

FORM 7

MONTHLY PROGRESS REPORT

Name of Listed Issuer: Atco Mining Inc. (the "Issuer").

Trading Symbol: ATCM

Number of Outstanding Listed Securities: 26,812,025

Date: January 4, 2023

This Monthly Progress Report must be posted before the opening of trading on the fifth trading day of each month. This report 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 Exchange Policies. If material information became known and was reported during the preceding month to which this report relates, this report should refer to the material information, the news release date and the posting date on the Exchange website.

This report is intended to keep investors and the market informed of the Issuer's ongoing business and management activities that occurred during the preceding month. Do not discuss goals or future plans unless they have crystallized to the point that they are "material information" as defined in the Policies. The discussion in this report must be factual, balanced and non-promotional.

General Instructions

- (a) Prepare this Monthly Progress Report 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 items must be in narrative form. State when the answer to any item is negative or not applicable to the Issuer. The title to each item must precede the answer.
- (b) The term "Issuer" includes the 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.

Report on Business

1. Provide a general overview and discussion of the development of the Issuer's business and operations over the previous month. Where the Issuer was inactive disclose this fact.

Atco is a junior exploration mining company focused on exploring for green energy metals throughout Canada. Atco is also exploring for sulphide-rich VHMS deposits in Saskatchewan as well as salt opportunities in Western Newfoundland.

Investors are encouraged to visit the company's website here: www.atcomining.com

2. Provide a general overview and discussion of the activities of management.

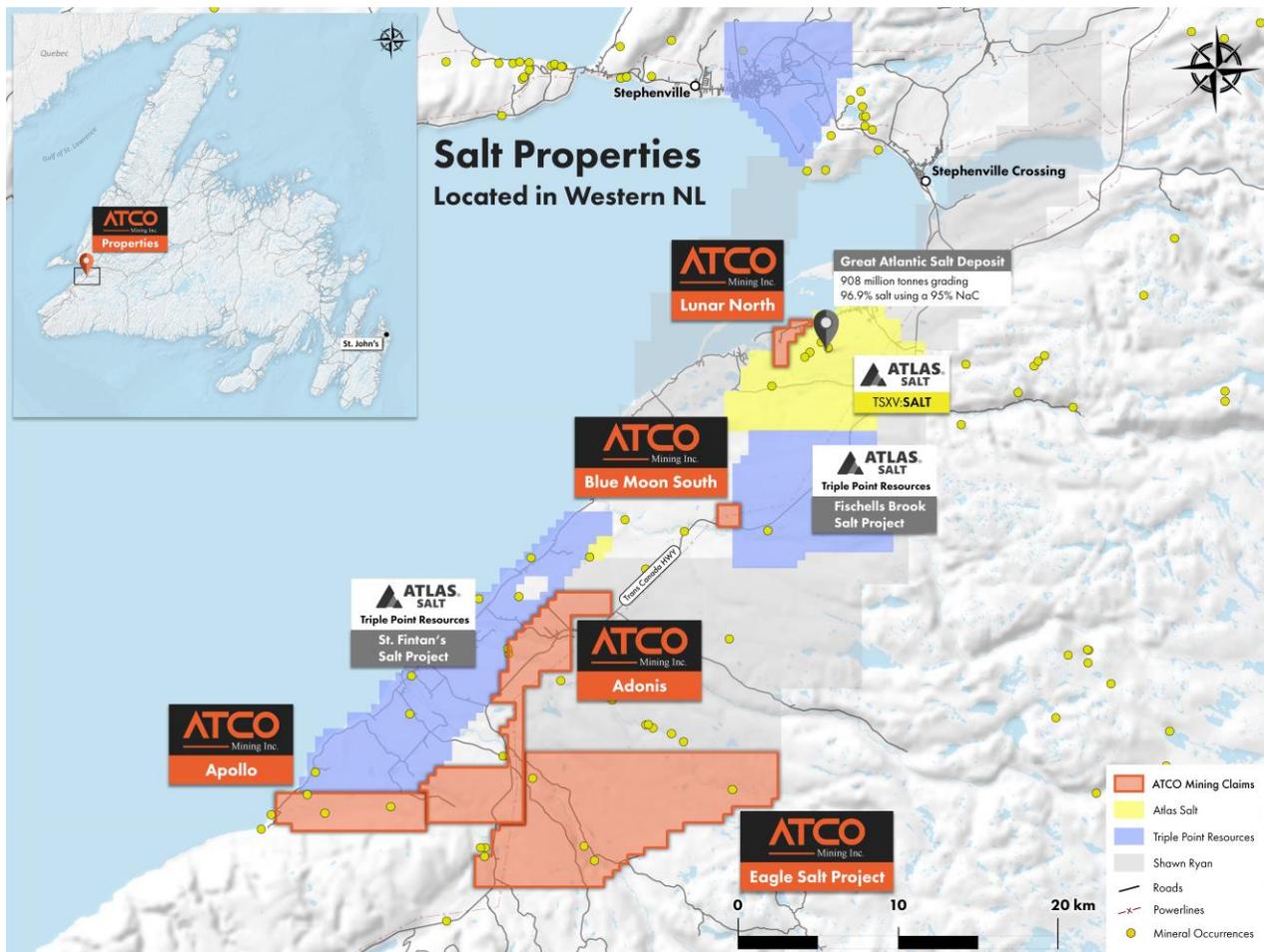
Please see item 1.

3. Describe and provide details of any new products or services developed or offered. For resource companies, provide details of new drilling, exploration or production programs and acquisitions of any new properties and attach any mineral or oil and gas or other reports required under Ontario securities law.

On December 6, 2022, the Company is pleased to announce that it has staked a new project on the west coast of Newfoundland. The newly staked claims named *The Adonis Salt Project* are 100% owned by Atco and are located just 10 kilometers southwest of Triple Point's (spinout of Atlas Salt) (TSXV:SALT) Fischells Brook Salt Dome Project and directly adjacent to Atlas Salt's St. Fintan's Salt Project. The new claim consists of 90 claims, totaling 4,750 Hectares.

With the newly acquired mining claims, Atco now controls five projects in the area which consist of a total of 18,275 hectares. In comparison, Atlas Salt's spinout company, Triple Point Resources, currently holds approximately 22,599 hectares.

Please see map below:



“This is a strategic acquisition for us as we look to establish ourselves in the St. Georges Bay Basin in Newfoundland” says Christopher Cooper, CFO of Atco Mining. “We’re looking forward to start exploring these areas for both potential salt domes and for its hydrogen storage potential. In addition, our team is looking to assess all available historical data on the previous hole drilled on our Blue Moon South Project to gather as much information as possible to better formulate our exploration plans going forward. I look forward to keeping investors informed and updated as we work to create value for our investors.”

Grant of Restricted Share Units

The Company also announces that its board of directors has approved the adoption of a new incentive plan (the “Incentive Plan”) for the Company which permits the grant of restricted share units (“RSUs”) to directors, officers, employees and consultants of the Company. The Incentive Plan permits the Company to reserve up to 2,500,000 common shares to be issued upon the vesting of RSUs granted under the Incentive Plan.

Initially, the Company has granted 400,000 RSUs to certain directors of the Company as compensation for ongoing services rendered to the Company. Each RSU represents the right to receive, upon vesting, one common share in the

Capital of the Company. The RSUs granted by the Company will vest on April 5th, 2023, subject to the continued involvement of the directors.

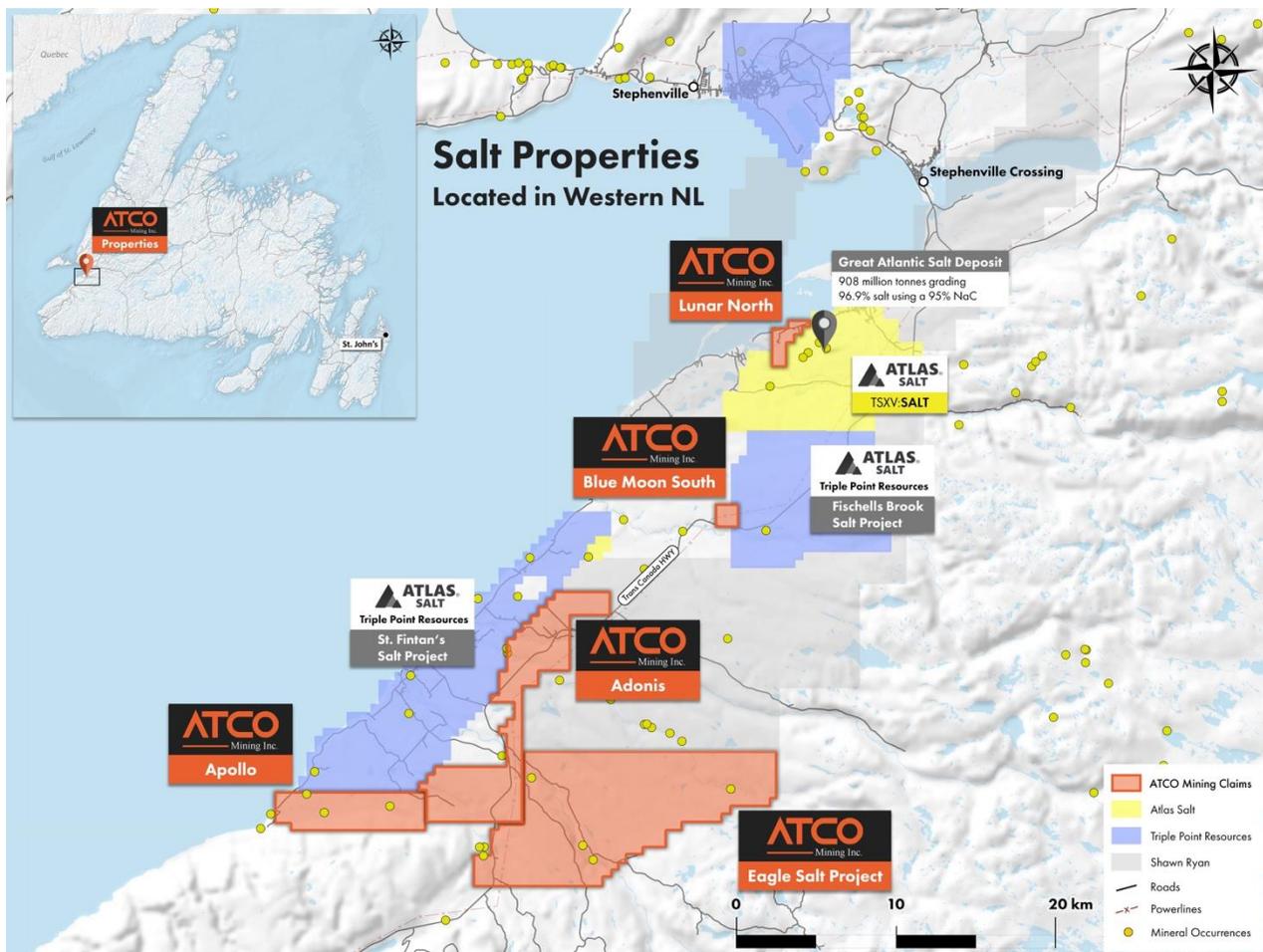
On December 13, 2022, the Company announces that it has commenced an airborne gravity survey (the “Survey”) on its 100%-owned Apollo, Adonis and Eagle Salt Projects, located within the St. George’s Bay Basin in southwestern Newfoundland.

The Survey consists of a Falcon® Plus airborne gravity gradiometer (“AGG”) and magnetics survey to be completed by Xcalibur Multiphysics of Mississauga, Ontario. Falcon® is the world’s only purpose-built AGG system, designed to isolate aircraft motion noise. The Survey will be managed and interpreted by GroundTruth Exploration (“GroundTruth”) of Dawson City, Yukon. GroundTruth will complete the interpretation of Atco’s survey area in order to define potential salt dome structures that are defined by gravity-low features.

Gravity surveying has proven to be an effective tool in the St. George’s Bay Basin and other areas to define potential salt dome structures. For example, Atlas Salt Inc. recently defined an additional potential salt dome next to its Fischell’s Brook Salt Dome deposit using gravity surveying (Atlas Salt news release, dated June-03-2022).

“I am pleased to commence exploration on our southern projects, with the goal of defining potential salt domes,” states Atco Director, Neil McCallum. “With the emergence of hydrogen capture and storage to support a greener global energy industry, salt dome structures have been considered an optimal storage solution.”

Please see map below:



On December 20, 2022, the Company announces that it has acquired a claim block (the “Project”) on the west coast of Newfoundland in the St George Bay Basin area. The Project is contiguous to the Company’s *Adonis Salt Project* and is adjacent to Triple Point’s (spinout of Atlas Salt Inc.) *St. Fintan’s Salt Project*. The Project consists of 48 claim units, totaling 1,200 Hectares and will be called the “Rocky Salt Project”.

The Project will be covered by the on-going airborne gravity survey that is being completed on the Company’s other projects in the region (news release dated December 13, 2022). Gravity surveying has proven to be an effective tool in the St. George’s Bay Basin and other areas to define potential salt dome structures. For example, Atlas Salt Inc. recently defined an additional potential salt dome next to its Fischell’s Brook Salt Dome deposit using gravity surveying (Atlas Salt news release, dated June-03-2022).

Salt domes are currently being used for energy storage and are a key component to delivering clean energy. With climate change and green environmental policies and agreements like the one signed by Canadian Prime Minister Justin Trudeau and German Chancellor Olaf Scholz in August, significant investment is being driven toward alternate energy sources and global carbon emission reduction. Underground energy storage will likely play a key role in Canada’s and Newfoundland’s energy future and Atco is looking to become a part of that industry.

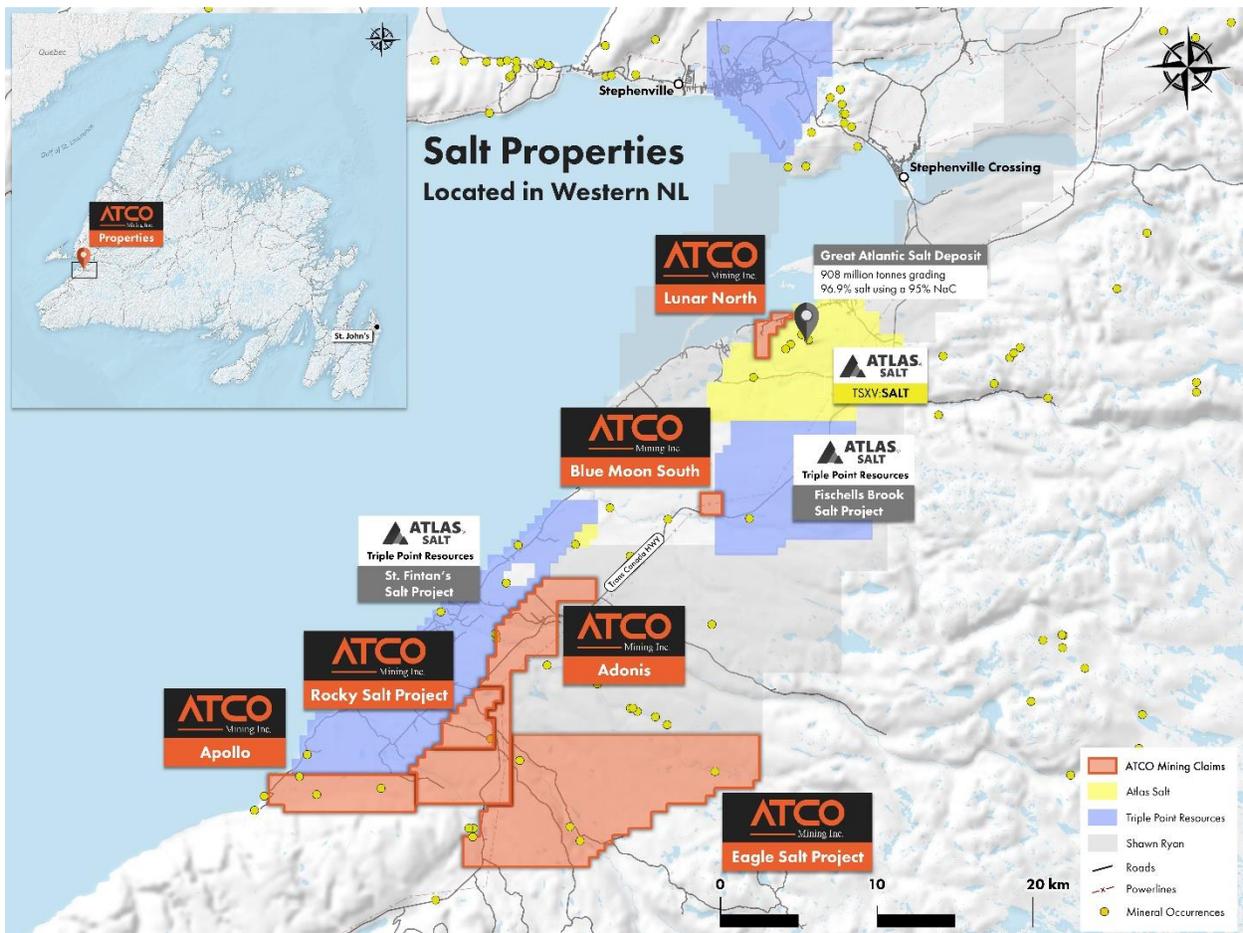
With the newly acquired mining claims, Atco now controls six projects in the area which consist of a total of 19,475 hectares. In comparison, Atlas Salt's spinout company, Triple Point Resources, currently holds approximately 22,599 hectares.

Transaction Terms

The Project was acquired from certain arms-length vendors (the "Vendors") pursuant to the terms of a mineral property acquisition agreement. In consideration for the Project, the Company issued an aggregate of 700,000 common shares (the "Payment Shares") at a deemed price of \$0.25 per Payment Share and will issue an additional 1,050,000 common shares on the 12-month anniversary of closing. All common shares issued in connection with the acquisition of the Project are subject to a statutory hold period for four-months-and-one-day following issuance.

As further consideration for the acquisition of the Project, the Company has granted the Vendors a two percent royalty (the "Royalty") on commercial production from the Project. One-half of the Royalty may be purchased by the Company at any time for a cash payment of \$1,000,000.

Please see map below:



Strategic Advisor

The Company is excited to announce that Kevin Keats has agreed to come on as a strategic advisor to the Company. Kevin is a successful business entrepreneur who comes from a family with many generations of prospectors. He has in excess of over 30 years experience in mineral exploration, spanning many geological terrains across Canada, Nevada, Mexico, Peru and Indonesia.

Kevin has worked with many major and junior exploration companies throughout his 30 years and is the co-discoverer of the most recent gold discovery, the famous Keats Zones at the Queensway Project, that he recently sold to New Found Gold Corp.. He currently is the Field/Logistics Manager at this project overseeing 14 diamond drills.

Kevin was a co-founder of Golden Dory Resources now Sokoman Minerals Corporation where he held the President/CEO position for 13 years. Kevin was awarded the Queen Elizabeth II Diamond Jubilee Medal for his dedication to his peers, community, province, country and the prospecting community. He was also one of the recipients of the PDAC (Prospector & Developers Association of Canada) “Bill Dennis Prospector of the Year” award in March 2007, which was awarded to the members of the Keats/Stares family.

The Company has granted 100,000 incentive stock options (the “Options”) to purchase common shares of the Company (the “Option Shares”) to Mr. Keats in connection with his services as a strategic advisor. The Options vest on the date of issuance and are exercisable for a period of two years at an exercise price of \$0.31 per Option Share.

4. Describe and provide details of any products or services that were discontinued. For resource companies, provide details of any drilling, exploration or production programs that have been amended or abandoned.

N/A

5. Describe any new business relationships entered into between the Issuer, the Issuer’s affiliates or third parties including contracts to supply products or services, joint venture agreements and licensing agreements etc. State whether the relationship is with a Related Person of the Issuer and provide details of the relationship.

See Note 3.

6. Describe the expiry or termination of any contracts or agreements between the Issuer, the Issuer’s affiliates or third parties or cancellation of any financing arrangements that have been previously announced.

N/A

7. Describe any acquisitions by the Issuer or dispositions of the Issuer’s assets that occurred during the preceding month. Provide details of the nature of the assets acquired or disposed of and provide details of the consideration paid or payable together with a schedule of payments if applicable, and of any valuation. State how the consideration was determined and whether the acquisition was from or

the disposition was to a Related Person of the Issuer and provide details of the relationship.

N/A

8. Describe the acquisition of new customers or loss of customers.

N/A

9. Describe any new developments or effects on intangible products such as brand names, circulation lists, copyrights, franchises, licenses, patents, software, subscription lists and trade-marks.

N/A

10. Report on any employee hirings, terminations or lay-offs with details of anticipated length of lay-offs.

N/A

11. Report on any labour disputes and resolutions of those disputes if applicable.

N/A

12. Describe and provide details of legal proceedings to which the Issuer became a party, including the name of the court or agency, the date instituted, the principal parties to the proceedings, the nature of the claim, the amount claimed, if any, if the proceedings are being contested, and the present status of the proceedings.

N/A

13. Provide details of any indebtedness incurred or repaid by the Issuer together with the terms of such indebtedness.

N/A

14. Provide details of any securities issued and options or warrants granted.

On December 5, 2022 the Company granted 400,000 restricted share units to certain directors of the Company with expiry date until December 5, 2032.

On December 20, 2022, the Company issued 700,000 common shares pursuant to a mineral property acquisition agreement at a deemed price of \$0.25 per common shares.

On December 20, 2022, the Company granted 100,000 incentive stock options to a consultant of the Company. The options are exercisable at a price of \$0.31 per Option Share until December 20, 2024 and vest immediately.

On December 21, 2022, the Company issued 237,349 common shares pursuant to an exercise of warrants at a price of \$0.10 per common share

On December 28, 2022, the Company granted 355,000 incentive stock options to a consultant of the Company. The Options are exercisable at a price of \$0.285 per Option Share until December 28, 2024 and vest immediately.

Security	Number Issued	Details of Issuance	Use of Proceeds⁽¹⁾
Restricted Shares Units	400,000	See above	
Common shares	700,000	See above	Working capital
Stock options	100,000	See above	
Common shares	237,349	See above	Working capital
Stock options	355,000	See above	

(1) State aggregate proceeds and intended allocation of proceeds.

15. Provide details of any loans to or by Related Persons.

N/A

16. Provide details of any changes in directors, officers or committee members.

N/A

17. Discuss any trends which are likely to impact the Issuer including trends in the Issuer's market(s) or political/regulatory trends.

N/A

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 Certificate of Compliance.
2. As of the date hereof there were 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 7 Monthly Progress Report is true.

Dated January 4, 2023.

Alex Klenman
Name of Director or Senior
Officer

"Alex Klenman"
Signature
Chief Executive Officer
Official Capacity

Issuer Details Name of Issuer ATCO MINING INC.	For Month End December, 2022	Date of Report YY/MM/D 23/01/04
Issuer Address Suite 303, 750 West Pender Street		
City/Province/Postal Code Vancouver, B.C. V6C 2T7	Issuer Fax No. (604)681-0094	Issuer Telephone No. (604)681-0084
Contact Name Alex Klenman	Contact Position Chief Executive Officer	Contact Telephone No. 604-681-0084
Contact Email Address ajklenman@gmail.com	Web Site Address www.atcomining.com	