploration expenditures as incurred. The carve-out consolidated statements of loss and comprehensive loss include all exploration and evaluation expenditures incurred with respect to the Cascadia Assets for the periods presented.

The carve-out consolidated statements of loss and comprehensive loss include a pro-rata allocation of ATAC's income and expenses incurred in each of the periods presented based on a percentage of the exploration and evaluation activity on the Cascadia Assets relative to the overall exploration expenditures incurred by ATAC in those periods. Specific identifiable activities attributable to the Entity have been included. The allocation of expense for each period presented is as follows: 2022 – 31%; 2021 – 4%.

Note 1: Exploration Expenses

For the year ended December 31, 2022	Catch	PIL	General Exploration and Other	Total
Assays	$ 57,431	$ 65,899	$ 245	$ 123,575
Assessment costs	-	866	3,292	4,158
Drilling	162,182	1,177	-	163,359
Field and camp	125,486	3,851	11,013	140,350
Government and community relations	-	24,382	-	24,382
Helicopter and fixed wing	245,844	86,578	-	332,422
Labour	85,685	39,835	2,402	127,922
Surveys and consulting	178,678	285,395	-	464,073
Travel and accommodation	68,697	32,190	-	100,887
	$ 924,003	$ 540,173	$ 16,952	$ 1,481,128
Less: Exploration grant	(50,000)	-	-	(50,000)
Total by Project	$ 874,003	$ 540,173	$ 16,952	$ 1,431,128

For the year ended December 31, 2021	General Exploration and Other	Total
Assays	$ 33,310	$ 33,310
Field and camp	9,631	9,631
Helicopter and fixed wing	39,806	39,806
Labour	47,914	47,914
Resource, engineering and environmental studies	788	788
Travel and accommodation	331	331
	$ 131,780	$ 131,780
Less: Exploration grant	(25,000)	(25,000)
Total by Project	$ 106,780	$ 106,780

Both the Catch and PIL properties were acquired in 2022 resulting in a significant increase in activity over the Cascadia Assets in 2022 relative to 2021.

SUMMARY FINANCIAL INFORMATION

This MD&A is the Company's first instance of publication as a reporting issuer. The Company has not previously prepared quarterly information and as such has not provided historic quarterly information herein.

LIQUIDITY AND CAPITAL RESOURCES

To date Cascadia has been funded through net contributions from ATAC. As of December 31, 2022, working capital totalled $41,162 compared to $41,689 at December 31, 2021.

Cascadia has no source of revenue, income or cash flow. The entity, as presented, has been wholly reliant on ATAC to fund operations. In the future, the Company intends to raise funds through the sale of its common shares to finance its business operations. Cascadia expects to raise additional funds through public or private equity funding, joint venture arrangements, bank debt financing or from other sources. There can be no assurances that this capital will be available in amounts or on terms acceptable to Cascadia, or at all. Failure to raise additional financing on a timely basis could cause Cascadia to suspend its operation and eventually to forfeit or sell its interest in its mineral properties.

OFF-BALANCE SHEET ARRANGEMENTS

Cascadia does not utilize off-balance sheet arrangements.

PROPOSED TRANSACTIONS

There are no proposed transactions, other than the Transaction, as at December 31, 2022 or as at May 4, 2023, except as disclosed elsewhere in this document.

TRANSACTIONS WITH RELATED PARTIES

For the periods presented, the Entity's activities were under the direction of the key management personnel of ATAC. The allocation of pro-rata expenses of ATAC to the results of the Company result in the inclusion of a pro-rata portion of ATAC's compensation for its key management personnel. Please refer to the audited annual financial statements of ATAC for detailed discussion and disclosure with respect to ATAC compensation.

CRITICAL ACCOUNTING ESTIMATES AND FINANCIAL INSTRUMENTS

Please refer to the consolidated carve-out financial statements for the years ended December 31, 2022 and 2021.

APPENDIX "K"
INFORMATION CONCERNING HECLA

The following information should be read in conjunction with the information concerning Hecla appearing elsewhere in this Circular of which this Appendix "K" is a part. Capitalized terms used, but not otherwise defined in this Appendix "K" shall have the meaning ascribed to them in this Circular.

Forward-Looking Statements

Certain statements contained in this Appendix "K" and in certain documents incorporated by reference in this Appendix "K" are forward-looking statements or information (collectively the "**forward-looking statements**") within the meaning of applicable Canadian Securities Laws and applicable U.S. Securities Laws and which are based on available competitive, financial and economic data and operating plans of Hecla as of the date hereof, unless otherwise stated. Although such statements are expressed in good faith and Hecla believes that expectations represented by such forward-looking statements are reasonable, there can be no assurance that such expectations will prove to be correct. Forward-looking statements are expressed for the purpose of presenting information about Hecla's current expectations and projections about future production, results, performance, prospects and opportunities, including reserves and other mineralization. The use of any of the words such as "may", "might", "will", "expect", "anticipate", "believe", "could", "intend", "plan", "estimate" and similar expressions or statements that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved, or the negative forms of any of these terms and similar expressions, have been used to identify forward-looking statements.

Projections and other forward-looking statements included in this Appendix "K" have been prepared based on assumptions, which are believed to be reasonable, but not in accordance with U.S. GAAP or any guidelines of the SEC or any of the Canadian securities regulatory authorities in the Canadian provinces and territories. Actual results could differ materially from those currently anticipated due to a number of factors and risks and uncertainties and other factors that could cause its actual production, results, performance, prospects or opportunities, including reserves and mineralization, to differ materially from those expressed in, or implied by, such forward-looking statements. These risks, uncertainties and other factors include, but are not limited to, those set forth under "*Item 1A. Risk Factors*" and "*Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations*" in the Hecla Annual Report for the year ended December 31, 2022 filed on Form 10-K on SEDAR and with the SEC on February 17, 2023 (the "**Hecla Annual Report**"), which is incorporated by reference into this Circular of which this Appendix "K" a part. Given these risks and uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements.

Readers are cautioned that the list of factors noted in such documents are not exhaustive and undue reliance should not be placed on such projections and forward-looking statements. The forward-looking statements and information contained in this Appendix "K" are made as of the date hereof and ATAC and Hecla undertake no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless required by applicable Canadian Securities Laws and U.S. Securities Laws. All subsequent written and oral forward-looking statements attributable to Hecla, ATAC or to persons acting on their behalf are expressly qualified in their entirety by these cautionary statements.

Business of Hecla

Introduction

Hecla is incorporated in Delaware under the Delaware General Corporation Law. Hecla's current holding company structure dates from the incorporation of Hecla Mining Company in 2006 and the renaming of its subsidiary (previously Hecla Mining Company) as Hecla Limited. Hecla's principal executive offices are located at 6500 N. Mineral Drive, Suite 200, Coeur d'Alene, Idaho 83815-9408.

Hecla and its subsidiaries have provided precious and base metals to the U.S. and worldwide since 1891. Hecla and its subsidiaries discover, acquire and develop mines and other mineral interests and produce and market (i) concentrates, containing silver, gold, lead and zinc, (ii) carbon material containing silver and gold, and (iii) doré

containing silver and gold. Hecla is currently organized and managed in five segments: Greens Creek, Lucky Friday, Casa Berardi, Keno Hill and Nevada Operations.

The map below shows the locations of Hecla's operations and exploration projects, as well as Hecla's corporate offices located in Coeur d'Alene, Idaho, Vancouver, British Columbia and Val d'Or, Quebec

Products and Segments

Hecla's segments are differentiated by geographic region. Hecla produces zinc, silver and precious metals flotation concentrates at Greens Creek and silver and zinc flotation concentrates at Lucky Friday, each of which Hecla sells to custom smelters and metal traders. The flotation concentrates produced at Greens Creek and Lucky Friday contain payable silver, zinc and lead, and at Greens Creek they also contain payable gold. At Greens Creek, Hecla also produces gravity concentrate containing payable silver, gold and lead. Unrefined bullion (doré) is produced from the gravity concentrate by a third-party processor, and shipped to a refiner before sale of the metals to precious metal traders. Hecla also produces unrefined (i) gold and silver bullion bars (doré), (ii) loaded carbon and (iii) precipitates at

Casa Berardi and until 2021, at the Nevada Operations, which are shipped to refiners before sale of the metals to precious metal traders. At times, Hecla sells loaded carbon and precipitates directly to refiners. Payable metals are those included in its products which it is paid for by smelters, metal traders and refiners. Hecla's segments as of March 31, 2023 included:

- Greens Creek located on Admiralty Island, near Juneau, Alaska. Greens Creek is 100% owned and has been in production since 1989, with a temporary care and maintenance period from April 1993 through July 1996.

- Lucky Friday located in northern Idaho. Lucky Friday is 100% owned and has been a producing mine for Hecla since 1958. Unionized employees at Lucky Friday were on strike from mid-March 2017 until early January 2020, resulting in limited production during that time. Re-staffing of the mine and ramp-up activities were substantially completed, and the mine returned to full production in the fourth quarter of 2020.

- Casa Berardi located in the Abitibi region of northwestern Quebec, Canada. Casa Berardi is 100% owned and has been in production since late 2006.

- Keno Hill located in Yukon, Canada which Hecla acquired on September 7, 2022. Keno Hill is 100% owned and Hecla expects it will start producing silver in the third quarter of 2023.

- The Nevada Operations located in northern Nevada. Nevada Operations is 100% owned and consists of four land packages in northern Nevada totaling approximately 110 square miles and containing three previously-operating mines with a history of high-grade gold production: Fire Creek, Hollister and Midas. As discussed in *Item 7. Management's Discussion and Analysis of Consolidated Financial Condition and Results of Operations - Nevada Operations* of the Hecla Annual Report, in the second quarter of 2019, Hecla ceased development to access new production areas at its Nevada Operations until completion of studies and test work, including the results of the mining and processing of a bulk sample of refractory ore through a third party ore processing agreement in the first nine months of 2021, resulting in, among other changes, suspension of production in the second half of 2021.

The contributions to Hecla's consolidated sales by its significant operations in 2022 were 46.6% from Greens Creek, 32.7% from Casa Berardi and 20.6% from Lucky Friday.

Recent Developments

On May 10, 2023, Hecla announced production results for the first quarter of 2023 as follows:

- 10% increase in silver production and as anticipated 9% decrease in gold production; including a 20% decline in gold production at the Casa Berardi mine.

- Greens Creek silver production increased 14% over the fourth quarter of 2022 due to record throughput.

- Lucky Friday silver production increased 3% over the fourth quarter of 2022.

- Lead production increased 6%, zinc production unchanged.

- Development at Keno Hill 30% more than the fourth quarter of 2022, on pace for a third quarter 2023 mill start.

- Silver production of 4 million ounces, an increase of 10% over the fourth quarter of 2022 due to record throughput at the Greens Creek Mine.

- Gold production of 39,571 ounces, a decline of 9% over the fourth quarter of 2022.

Hecla's Greens Creek mine produced 2.77 million ounces of silver which is a 14% increase in production compared to the fourth quarter of 2022. Gold production of 14,885 ounces was 15% higher than prior quarter production of 12,990 ounces due to higher throughput and recovery partially offset by lower grades. The mill operated at an average of 2,591 tons per day ("**tpd**").

Hecla's Lucky Friday mine produced 1.26 million ounces of silver compared to 1.22 million ounces in the prior quarter. The increase is attributable to 5% higher throughput at the mill. The mill operated at an average throughput rate of 1,059 tpd for the quarter.

Hecla's Casa Berardi mine produced 24,686 ounces of gold compared to 30,709 ounces in the prior quarter. The decrease in production was the result of lower underground tons processed and 14% lower underground grades, partially offset by 27% higher surface tons processed. The mill operated at an average of 4,768 tpd, an increase of 4% over the prior quarter.

Production summary

	Three Months Ended		
	March 31, 2023	**December 31, 2022**	
Production			Increase/ (Decrease)
Silver (oz)	4,041,878	3,663,433	10%
Gold (oz)	39,571	43,699	(9)%
Lead (tons)	13,236	12,456	6%
Zinc (tons)	15,795	15,892	(1)%
Greens Creek – Silver (oz)	2,772,860	2,433,274	14%
Greens Creek – Gold (oz)	14,885	12,990	15%
Lucky Friday – Silver (oz)	1,262,464	1,224,199	3%
Casa Berardi – Gold (oz)	24,686	30,709	(20)%

Description of Share Capital

Hecla is authorized to issue 750,000,000 shares of common stock, being the Hecla Shares, US$0.25 par value per share, and 5,000,000 shares of preferred stock, par value US$0.25 per share. As of May 12, 2023, 612,636,803 Hecla Shares were outstanding and 157,776 series B preferred shares (the "**Series B Preferred Shares**") were outstanding.

The Hecla Shares are listed on the NYSE under the symbol "HL". The Series B Preferred Shares are listed on the NYSE under the symbol "HL.PB".

For a fulsome description of Hecla's stockholders' equity see Note 11 of Notes to Consolidated Financial Statements in the Hecla Annual Report, which is incorporated by reference into this Circular of which this Appendix "K" forms a part.

Consolidated Capitalization

There have been no material changes in the share and loan capital of Hecla, on a consolidated basis, since February 17, 2023, the date of the Hecla's most recently filed audited annual financial statements.

Price Range and Trading Volume

The following table sets forth information relating to the monthly trading of the Hecla Shares on the NYSE for the 12-month period prior to the date of this Circular.

Month	High (US$)	Low (US$)	Volume
June 2022	5.18	3.89	145,490,000
July 2022	4.59	3.44	160,020,000
August 2022	4.87	3.87	115,790,000
September 2022	4.46	3.41	172,850,000
October 2022	5.07	4.08	170,690,000
November 2022	5.46	4.20	185,120,000
December 2022	5.90	5.12	195,100,000
January 2023	6.48	5.53	179,860,000
February 2023	6.40	4.86	165,680,000
March 2023	6.43	5.06	210,520,000
April 2023	7.00	6.04	115,970,000
May 1-12, 2023	6.30	5.26	74,593,165

The closing price of the Hecla Shares on the NYSE on February 17, 2023, the last trading day prior to the announcement of Hecla's intention to acquire ATAC, was US$5.17.

The closing price of the Hecla Shares on the NYSE on May 12, 2023 was US$5.33.

Series B Preferred Shares

The following table sets forth information relating to the monthly trading of the Series B Preferred Shares on the NYSE for the 12-month period prior to the date of this Circular.

Month	High (US$)	Low (US$)	Volume
June 2022	63.50	55.37	24,470
July 2022	66.70	55.30	34,133
August 2022	65.31	58.50	16,679
September 2022	67.30	59.14	16,389
October 2022	62.48	53.75	9,170
November 2022	57.00	54.49	3,106
December 2022	67.58	52.01	11,502
January 2023	56.65	53.19	3,388
February 2023	57.37	53.55	15,082
March 2023	65.06	52.12	32,108
April 2023	63.87	55.25	12,575
May 1-12 2023	64.10	55.00	7,456

The closing price of the Series B Preferred Shares on the NYSE on February 17, 2023, the last trading day prior to the announcement of Hecla's intention to acquire ATAC, was US$55.10.

The closing price of the Series B Preferred Shares on the NYSE on May 8, 2023, the last day trading prior to this Circular on which such shares were traded, was US$60.00.

Prior Sales

For the 12-month period prior to the date of the Circular, Hecla issued or granted Hecla Shares and securities convertible into Hecla Shares as listed in the table below. Other than the issuances listed in the table below, Hecla has not issued any Hecla Shares or securities convertible into Hecla Shares within the 12 months preceding the date of the Circular.

Date of Issuance	Issue or Exercise Price per Security	Number of Securities	Type of Security	Issuance Type
April 4, 2022	$6.74	143,204	Hecla Shares	401(k) match to employees
May 19, 2022	$4.68	1,190,000	Hecla Shares	Pension entitlement[1]
June 10, 2022	$4.96	138,119	Hecla Shares	Hecla Shares distributed to certain directors of Hecla
June 21, 2022	$4.43	901,215	Hecla Shares	Vesting of Hecla RSUs[2]
June 21, 2022	$4.43	403,753	Hecla Shares	Treasury[3]
June 28, 2022	$4.24	68,816	Hecla Shares	Director Stock Plan Trust[4]
June 28, 2022	$4.24	29,494	Hecla Shares	Hecla Shares distributed to certain directors of Hecla
July 5, 2022	$3.61	389,836	Hecla Shares	401(k) match to employees
July 11, 2022	$3.53	250,056	Hecla Shares	Hecla shares distributed to certain directors of Hecla
August 5, 2022	$4.65	128	Hecla Shares	Preferred share conversion to common stock of Hecla Mining Company
September 7, 2022	$3.88	34,800,989	Hecla Shares	Acquisition[5]
September 7, 2022	0.116 of a Hecla Share	17,992,875	Hecla Shares	Acquisition[5]
September 12, 2022	$4.4107	306,381	Hecla Shares	ATM Offering[6]
September 19, 2022	$4.03	4,504	Hecla Shares	ATM Offering[6]
September 22, 2022	$4.1693	54,476	Hecla Shares	ATM Offering[6]
September 28, 2022	$3.7148	811,500	Hecla Shares	ATM Offering[6]
October 3, 2022	$4.29	233,277	Hecla Shares	401(k) match to employees
October 11, 2022	$4.4185	734,400	Hecla Shares	ATM Offering[6]
October 17, 2022	$4.3969	600,061	Hecla Shares	ATM Offering[6]
November 22, 2022	$5.0922	625,000	Hecla Shares	ATM Offering[6]
November 29, 2022	$5.1002	38,200	Hecla Shares	ATM Offering[6]
November 30, 2022	$5.33	656,000	Hecla Shares	ATM Offering[6]
December 1, 2022	$5.7679	29,677	Hecla Shares	ATM Offering[6]
January 3, 2023	$5.66	170,704	Hecla Shares	401(k) match to employees
January 31, 2023	$6.00	2,961	Hecla Shares	Deferred shares issued to retired employee pursuant to the Hecla Mining Company Key Employee Deferred Compensation Plan.

[1] Reflects contribution of shares to the Hecla Mining Company Retirement Plan and the Lucky Friday Pension Plan.
[2] Reflects vesting of Hecla RSUs distributed to employees.
[3] Reflects Hecla Shares issued to satisfy tax withholdings in respect of vested Hecla RSUs and Hecla PSUs.
[4] Reflects shares awarded to non-employee directors of Hecla under the Hecla Stock Plan for Non-employee Directors. Such Hecla Shares are held in trust for such non-employee directors by Hecla's transfer agent.
[5] Reflects Hecla Shares issued as part of Alexco Resource acquisition.
[6] Reflects contribution of shares to brokerage firms selling shares under Hecla's ATM Offering program.

Date of Issuance	Issue or Exercise Price per Security	Number of Securities	Type of Security	Issuance Type
February 2, 2023	$6.22	28,919	Hecla Shares	401(k) match to employees
February 28, 2023	$4.98	401,689	Hecla Shares	Vesting of Hecla PSUs[7]
February 28, 2023	$4.98	96,659	Hecla Shares	Treasury[3]
March 13, 2023	$5.4562	843,803	Hecla Shares	ATM Offering[6]
March 13, 2023	$5.4448	581,813	Hecla Shares	ATM Offering[6]
March 17, 2023	$5.6623	443,588	Hecla Shares	ATM Offering[6]
March 17, 2023	$5.6632	109,381	Hecla Shares	ATM Offering[6]
March 20, 2023	$5.87	124,710	Hecla Shares	ATM Offering[6]
March 28, 2023	$6.24	33,190	Hecla Shares	ATM Offering[6]
March 28, 2023	$6.24	25,390	Hecla Shares	ATM Offering[6]
April 3, 2023	$6.37	174,514	Hecla Shares	401(k) match to employees
April 11, 2023	$6.6401	99,979	Hecla Shares	ATM Offering[6]
April 12, 2023	$6.7006	10,000	Hecla Shares	ATM Offering[6]
April 12, 2023	$6.5944	7,373	Hecla Shares	ATM Offering[6]
April 13, 2023	$6.9107	775,000	Hecla Shares	ATM Offering[6]
April 13, 2023	$6.922	794,336	Hecla Shares	ATM Offering[6]
April 18, 2023	$6.5724	251,115	Hecla Shares	ATM Offering[6]
April 18, 2023	$6.5402	142,257	Hecla Shares	ATM Offering[6]

Grant of Hecla RSUs to Hecla Employees

Date of Issuance	Issue or Exercise Price per Security	Number of Securities	Type of Security	Issuance Type
June 21, 2022	$4.43	1,023,669	Hecla RSUs	Hecla RSUs granted pursuant to the 2010 Stock Incentive Plan[8]
September 30, 2022	$3.94	121,826	Hecla RSUs	Hecla RSUs granted pursuant to the 2010 Stock Incentive Plan[8]
December 8, 2022	$4.43	31,789	Hecla RSUs	Hecla RSUs granted pursuant to the 2010 Stock Incentive Plan[8]

Grant of Hecla PSUs to Hecla Executive Officers

Date of Issuance	Issue or Exercise Price per Security	Number of Securities	Type of Security	Issuance Type
June 21, 2022	$4.43	322,796	Hecla PSUs	Hecla PSUs granted pursuant to 2010 Stock Incentive Plan[8]

Interests of Hecla's Directors and Officers in the Arrangement

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[7] Reflects vesting of Hecla PSUs distributed to executive officers.
[8] To be issued in Hecla Shares upon vesting.

No director or executive officer of Hecla has any substantial interest, direct or indirect, in the matters to be acted upon at the Meeting. No director or executive officer of Hecla, and none of their affiliates, beneficially owns, directly or indirectly, any ATAC Shares.

Risk Factors Specific to Hecla

An investment in Hecla Shares and the completion of the Arrangement are subject to certain risks. In assessing the Arrangement, ATAC Securityholders should carefully consider the risks described under "*Part 14 – Risk Factors Relating to the Arrangement*" in this Circular and the risks described under "Item *1A. Risk Factors"* and *"Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations*" in the Hecla Annual Report, which is incorporated by reference into this Circular.

Documents Incorporated by Reference

Information concerning Hecla has been incorporated by reference in this Circular from documents filed with Canadian securities regulators in each of the Canadian provinces and territories and with the SEC. Copies of the documents incorporated herein by reference may be obtained on request without charge from Investor Relations at Hecla at 6500 N. Mineral Drive, Suite 200, Coeur d'Alene, Idaho 83815-9408, telephone (208) 769-4100, or via e-mail request sent to hmc-info@hecla-mining.com. Such documents are also available electronically under Hecla's SEDAR profile at ww.sedar.com and from the SEC at www.sec.gov. The filings of Hecla on SEDAR and on the SEC's website are not incorporated by reference in this Circular except as specifically set out herein. The information contained on Hecla's website is not incorporated by reference into this Circular.

This Circular, which includes this Appendix "K", incorporates by reference the documents set forth below that Hecla (Commission file number 1-8491) has filed with the securities commissions or similar authorities in each of the provinces and territories of Canada and with the SEC. These documents contain important information about Hecla and its financial condition:

- The Hecla Annual Report;
- Hecla's Quarterly Report on Form 10-Q filed on SEDAR and with the SEC on May 10, 2023; and
- Hecla's Definitive Proxy Statement on Schedule 14A filed on SEDAR and with the SEC on April 11, 2023.

Any document of the type referred to in section 11.1 of Form 44-101F1 of National Instrument 44-101 – *Short Form Prospectus Distributions* (excluding confidential material change reports), filed by Hecla with the securities commissions or similar regulatory authorities in the applicable provinces and territories of Canada after the date of this Circular shall be deemed to be incorporated by reference in the Circular. Nothing in this Appendix "K" or in this Circular of which this Appendix "K" is a part shall be deemed to incorporate information furnished, but not filed, with the SEC, including pursuant to Item 2.02 or Item 7.01 of Form 8-K and corresponding information furnished under Item 9.01 of Form 8-K or included as an exhibit.

Any statement contained in a document incorporated or deemed to be incorporated herein by reference, or contained in this Circular, shall be deemed to be modified or superseded for purposes of this Appendix "K" to the extent that a statement contained herein or in any other subsequently dated or filed document that also is or is deemed to be incorporated by reference herein modifies or supersedes such statement. The making of a modifying or superseding statement shall not be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. Any such statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Appendix "K" or this Circular.

Interest of Experts

The following persons, firms and companies are named as having prepared or certified a statement, report, valuation or opinion described or included herein directly or in a document incorporated by reference and whose professions gives authority to the statement, report valuation or opinion in each case with respect to Hecla: (a) BDO USA, LLP and (b) SLR International Corporation ("**SLR**").

Hecla's auditors, BDO USA, LLP, are independent with respect to Hecla within the meaning of the U.S. Securities Laws and the applicable rules and regulations thereunder adopted by the SEC and the Public Company Accounting Oversight Board (United States).

SLR, a "qualified person" within the meaning of Subpart 1300 of Regulation S-K of the SEC, prepared certain scientific and technical information relating to Hecla's material mineral projects, including certain scientific and technical information contained herein and the Technical Report Summary on the Greens Creek Mine in Alaska, U.S.A, the Technical Support Summary on the Lucky Friday Mine, Idaho, U.S.A., and the Technical Report Summary on the Casa Berardi Mine, Northwestern Québec, Canada, each with an effective date of December 31, 2021 and respectively filed as exhibits 96.1, 96.2 and 96.3 to the Hecla Annual Report, which is incorporated by reference into this Circular. To the knowledge of Hecla, as of the date of this Circular, the partners, employees and consultants of SLR beneficially own, directly or indirectly, less than 1% of the outstanding securities of each class of securities of Hecla, ATAC or any associate or affiliate of Hecla or ATAC, as applicable.

APPENDIX "L"
INFORMATION CONCERNING HECLA FOLLOWING THE ARRANGEMENT

The following information should be read in conjunction with the information concerning Hecla following the arrangement appearing elsewhere in this Circular of which this Appendix "L" is a part. Capitalized terms used, but not otherwise defined in this Appendix "L" shall have the meaning ascribed to them in this Circular.

Forward-Looking Statements

Certain statements contained in this Appendix "L" are forward-looking statements or information (collectively the "forward looking statements") within the meaning of Applicable Canadian Securities Laws and Applicable U.S. Securities Laws. Such forward-looking statements include Hecla's current expectations and projections about future production, results, performance, prospects and opportunities. See "*Forward-Looking Statements*" in this Circular and "*Forward-Looking Statements*" in "*Appendix "K" – Information Concerning Hecla*".

General

On completion of the Arrangement, Hecla Acquisition Subco will own all of the outstanding ATAC Shares and, pursuant to the Arrangement, ATAC will be a subsidiary of Hecla Acquisition Subco. Following completion of the Arrangement, ATAC Shareholders are expected to own less than 1% of the outstanding Hecla Shares. The business and operations of ATAC will be managed and operated as a subsidiary of Hecla.

On completion of the Arrangement, Hecla will own 100% of ATAC's Rackla and Connaught projects located in Yukon, Canada. Hecla plans to continue exploration drilling and work towards advancing the Rackla and Connaught projects toward development following the completion of the Arrangement.

Except as otherwise described in this Appendix "L", the business of Hecla following completion of the Arrangement and information relating to Hecla following completion of the Arrangement will be that of Hecla generally and as disclosed elsewhere in this Circular. See "Appendix "K" – Information Concerning Hecla".

Directors and Executive Officers of Hecla

The Arrangement will not result in changes to the directors and officers of Hecla. Following completion of the Arrangement, the directors and officers of Hecla are expected to remain the current directors and officers of Hecla.

Description of Share Capital

The authorized share capital of Hecla following completion of the Arrangement will continue to be as disclosed elsewhere in this Circular (see "Appendix "K" – *Information Concerning Hecla*") and the rights and restrictions of the Hecla Shares will remain unchanged. The issued share capital of Hecla will change as a result of the consummation of the Arrangement, to reflect the issuance of the Hecla Shares contemplated in the Arrangement. See "Appendix "K" – *Information Concerning Hecla - Consolidated Capitalization*".

Auditors, Transfer Agent and Registrar

The auditors of Hecla following completion of the Arrangement will continue to be BDO USA, LLP and the transfer agent and registrar for the Hecla Shares will continue to be American Stock Transfer & Trust at its principal offices in New York, New York.

Risk Factors

The business and operations of Hecla following completion of the Arrangement will continue to be subject to the risks currently faced by Hecla and ATAC, as well as certain risks unique to Hecla following completion of the Arrangement. ATAC Securityholders should carefully consider the risks described under "*Part 14 – Risk Factors Relating to the Arrangement*" in this Circular, "*Risk Factors Related to Hecla*" in "*Appendix* "K" *– Information Concerning Hecla*"

and the risks described under the heading "*Risk Factors*" in the Hecla Annual Report, which is incorporated by reference in this Circular.

APPENDIX "M"
OMNIBUS INCENTIVE PLAN RESOLUTION

BE IT RESOLVED AS AN ORDINARY RESOLUTION THAT:

1. The Omnibus Equity Incentive Plan (the "**Omnibus Incentive Plan**") of Cascadia Minerals Ltd. ("**Cascadia**"), in substantially the form described in, and appended as Appendix "B" to Appendix "I" of the Company's management information circular for the special meeting of the securityholders dated May 15, 2023 (the "**Circular**"), is hereby ratified, confirmed and approved and shall be adopted by Cascadia, subject to acceptance by the TSX Venture Exchange and provided that this resolution shall not become effective unless the Arrangement (as defined in the Circular) becomes effective, and shall thereafter continue and remain in effect until ratification is required pursuant to the rules of the TSX Venture Exchange or other applicable regulatory requirements.

2. The maximum number of common shares in the capital of Cascadia (the "**Cascadia Shares**") authorized and reserved for issuance under the Omnibus Incentive Plan and all of Cascadia's other equity incentive plans in existence from time to time, shall be 10% of the then issued and outstanding Cascadia Shares.

3. The directors of Cascadia or any committee of the board of directors of Cascadia be and is hereby authorized to issue awards pursuant to and subject to the terms and conditions of the Omnibus Incentive Plan to those eligible to receive awards thereunder.

4. Notwithstanding that these resolutions be passed by the shareholders of Cascadia, the adoption of the Omnibus Incentive Plan is conditional upon receipt of final approval of the TSX Venture Exchange, and the board of directors of Cascadia is hereby authorized and empowered to make any changes to the Omnibus Incentive Plan, if required by the TSX Venture Exchange, or to revoke these resolutions, without any further approval of the shareholders of Cascadia, at any time if such revocation is considered necessary or desirable to the board of directors.

5. Any one director or officer of Cascadia is authorized and directed, on behalf of Cascadia to take all necessary steps and proceedings and to execute, deliver and file any and all declarations, agreements, documents and other instruments and do all such other acts and things that may be necessary or desirable to give effect to the foregoing resolutions.

APPENDIX "N"
COMPARISON OF SHAREHOLDER RIGHTS OF HECLA AND ATAC

	ATAC Shareholder Rights	**Hecla Stockholder Rights**
Authorized Share Capital	ATAC's authorized share capital consists of (i) an unlimited number of shares of common shares without par value and (ii) an unlimited number of Class A preferred shares with a par value of $1.00 each.	Hecla is authorized by its certificate of incorporation to issue (i) 750,000,000 shares of common stock, par value US$0.25 per share, and (ii) 5,000,000 shares of preferred stock, par value US$0.25 per share. The board of directors may create one or more series of preferred stock by resolution and may fix the powers, preferences, rights, limitations and restrictions of any such series of preferred stock, to the extent permitted by Section 151 of the DGCL.
Voting Rights	Unless a poll is directed by the chair of a meeting of the shareholders or demanded by a shareholder with the right to vote, motions are voted on by a show of hands with each person having one vote (regardless of the number of shares such person is entitled to vote). If voting is conducted by poll, each person is entitled to one vote for each share such person is entitled to vote.	Except as provided for in the certificate of incorporation, each holder of shares of common stock is entitled to attend all special and annual meetings of the Hecla stockholders and to cast one vote for each outstanding share of common stock held of record by such stockholder upon any matter upon which stockholders are entitled to vote generally.
Shareholder Approval of Business Combinations; Fundamental Changes	Under the BCBCA, certain extraordinary company alterations such as changes to authorized share structure, continuances out of province, certain mergers, sales, leases or other dispositions of all or substantially all of the business of a company (other than in the ordinary course of business) liquidations, dissolutions, and certain arrangements are required to be approved by special resolution. A special resolution is a resolution (i) passed by not less than two-thirds (66⅔%) of the votes cast by the shareholders who voted in respect of the resolution at a meeting duly called and held for that purpose or (ii) signed by all shareholders entitled to vote on the resolution. In certain cases, an action that prejudices, adds restrictions to or interferes with a right or special right attached to issued shares of a class or series of shares must be approved separately by the holders of the class or series of shares being affected by special resolution. Under the BCBCA, arrangements are permitted and a company may make any proposal it considers appropriate "despite any other provision" of the BCBCA. In general, a plan of arrangement is approved by a company's board of directors and	Under the DGCL, a merger or consolidation, or a sale, lease, or exchange of all or substantially all of the assets of a corporation, or a dissolution of the corporation, is generally required to be approved by the holders of a majority in voting power of the shares entitled to vote on the matter, unless the certificate of incorporation provides for a higher voting threshold. Hecla's certificate of incorporation requires the affirmative vote of the holders of at least 80% of the voting power of the outstanding voting stock, voting together as a single class, to approve certain business combinations with certain stockholders beneficially owning 12½% or more of the corporation's outstanding voting power (or with affiliates of such stockholders), unless the business combination is approved by a majority of the continuing directors or certain required price and procedure requirements are met. In addition, mergers in which one corporation owns 90% or more of each class of stock of a second corporation may be completed without the vote of the second corporation's board of directors or stockholders. The DGCL does not contain a procedure comparable to a plan of

	ATAC Shareholder Rights	Hecla Stockholder Rights
	then is submitted to a court for approval. It is typical for a company in such circumstances to apply to a court initially for an interim order governing various procedural matters prior to calling any security holder meeting to consider the proposed arrangement. Statutory arrangements involving shareholders (even holders of shares not normally entitled to a vote) must be approved by those respective shareholders by a special resolution. The court may, in respect of an arrangement proposed with persons other than shareholders and creditors, require that those persons approve the arrangement in the manner and to the extent required by the court. The court determines to whom notice shall be given and whether, and in what manner, approval of any person is to be obtained and also determines whether any shareholders may dissent from the proposed arrangement and receive payment of the fair value of their shares. Following compliance with the procedural steps contemplated in any such interim order (including as to obtaining security holder approval), the court would conduct a final hearing and approve or reject the proposed arrangement. If any provisions of the arrangement will, upon taking effect, alter information shown in the corporate register, the company must file all necessary records and information with the registrar to give effect to each such provision, and must also concurrently file a copy of the entered court order.	arrangement under the BCBCA. See also "Special Vote Required for Combinations with Interested Shareholders" section below describing certain restrictions on business combinations with interested stockholders.
Special Vote Required for Combinations with Interested Shareholders/ Stockholders	The BCBCA does not contain a provision comparable to Section 203 of the DGCL with respect to business combinations. However, MI 61-101 contains detailed requirements in connection with "related party transactions". A related party transaction means, generally, any transaction by which an issuer, directly or indirectly, consummates one or more specified transactions with a related party, including purchasing or disposing of an asset, issuing securities or assuming liabilities. "Related party" as defined in MI 61-101 includes (i) directors and senior officers of the issuer, (ii) holders of voting securities of the issuer carrying more than 10% of the voting rights attached to all the issuer's outstanding voting securities, and (iii) holders of a sufficient number of any securities of the issuer to materially affect control of the issuer. MI 61-101 requires, subject to certain exceptions,	Section 203 of the DGCL provides (in general) that a corporation may not engage in a business combination with an interested stockholder for a period of three years after the time of the transaction in which the person became an interested stockholder. The prohibition on business combinations with interested stockholders does not apply in some cases, including if: (i) the board of directors of the corporation, prior to the time of the transaction in which the person became an interested stockholder, approves (a) the business combination or (b) the transaction in which the stockholder becomes an interested stockholder; (ii) upon consummation of the transaction which resulted in the stockholder becoming an interested stockholder, the interested stockholder owned at least 85% of the voting stock of the corporation outstanding at the time the transaction commenced; or (iii) the board of

	ATAC Shareholder Rights	Hecla Stockholder Rights
	specific detailed disclosure in the information circular sent to security holders in connection with a related party transaction where a meeting is required and, subject to certain exceptions, the preparation of a formal valuation of the subject matter of the related party transaction and any non-cash consideration offered in connection therewith, and the inclusion of a summary of the valuation in the proxy circular. MI 61-101 also requires, subject to certain exceptions, that an issuer not engage in a related party transaction unless the disinterested shareholders of the issuer have approved the related party transaction by a simple majority of the votes cast.	directors and the holders of at least two-thirds (66⅔%) of the outstanding voting stock not owned by the interested stockholder approve the business combination on or after the time of the transaction in which the person became an interested stockholder. For the purpose of Section 203, the DGCL generally defines an interested stockholder to include any person who, together with that person's affiliates or associates, (i) owns 15% or more of the outstanding voting stock of the corporation, or (ii) is an affiliate or associate of the corporation and owned 15% or more of the outstanding voting stock of the corporation at any time within the previous three years. The restrictions under Section 203 of the DGCL will not apply if the corporation's original certificate of incorporation contains a provision expressly electing not to be governed by these provisions or if the corporation's certificate of incorporation or by-laws are amended to contain such a provision or in cases where the corporation's shares are not publicly held. None of these exceptions are applicable to Hecla and Hecla is subject to Section 203 of the DGCL.
Appraisal Rights and Dissent Rights; Oppression Remedy; Compulsory Acquisition	*Appraisal and Dissent Rights* The BCBCA provides that shareholders of a company are entitled to exercise dissent rights in respect of certain matters and to be paid the fair value of their shares in connection therewith. The dissent right is applicable where the company resolves to (i) alter its articles to alter the restrictions on the powers of the company or on the business it is permitted to carry on; (ii) approve certain mergers; (iii) approve an arrangement, where the terms of the arrangement permit dissent; (iv) sell, lease or otherwise dispose of all or substantially all of its undertaking; or (v) continue the company into another jurisdiction. The BCBCA's oppression remedy enables a court to make almost any order to rectify the matters complained of if the court is satisfied upon application by a shareholder (as defined below) that the affairs of the company are being conducted in a manner that is oppressive, or that some action has been or may be taken which is unfairly prejudicial. The applicant must be one of the persons being oppressed or prejudiced and the application must be brought in a timely manner. A	Under the DGCL, a stockholder of a corporation does not have appraisal rights in connection with a merger or consolidation, if, among other things: (i) the corporation's shares are listed on a national securities exchange or held of record by more than 2,000 holders; or (ii) the corporation will be the surviving corporation of the merger and no vote of its stockholders is required to approve the merger. The DGCL grants appraisal rights only in the case of mergers or consolidations and not in the case of a sale or transfer of assets or a purchase of assets for stock. However, notwithstanding the foregoing, a stockholder is entitled to appraisal rights in the case of a merger or consolidation if the stockholder is required to accept in exchange for the shares anything other than: (i) shares of stock of the corporation surviving or resulting from the merger or consolidation, or depositary receipts in respect thereof; (ii) shares of any other corporation, or depository receipts in respect thereof, that on the effective date of the merger or consolidation will be either listed on a national securities exchange or held of record by more than 2,000 holders; (iii) cash instead of

	ATAC Shareholder Rights	Hecla Stockholder Rights
	"shareholder" for the purposes of the oppression remedy includes legal and beneficial owners of shares as well as any other person whom the court considers appropriate. The oppression remedy provides the court with extremely broad and flexible jurisdiction to intervene in corporate affairs to protect shareholders. While conduct that is in breach of fiduciary duties of directors or that is contrary to the legal right of a complainant will normally trigger the court's jurisdiction under the oppression remedy, the exercise of that jurisdiction does not depend on a finding of a breach of such legal and equitable rights. *Compulsory Acquisition* The BCBCA provides that, in the event of a takeover offer, within four months after the making of the offer, the offer is accepted by the holders of not less than 90% of the shares (other than the shares held by the offeror or an affiliate of the offeror) of any class of shares to which the offer relates, the offeror is entitled, upon giving proper notice, to acquire (on the same terms on which the offeror acquired shares under the take-over bid) the shares held by those holders of shares of that class who did not accept the offer. Offeree Shareholders may apply to the courts, within two months of receiving notice, and the courts may set a different price or term of payment or make any consequential order or direction as it considers appropriate.	fractional shares, or fractional depositary receipts, of the corporation; or (iv) any combination of the foregoing. Hecla's shares are currently listed on the NYSE. There is no remedy under the DGCL that is comparable to the BCBCA's oppression remedy. An entity owning at least 90% of the outstanding shares of each class of stock of a corporation formed under the DGCL may merge with or into such Delaware corporation by (a) authorizing such merger in accordance with the owning entity's governing documents and the laws of the jurisdiction under which such entity is formed or organized and (b) filing with the Delaware Secretary of State a certificate of such ownership and merger, which shall state the terms and conditions of the merger, including the securities, cash, property, or rights to be issued, paid, delivered or granted by the surviving constituent party upon surrender of each share of the corporation or corporations not owned by the entity. Such a merger would not require the approval of the stockholders of the Delaware corporation; however, the owners of the shares of stock in the Delaware corporation not owned by the merging entity would have appraisal rights as described above.
Shareholder/ Stockholder Consent to Action Without a Meeting	Under the BCBCA, shareholder action without a meeting may be taken by a consent resolution of shareholders provided that it satisfies all the requirements relating to meetings of shareholders set forth in the company's articles, the BCBCA and the regulations.	Under the DGCL, unless otherwise provided in the certificate of incorporation, any action that can be taken at a meeting of the stockholders may be taken without a meeting and without prior notice if written consent to the action is signed by the holders of outstanding stock having the minimum number of votes necessary to authorize or take the action at a meeting of the stockholders. Hecla's certificate of incorporation does not allow stockholder action by written consent.
Special Meetings of Shareholders/ Stockholders	Under the BCBCA, the holders of not less than 5% of the issued shares of a company that carry the right to vote at a general meeting may requisition that the directors call a meeting of shareholders. Upon meeting the technical requirements set out in	Under the DGCL, a special meeting of stockholders may be called only by the board of directors or by persons authorized in the certificate of incorporation or the by-laws.

	ATAC Shareholder Rights	Hecla Stockholder Rights
	the BCBCA, the directors must call a meeting of shareholders to be held not more than four months after receiving the requisition. If the directors do not call such a meeting within 21 days after receiving the requisition, the requisitioning shareholders or any of them holding in aggregate more than 2.5% of the issued shares of the company that carry the right to vote at general meetings may call the meeting.	Hecla's certificate of incorporation provides that special meetings of the stockholders may be called only by the board of directors if directed by a majority of the whole board of directors.
Distributions and Dividends; Repurchases and Redemptions	Under the BCBCA, a company may pay a dividend by issuing shares or warrants. A company may also pay a dividend in money or property unless there are reasonable grounds for believing that the company is insolvent, or the payment of the dividend would render the company insolvent. Under the BCBCA, the purchase or other acquisition by a company of its shares is generally subject to solvency tests similar to those applicable to the payment of dividends, as set out above. The BCBCA provides that no special rights or restrictions attached to a series of shares confer on the series a priority in respect of dividends or return of capital over any other series of shares of the same class.	Under the DGCL, a corporation may, subject to any restrictions in its certificate of incorporation, pay dividends out of surplus and, if there is no surplus, out of net profits for the current and/or the preceding fiscal year. Surplus is defined in the DGCL as the excess of the net assets over capital, as such capital may be adjusted by the board. A Delaware corporation may purchase or redeem shares of any class except when its capital is impaired or would be impaired by the purchase or redemption. A corporation may, however, purchase or redeem out of capital, shares that are entitled upon any distribution of its assets, whether by dividend or in liquidation, to a preference over another class or series of its shares, or, if no such shares are outstanding, any of its shares, if the shares are to be retired and the capital reduced.
Number of Directors; Vacancies on the Board of Directors	The BCBCA provides that a public company must have at least three directors. ATAC's articles provide that it may have a minimum of three directors and that there is no requirement for the directors or shareholders to fix or set the number of directors from time to time. ATAC's articles also provide that the directors may appoint one or more directors to hold office until the close of the next annual meeting of shareholders, but the total number of directors so appointed may not exceed one third of the number of directors elected at the previous annual meeting of shareholders. Under the BCBCA, a vacancy among the directors created by the removal of a director may be filled by the shareholders at the meeting at which the director is removed or, if not filled by the shareholders at such meeting, by the shareholders or by the remaining directors. In the case of a casual vacancy under the BCBCA, the remaining directors may fill the vacancy.	The DGCL provides that the board of directors of a corporation shall consist of one or more members. Hecla's certificate of incorporation and by-laws provide that the number of directors will be determined by resolution of the board of directors. However, the number of directors that constitutes the board of directors will be no less than 5 and no more than 9. Hecla's certificate of incorporation and by-laws establish a staggered board of directors by dividing the directors into three classes. Each director serves a three-year term. Under the DGCL, a vacancy or a newly created directorship may be filled by a majority of the remaining directors, although less than a quorum, unless otherwise provided in the certificate of incorporation or by-laws.

	ATAC Shareholder Rights	Hecla Stockholder Rights
	ATAC's articles provide that if the company has no directors or fewer directors in office than the number set in the articles as the quorum of directors, the shareholders may elect or appoint directors to fill such vacancies.	Hecla's certificate of incorporation and by-laws provide that any vacancy, or newly created directorship resulting from any increase in the authorized number of directors, shall be filled only by a majority of directors then in office. A director may be removed only for cause and only by the affirmative vote of the holders of at least 80% of the voting power of the outstanding voting stock, voting together as a single class.
Constitution and Residency of Directors	The BCBCA does not place any residency restrictions on the boards of directors.	The DGCL does not have any residency requirements, but a corporation can prescribe qualifications for directors under its certificate of incorporation or bylaws. Neither Hecla's certificate of incorporation nor its by-laws provide for any such qualifications for directors.
Removal of Directors; Terms of Directors	The BCBCA and ATAC's articles allow for the removal of a director by special resolution. ATAC's articles provide that the directors may remove any director and make an appointment to fill the resulting vacancy if a director (i) is convicted of an indictable offence, or (ii) ceases to be qualified to act as a director and does not promptly resign. ATAC's articles do not specify a term for which directors shall hold office. However, according to ATAC's articles, all directors cease to hold office immediately before the election or appointment of directors at every annual general meeting (or every unanimous resolution in place of an annual general meeting), but are eligible for re-election or reappointment.	Under the DGCL, except in the case of a corporation with a classified board of directors or with cumulative voting, any director or the entire board of directors may be removed, with or without cause, by the holders of a majority of the shares entitled to vote at an election of directors. In the case of a corporation with a classified board of directors, stockholders may remove a director only for cause unless the corporation's certificate of incorporation provides that the directors may be removed with or without cause. Hecla's certificate of incorporation provides that directors may be removed only for cause and only by the affirmative vote of the holders of at least 80% of the voting power of the outstanding voting stock, voting together as a single class.
Indemnification of Directors and Officers	Under the BCBCA, a company may indemnify a director or officer, a former director or officer or a person who acts or acted at the company's request as a director or officer, or an individual acting in a similar capacity, of another entity (an "**indemnifiable person**") against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment, reasonably incurred by him or her in respect of any civil, criminal, administrative, investigative or other proceeding in which he or she is involved because of that association with the company or other entity, if: (i) the individual acted honestly and in good faith with a view to the best interests of such company or the other entity, as the case may be; and (ii) in the case of a proceeding other than a civil proceeding, the individual had reasonable grounds for believing	Under the DGCL, a corporation is generally permitted to indemnify its directors and officers against expenses, judgments, fines and amounts paid in settlement actually and reasonably incurred in connection with a third-party action, other than a derivative action, and against expenses actually and reasonably incurred in the defense of a derivative action, provided that there is a determination that the individual acted in good faith and in a manner reasonably believed to be in or not opposed to the best interests of the corporation and, in the case of criminal proceedings, with no reason to believe that his or her actions were unlawful. That determination must be made by: (i) a majority of the disinterested directors, even though less than a quorum; (ii) a committee of disinterested

	ATAC Shareholder Rights	Hecla Stockholder Rights
	that the individual's conduct was lawful. A company cannot indemnify an indemnifiable person if it is prohibited from doing so under its articles, even if it had agreed to do so by an indemnification agreement (provided that the articles prohibited indemnification when the indemnification agreement was made). A company may advance the expenses of an indemnifiable person as they are incurred in an eligible proceeding only if the indemnifiable person has provided an undertaking that, if it is ultimately determined that the payment of expenses was prohibited, the indemnifiable person will repay any amounts advanced. On application from an indemnifiable person, a court may make any order the court considers appropriate in respect of an eligible proceeding, including the indemnification of penalties imposed or expenses incurred in any such proceedings and the enforcement of an indemnification agreement. As permitted by the BCBCA, ATAC's articles require ATAC to indemnify directors, former directors or alternate directors of ATAC (and such individual's respective heirs and personal representatives) against all costs, charges and expenses reasonably incurred (including amounts paid to settle an action or satisfy a judgment) in respect of any legal proceedings or investigative actions in which such individual is involved because of his or her association with ATAC or such other entity. ATAC's articles require that indemnification be subject to the BCBCA, and as such any indemnification that ATAC provides is subject to the same restrictions set out in the BCBCA.	directors designated by a majority vote of disinterested directors, even though less than a quorum; (iii) independent legal counsel; or (iv) a majority vote of the stockholders at a meeting at which a quorum is present. Without court approval, however, no indemnification may be made in respect of any derivative action in which an individual is adjudged liable to the corporation. The DGCL requires indemnification of directors and officers for expenses relating to a successful defense on the merits or otherwise of a derivative or third-party action. Under the DGCL, a corporation may advance expenses relating to the defense of any proceeding to directors and officers contingent upon those individuals' commitment to repay any advances if it is ultimately determined that those individuals are not entitled to be indemnified. Hecla's certificate of incorporation and by-laws require Hecla, to the fullest extent permitted by the applicable law, to indemnify any current or former director, officer, or employee of Hecla against all expenses, judgments, fines and amounts paid in settlement actually and reasonably incurred by such indemnified party in connection with any threatened, pending or completed action, suit or proceeding brought by or in the right of Hecla, or otherwise, to which such indemnified party was or is a party or is threatened to be made a party by reason of such indemnified party's current or former position with Hecla or by reason of the fact that such indemnified party is or was serving, at the request of Hecla, as a director, officer, partner, trustee, employee or agent of another corporation, partnership, joint venture, trust or other enterprise; such indemnification rights inure to the benefit of any of such director's, officer's or employee's heirs, executors and administrators. Hecla is required, from time to time, to advance any current or former director or officer or other person entitled to indemnification the funds necessary for payment of defence expenses as incurred. Additionally, Hecla has separate indemnification agreements with its officers.
Limited Liability of Directors	Under the BCBCA, a director is not liable for certain acts if the director relied, in good faith, on (i) financial statements of the company represented to the director by an officer of the company or in a	The DGCL permits the adoption of a provision in a corporation's certificate of incorporation limiting or eliminating the monetary liability of a director to a corporation or its stockholders by

	ATAC Shareholder Rights	Hecla Stockholder Rights
	written report of the auditor of the company to fairly reflect the financial position of the company, (ii) a written report of a lawyer, accountant, engineer, appraiser or other person whose profession lends credibility to a statement made by that person, (iii) a statement of fact represented to the director by an officer of the company to be correct, or (iv) any record, information or representation that the court considers provides reasonable grounds for the actions of the director, whether or not that record was forged, fraudulently made or inaccurate. Further, a director is not liable for certain acts if the director did not know and could not reasonably have known that the act done by the director or authorized by the resolution voted for or consented to by the director was contrary to the BCBCA.	reason of a director's breach of the fiduciary duty of care. The DGCL does not permit any limitation of the liability of a director for: (i) breaching the duty of loyalty to the corporation or its stockholders; (ii) failing to act in good faith; (iii) engaging in intentional misconduct or a known violation of law; (iv) obtaining an improper personal benefit from the corporation; or (v) paying a dividend or approving a stock repurchase or redemption that was illegal under applicable law. Hecla's certificate of incorporation provides that no director of Hecla will be personally liable to Hecla or Hecla's stockholders for monetary damages for breach of a fiduciary duty as a director, except as otherwise provided by the DGCL.
Derivative Actions	An ATAC Shareholder (including a beneficial shareholder and any other person that the court considers to be an appropriate person to make such an application) may apply to the court for leave to bring an action in the name of and on behalf of ATAC or any subsidiary, or to intervene in an existing action to which ATAC or a subsidiary is a party, for the purpose of prosecuting or defending an action on behalf of ATAC or its subsidiary. Under the BCBCA, the court may grant leave if: (i) the shareholder has made reasonable efforts to cause the directors of the company to prosecute or defend the action; (ii) notice of the application for leave has been given to the company or its subsidiary and any other person that the court may order; (iii) the shareholder is acting in good faith; and (iv) it appears to the court to be in the interests of the company or its subsidiary for the action to be brought, prosecuted or defended. Under the BCBCA, the court in a derivative action may make any order it determines to be appropriate. In addition, under the BCBCA, a court may order a company or its subsidiary to pay the shareholder's interim costs, including legal fees and disbursements. However, the shareholder may be held accountable for the costs on final disposition of the action.	Under the DGCL, a stockholder bringing a derivative suit must have been a stockholder at the time of the wrong complained of or the stockholder must have received stock in the corporation by operation of law from a person who was such a stockholder at the time of the wrong complained of. In addition, the stockholder must remain a stockholder throughout the litigation. There is no requirement under the DGCL to advance the expenses of a lawsuit to a stockholder bringing a derivative suit.
Advance Notification Requirements for Proposals of Shareholders/	Under the BCBCA, a proposal may be made by certain registered or beneficial holders of shares entitled to be voted at an annual meeting of shareholders. To be eligible to submit such a proposal, a shareholder must be the registered or	Under Hecla's by-laws, a stockholder may propose business to be considered at a stockholders meeting and nominations of persons for election to the board of directors at the annual stockholders meeting only: (a)

	ATAC Shareholder Rights	Hecla Stockholder Rights
Stockholders	beneficial holder of, or have the support of the registered or beneficial holders of, (i) at least 1% of the total number of outstanding voting shares of the company; or (ii) voting shares whose fair market value is at least $2,000. Such registered or beneficial holder(s) must have held such shares for an uninterrupted period of at least two years immediately prior to the date of the signing of the proposal and such shareholder shall not have, within two years before the date of the signing of the proposal, failed to present, in person or by proxy, at an annual general meeting, an earlier proposal submitted by such shareholder in response to which the company complied with its obligations under the BCBCA. The proposal must be accompanied by a declaration including the name and address of the person submitting the proposal, the names and addresses of the person's supporters and the number of shares of the company, carrying the right to vote at annual general meetings that are owned by such person(s). If the proposal is submitted at least three months before the anniversary date of the previous annual meeting and the proposal meets other specified requirements, then the company shall either set out the proposal, including the names and mailing addresses of the submitting person and supporters, in the proxy circular of the company or attach the proposal thereto. In addition, if provided by the person submitting the proposal, the company shall include in or attach to the proxy circular a statement in support of the proposal by the person and the name and address of such person. If the submitter is a qualified shareholder at the time of the annual general meeting to which its proposal relates, the company must allow the submitter to present the proposal, in person or by proxy, at such meeting. If two or more proposals received by the company in relation to the same annual general meeting are substantially the same, the company only needs to comply with such requirements in relation to the first proposal received and not any others. The company may also refuse to process a proposal in certain other circumstances including when the directors have called an annual general meeting to be held after the date the proposal is received and have sent a notice of meeting, substantially the same proposal was submitted to shareholders in a notice of meeting or an information circular relating to an annual general meeting of shareholders held within five years preceding the receipt of the request and	pursuant to Hecla's notice of meeting delivered in accordance with Article II, Section 8 of the by-laws; (b) by or at the direction of the board of directors; or (c) by any Hecla stockholder who is entitled to vote at the meeting, who complies with the notice procedures set forth in Article II, Section 8 of the by-laws and who is a stockholder of record of Hecla at the time such notice is delivered to the secretary of Hecla. For nominations or other business to be properly brought before an annual meeting of stockholders by a stockholder, the stockholder must have given timely notice in writing to the secretary of Hecla. A stockholder's notice relating to an annual meeting must be delivered to the secretary at Hecla's principal executive offices not less than the close of business 90 days nor more than the close of business 120 days prior to the first anniversary of the preceding year's annual meeting; provided, however, that if the date of the annual meeting is advanced by more than 30 days or delayed by more than 60 days, a stockholder's notice will be timely if it is delivered not earlier than the 120th day prior to such meeting and not later than the close of business on the later of the 90th day prior to such meeting or the 10th day following the day on which public announcement of the date of the meeting is first made. Included in a stockholder's notice must be the stockholder's name and address, and the class and number of shares owned by the stockholder. The stockholder must also set forth as to each person whom the stockholder proposes to nominate for election or re-election as a director any information relating to such person that would be required to be disclosed in solicitations of proxies for the election of directors in a contested election pursuant to Section 14 of the U.S. Exchange Act. If the notice relates to any business other than a nomination of a director that the stockholder proposes to bring before the meeting, the stockholder must set forth a brief description of the business desired to be brought before the meeting, the reasons for conducting such business at the meeting, and any material interest in such business of such stockholder. See Article II, Section 8 of Hecla's by-laws for

	ATAC Shareholder Rights	Hecla Stockholder Rights
	the proposal did not obtain the prescribed level of support or a proposal that deals with matters beyond the company's power to implement. If a company refuses to process a proposal, the company shall notify the person making such proposal in writing within 21 days after its receipt of the proposal of its decision in relation to the proposal and the reasons therefor. In any such event, the person submitting the proposal may make application to a court for a review of the company's decision and a court may restrain the holding of the annual general meeting and make any further order it considers appropriate. In addition, a company may apply to a court for an order permitting the company to refrain from processing the proposal and the court may make such order as it considers appropriate.	more information on the notice requirements. Hecla is required under Rule 14a-8g under the U.S. Exchange Act to include eligible and properly submitted stockholder proposals in its proxy statement for annual or special stockholder meetings.
Inspection of Books and Records	Under the BCBCA, directors and shareholders may, without charge, inspect certain records of the company. Former shareholders and directors may also inspect certain records, free of charge, but only those records pertaining to the times that they were shareholders or directors. Public companies must allow all persons to inspect certain records of the company free of charge. As permitted by the BCBCA, ATAC's articles prohibit shareholders from inspecting or obtaining any accounting records of the company, unless the directors determine otherwise, or unless otherwise determined by ordinary resolution.	Under the DGCL, any stockholder, in person or by attorney or other agent, may, upon written demand under oath, inspect the corporation's books and records for a proper purpose.
Amending of Government Documents	Under the BCBCA, a company may amend its articles or notice of articles by (i) the type of resolution specified in the BCBCA, (ii) if the BCBCA does not specify a type of resolution, then by the type specified in the company's articles, or (iii) if the company's articles do not specify a type of resolution, then by special resolution. The BCBCA permits many substantive changes to a company's articles (such as a change in the company's authorized share structure or a change in the special rights or restrictions that may be attached to a certain class or series of shares) to be changed by the resolution specified in that company's articles. ATAC's articles provide that a change of the company's name, certain changes to the company's share structure and any creation or alteration of	Under the DGCL, a corporation's certificate of incorporation may be amended if: (i) the board of directors sets forth the proposed amendment in a resolution, declares the advisability of the amendment and directs that it be submitted to a vote at a meeting of stockholders; and (ii) the holders of a majority of shares of stock entitled to vote on the matter approve the amendment, unless the certificate of incorporation requires the vote of a greater number of shares. In addition, under the DGCL, class voting rights exist with respect to, among other things, amendments to the certificate of incorporation that adversely affect the terms of the shares of a class. Class voting rights do not exist as to other extraordinary matters, unless the certificate of incorporation provides otherwise.

	ATAC Shareholder Rights	Hecla Stockholder Rights
	special rights and restrictions to a series or class of shares be done by way of directors' resolution or ordinary resolution, as determined by the directors. The articles also provide that, if the BCBCA or the articles do not specify the type of resolution required for a particular change to its articles, the company may effect such change by ordinary resolution.	Under the DGCL, the board of directors may amend a corporation's by-laws if so authorized in the certificate of incorporation. Hecla's certificate of incorporation provides that the by-laws of Hecla may be altered, amended or repealed by the Hecla Board acting by the vote of the majority of the whole board of directors. Under the DGCL, stockholders also may amend a corporation's by-laws. Under Hecla's certificate of incorporation and by-laws, the affirmative vote of at least 80% of the voting power of all outstanding shares of Hecla's capital stock entitled to vote generally in the election of directors, voting together as a single class, is required to amend Sections 4 and 6 of Article II of the by-laws (special meetings of stockholder and action by written consent), Section 1, 2, or 3 of Article III of the by-laws (election and removal of directors and the filling of vacancies) and any provision of the by-laws which is substantially identical to and/or implements the last sentence of Section 4 of Article IV of the certificate of incorporation (voting rights of stockholders), or Articles VI (board of directors), VII (action by stockholders by written consent) or VIII (business combinations) of the certificate of incorporation.

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