FORM 5

QUARTERLY LISTING STATEMENT

Name of Listed Issuer: **ATERRA Metals Inc.** (the "Issuer").

Trading Symbol: **ATC**

This Quarterly Listing Statement must be posted on or before the day on which the Issuer's unaudited interim financial statements are to be filed under the *Securities* Act, or, if no interim statements are required to be filed for the quarter, within 60 days of the end of the Issuer's first, second and third fiscal quarters. This statement is not intended to replace the Issuer's obligation to separately report material information forthwith upon the information becoming known to management or to post the forms required by the Exchange Policies. If material information became known and was reported during the preceding quarter to which this statement relates, management is encouraged to also make reference in this statement to the material information, the news release date and the posting date on the Exchange website.

General Instructions

(a) Prepare this Quarterly Listing Statement using the format set out below. The sequence of questions must not be altered nor should questions be omitted or left unanswered. The answers to the following items must be in narrative form. When the answer to any item is negative or not applicable to the Issuer, state it in a sentence. The title to each item must precede the answer.
(b) The term "Issuer" includes the Listed Issuer and any of its subsidiaries.
(c) Terms used and not defined in this form are defined or interpreted in Policy 1 – Interpretation and General Provisions.

There are three schedules which must be attached to this report as follows:

SCHEDULE A: FINANCIAL STATEMENTS

Financial statements are required as follows:

For the first, second and third financial quarters interim financial statements prepared in accordance with the requirements under Ontario securities law must be attached.

If the Issuer is exempt from filing certain interim financial statements, give the date of the exempting order.

SCHEDULE B: SUPPLEMENTARY INFORMATION

The supplementary information set out below must be provided when not included in Schedule A.

1. Related party transactions

Provide disclosure of all transactions with a Related Person, including those previously disclosed on Form 10. Include in the disclosure the following information about the transactions with Related Persons:

(a) A description of the relationship between the transacting parties. Be as precise as possible in this description of the relationship. Terms such as affiliate, associate or related company without further clarifying details are not sufficient.
(b) A description of the transaction(s), including those for which no amount has been recorded.
(c) The recorded amount of the transactions classified by financial statement category.
(d) The amounts due to or from Related Persons and the terms and conditions relating thereto.
(e) Contractual obligations with Related Persons, separate from other contractual obligations.
(f) Contingencies involving Related Persons, separate from other contingencies.

2. Summary of securities issued and options granted during the period.

Provide the following information for the period beginning on the date of the last Listing Statement (Form 2A):

(a) summary of securities issued during the period,
(b) summary of options granted during the period,

3. Summary of securities as at the end of the reporting period.

Provide the following information in tabular format as at the end of the reporting period:

(a) description of authorized share capital including number of shares for each class, dividend rates on preferred shares and whether or not cumulative, redemption and conversion provisions,
(b) number and recorded value for shares issued and outstanding,
(c) description of options, warrants and convertible securities outstanding, including number or amount, exercise or conversion price and expiry date, and any recorded value, and

(d) number of shares in each class of shares subject to escrow or pooling agreements or any other restriction on transfer.

4. List the names of the directors and officers, with an indication of the position(s) held, as at the date this report is signed and filed.

SCHEDULE C: MANAGEMENT DISCUSSION AND ANALYSIS

Provide Interim MD&A if required by applicable securities legislation.

Certificate Of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Quarterly Listing Statement.
2. As of the date hereof there is no material information concerning the Issuer which has not been publicly disclosed.
3. The undersigned hereby certifies to the Exchange that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all Exchange Requirements (as defined in CNSX Policy 1).
4. All of the information in this Form 5 Quarterly Listing Statement is true.

Dated: **June 3, 2026**

Rob Suttie
Name of Director or Senior Officer

[Signed] "Rob Suttie"

Signature

CFO
Official Capacity

Issuer Details Name of Issuer **ATERRA Metals Inc**	For Quarter Ended **March 31, 2026**	Date of Report YY/MM/D **2026/06/03**
Issuer Address **82 Richmond Street E.**		
City/Province/Postal Code **Toronto, Ontario, M5C 1P1**	Issuer Fax No. **N/A**	Issuer Telephone No. **416-953-0258**
Contact Name **Carl Hansen**	Contact Position **CEO**	Contact Telephone No. **416-953-0258**
Contact Email Address **info@aterrametals.com**	Web Site Address **www.aterrametals.com**	

Schedule A

FINANCIAL STATEMENTS



ATERRA Metals Inc.

(formerly Cascada Silver Corp)

Condensed Interim Consolidated Financial Statements

For the Three and Nine Months Ended March 31, 2026 and 2025

Expressed in Canadian Dollars

(Unaudited)

ATERRA Metals Inc.

(formerly Cascada Silver Corp.)

Condensed Interim Consolidated Statements of Financial Position
Expressed in Canadian Dollars
(Unaudited)

As at	March 31, 2026	June 30, 2025
ASSETS		
Current assets		
Cash	**$ 1,845,421**	$ 65,113
Accounts and other receivables	**54,996**	33,804
Prepaid expenses	**50,769**	31,566
Total current assets	**1,951,186**	130,483
Non-current assets		
Exploration and evaluation assets (note 7)	**316,152**	252,733
Total assets	**$ 2,267,338**	$ 383,216
EQUITY AND LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities (note 9)	**$ 217,059**	$ 66,877
Loan payable (note 9)	**100,000**	-
Total liabilities	**317,059**	66,877
Equity		
Share capital (note 8)	**5,459,645**	3,929,944
Contributed surplus (note 8)	**466,081**	466,081
Warrants (note 8)	**1,177,695**	164,110
Accumulated other comprehensive loss	**(51,154)**	(29,517)
Deficit	**(5,101,988)**	(4,214,279)
Total equity	**1,950,279**	316,339
Total equity and liabilities	**$ 2,267,338**	$ 383,216

The accompanying notes are an integral part of these unaudited condensed interim consolidated financial statements

Nature of operations (note 1)
Going concern (note 2)

Approved on behalf of the Board:

(Signed) "Robert Suttie" Director

(Signed) "Brent Peters" Director

ATERRA

	Three Months Ended March 31,		Nine Months Ended March 31,	
	2026	2025	**2026**	2025
Expenses				
General and administrative	**$ 41,383**	$ 22,995	**$ 129,056**	$ 59,332
Professional fees (note 9)	**20,152**	13,568	**74,839**	50,489
Transfer agent	**13,432**	5,463	**16,402**	14,317
Filing fees	**9,342**	46,461	**29,359**	67,070
Share-based payments	**-**	38,220	**-**	304,410
Investor relations	**28,878**	6,473	**40,951**	244,176
Exploration and evaluation expenses	**474,457**	636,122	**500,781**	1,336,286
Foreign exchange (gain) loss	**12,168**	(12,825)	**12,253**	22,943
Impairment of exploration and evaluation assets	**252,733**	-	**252,733**	-
Net income (loss) from operations	**(852,545)**	(756,477)	**(1,056,374)**	(2,099,023)
Other items				
Interest income	**4,254**	2,292	**4,555**	10,442
Net income (loss) for the period	**(848,291)**	(754,185)	**(1,051,819)**	(2,088,581)
Other comprehensive (loss) income				
Items that may be subsequently reclassified to profit or loss:				
Foreign currency translation	**(17,433)**	(216,387)	**(21,637)**	29,081
Comprehensive income (loss) for the period	**$ (865,724)**	$ (970,572)	**$ (1,073,456)**	$ (2,059,500)
Basic and diluted net income (loss) per share	**$ (0.00)**	$ (0.00)	**$ (0.00)**	$ (0.01)
Weighted average number of common shares outstanding	**312,624,695**	207,241,018	**243,568,987**	187,843,092

The accompanying notes are an integral part of these unaudited condensed interim consolidated financial statements

ATERRA Metals Inc.

(formerly Cascada Silver Corp.)

Condensed Interim Consolidated Statements of Changes in Equity
Expressed in Canadian Dollars
(Unaudited)

	Share Capital	Shares To be Issued	Contributed Surplus	Warrants	Accumulated Other Comprehensive Income	Deficit	Total
Balance, June 30, 2024	$ 2,003,809	$ 741,844	$ 57,300	$ -	$ 29,123	$ (1,388,661)	$ 1,443,415
Issued under private placement	1,762,971	(741,844)	-	-	-	-	1,021,127
Shares issued for services	235,000	-	-	-	-	-	235,000
Expiry of options	-	-	(57,300)	-	-	57,300	-
Issuance costs	-	-	(27,657)	-	-	-	(27,657)
Warrant valuation	(109,406)	-	-	109,406	-	-	-
Share based compensation	-	-	304,410	-	-	-	304,410
Issued under property agreements	108,021	-	-	-	-	-	108,021
Other comprehensive income	-	-	-	-	29,081	-	29,081
Net loss for the period	-	-	-	-	-	(2,088,581)	(2,088,581)
Balance, March 31, 2025	**$ 3,892,374**	**$ -**	**$ 276,753**	**$ 109,406**	**$ 166,225**	**$ (3,419,942)**	**$ 1,024,816**
Balance, June 30, 2025	3,929,944	-	466,081	164,110	(29,517)	(4,214,279)	316,339
Issued under private placement	2,780,000	-	-	-	-	-	2,780,000
Issuance costs	(72,604)	-	-	-	-	-	(72,604)
Warrant valuation	(1,177,695)	-	-	1,177,695	-	-	-
Expiry of warrants	-	-	-	(164,110)	-	164,110	-
Other comprehensive income	-	-	-	-	(21,637)	-	(21,637)
Net loss for the period	-	-	-	-	-	(1,051,819)	(1,051,819)
Balance, March 31, 2026	**$ 5,459,645**	**$ -**	**$ 466,081**	**$ 1,177,695**	**$ (51,154)**	**$ (5,101,988)**	**$ 1,950,279**

The accompanying notes are an integral part of these unaudited condensed interim consolidated financial statements

ATERRA

ATERRA Metals Inc.

(formerly Cascada Silver Corp.)

Condensed Interim Consolidated Statements of Cash Flows
Expressed in Canadian Dollars
(Unaudited)

For the Nine Months Ended March 31,	**2026**	2025
Operating activities		
Net loss for the period	**$ (1,051,819)**	$ (2,088,581)
Adjustments for:		
Impairment of exploration and evaluation assets	**252,733**	-
Share-based payments	**-**	304,410
Shares issued for services	**-**	235,000
Changes in non-cash working capital items:		
Accounts and other receivables	**(21,192)**	(264,512)
Prepaid expenses	**(19,203)**	(23,196)
Accounts payable and accrued liabilities	**150,182**	(51,919)
Net cash used in operating activities	**(689,299)**	(1,888,798)
Investing activities		
Exploration and evaluation assets	**(316,152)**	(220,909)
Net cash used in investing activities	**(316,152)**	(220,909)
Financing activities		
Proceeds from loan payable	**100,000**	-
Issuance of common shares for cash	**2,780,000**	1,021,127
Share issuance costs	**(72,604)**	(27,657)
Net cash provided by financing activities	**2,807,396**	993,470
Net change in cash	**1,801,945**	(1,116,237)
Effect of exchange rate changes on cash	**(21,637)**	29,081
Cash, beginning of period	**65,113**	1,369,554
Cash, end of period	**$ 1,845,421**	$ 282,398
Supplemental cash flow information		
Shares issued for services	**$ -**	$ 95,000

The accompanying notes are an integral part of these unaudited condensed interim consolidated financial statements

ATERRA

1. Corporate Information and Nature of Operations

ATERRA Metals Inc. (formerly "Cascada Silver Corp.") (the "Company") was incorporated under the Ontario Business Corporations Act on August 25, 2020. On October 2, 2020, the Company continued its incorporation to the province of British Columbia. The Company is in the business of exploration and evaluation of mineral properties in South America. The Company has one 100% owned Chilean subsidiary, Atacama Silver SpA. The address of the Company's corporate office and principal place of business is 82 Richmond Street East, Toronto, Ontario.

The Company's common shares began trading on the Canadian Securities Exchange ("CSE") on March 12, 2021 under the symbol "CSS". On December 11, 2025, the Company changed its name to ATERRA Metals Inc., and commenced trading under the symbol "ATC" upon commencement of trading on December 16, 2025. Additionally, the Company's common shares are listed and trade on the OTCQB® Venture Market ("OTCQB") under the symbol "CSSCF".

2. Going Concern

These unaudited condensed interim consolidated financial statements were prepared on a going concern basis of presentation, which assumes that the Company will continue operations for the foreseeable future and be able to realize the carrying value of its assets and discharge its liabilities and commitments in the normal course of business. To date, the Company has not earned revenue and has an accumulated deficit of $5,101,988 as at March 31, 2026. The Company's ability to continue as a going concern is dependent upon its ability to obtain additional financing and or achieve profitable operations in the future. Management is aware, in making its assessment, of material uncertainties related to events or conditions that cast significant doubt upon the Company's ability to continue as a going concern. These unaudited condensed interim consolidated financial statements do not reflect adjustments that would be necessary if the going concern assumption were not appropriate. These adjustments could be material. Management will pursue funding options, being financing and alternative funding options, required to meet the Company's requirements on an ongoing basis.

3. Basis of Presentation

Statement of compliance

These unaudited condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standards 34, Interim Financial Reporting ("IAS 34") using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). These unaudited condensed interim consolidated financial statements have been prepared using the same accounting policies and methods of computation as described in note 3 to the audited consolidated financial statements for the year ending June 30, 2025.

The Company's unaudited condensed interim consolidated financial statements have been prepared by management and approved by the Audit Committee on behalf of the Board of Directors of the Company. They include the appropriate accounting principles, judgment and estimates in accordance with IFRS for interim financial statements.

The unaudited condensed interim consolidated financial statements for the period ended March 31, 2026 were reviewed and authorized for issue by the Board of Directors on June 1, 2026.

The Company's independent auditors have not performed a review of these condensed interim consolidated financial statements in accordance with the standards established by the Chartered Professional Accountants of Canada for a review of condensed interim financial statements by an entity's auditors.

3. Basis of Presentation (Continued)

Basis of measurement

The unaudited condensed interim consolidated financial statements have been prepared on a historical cost basis, except for certain financial instruments measured at fair value. The financial statements are presented in Canadian dollars, which is the parent company's functional currency. The functional currency of the subsidiary is the US dollar.

The preparation of these unaudited condensed interim consolidated financial statements in compliance with IFRS requires management to make certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 5.

4. Accounting Policies

Basis of consolidation

These unaudited condensed interim consolidated financial statements incorporate the financial statements of the Company and its wholly-owned Chilean subsidiary, Atacama Silver SpA.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Company obtained control, and continues to be consolidated until the date that such control ceases. Control is achieved when an investor has power over an investee to direct its activities, exposure to variable returns from an investee, and the ability to use the power to affect the investor's returns.

The results of subsidiaries acquired or disposed of during the years presented are included in the consolidated statements of comprehensive loss from the effective date of control and up to the effect date of disposal or loss of control, as appropriate. All intercompany transactions, balances, income and expenses are eliminated upon consolidation.

Foreign currency translation

The functional currency of each entity is determined using the currency of the primary economic environment in which that entity operates. The functional and presentation currency, as determined by management, of the Company is the Canadian dollar.

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the period-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items or on settlement of monetary items are recognized in the consolidated statement of comprehensive loss in the period in which they arise.

Exchange differences arising on the translation of non-monetary items are recognized in other comprehensive income in to the extent that gains and losses arising on those non-monetary items are also recognized in other comprehensive income. Where the non-monetary gain or loss is recognized in profit or loss, the exchange component is also recognized in profit or loss.

5. Significant Accounting Estimates, Judgments and Assumptions

The preparation of financial statements in accordance with IFRS requires the Company to make estimates and assumptions concerning the future. The Company's management reviews these estimates and underlying assumptions on an ongoing basis, based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to estimates are adjusted for prospectively in the period in which the estimates are revised.

Estimates and assumptions where there are significant risk of material adjustments to assets and liabilities in future accounting periods include:

- recoverable amount of its exploration and evaluation assets;
- valuation of stock-based transactions; and
- deferred tax assets and liabilities.

The preparation of financial statements in accordance with IFRS also requires the Company to make judgments, apart from those involving estimates, in applying accounting policies. The significant judgments in the Company's financial statements include:

- management's assessment of the Company's ability to continue as a going concern and whether there are events or conditions that may give rise to significant uncertainty; and
- management's determination of the functional currency of the Company and its subsidiary.

6. Capital Risk Management

The Company manages its capital with the following objectives:

- to ensure sufficient financial flexibility to achieve the ongoing business objectives including funding of future growth opportunities, and pursuit of accretive acquisitions; and
- to maximize shareholder return.

The Company monitors its capital structure and makes adjustments according to market conditions in an effort to meet its objectives given the current outlook of the business and industry in general. The Company may manage its capital structure by issuing new shares, repurchasing outstanding shares, adjusting capital spending, or disposing of assets. The capital structure is reviewed by management and the Board of Directors on an ongoing basis. The Company's ability to continue to carry out its planned exploration activities is uncertain and dependent upon securing additional financing.

7. Exploration and Evaluation Assets

	Totora Project	Angie Project	Guanaca Project	Total
Balance, June 30, 2024	$ -	$ 30,463	88,081	$ 118,544
Acquisition costs	-	222,270	122,090	344,360
Impairment	-	-	(210,171)	(210,171)
Balance, June 30, 2025	-	$ 252,733	-	$ 252,733
Acquisition costs	316,152	-	-	316,152
Impairment	-	(252,733)	-	(252,733)
Balance, March 31, 2026	**$ 316,152**	**$ -**	**$ -**	**$ 316,152**

7. Exploration and Evaluation Assets (Continued)

Angie Project

The Company entered in an option agreement, dated January 20, 2023, amended on January 24, 2024, and subsequently amended on January 5, 2025, with a third-party vendor to acquire a 100% interest in the Angie Copper Molybdenum Property. The Angie Project is a 1,500-hectare property located in Region III, Chile, approximately 85 east southeast of the City of Copiapo, Chile. The Company made the initial payment, first anniversary payment, on January 20, 2025, a second anniversary payment of US$163,750 (50% in cash and 50% in Cascada common shares). Total payment obligations were US$3,577,500.

In January 2025, the Company negotiated certain amendments to the payment structure for the obligations for the underlying option agreement, including a reduction to the January 20, 2025 payment. Under the revised terms of the updated agreement, the January 20, 2025 payment was reduced from US$300,000 to US$163,750. The revised 2025 payment was made 50% (US$81,875) in cash and 50% through the issuance of 2,700,516 common shares of Cascada ("Shares") calculated based upon the 20-day volume weighted adjusted price of the Shares (issued January 20, 2025).

During the three months ended March 31, 2026, the Company terminated the Angie option agreement. Accordingly, the Company has recognized an impairment charge of $252,733 for the three months ended March 31, 2026.

Totora Project

The Totora Cu/Au Project is comprised of four concession groups covered by three option agreements: the Frontera Option Agreement, the Taurca Option Agreement and the Clinton Option Agreement. ATERRA is currently conducting a Phase I drill program on the Totora Project.

Frontera Option Agreement

On January 8, 2026, ATERRA entered into an option agreement to acquire the Frontera Property. The 11-hectare property is located 60 kilometres south of the City of Vallenar, Region III, Chile. The Frontera Property hosts the Frontera Cu/Au deposit.

In order to earn a 100% interest in the Frontera Property, ATERRA must make total payments of US$10,000,000 over 7 years as follows: $50,000 on signing (paid); $100,000 on the 1st anniversary; $300,000 on the 2nd anniversary; $400,000 on the 3rd; $700,000 on the 4th; $1,000,000 on the 5th; $2,000,000 on the 6th and a final payment of $5,450,000 on the 7th anniversary. The year 6 and year 7 payment are subject to Chilean Consumer Price Index adjustment. There is no royalty to be granted to the vendor.

7. Exploration and Evaluation Assets (Continued)

Totora Project (Continued)

Taurca Option Agreement

On January 6, 2026, ATERRA entered into an option agreement to acquire the Tuarca Property. The 1,300-hectare property is located 60 kilometres south of the City of Vallenar, Region III, Chile and 2 kilometres west of the Frontera Property. The Tuarca Property hosts several Cu/Au porphyry targets at various stages of exploration including the Totora and Algarrobilla porphyries.

In order to earn a 100% interest in the Tuarca Property, ATERRA must make total payments of US$18,500,000 over 7 years as follows: $150,000 on signing (paid); $250,000 on the 1st anniversary; $500,000 on the 2nd anniversary; $1,500,000 on the 3rd; $3,600,000 on the 4th; $4,000,000 on the 5th; $4,250,000 on the 6th and a final payment of $4,250,000 on the 7th anniversary. Upon paying $10 million, ATERRA will earn a 40% interest in the Taruca Property. There are drilling commitments of 4,000 metres during the first two years and an additional 4,000 metres during the second two years. There are no royalties to be granted to the vendor.

Clinton Option Agreement

On January 6, 2026, ATERRA entered into an option agreement to acquire the Clinton Property. The Clinton Property comprises the 300-hectare Clinton concession, located adjacent to the southern border of the Tuarca Property, and the 200-hectare Sevilla concession, located 4 kilometres east of the Clinton concession. The Clinton concession host the Clinton Cu/Au porphyry which has been the focus on historical drilling.

In order to acquire a 100% interest in the Clinton Property, ATERRA must make payments totaling US$4,000,000 over four years as follows: $50,000 on signing (paid); $100,000 on the first anniversary; $200,000 on the 2nd anniversary; $800,000 on the 3rd anniversary; $2,850,000 on the 4th anniversary. The third and fourth anniversary payments may be paid 50% in ATERRA common shares. There is a 1.5% net smelter royalty to the vendor with ATERRA retaining a right of first refusal on any sale of the royalty.

8. Share Capital

(a) Authorized share capital

Unlimited number of common shares without par value.

(b) Issued

	Number of shares	Share capital
Balance, June 30, 2024	**121,592,406**	**$ 2,003,809**
Shares issued under private placement, net of costs	77,548,211	1,735,314
Shares issued for services	6,000,000	235,000
Warrant valuation	-	(109,406)
Shares issued under property agreements	2,700,516	108,021
Balance, March 31, 2025	**207,841,133**	**$ 3,972,738**
Balance, June 30, 2025	209,041,133	3,929,944
Shares issued under private placement, net of costs	139,000,000	2,707,396
Warrant valuation	-	(1,177,695)
Balance, March 31, 2026	**348,041,133**	**$ 5,459,645**

8. Share Capital (Continued)

(b) Issued

On January 22, 2026, the Company closed a non-brokered private placement financing for aggregate gross proceeds of $2,780,000 (the "Offering"). Insiders and consultants of the Company purchased 13% of the Offering.

The Offering consisted of the issuance of 139,000,000 (each, a "Unit") at a price of $0.02 per Unit, with each Unit comprised of one common share of the Company (each, a "Share") and one-half warrant (each whole warrant, a "Warrant"). Each Warrant entitles the holder thereof to acquire one Share from the Company at a price of $0.05 per Share for a period of thirty-six months. Related parties subscribed to 1,807,000 units.

The Company paid aggregate cash finder's fees and costs totaling $72,604.

A fair value of $246,616 for the 69,500,000 warrants issued in conjunction with this private placement was determined using the Black-Scholes option pricing model, residual value method. The following weighted average assumptions were used: share price - $0.0.04; dividend yield - 0%; expected volatility - 134%; risk-free interest rate - 2.52%; and an expected life - 3 years

(c) Warrants

Warrant transactions and the number of warrants outstanding are summarized as follows:

	Number of warrants	Weighted average exercise price
Balance, June 30, 2024	-	$ -
Issued	10,211,268	$ 0.10
Balance, March 31, 2025	10,211,268	$ 0.10
Balance, June 30, 2025	**10,211,268**	**$ 0.10**
Expired	(10,211,268)	$ 0.10
Issued	69,500,000	$ 0.05
Balance, March 31, 2026	69,500,000	$ 0.05

As of March 31, 2026, the following warrants were outstanding:

Expiry Date	Number of warrants	Exercise price ($)	Fair value on grant ($)
January 22, 2029	69,500,000	0.05	1,177,695

8. Share Capital (Continued)

(d) Stock options

A summary of changes in the Company's stock options is presented below:

	Number of stock options	Weighted average exercise price
Balance, June 30, 2024	2,225,000	$ 0.05
Granted	19,470,000	0.06
Expired	(2,225,000)	0.05
Balance, March 31, 2025	**19,470,000**	**$ 0.06**
Balance, June 30, 2025	19,470,000	$ 0.06
Expired	(5,460,000)	0.07
Balance, March 31, 2026	**14,010,000**	**$ 0.05**

The following table reflects the stock options outstanding as of March 31, 2026:

Expiry date	Number of options outstanding	Exercise price	Remaining life (years)
August 8, 2027	14,010,000	$0.05	1.86

9. Related Party Transactions

Key management personnel are persons responsible for the planning, directing and controlling activities of the entity. The Company's key management personnel include directors and officers.

During the three and nine months ended March 31, 2026, accounting fees of $nil (three and six months ended March 31, 2025 - $nil and $3,290) were paid to Marrelli Support Services Inc., a company which a director of the Company is President. Additionally, for the three and nine months ended March 31, 2026 $7,635 and $22,905 (three and nine months ended March 31, 2025 - $7,500) was paid in respect to CFO Services provided by the president of Marrelli Support Services Inc. As at March 31, 2026 - $6,442 (June 30, 2025 - $24,226) was included in accounts payable and accrued liabilities with respect to these fees.

During the three and nine months ended March 31, 2026, the Company expensed $nil, in office rent paid to a company whilst ATERRA's Chief Executive Officer served as a senior officer (three and nine months ended March 31, 2025 - $nil and $19,922, respectively).

During the nine months ended March 31, 2026, the Company's CEO advanced $100,000 to the Company for working capital purposes. The loan is unsecured, non-interest bearing and due on demand.

10. Segmented Information

IFRS 8 requires operating segments to be determined based on the Company's internal reporting to the Chief Operating Decision Maker ('CODM'). The CODM has been determined to be the Company's CEO as he is primarily responsible for the allocation of resources and the assessment of performance. The CODM uses net (loss) income, as reviewed at periodic business review meetings, as the key measure of the Company's results as it reflects the Company's underlying performance for the period under evaluation. The CODM's primary focus for review and resource allocation is the Company as a whole and not any component part of the business. Having considered these factors, management has judged that the Company comprises two operating segments under IFRS 8. As such, the disclosures required under IFRS 8 for the consolidated financial statements are shown on the face of the consolidated statement of loss and comprehensive loss and consolidated statement of financial position.

March 31, 2026	**Canada**	**Chile**	**Total**
Assets	$ 1,142,495	$ 1,124,843	**$ 2,267,338**
Liabilities	$ (228,996)	$ (88,063)	**$ (317,059)**
Net Loss	$ (298,305)	$ (753,514)	**$ (1,051,819)**

March 31, 2025	**Canada**	**Chile**	**Total**
Assets	$ 433,133	$ 623,974	**$ 1,057,107**
Liabilities	$ (15,024)	$ (17,267)	**$ (32,291)**
Net Loss	$ (752,295)	$ (1,336,286)	**$ (2,088,581)**

Schedule B

SUPPLEMENTARY INFORMATION

Related party transactions

The Issuer's Related Person include directors and officers.

During the period from January 1, 2026 to March 31, 2026, no consulting fees were paid to the Issuer's CEO and directors. The CFO received services fees of $7,635.

Summary of securities issued / granted during the quarter.

Date of Issue	Type of Security	Type of Issue	#	Price	Total Proceeds	Type of Consideration	Describe relationship of Person with Issuer	Commission Paid
January 22, 2026	Units	Private Placement	139,000,000	$0.02/Unit	$2.78 Million	Cash	None	$72,604

Summary of options granted during the period.

Date	Number	Name of Optionee if Related Person and relationship	Generic description of other Optionees	Exercise Price	Expiry Date	Market Price on date of Grant
No options granted during the Quarter						

Summary of securities at the end of the reporting period.

Share Capital			
Authorized	**Issued**	**Record Value**	**Subject to an Escrow Agreement**
Unlimited number of common shares without par value.	348,041,133	$5,459,645	None

Warrants Outstanding			
Number	**Exercise Price**	**Expiry Date**	**Recorded Value**
69,500,000	$0.05	January 22, 2029	$1,177,695

Options Outstanding			
Number	**Exercise Price**	**Expiry Date**	**Recorded Value**
14,010,000	$0.05	August 8, 2027	$0.00

List the names of the directors and officers, with an indication of the position(s) held, as at the date this report is signed and filed.

Name	Common Shares	Options	Warrants
Carl Hansen, President & CEO, Director	16,890,700	4,750,000	2,875,000
Rob Suttie, CFO, Director	275,000	1,910,000	275,000
Brent Peters, Director	1,736,538	2,900,000	500,000
Joaquin Massu, Director	1,348,770	2,300,000	0
Antonia Schneider Brandes, Director	0	1,500,000	0

Schedule C

MANAGEMENT DISCUSSION AND ANALYSIS



ATERRA Metals Inc.

(formerly Cascada Silver Corp.)

Management's Discussion & Analysis
For the Nine Months Ended March 31, 2026

Dated: June 1, 2026

Introduction

The following management's discussion & analysis ("**MD&A**") of ATERRA METALS INC. (formerly "Cascada Silver Corp.") (the "**Company**") has been prepared to provide material updates to the Company's business operations, liquidity and capital resources.

The following MD&A of the financial condition and results of operations the Company constitutes management's review of the factors that affected the Company's financial and operating performance for the nine months ended March 31, 2026. This MD&A has been prepared in compliance with the requirements of National Instrument 51-102 – Continuous Disclosure Obligations. This discussion should be read in conjunction with the unaudited condensed interim consolidated financial statements for the three and nine months ended March 31, 2026 and the audited annual consolidated financial statements of the Company for the year ended June 30, 2025, together with the notes thereto. Results are reported in Canadian dollars, unless otherwise noted. Information contained herein is presented as at June 1, 2026 unless otherwise indicated.

For the purposes of preparing this MD&A, management, in conjunction with the Board of Directors, considers the materiality of information. Information is considered material if: (i) such information results in, or would reasonably be expected to result in a significant change in the market price or value of the Company's common shares; (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) it would significantly alter the total mix of information available to investors. Management, in conjunction with the Board of Directors, evaluates materiality with reference to all relevant circumstances, including potential market sensitivity.

Further information about the Company and its operations can be obtained from the Company's website at www.aterrametals.com or from www.sedarplus.ca.

Caution Regarding Forward Looking Statements

This MD&A contains forward-looking statements, including predictions, projections and forecasts. Forward-looking statements include, but are not limited to: plans for the evaluation of exploration properties; the success of evaluation plans; the success of exploration activities; the timing of exploration results, mine development prospects; and, potential for future metals production. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "planning", "expects" or "does not expect", "continues", "scheduled", "estimates", "forecasts", "intends", "potential", "anticipates", "does not anticipate", or describes a "goal", or variation of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved.

Forward-looking statements involve known and unknown risks, future events, conditions, uncertainties and other factors which may cause the actual results, performance or achievements to be materially different from any future results, prediction, projection, forecast, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others: changes in economic parameters and assumptions; all aspects related to the timing of exploration activities and receipt of exploration results; the interpretation and actual results of current exploration activities; changes in project parameters as plans continue to be refined; the results of regulatory and permitting processes; future metals price; possible variations in grade or recovery rates; failure of equipment or processes to operate as anticipated; labour disputes and other risks of the mining industry; the results of economic and technical studies; delays in obtaining governmental approvals or financing or in the completion of exploration; as well as those factors disclosed in the Company's publicly filed documents.

Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors

that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.

NI 43-101 Technical Disclosure

As defined by National Instrument 43-101 ("NI 43-101") of the Canadian Securities Administrators, the Qualified Person for ATERRA Metals Inc. exploration activities in Chile is Francisco Bravo, a resident of Santiago, Chile. He is not considered an independent qualified person as defined by NI 43-101. Mr. Bravo is a Public Registered Person for Reserves and Resources N° 515, in Chile, and is also registered in the Colegio de Geólogos de Chile under N° 725. Mr. Bravo has approved the technical disclosure in this MD&A.

Description of Business

The Company was incorporated under the Ontario Business Corporations Act on August 25, 2020. On October 2, 2020, the Company continued its incorporation to the province of British Columbia.

The Company is in the business of exploration and evaluation of mineral properties in South America. The address of the Company's corporate office and principal place of business is 82 Richmond Street East, Toronto, Ontario, Canada.

The Company's common shares began trading on the Canadian Securities Exchange ("CSE") on March 12, 2021 under the symbol "CSS". On December 11, 2025, the Company changed its name to Aterra Metals Inc., and commenced trading under the symbol "ATC" upon commencement of trading on December 16, 2025. Additionally, the Company's common shares are listed and trade on the OTCQB® Venture Market ("OTCQB") under the symbol "CSSCF".

Overall Performance

The Company is an exploration stage issuer engaged in the business of acquisition, exploration and, if warranted, development of mineral properties. As such, the Company has not had any revenues since inception. The Company does not expect to generate any revenues in the foreseeable future. The Company expects to continue to incur expenses as work is performed to review, explore and develop mineral properties.

The Company is in the process of acquiring and exploring mineral properties and has not yet determined whether the mineral properties contain reserves that are economically recoverable. The Company's future performance is largely tied to the outcome of future exploration and the overall financial markets.

The recoverability of minerals from the Company's mineral properties is dependent upon, among other things, the discovery of mineral reserves, the Company's ability to obtain necessary financing to continue to explore and develop its property, and upon future profitable production. Uncertainty in financial markets may lead to difficulties in raising funds. As a result, the Company may have difficulties raising equity financing for the purposes of exploration and development of the Company's mineral properties, without unduly diluting the interests of Company's current shareholders.

Historical Results Note: The disclosure of ATERRA's projects, below, contain references to historical results from historical exploration program not undertaken by ATERRA. Neither the Company nor the Company's Qualified Person have undertaken independent investigations of results from the historical exploration programs including assay results from historical drilling and the Qualified Person as not done

sufficient work to classify the Frontera historical resource estimate as current mineral resources. As such, the Company is not treating the estimate as current mineral resources. The reader is cautioned upon relying on the accuracy of the historical results, including the historical resource, presented; however, ATERRA considers the historical results relevant as a guide to plan exploration programs and considers the data to be reliable for these purposes. Drilling by ATERRA is necessary to establish the validity of the historical results presented.

Golden Lake Property

On October 19, 2022, the Company announced that it had staked the Golden Lake property (the "Golden Lake Property") located 1,350 kilometers south of Santiago in Chile's Region XI. The Golden Lake Property overlies a portion of the Pollux Gold District which hosts of series of eroded gold-silver bearing veins identified by Homestake Chile SA ("Homestake") in the early 1990's. The Pollux Gold District was initially explored by Homestake who reportedly undertook geophysical surveys, collected 2,300 surface samples and completed 32 drill holes outlining two north-east trending, low-sulphidation vein systems. From 1993 through 2000, a number of companies undertook exploration, including drilling, on the Golden Lake concessions. ATERRA has halted all exploration activities at the Golden Lake Property and the concessions have been allowed to lapse.

Angie Copper Molybdenum Property

The Company entered into an option agreement, dated January 20, 2023, amended on January 24, 2024, and subsequently amended on January 5, 2025, with a third-party vendor to acquire a 100% interest in the Angie Copper Molybdenum Property. The Angie Project is a 1,500-hectare property located in Region III, Chile, approximately 85 kilometres east southeast of the City of Copiapo, Chile. The Company made the initial payment, first anniversary payment, on January 20, 2025, a second anniversary payment of US$163,750 (50% in cash and 50% in Cascada common shares). Total payment obligations were US$3,577,500.

In January 2025, the Company negotiated certain amendments to the payment structure for the obligations for the underlying option agreement, including a reduction to the January 20, 2025 payment. Under the revised terms of the updated agreement, the January 20, 2025 payment was reduced from US$300,000 to US$163,750. The revised 2025 payment was made 50% (US$81,875) in cash and 50% through the issuance of 2,700,516 common shares of Cascada ("Shares") calculated based upon the 20-day volume weighted adjusted price of the Shares (issued January 20, 2025).

During the three months ended March 31, 2026, the Company terminated the Angie option agreement as the drilling results did not meet expectation and the Company is focusing its attention on the Totora Project. Accordingly, the Company has recognized an impairment charge of $252,733 for the three months ended March 31, 2026.

Mina Guanca Copper Property

On June 8, 2023, the Company reported that it had signed an agreement to enter into an option to acquire a 100% interest in the 250-hectare Mina Guanaca Copper Property ("Guanaca Project") located 110 kilometres northeast of the City of Copiapó, Region III, Chile at elevations below 3,000 metres. The Guanaca Project had been the focus of small-scale open pit mining of copper oxide mineralization. The Guanaca Project has been the focus of only minor exploration activities largely focused on the near surface high-grade copper oxide mineralization. Drilling targets have been identified not only beneath the area of current mining activities but also below the overburden gravels which cover the majority of the property.

On May 29, 2024, the Company finalized the agreement, the terms of which include initial payments of US$65,000 (paid) with a second payment of US$75,000 (paid) due upon the 6-month anniversary of signing. In order to acquire a 100% interest in the Mina Guanca Property, the Company had to make total payments of US$5,015,000 over 4 years. Work commitments of 1,250 metres of drilling per annum over the option period were required.

On September 18, 2024, ATERRA announced that it had completed four RC drill holes on its Guanaca Project totaling 1,132 metres. The drilling targeted both the breccia-hosted copper-oxides located within the Guanaca open pit and an IP anomaly at depth. The first drill hole, GAS-01, was lost at a depth of 36 metres when it intersected old underground workings. The remaining three RC holes, GAS-02 through GAS-04, were drilled to depths of between 350 to 380 metres dominantly cutting magnetite-bearing granitoids. On November 13, 2024, ATERRA reported the assay results from the RC drill program with notable intervals of copper mineralization encountered in 3 of the 4 drill holes with drill hole GAS-04 returning a 56-metre interval grading 0.91% Cu including a 20-metre interval grading 1.88% Cu.

After an unfavourable review of the tonnage potential of the Guanaca mineralization, on October 7, 2025, ATERRA announced that it had terminated the option agreement.

Angie and Guanaca Project QA/QC Disclosure: Phase I drill holes were drilled using the RC technique and collared with a 5 1/2" diameter bit maintaining a consistent diameter throughout the drilling. Rock cuttings produced by the drill rigs were transported to the surface using compressed air and extracted from the cyclone (or hydraulic cyclone for wet samples) to the splitter by the drill contractor under the supervision of ATERRA geologists. Samples were split twice, generating the lab sample, a twin, and a coarse reject. Each sample was weighed, bagged, and identified with tickets following the sampling list prepared beforehand by ATERRA personnel. Chip boxes were generated during sample extraction. Subsequently, the bags were sealed and securely stored before being dispatched to lab facilities along with reference materials (standards) used to verify the preparation and analysis of the samples. Quick logging of chips was performed in the field. The reverse circulation chip trays were sent to Santiago for detailed logging and secure storage.

Phase II diamond drill holes were drilled using a HQ drill bit. Drill core was extracted from the core tubes by the drill contractor, marked for consistent orientation and placed in core boxes with appropriate depth markers added. The core was quick logged at the drill site by ATERRA geologists and marked at 2 metre intervals for cutting. The drill core was cut longitudinally in half using a diamond saw with one half of the two-metre samples placed into plastic sample bag along with a sample number and the bags then sealed. The sealed bags were securely stored before being dispatched to ALS laboratory facilities along with reference materials (standards) used to verify the preparation and analysis of the samples. The unsampled core was returned to the core box and secured with a lid. Core boxes were then stacked together on palettes, plastic wrapped and shipped to a secure storage site in Copiapo.

Both the RC and diamond drill core sample bags were then transported from the drill site to the ALS laboratory facility in Copiapo for mechanical preparation, where they were weighed, dried, crushed, and pulped according to ALS's PREP-31 protocol. ALS is an accredited laboratory independent of the ATERRA. The prepared samples were sent to ALS laboratories in Santiago, Chile for copper (Cu-AA62) and molybdenum (Mo-AA62). The diamond drill core was also selectively assayed for gold (Au-AA23) and trace elements (ME-MS61L + MS61L-REE). No data quality issues were indicated by the QA/QC program.

Totora Copper Gold Project – Frontera, Clinton, and Taruca Properties

On November 20, 2025, ATERRA announced that it had entered into non-binding memoranda of understanding ("MOU") for the acquisition of three advanced copper-gold properties: the Frontera; Clinton; and Taruca properties (the "Properties"). The Properties overlie multiple copper-gold porphyries comprising

a portion of the Totora Cu/Au Porphyry Cluster located 60 kilometres south of Vallenar in Chile's Region III near the Pan American Highway (HWY 5) and high voltage power lines. All of the Properties have been the focus of historical exploration activities including significant drilling. The Properties were optioned from arms-length parties unrelated to ATERRA.

Frontera Option Agreement

On January 19, 2026, ATERRA entered into an option agreement to acquire the Frontera Property. The 11- hectare property is located 60 kilometres south of the City of Vallenar, Region III, Chile. The Frontera Property hosts the Frontera Cu/Au deposit.

In order to earn a 100% interest in the Frontera Property, ATERRA must make total payments of US$10,000,000 over 7 years as follows: $50,000 on signing (paid); $100,000 on the 1st anniversary; $300,000 on the 2nd anniversary; $400,000 on the 3rd; $700,000 on the 4th; $1,000,000 on the 5th; $2,000,000 on the 6th and a final payment of $5,450,000 on the 7th anniversary. The year 6 and year 7 payment are subject to Chilean Consumer Price Index adjustment. There is no royalty to be granted to the vendor.

The Frontera property hosts historic resources (see Table below) of 16 million indicated tonnes grading 0.38% copper and 0.22 grams per tonne ("g/t") gold) and 34 million inferred tonnes grading 0.36% copper and 0.22 g/t gold. The historical resource estimate was prepared by Hot Chili Limited based on 16,175 metres of drilling completed 2013 (see Historical Results Note at the start of the Overall Performance section).

Frontera Cu/Au Deposit - Historical Resource Estimate (March 2014)*

Classification	Tonnes	Cu	Au	Contained Metal	
	(millions)	(%)	(g/t)	**Cu** ('000 lbs)	**Au** (ounces)
Indicated	16	0.38	0.22	134,400	116,000
Inferred	34	0.36	0.22	275,500	239,000

NOTES – See "Historical Results Note" at the start of "Overall Performance". Resource prepared by Hot Chile Limited under "Australasian Code for Reporting on Exploration Results, Mineral Resources and Ore Reserves" (The JORC Code, 2012 Edition) and published on March 11, 2014. Mineral estimate is based upon a cutoff grade of 0.25% Cu.

The Frontera exploitation concessions cover 11 hectares hosting the entire historic resource. The mineralized porphyry extends onto concessions owned by Compañía Minera del Pacífico (CMP, a subsidiary of CAP S.A., the Chilean Iron Ore Company).

Clinton Option Agreement

On January 19, 2026, ATERRA entered into an option agreement to acquire the Clinton Property. The Clinton Property comprises the 300-hectare Clinton concession, located adjacent to the southern border of the Taruca Property, and the 200-hectare Sevilla concession, located 4 kilometres east of the Clinton concession. The Clinton concession host the Clinton Cu/Au porphyry which has been the focus on historical drilling.

In order to acquire a 100% interest in the Clinton Property, ATERRA must make payments totaling US$4,000,000 over four years as follows: $50,000 on signing (paid); $100,000 on the first anniversary; $200,000 on the 2nd anniversary; $800,000 on the 3rd anniversary; $2,850,000 on the 4th anniversary.

The third and fourth anniversary payments may be paid 50% in ATERRA common shares. There is a 1.5% net smelter royalty to the vendor with ATERRA retaining a right of first refusal on any sale of the royalty.

The Clinton property covers a copper-gold porphyry hosted within an altered quartz diorite intruded along the regional Pajonales Fault. During 2018-2019, Sociedad Química y Minera de Chile S.A. ("SQM"), a major Chilean lithium producer, drilled 6,194 metres outlining a mineralized porphyry extending to depths of over 500 metres downhole. No resource estimate has been prepared for the Clinton porphyry.

Taruca Option Agreement

On January 2, 2026, ATERRA entered into an option agreement to acquire the Turaca Property. The 1,300- hectare property is located 60 kilometres south of the City of Vallenar, Region III, Chile and 2 kilometres west of the Frontera Property. The Turaca Property hosts several Cu/Au porphyry targets at various stages of exploration including the Totora and Algarrobilla porphyries.

In order to earn a 100% interest in the Turaca Property, ATERRA must make total payments of US$18,500,000 over 7 years as follows: $150,000 on signing (paid); $250,000 on the 1st anniversary; $500,000 on the 2nd anniversary; $1,500,000 on the 3rd; $3,600,000 on the 4th; $4,000,000 on the 5th; $4,250,000 on the 6th and a final payment of $4,250,000 on the 7th anniversary. Upon paying $10 million, ATERRA will earn a 40% interest in the Taruca Property. There are drilling commitments of 4,000 metres during the first two years and an additional 4,000 metres during the second two years. There are no royalties to be granted to the vendor.

The 1,300-hectare Taruca Property hosts several porphyry targets in various stages of exploration from early stage (Conico and Conico Sur) to more advanced (Totora). The Totora Cu/Au porphyry has been the focus of a number of drill programs with approximately 10,140 metres completed. Drilling outlined a structurally controlled mineralized system traced along a strike length of 800 metres on surface and extending to depths of up to 500 metres downhole. No resource estimate has been completed for the Totora porphyry.

Approximately 1 kilometre south of the Totora porphyry lies the Algarrobilla porphyry. SQM drilled 3,140 metres during 2018-2019 and Freeport drilled 806 metres in 2014. Historical drilling outlined a 700-metre mineralized corridor. No resources are reported. Two bornite-bearing high grade intervals were intersected at depth in drill hole DDHCL-13 including 8 m grading 1.64% Cu and 0.39g/t Au suggesting the potential for a higher-grade porphyry at depth. Drilling is wide-spaced with the nearest drill hole to DDHCL-13 located 300 metres to the northeast.

In addition to the advanced Totora and Algarrobilla Cu/Au porphyries, three emerging targets have been identified on the Taruca property: Represa, Conico and Conico Sur. Represa has two historical drill holes: one of which did not hit the target; and the second which cut 60 metres grading 0.24% CuEq before intersecting an unmineralized fault block. The Conico target is overlain by a large area of anomalous bismuth and antimony potentially related to remnants of an advanced argillic lithocap overlying a porphyry. At the Conico Sur target, there is evidence of small-scale mining activities with mineralization in pits and trenches. Initial exploration will be conducted on these targets in preparation for drilling, if warranted.

Results of Operations

	Three Months Ended Mar. 31, 2026	Three Months Ended Mar. 31, 2025	**Nine Months Ended Mar. 31, 2026**	Nine Months Ended Mar. 31, 2025
	$	**$**	**$**	$
Expenses				
Management fees	**-**	-	-	-
General and administrative	**41,383**	22,995	129,056	59,332
Professional fees	**20,152**	13,568	74,839	50,489
Transfer agent	**13,432**	5,463	16,402	14,317
Filing fees	**9,342**	46,461	29,359	67,070
Investor relations	**28,878**	6,473	40,951	244,176
Exploration expenses	**474,457**	636,122	500,781	1,336,286
Foreign exchange (gain) loss	**12,168**	(12,825)	12,253	22,943
Share based payments	**-**	38,220	-	304,410
Impairment of Exploration and evaluation assets	**252,733**	-	252,733	-
Interest income	**(4,254)**	(2,292)	(4,555)	(10,442)
Net loss for the period	**(848,291)**	(754,185)	(1,051,819)	(2,088,581)

Three Months Ended March 31, 2026 vs Three Months Ended March 31, 2025

On January 1, 2023 management fees were suspended until the Company is able to secure financing for its projects. The general and administrative costs, professional fees, transfer agent expenses filing fees and investor relation expenses relate to general corporate matters and accounting services. Exploration expenses relate to the Company's exploration activities in South America. The foreign exchange gain and loss is associated with holding US dollar cash balances as the Canadian dollar weakened or strengthened vis à vis the US dollar.

The Company reported a net loss for the three months ended March 31, 2026 of $848,291 (three months ended March 31, 2025 - $754,185). Exploration and evaluation expenses of $474,457 were expensed during the three months ended March 31, 2026 with $636,122 being expensed in the comparative three months. To date, exploration and evaluation work has comprised initial geological assessment and planning, with drilling having commenced in August 2024. Foreign exchange losses of $12,168 were reported for the three months ended March 31, 2026, with a gain of $12,825 being reported in the comparative three months ended March 31, 2025. Variance foreign exchange gains and losses flows from the relative differences experienced on conversion of US and Chilean currencies relative to the Canadian dollar.

Professional fees increased from $13,568 in the comparative three months ended March 31, 2025 to $20,152 for the three months ended March 31, 2026, with increases seen in annual audit fee accruals, administrative legal costs, and CFO remuneration.

During the three months ended March 31, 2026, the Company terminated its Angie option agreement. Accordingly capitalized exploration costs of $252,733 were written off.

Nine Months Ended March 31, 2026 vs Nine Months Ended March 31, 2025

The Company reported a net loss for the nine months ended March 31, 2026 of $1,051,819 (nine months ended March - $2,088,581). Exploration and evaluation expenses of $500,781 were expensed during the nine months ended march 31, 2026 with $1,336,286 being expensed in the comparative nine months. To date, exploration and evaluation work has comprised initial geological assessment and planning, with drilling having commenced in August 2024. Foreign exchange losses of $12,253 were reported for the nine months ended March 31, 2026, with a loss of $22,943 being reported in the comparative nine months ended March 31, 2025. Variance foreign exchange gains and losses flows from the relative differences experienced on conversion of US and Chilean currencies relative to the Canadian dollar.

Professional fees increased from $50,489 in the comparative nine months ended March 31, 2025 to $74,839 for the nine months ended March 31, 2026, with increases seen in annual audit fee accruals, administrative legal costs, and CFO remuneration.

Share-based payment expense of $304,410 for the nine months ended March 31, 2025 pertains to the vested fair value of stock options granted during the prior year. There were no such grants in the current period.

Selected Quarterly Information

A summary of selected information for each of the quarters presented below is as follows:

	Net Loss	Per Share	Total Assets
	$	$	$
Period Ended			
March 31, 2026[1]	(848,291)	(0.00)	2,267,338
December 31, 2025[2]	(118,656)	(0.00)	329,455
September 30, 2025[3]	(84,872)	(0.00)	373,001
June 30, 2025[4]	(794,337)	(0.00)	383,216
March 31, 2025[5]	(754,185)	(0.00)	1,057,107
December 31, 2024[6]	(805,090)	(0.00)	1,944,567
September 30, 2024[7]	(529,306)	(0.00)	1,336,138
June 30, 2024[8]	(157,916)	(0.00)	1,527,240

1. Please see matter detail above

2. Net loss of $118,656 consisted primarily of exploration expenditures of $1,925, investor relations fees of $10,903, filing fees of $11,589, and share-based payments of $nil. All other expenses related to general working capital purposes or foreign exchange losses.

3. Net loss of $84,872 consisted primarily of exploration expenditures of $24,399, investor relations fees of $1,170, filing fees of $8,428, and share-based payments of $nil. All other expenses related to general working capital purposes or foreign exchange losses.

4. Net loss of $794,337 consisted primarily of exploration expenditures of $356,742, investor relations fees of $7,170, a filing fees recovery of $5,874 due to accrual modifications, and share-based payments of $162,765. All other expenses related to general working capital purposes or foreign exchange losses.

5. Net loss of $754,185 consisted primarily of exploration expenditures of $636,122, investor relations fees of $6,473, filing fees of $46,461, and share-based payments of $38,220. All other expenses related to general working capital purposes or foreign exchange losses.

6. Net loss of $805,090 consisted primarily of exploration expenditures of $575,038 and investor relations fees of $141,226. All other expenses related to general working capital purposes or foreign exchange losses.

7. Net loss of $529,306 consisted primarily of exploration expenditures of $125,126 and stock-based compensation expense of $266,190 related to an option grant during the quarter. All other expenses related to general working capital purposes or foreign exchange losses.

8. Net loss of $157,916 consisted primarily exploration expenditures of $73,299. All other expenses related to general working capital purposes or foreign exchange losses.

The Company has not had any revenue or paid any dividends.

Liquidity and Capital Resources

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. The Company's liquidity and operating results may be adversely affected if the Company's access to the capital market is hindered, whether as a result of a downturn in stock market conditions generally or as a result of conditions specific to the Company. As at March 31, 2026, the Company had a cash balance of $1,845,421 (June 30, 2025 - $65,113) to settle current liabilities of $317,059 (June 30, 2025 - $66,877). The Company regularly evaluates its cash position to ensure preservation and security of capital as well as maintenance of liquidity. As the Company does not generate revenue, managing liquidity risk is dependent upon the ability to secure additional financing.

As at March 31, 2026, the Company had working capital of $1,634,127 (June 30, 2025 – working capital of $63,606)

As at March 31, 2026, the Company did not have sufficient cash on hand to meet its planned expenditures over the next twelve months. The Company is actively seeking additional sources of liquidity and will require additional capital in order to execute its business plan.

During the nine months ended March 31, 2026, the Company's CEO advanced the Company $100,000 to be repaid upon completion of the next financing. The loan was for working capital purposes, is due on demand, unsecured and non-interest bearing.

On January 22, 2026, the Company closed a non-brokered private placement financing for aggregate gross proceeds of $2,780,000 (the "Offering"). Insiders and consultants of the Company purchased 13% of the Offering.

The Offering consisted of the issuance of 139,000,000 (each, a "Unit") at a price of $0.02 per Unit, with each Unit comprised of one common share of the Company (each, a "Share") and one-half warrant (each whole warrant, a "Warrant"). Each Warrant entitles the holder thereof to acquire one Share from the Company at a price of $0.05 per Share for a period of thirty-six months.

On December 11, 2024, the Company closed a private placement issuing an aggregate of 20,422,535 ATERRA units for $0.05 per unit, or $1,021,127 in aggregate. Each unit was comprised of common share of the Company and one half of one purchase warrant. Each full purchase warrant entitled the bearer to one common share of the Company at an exercise price of $0.10 for a period of one year from the date of closing. Cash costs of issue were $27,657.

On June 5, 2024, the Company closed a non-brokered private placement for aggregate gross proceeds of $1,471,834 (the "Offering"). The Offering consisted of:

- 56,092,306 common shares of the Company ("Common Shares") at a price of $0.013 per Common Share for $729,200 in gross proceeds; and

- 57,125,676 subscription receipts of the Company ("Subscription Receipts") at a price of $0.013 per Subscription Receipt for $742,634 in gross proceeds. Each Subscription Receipt entitled the holder thereof, without payment of any additional consideration and without further action on the part of the holder, upon the satisfaction of certain escrow release conditions, to receive one Common Share. The escrow release conditions included, but were not limited to, the Company obtaining shareholder approval for the issuance of Common Shares underlying the Subscription Receipts and the receipt of all required regulatory approvals. The proceeds from the Subscription Receipts were be held in escrow until the escrow release conditions, noted above, had been satisfied or waived. As at June 30, 2024, the Subscription Receipts, less costs of $790, were recorded as shares to be issued on the Company's consolidated statement of changes in shareholders equity. On July 15, 2024, shareholder approval was received, and on July 18, 2024 the Subscription Receipts were exchanged for 57,125,676 Common Shares.

Share Capital

Share capital as of the date of this document is as follows:

	Common Shares
Common shares	**348,041,133**
Options with an exercise price of $0.05, expiring August 8, 2027	14,010,000
Warrants with an exercise price of $0.05 expiring January 22, 2029	69,500,000
Fully diluted common shares	**431,551,133**

Related Party Transactions

Key management personnel are persons responsible for the planning, directing and controlling activities of the entity. The Company's key management personnel include directors and officers.

During the three and nine months ended March 31, 2026, accounting fees of $nil (three and six months ended March 31, 2025 - $nil and $3,290) were paid to Marrelli Support Services Inc., a company which a director of the Company is President. Additionally, for the three and nine months ended March 31, 2026 $7,635 and $22,905 (three and nine months ended March 31, 2025 - $7,500) was paid in respect to CFO Services provided by the president of Marrelli Support Services Inc. As at March 31, 2026 - $6,442 (June 30, 2025 - $24,226) was included in accounts payable and accrued liabilities with respect to these fees.

During the three and nine months ended March 31, 2026, the Company expensed $nil, in office rent paid to a company whilst ATERRA's Chief Executive Officer served as a senior officer (three and nine months ended March 31, 2025 - $nil and $19,922, respectively).

During the nine months ended March 31, 2026, the Company's CEO advanced $100,000 to the Company for working capital purposes. The loan is unsecured, non-interest bearing and due on demand.

Environmental Contingency

The Company's exploration activities are subject to various government laws and regulations relating to the protection of the environment. These environmental regulations are continually changing and generally becoming more restrictive. As of the date of this MD&A, the Company does not believe that there are any significant environmental obligations requiring material capital outlays in the immediate future.

Off-Balance Sheet Arrangements

As of the date of this MD&A, the Company does not have any off-balance-sheet arrangements that have, or are reasonably likely to have, a current or future effect on the results of operations or financial condition of the Company, including, and without limitation, such considerations as liquidity, capital expenditures and capital resources that would be material to investors. As of the date of this MD&A, the Company does not have any off-balance-sheet arrangements that have, or are reasonably likely to have, a current or future effect on the results of operations or financial condition of the Company, including, and without limitation, such considerations as liquidity, capital expenditures and capital resources that would be material to investors.

Proposed Transactions

As of the date of this MD&A, there were no proposed transactions. However, management continues to actively pursue strategies to realize on the potential of its assets or secure additional sources of liquidity to fund future operations.

Disclosure Controls and Procedures

Management has established processes to provide it with sufficient knowledge to support representations that it has exercised reasonable diligence to ensure that (i) consolidated financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the periods presented by the consolidated financial statements, and (ii) the consolidated financial statements fairly present in all material respects the financial condition, results of operations and cash flow of the Company, as of the date of and for the periods presented.

In contrast to the certificate required for non-venture issuers under National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"), the Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as defined in NI 52-109. In particular, the certifying officers filing such certificate are not making any representations relating to the establishment and maintenance of:

(i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and

(ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with the issuer's GAAP (IFRS).

The Company's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in the certificate. Investors should

be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost-effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

Events Occurring After the Reporting Period

There are no reportable events occurring after the reporting period as of the date of this document which are not disclosed herein.

Trends and Economic Conditions

Securities of mining and mineral exploration companies have experienced substantial volatility in the past, often based on factors unrelated to the financial performance or prospects of the companies involved. These factors include macroeconomic developments globally, and market perceptions of the attractiveness of particular industries. The price of the securities of companies is also significantly affected by short-term changes in commodity prices, base and precious metal prices or other mineral prices, currency exchange fluctuation and the political environment in the countries in which the Company does business. Financial and commodities markets are likely to be volatile, reflecting ongoing concerns regarding the impact of the wars in Ukraine and the Middle East, the stability of the global economy and global growth prospects.

As of March 31, 2026, the global economy continues to be in a period of significant economic and political volatility, in large part due to US, European, Asian and Russian economic concerns, political volatility, both foreign and domestic, and military conflict which have impacted global economic growth. The potential effects of global economic and political instability are counterparty risk, supply chain constraints, increased costs, risk and adverse impacts from supply chain and logistics challenges, which could negatively affect the business, results of operations, and financial results. Management regularly monitors economic conditions and estimates their impact on the Company's operations and incorporates these estimates in both short-term operating and longer-term strategic decisions. 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 the Company's business, financial condition or results of operations. See "Risk Factors" below.

Risk Factors

Financial Risk Factors

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk (including interest rate, foreign currency risk and price risk).
Risk management is carried out by the Company's management team with guidance from the Board of Directors. The Board of Directors also provides regular guidance for overall risk management.

i) Credit risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company's exposure to credit risk is limited to its cash. The Company limits its exposure to credit risk by holding its cash in deposits with high credit quality Canadian financial institutions.

ii) Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at March 31, 2026, the Company had cash of

$1,845,421 to settle current liabilities of $317,059. All of the Company's financial liabilities have contractual maturities of less than 30 days and are subject to normal trade terms.

iii) Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates and quoted prices.

a) Interest rate risk

The Company has $1,845,421 in cash balances and no interest-bearing debt and was not exposed to interest rate risk. As a result, the Company's exposure to interest rate risk is minimal.

b) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company does not have any significant assets in currency other than the functional currency of the Company, nor has significant foreign currency denominated liabilities, therefore any changes in foreign exchange rates will not give rise to significant changes to the loss.

c) Price risk

The ability of the Company to acquire new properties and the future profitability of the Company is directly related to the market price of certain minerals. The Company's risk management objectives are to ensure that business and financial exposures to risk that have been identified and measured are minimized using the most effective and efficient methods to reduce, transfer and, when possible, eliminate such exposures. Operating decisions contemplate associated risks and management strives to structure proposed transactions to avoid or reduce risk whenever possible.

Risks Related to the Company and the Mineral Exploration and Mining Industry

ATERRA's exploration projects may not be successful, are highly speculative in nature, and may not ever result in the development of a producing mine.

There is no assurance given by ATERRA that its exploration programs will result in the discovery, development or production of a commercially viable ore body. The business of exploration for precious minerals involves a high degree of risk and is highly speculative in nature. Few properties that are explored are ultimately developed into producing mines. ATERRA's exploration activities involve many risks, and success in exploration is dependent upon a number of factors including, but not limited to, quality of management, quality and availability of geological expertise and the availability of exploration capital.

ATERRA's mineral properties are in the exploration stage only and are without known mineral resources. The economics of exploring and developing mineral properties are affected by many factors including capital and operating costs, variations of the grades and tonnages of ore mined, fluctuating mineral market prices, costs of mining and processing equipment and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals and environmental protection. Development of the Projects will only follow upon obtaining satisfactory exploration results and the completion of feasibility or other economic studies. Whether developing a producing mine is economically feasible will depend upon numerous factors, most of which are beyond the control of ATERRA, including: the availability and cost of required development capital, movement in the price of commodities, securing and maintaining title to mining tenements as well as obtaining all necessary consents, permits and approvals for the development of the mine. Should a producing mine be developed at the Projects, for which ATERRA can provide no assurance, other factors will ultimately impact whether

mineral extraction and processing can be conducted economically, including actual mineralization, consistency and reliability of ore grades and future commodity prices, as well as the effective design, construction and operation of processing facilities. ATERRA's operating expenses and capital expenditures may increase in subsequent years as consultants, personnel and equipment associated with advancing exploration, development and commercial production of its properties are added.

Metal price volatility may adversely affect ATERRA.

If ATERRA commences production, profitability will be dependent upon the market price of metal prices, including copper, gold, molybdenum and silver. Metal prices historically have fluctuated and are affected by numerous external factors beyond ATERRA's control, including industrial and retail demand, general economic conditions, central bank lending, sales and purchases of precious metals, forward sales by producers and speculators, levels of production, short-term changes in supply and demand, confidence in the global monetary system, expectations of the future rate of inflation, the strength of the United States dollar (the currency in which metal prices are generally quoted), interest rates, terrorism and war, and other global or regional political or economic events.

ATERRA has no estimated mineral resources.

The Projects are all in the exploration stage and do not contain a known body of economically extractable ore. There is no assurance given by ATERRA that an economically viable body of ore will be discovered. Unless ATERRA acquires additional property interests, any adverse developments affecting the Projects could have a material adverse effect upon ATERRA and would materially and adversely affect the potential mineral resource production, profitability, financial performance and results of operations of ATERRA.

ATERRA will require additional capital in the future and no assurance can be given that such capital will be available at all or available on acceptable terms.

ATERRA will have further capital requirements and exploration expenditures as it proceeds to expand exploration activities at any of its properties, develop any such properties, or take advantage of opportunities for acquisitions, joint ventures or other business opportunities that may be presented to it. The continued exploration and future development of ATERRA's properties may therefore depend on ATERRA's ability to obtain additional required financing. In particular, any potential development of the Projects requires substantial capital commitments which ATERRA cannot currently quantify and does not currently have in place. ATERRA can provide no assurance that it will be able to obtain financing on favourable terms or at all. Where ATERRA issues shares in the future, such issuance will result in the then existing shareholders of ATERRA sustaining dilution to their relative proportion of the equity in ATERRA. ATERRA may incur substantial costs in pursuing future capital requirements, including investment banking fees, legal fees, accounting fees, securities law compliance fees, printing and distribution expenses and other costs. The ability to obtain needed financing may be impaired by such factors as the capital markets, ATERRA's status as a new enterprise with a limited history, the location of the Projects in Chile and the price of metals on the commodities markets (which will impact the amount of asset-based financing available) and/or the loss of key management personnel.

Further, if the price of targeted metals on the commodities markets decreases, then potential revenues from the ATERRA Projects will likely decrease and such decreased revenues may increase the requirements for capital. If ATERRA is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations or anticipated expansion, forfeit its interest in some or all of its properties, incur financial penalties or reduce or terminate its operations.

ATERRA relies on its management team and outside contractors and the loss of one or more of these persons may adversely affect ATERRA.

ATERRA will be dependent upon the continued support and involvement of a number of key management personnel and outside contractors. Investors must be willing to rely to a significant extent on management's discretion and judgment, as well as the expertise and competence of outside contractors. ATERRA does not have in place formal programs for succession and training of management. The loss of one or more of these key employees or contractors, if not replaced, could adversely affect ATERRA's business, results of operations and financial condition. ATERRA may have difficulty recruiting and retaining employees. Recruiting and retaining qualified personnel will be critical to ATERRA's success. The number of persons skilled in acquisition, exploration and development of mining properties is limited and competition for such persons is intense. As ATERRA's business activity grows, ATERRA will require additional key financial, administrative, geologic and mining personnel as well as additional operations staff. There is no assurance that ATERRA will be successful in attracting, training and retaining qualified personnel as competition for persons with these skill sets increases. If ATERRA is not successful in attracting, training and retaining qualified personnel, the efficiency of its operations could be impaired, which could have an adverse impact on its results of operations and financial condition. Certain directors and officers may have conflicts of interest. Certain of the directors and officers of ATERRA are engaged in, and will continue to engage in, other business activities on their own behalf and on behalf of other companies and, as a result of these and other activities, such directors and officers of ATERRA may become subject to conflicts of interest. 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 under the BCBCA. To the extent that conflicts of interest arise, such conflicts will be resolved in accordance with the provisions of the BCBCA.

ATERRA's operations are subject to operational risks and hazards inherent in the mining industry.

The ownership, exploration, development and operation of a mineral property involves many risks which even a combination of experience, knowledge and careful evaluation may not be able to overcome. These risks are inherent in the mineral exploitation and extraction industry, and include but are not limited to, variations in grade, unusual or unexpected formations, formation pressures, deposit size, density, and other geological problems, environmental hazards, earthquakes and other Acts of God, hydrological conditions (including a shortage of water), availability of power and hydroelectric sources, fires, power failures, flooding, cave-ins, landslides, metallurgical and other processing problems, mechanical equipment performance problems, industrial accidents, drill rig shortages, the unavailability of materials and equipment including fuel, labour force disruptions, unanticipated transportation costs, unanticipated regulatory changes, unanticipated or significant changes in the costs of supplies including, but not limited to, petroleum, labour, and adverse weather conditions and unexpected inflationary changes in Chile as a result of the development and operation of other mineral properties in the country. The exact effect of these factors cannot be accurately predicted, but the combination of these factors may have a material adverse effect on ATERRA's financial condition, results of operation and future cash flows.

ATERRA has no history of mineral production.

ATERRA currently has no advanced exploration or development projects other than the Projects. The Projects are early stage exploration projects that have no operating history upon which to base estimates of future operating costs, future capital spending requirements or future site remediation costs or asset retirement obligations. ATERRA has no experience with development stage mining operations and ATERRA can provide no assurance that the necessary expertise will be available if and when it seeks to place any of its mineral properties into development, including the Projects. ATERRA has no experience in placing mineral properties into production, and its ability to do so will be dependent upon using the services

of appropriately experienced personnel or entering into agreements with major mining companies that can provide such expertise. There can be no assurance that ATERRA will have available to it the necessary expertise when and if it places any of its mineral properties into production, including the Projects.

There is no assurance that title to mineral properties will not be challenged.

Title to, and the area of, mineral concessions may be disputed. ATERRA has diligently investigated and believes it has taken reasonable measures to ensure proper title to the mineral concessions and claims underlying the Projects, however, there is no guarantee that title to any such of its properties will not be challenged or impaired. While ATERRA intends to take all reasonable steps to maintain title to its mineral properties, there can be no assurance that ATERRA will be successful in extending or renewing mineral rights on or prior to expiration of their term or that the title to any such properties will not be affected by an unknown title defect.

ATERRA is subject to a number of inherent exploration risks.

ATERRA is engaged in mineral exploration and development, which is highly speculative in nature and involves many risks and is frequently not economically successful. Developing mineral resources depends on a number of factors including, among others, the quality of ATERRA's management and their geological and technical expertise, and the quality of land available for exploration. Once mineralization is discovered, it may take several years of additional exploration and development until production is possible, during which time the economic feasibility of production may change. Substantial expenditures are required to establish proven and probable mineral reserves through drilling or drifting, to determine the optimal metallurgical process and to finance and construct mining and processing facilities. At each stage of exploration, development, construction and mine operation, various permits and authorizations are required. Applications for many permits require significant amounts of management time and the expenditure of substantial amounts for engineering, legal, environmental, social and other activities. At each stage of a project's life, delays may be encountered because of permitting difficulties. Such delays add to the overall cost of a project and may reduce its economic viability. The marketability of any minerals acquired or discovered may be affected by numerous factors which are beyond ATERRA's control and which cannot be accurately foreseen or predicted, such as market fluctuations, the global marketing conditions for precious and base metals, the proximity and capacity of milling and smelting facilities, mineral markets and processing equipment, and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting minerals and environmental protection. As a result of these uncertainties, there can be no assurance that mineral exploration and development programs will ultimately result in the profitable commercial production of metals or minerals.

Government regulations may have an adverse effect on ATERRA's exploration and development activities, and future operations.

The mineral exploration activities of ATERRA are subject to various laws and regulations governing health and worker safety, labour standards, toxic substances, waste disposal, protection of the environment, use of water, mine development and protection of endangered and protected species, treatment of indigenous peoples and other matters. Each jurisdiction in which ATERRA has properties regulates mining and mineral exploration activities. Although ATERRA believes that its exploration activities are currently carried out in accordance with all applicable rules and regulations, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied or amended in a manner that could have a material and adverse effect on the business, financial condition and results of operations of ATERRA. Where required, obtaining necessary permits can be a complex, time-consuming process and ATERRA cannot provide assurance whether any necessary permits will be obtainable on acceptable terms, in a timely manner, or at all. The costs and delays associated with obtaining necessary permits and complying with these permits and applicable laws and regulations could stop or materially delay

or restrict ATERRA from proceeding with the development of an exploration project. Any failure to comply with applicable laws and regulations or permits, even if inadvertent, could result in interruption or closure of exploration, development or mining operations or material fines, penalties or other liabilities. In addition, ATERRA is subject to changes to the royalty regimes in the jurisdictions in which it operates.

Mining, processing, development and exploration activities depend, to one degree or another, on adequate infrastructure.

Reliable roads, bridges, power sources and water supply are important determinants, which affect capital and operating costs. ATERRA's inability to secure adequate water and power resources, as well as other events such as unusual or infrequent weather phenomena, sabotage, government or other interference in the maintenance or provision of such infrastructure could adversely affect ATERRA's operations, financial condition and results of operations.

ATERRA's insurance coverage does not cover all of its potential losses, liabilities and damage related to its business and certain risks are uninsured or uninsurable.

The mineral exploration and mining industry is subject to significant risks that could result in damage to, or destruction of, mineral properties or producing facilities, personal injury or death, environmental damage, delays in mining, increased production costs, asset write downs and monetary losses and possible legal liability. ATERRA will not carry insurance to protect against certain risks. Risks not insured against include environmental liability, earthquake damage, mine flooding or other hazards against which ATERRA, and in general, mining exploration Companies, cannot insure or against which ATERRA may elect not to insure because of high premium costs or other reasons. Failure to have insurance coverage for any one or more of such risks or hazards could have a material adverse effect on ATERRA's business, financial condition and results of operations.
Environmental and other regulatory requirements may adversely affect ATERRA.

All phases of ATERRA's operations are subject to environmental regulation in the jurisdictions in which it operates. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that existing or future environmental regulation will not materially adversely affect ATERRA's business, financial condition and results of operations. Environmental hazards may exist on the properties on which ATERRA holds interests which are unknown to ATERRA at present and which have been caused by previous or existing owners or operators of the properties.

The exploration operations of ATERRA and development and commencement of production on its properties, do and will require permits from various local governmental authorities and such operations are and will be governed by laws and regulations governing prospecting, development, mining, production, exports, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, mine safety, treatment of indigenous groups and other matters.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in exploration or mining operations may be required to compensate those suffering loss or damage by reason of the exploration or mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations and, in particular, environmental laws. Amendments to current laws, regulations and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse impact on ATERRA and cause increases in exploration expenses, capital expenditures or

production costs, reduction in levels of production at producing properties, or abandonment or delays in development of new mining properties.

ATERRA faces significant competition for attractive mineral properties.

There is significant competition in the precious metals mining industry for mineral rich properties that can be developed and produced economically, the technical expertise to find, develop, and operate such properties, the labour to operate the properties and the capital for the purpose of funding such properties. Many competitors not only explore for and mine precious metals, but conduct refining and marketing operations on a global basis. As a result of this competition, some of which is with large established mining companies with substantial capabilities and greater financial and technical resources than ATERRA, ATERRA may be unable to acquire desired properties, to recruit or retain qualified employees or to acquire the capital necessary to fund its operations and develop the Projects. Existing or future competition in the mining industry could materially adversely affect ATERRA's prospects for mineral exploration and success in the future. Increased competition can result in increased costs and lower prices for metal and minerals produced and reduced profitability. Consequently, the revenues of ATERRA, its operations and financial condition could be materially adversely affected.

Fluctuations in the value of the United States dollar or the Chilean Peso may adversely affect ATERRA's financial position.

A significant portion of ATERRA's current and proposed activities are carried on in currencies other than the United States dollar. Accordingly, such activities are subject to risks associated with fluctuations in the rate of exchange of the United States dollar and foreign currencies, particularly the Canadian dollar and the Chilean peso. ATERRA does not currently hedge its currency exposure.

Key Personnel

The Company’s business involves a certain degree of risk, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. As such, the Company’s success is dependent on the services of its senior management. The loss of one or more of the Company’s key personnel could have a material adverse effect on the Company’s operations and business prospects. In addition, the Company’s future success depends on its ability to attract and retain skilled technical, management, sales and marketing personnel. There can be no assurance that the Company will be successful in attracting and retaining such personnel and the failure to do so could have a material adverse effect on the Company’s business, its operating results as well its overall financial condition.

Risks Relating to the Political and Economic Climates of Countries in which ATERRA Operates

Foreign investments and operations are subject to numerous risks associated with operating in foreign jurisdictions.

ATERRA conducts exploration activities entirely in Chile. Although Chile has a mature and stable political system and enjoys one of the best country risk ratings of the region, there is always the potential for changes in mining policies or shifts in political attitude towards foreign investment in natural resources. Changes, even if minor in nature, may adversely affect ATERRA's operations. Further, ATERRA's Chilean mining investments are subject to the risks normally associated with the conduct of business in Chile. The occurrence of one or more of these risks could have a material and adverse effect on ATERRA's cash flows, earnings, results of operations and financial condition. These risks and uncertainties vary from time to time and include, but are not limited to: labour disputes, invalidation of governmental orders and permits, uncertain political and economic environments, high risk of inflation, sovereign risk, war (including in neighbouring states), military repression, civil disturbances and terrorist actions, arbitrary changes in laws

or policies of particular countries, the failure of foreign parties or governments to honour contractual relations, consents, rejections or waivers granted, corruption, arbitrary foreign taxation, delays in obtaining or the inability to obtain necessary governmental permits (including export and/or customs approvals), opposition to mining from environmental or other non-governmental organizations, limitations on foreign ownership, limitations on the repatriation of earnings, limitations on metals exports, difficulty obtaining key equipment and components for equipment and inadequate infrastructure. These risks may limit or disrupt ATERRA's operations and exploration activities, restrict the movement of funds or result in the deprivation of contractual rights or the taking of property by nationalization or expropriation without fair compensation.