FATHOM NICKEL INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED DECEMBER 31, 2025

(Expressed in Canadian Dollars)

Report Date – April 30, 2026

*The following Consolidated Management's Discussion and Analysis ("**MD&A**") dated April 30, 2026 is in respect of the year ended December 31, 2025 for Fathom Nickel Inc. ("**Fathom**" or the "**Company**"). It is management`s assessment of the results of operations and financial condition of Fathom and should be read in conjunction with the audited consolidated financial statements for years ended December 31, 2025 and 2024 ("**2025 audited consolidated financial statements**"), together with the notes thereto. The Company's 2025 audited consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("**IFRS**"). All dollar amounts are in Canadian dollars, unless otherwise noted.*

*The "Qualified Person" under the guidelines of National Instrument 43-101 of the Canadian Securities Administrators ("**NI 43-101**") for Fathom's Albert Lake and Gochager Lake exploration projects as described in the following discussion and analysis is Ian Fraser, CEO and Vice-President, Exploration of the Company and a Professional Geologist Registered in the Provinces of Alberta, and Saskatchewan.*

The Company's registered and records office is located at suite #104, 1240 – Kensington Road NW, Calgary, Alberta Canada T2N 3P7. Additional information relating to the Company can also be found on the Company's website at www.fathomnickel.com or on the SEDAR website at www.sedar.com.

This MD&A was approved by the board of directors of Fathom on April 30, 2026.

1. DESCRIPTION OF BUSINESS AND REPORTING ENTITY

The Company's wholly owned subsidiary, Fathom Minerals Ltd. ("FML") was incorporated pursuant to the Business Corporations Act (Alberta) as Cauca Gold Corp. on April 27, 2012 and changed its name to Fathom Minerals Ltd. on April 23, 2015. On January 22, 2021, Fathom acquired 100% of the issued and outstanding capital stock of FML in a share-for-share transaction. Based on the requirements of IFRS 2, the acquirer was determined to be FML and the transaction was accounted for as a reverse takeover ("RTO"). This MD&A is in respect of all entities in which FNI has a controlling interest and the consolidated entity is referred to as (the "**Company**", "**Fathom**" or "**FNI**").

Since inception, the Company has been engaged in identifying, acquiring and exploring for base and precious metals in Canada, specifically targeting strategic metals and minerals required for a safe North American supply and to support the electric vehicle ("EV") and battery markets. The Company's current focus is the exploration and development of its Albert Lake and Gochager Lake Projects. Both projects, located in Saskatchewan, Canada are deemed to be highly prospective for the existence of battery metals including, notably, nickel, copper, cobalt and platinum group elements.

The Company is in the process of exploring for mineral deposits and has not yet fully determined whether its mineral property interests contain ore reserves that are economically recoverable. Accordingly, as is common with junior exploration companies, the Company is dependent upon obtaining necessary equity financing from time to time to finance its on-going and planned exploration activities and to cover administrative costs. The recoverability of amounts recorded as exploration and evaluation asset ("E&E asset") is dependent upon the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying mineral claims, and the future profitable production from the property or realizing proceeds from its disposition.

Fathom has not conducted any significant revenue generating operations to date. As at December 31, 2025, the Company had working capital of $296,406 (including cash of $11,263) and E&E assets of $18,469,791.

The Company's shares are listed for trading on:

- the Canadian Securities Exchange ("CSE") under the trading symbol ***FNI.***
- the Frankfurt Stock Exchange ("FSE") under the trading symbol ***6Q5***.
- the OTCQB under the trading symbol ***FNICF***.

2. OVERALL PERFORMANCE AND HIGHLIGHTS OF THE YEAR

Significant events occurring during the year ended December 31, 2025 included:

- The Company was selected to present core samples from Gochager Lake at the annual Prospectors and Developers Association of Canada's ("PDAC") annual Core Shack during the 2025 PDAC conference in Toronto in March.
- In two tranches that closed in April and May, the Company completed a non-brokered financing of non flow-through units for total gross proceeds of $1.5 million.
- In June the Company added three dispositions comprising 10,519 hectares at its Gochager Lake property, bringing the Gochager Lake property to a total of 33, 629 hectares.
- In July the Company announced the addition of veteran mining executive, Alan Coutts to the Company's Board of Directors.
- The Company completed a field exploration program at its Gochager Lake project in two phases during July/August and September/October. Work at Gochager Lake consisted of mapping, prospecting, soil and rock sampling. The results of the programs (announced in November) indicated the expansion of the favourable gabbroic exploration target to in excess of 8 km in strike length.
- In September the Company made the final payment and share issuance under its Gochager Lake Earn-In Agreement. The Company now owns 100% of the Gochager Lake Property, subject to a 2% net smelter return royalty ("NSR"). The NSR can be bought down to 1% in exchange for a $1 million cash payment.

Events Subsequent to Year End

- In Q1-2026, the Company initiated the clearing of the fully permitted Winter Trail from Highway 102 via the Roy-Lloyd mine to the Weaver Lake camp located within the Gochager Lake property. Once completed and ice conditions were safe, a diamond drill plus ancillary equipment plus fuel was transported to the Weaver Lake camp location and specifically the first drillhole location of the Q-1 drill program.

- Drilling at the project commenced on March 6 and was completed on March 28, 2026. In all, 7 drillholes were completed totaling 2,143 meters. The drill Q-1 drill program completion and preliminary results were discussed in Company News Release, April 7, 2026.

- The Company was granted an extension to the existing Gochager Lake exploration program on March 13, 2026, allowing for continued exploration at the project through to July 31, 2028. Furthermore, an extension to the Winter Trail Permit was granted March 17, 2026, allowing the Company to use the Winter Trail through to April 30, 2027.

At the date of this MD&A, the Company was awaiting assay results from the Q-1 drill program.

3. RESOURCE PROPERTIES

3.A Albert Lake Project (Formerly Rottenstone Property)

The Albert Lake Project comprises 31 mineral claims covering an aggregate area of 90,460 hectares located in the La Ronge Mining District of Saskatchewan, approximately 135km north-northeast of the town of La Ronge. The project consists of a past producer (Rottenstone Mine) of nickel-copper-platinum group elements (Ni, Cu, PGE) and is defined as a modern exploration project. The center of the property is located at UTM NAD83 Zone 13N 510750E, 6244600N.

Geological Setting and History

The Albert Lake property lies within the Rottenstone Domain of the Proterozoic Trans-Hudson orogenic belt. The Trans-Hudson Orogen is a major orogenic belt that stretches from the United States through Canada and extends to Greenland and defines the boundary between the Hearne and Superior cratons. The Rottenstone Domain is a broad belt of early to late syntectonic, northeast trending arcuate tonalite to granite intrusive rocks with associated injection migmatites.

The Albert Lake Project geology is dominated by a northeast striking, northwest dipping meta-tonalite-trondhjemite-pelitic migmatite complex of Paleoproterozoic age. MacLachlan (2003, 2005) divided the immediate Albert Lake property area into granitoids and supracrustal rocks. The supracrustal rocks; the oldest rocks occurring on the Albert Lake property, include pelite, psammite, migmatitic, psammitic to pelitic metasedimentary rocks, layered calc-silicate, melanocratic biotite-hornblende-plagioclase rich metasedimentary/metavolcanic rocks, along with amphibolite. The ultramafic intrusions, host to the Rottenstone deposit and other known ultramafic occurrences occur within metasedimentary rocks (the supracrustal rocks).

The Rottenstone deposit would appear to be typical of a deep-rooted, mantle derived, magmatic Ni-Cu+PGE ultramafic hosted, sulphidic type of mineral deposit. The Rottenstone deposit hosts rich concentrations of PGE's, among the richest of any deposit of its type mined in Canada. It has been suggested that up to 50% of the host ultramafic intrusion consisted of sulphides and that the intrusion is the result of a significant magma chamber at depth within the vicinity of the Rottenstone deposit.

Exploration at the Albert Lake Project dates back to 1929, when the original Rottenstone outcrop was discovered on the shores of Rottenstone Lake. There was very intermittent exploration from 1929 through the early 1960s. The Rottenstone Mine[1] was put into production in 1965 and operations ceased in winter 1968 / 1969. Approximately 26,000 tonnes of material was mined at reported grades of 3.28% nickel, 1.83% copper and 9.63 g/t platinum-palladium + gold.[1] From 1970 to 2015 limited exploration was undertaken by various exploration companies.

Acquisition by Fathom

Rights to the Albert Lake Project were acquired by Fathom in June 2015 through two separate Purchase and Sale Agreements. Each Purchase and Sale Agreement contained a provision for net smelter return royalty ("NSR"). In January 2022 (subsequent to year end), Fathom acquired one of NSR's for a cash payment of $175,000 (See Notes 7 and 15 of the 2021 audited consolidated financial statements). The second NSR remains in place. It provides a 1% NSR royalty over 2 claims totaling 856 Ha (<1% of the project area). This NSR can be purchased in its entirety at Fathom's option for $500,000.

From 2016 through 2021 the Company acquired additional mineral dispositions through staking directly with the Government of Saskatchewan's Department of Energy and, in one circumstance, through a 3rd party claim holder. At year end, and at the date of this MD&A, the Company held 31 contiguous claims totaling 90,460 hectares.

Between 2015 and 2019 as a privately held company with limited operating and exploration budgets, Fathom focused on compiling the historic database, data interpretation, updating geological models, obtaining exploration permits, and completing limited drill programs. These initiatives led to the identification of numerous exploration targets within a fully permitted project in place for when the company became publicly listed and financing was available.

Summary 2021 – 2024 Exploration Programs

Fathom actively explored the property during winter 2021 through the winter 2024. Exploration activity and highlights are as follows:

- 66 drillholes were drilled amounting to 11,070m drilled.
- Upon completion, drillholes were probed utilizing borehole electromagnetic tools (BHEM).
- Historic drillholes drilled 1999-2018 were scanned using a pXRF and photographed.
- Geophysical surveys consisting of time domain electromagnetic (TDEM), and gravity surveys were performed within 2-3km of the historic Rottenstone deposit. Airborne

1 The Rottenstone Mine; a small open-pit mining / milling operation in production 1965-1969. Milling commenced September 5, 1965, operated through November 7, 1965, and 5,500 short tons were mined and milled, the average production grade being 3.23% Ni, 1.83% Cu, 0.14 oz/ton Pt, 0.10 oz/ton Pd, 0.03 oz/ton Au (9.26 g/t* 3E) and 0.20 oz/ton Ag for this period. Initial milling operations in 1965 produced 1,070 dry short tons of concentrates, the average grade being: 10.835% Ni, 5.74% Cu, 0.33 oz/ton Pt, 0.53 oz/ton Pd, 0.10 oz/ ton Au (32.91 g/t* 3E) and 1.25 oz/ton Ag. (Richards, B.R. and Robinson, B.G.W. 1966), Mining and milling a small ore deposit …. Rottenstone Mining Limited: The Canadian Mining and Metallurgical Bulleting for December 1966. The Saskatchewan Mineral Deposit Index (SMDI) #0958 reports final mine production in 1969 of 28,724 tons with an average grade of 3.28% Ni, 1.83% Cu and 9.63 g/t 3E (Pd-Pt+Au) and that approximately 9,000 tons of concentrate were sold to the International Nickel Company of Canada Limited. * A factor of 34.286 g/tonne was used to convert 1 oz/ton to g/tonne (g/t).

surveys consisted of a property-wide gradient MAG survey and a AirTEM survey focused in the Rottenstone deposit area.
- Soil geochemistry surveys covered the favorable trend 8km to the NE and approximately 5-6km to the SW-SE of the Rottenstone deposit area.

Significant results include:

- Drilling has extended Rottenstone-type Ni-Cu+3E mineralization a minimum 40m beyond and south of the historic Rottenstone open-pit workings. The historic deposit was not completely mined out, remains open for expansion, and it is evident the deposit has been truncated by a fault suggesting that further expansion may exist in the footwall of the fault. A new discovery by drilling and BHEM surveys; the Bay-Island Trend, was discovered 500-550m W-NW of the Rottenstone deposit. The Bay-Island trend is Rottenstone-like in terms of host rock and style of mineralization and remains open for expansion in all directions.
- Mineralized ultramafic rock with up to 1 g/t 3E was intersected by drilling at the Dime target approximately 4km SW of the Rottenstone deposit.
- Drilling intersected a near surface drill intercept of Rottenstone-like host geology and nickel-tenors in weakly mineralized ultramafic rock approximately 1.5km south of the past producing historic Rottenstone mine in the Nic5 – Tremblay-Olson area.

- Airborne and ground EM geophysical surveys have highlighted zones of weak to strong conductivity, and gravity surveys highlight zones of higher density within the Rottenstone deposit area. All zones remain high-priority exploration targets.
- Robust, multi-element, soil geochemistry anomalies have been defined immediately over the newly discovered Bay-Island Trend, the Nic5 – Tremblay-Olson area, as well as at the Dime area, as well as in areas up to 6km S-SE of the Rottenstone deposit.
- Multiple robust off-hole BHEM conductors remain untested by drilling in the Bay-Island trend, the Nic5 – Tremblay-Olson area, as well as in the Dime area.

- Prospecting in an area in the very south part of the Albert Lake property and approximately 14km along strike of Ramp Metals Inc. Ranger gold discovery yielded a surface grab sample of 2.68 g/t Au illustrating the gold potential within the southern part of the property area.

No exploration work was performed on the Albert Lake property during 2025. However, an extension to the existing exploration permit was granted November 26, 2025 allowing the Company to continue exploration at the project through November 30, 2027.

3.B Gochager Lake Project

The Gochager Lake property is defined as a modern exploration project, comprised of 39 mineral claims covering an aggregate area of 33,629 hectares located in the La Ronge Mining District of Saskatchewan. The project hosts a historic mineral resource; the Gochager Lake deposit[2], defined by drilling 1966-1968. The property is located 75km north-northeast of the town of La Ronge, and approximately 35km south of the Albert Lake property, and is centred at UTM NAD83 Zone 13N 502450E, 6180200N.

Geologic Setting and History

The Gochager Lake property falls within the La Ronge Domain of the Proterozoic Trans-Hudson orogenic belt. The Trans-Hudson Orogen is considered a major orogenic belt that stretches from the United States through Canada and extends to Greenland and defines the boundary (interpreted zone of accretion) between the Hearne and Superior cratons (provinces). The Trans-Hudson Orogen is host to world class volcanogenic massive sulphide (VMS) deposits (e.g., Flin Flon and Ruttan MB), as well as magmatic Ni-Cu-PGE deposits hosted in mafic and ultramafic dykes and sills emplaced along the rifted Superior Craton margin (e.g., Thompson MB and Raglan QC Nickel belts) and in ocean arc or back arc gabbro-norites (e.g., Lynn Lake MB).

Regional mapping performed by Saskatchewan Department of Mineral Resources defines the Gochager Lake property area to be underlain by a monotonous succession of northeasterly-trending, heavily foliated biotite gneiss or biotite migmatite. The well foliated metasedimentary rocks dip steeply to the west-northwest and show excellent gneissossity along the north-northeast trend. The southern and eastern part of the property show highly foliated lenticular bands of hornblendite and hornblende gneiss, while the centre of the property hosts small, scattered intermediate and mafic-ultramafic intrusions that vary in size from 300 m to 1.8 km in length, and are aligned with the regional northeasterly trend. Pyrrhotite is the dominant sulphide mineral and occurs alongside pentlandite and lesser chalcopyrite as stringers, blebs, disseminations, and net-texture, as well as localized accumulations of semi-massive to massive sulphide. Fine to coarse grained, granular pentlandite forms 'eyes' within the pyrrhotite. Microscope probe analyses completed during 2024 suggest that cobalt mineralization primarily occurs within the pentlandite crystal structure (Lightfoot, 2024).

Exploration at the Gochager Lake Project dates back to 1959, when pyrite, pyrrhotite and graphite was mapped in outcrop in the Gochager Lake area. The Gochager Lake deposit resulted from follow-up drilling in 1966 of magnetic and EM surveys performed in 1965. Drilling focused on the deposit 1966-1968, and some drilling in 1989-1990, is estimated to be 149+ drillholes amounting to approximately > 27,000 meters drilled.

Acquisition by Fathom

On September 16th, 2022, Fathom Nickel Inc. (the Optionee, Fathom) executed an Option Agreement with Chris Knudsen (the Optionor) whereby Fathom acquired nine (9) mineral claims amounting to 4,696 ha located in north-central Saskatchewan, collectively referred to as the Gochager Lake property. The Option Agreement provided Fathom with the exclusive right and option to earn, subject to the reservation of a 2% net smelter return royalty, up to a 100% title and interest on the nine (9) mineral claims. Pursuant to the terms of the Option Agreement, the Company was required to issue an aggregate of 920,000 common shares and complete a total of CAD $92,000 in cash payments and incur an aggregate of CAD $2,000,000 in exploration expenditures on the property over a 4-year term at which time Fathom Nickel Inc. would become 100% owner of the Gochager Lake property.

Subsequent to the Option Agreement with Chris Knudsen, three (3) claims originally part of the Agreement lapsed but were re-staked, and one additional claim, MC00016594, was staked and included in the agreement.

The terms of the Option Agreement were met in September of 2025, and Fathom is 100% owner of all mineral claims included in the Option Agreement.

On March 21, 2023, Fathom Nickel Inc. (Buyer) executed an Acquisition Agreement with SKRR Exploration Inc. (Seller) whereby Fathom acquired 100% ownership of twenty-four (24) mineral claims amounting to 13,708 ha located in north-central Saskatchewan, and adjacent to the mineral claims as defined in the Chris Knudsen Option Agreement. The acquisition increased the size of the Gochager Lake property to 18,569 contiguous ha. The terms of the agreement included an initial cash payment of CAD $75,000, the issuing of 2,000,000 common shares of Fathom to SKRR, and a 2% net smelter return (NSR) in favor of Edge Geological Consulting Inc.; a company controlled by Mr. Ross McElroy. An additional CAD $75,000 was payable to SKRR within 60 days of the execution of the Acquisition Agreement. After the Agreement, all acquired claims were transferred to Fathom Minerals Ltd.; a wholly owned subsidiary of Fathom Nickel Inc. and registered in the Saskatchewan Mineral Administration Registry System (MARS) as Fathom Minerals Ltd. 100% ownership. Additional staking by Fathom has increased the mineral tenure to 33,629.35 ha.

2 – The Gochager Lake property is host to the historic Gochager Lake Ni-Cu deposit. There is no source or available Technical Reports to verify the historic resource estimate for the Gochager Lake deposit; hence, Fathom will treat the historic estimate as an Exploration Target. Available records in the Saskatchewan Mineral Deposit Index (SMDI) and Saskatchewan Mineral Assessment Database (SMAD) suggest an Exploration Target of 4-5 million tons grading 0.3% Ni – 0.4% Ni and 0.08% Cu – 0.09% Cu. The potential quantity and grade are conceptual in nature, there has been insufficient exploration to define a mineral resource, and that it is uncertain if further exploration will result in the target being delineated as a mineral resource. At present, Fathom has drilled 16 drillholes (5,549m) into the historic Gochager Lake deposit and has confirmed Ni-Cu grades comparable to and higher than the historical grades reported, thus confirming that a deposit of Ni-Cu+Co metal accumulation does exist at the historic Gochager Lake deposit / property. The disclosed potential quantity and grade has been determined by historic records notably; the Saskatchewan Mineral Deposit Index and Saskatchewan Mineral Assessment Database. (SMDI #0880) reports delineation drilling outlined a deposit at the historic Gochager Lake Deposit; Steel, J.S. (1990), (SMAD 73P15-0091): Report on a Diamond Drilling Program on the Gallagher (Gochager) Lake Property of McNickel Inc., reported that Scurry-Rainbow Oil Ltd. constructed vertical sections and a longitudinal section from drill data collected 1966-1968, and an orebody with reasonably well-defined limits was interpreted. As stated above, the historic estimate is not well documented and there are no available Technical Reports to support the historic resource estimate(s).

Fathom maintains the Gochager Lake Property has significant exploration upside. The Company continues to evaluate results of a 2008 VTEM survey flown over the northern portion of the current property boundary and continues to have very good success utilizing BHEM technology to define zones of higher conductivity; typically, high-grade Ni-Cu-Co bearing zones of semi-massive sulphide breccias within the historic deposit. The Company has undertaken a very methodical approach to first understand, by drilling, the geological and structural controls on the historic Gochager Lake deposit and with surface geophysics, DroneMAG, and surface mapping, prospecting and soil geochemistry, has significantly expanded the geological, structural, geophysical and geochemical footprint of the historic Gochager Lake deposit. The Company has now positioned itself to make additional Gochager-like discoveries but importantly, a discovery of a significant, high-grade massive sulphide body of Ni-Cu-Co mineralization within the expanded footprint.

Summary of the 2023-2024 Exploration Programs

Fathom actively explored the property during winter 2023 through the fall 2024. Exploration activity and highlights are as follows:

- 16 drillholes were drilled amounting to 5,549m drilled.
- Upon completion, drillholes were probed utilizing borehole electromagnetic tools (BHEM).
- Historic drillholes drilled in 1989 and 2018 were probed by BHEM.
- All drillholes were systematically scanned using a pXRF.
- Geophysical surveys consisting of ground time domain electromagnetic (TDEM) surveys were deployed over the deposit area and along strike. A DroneMAG survey centred over the deposit area and coincident with a 2024 soil geochemistry program was flown.
- Soil geochemistry surveys centred over the deposit area 2023-2024 amounted to the collection of 2,300 B-horizon soil samples.
- In addition to soils, 662 rock samples were collected for assay, on site pXRF analyses as well as whole rock geochemistry.

Significant results include:

- Drilling in 2023-2024 provided a clearer understanding of the geologic controls, the host stratigraphy along with the styles of mineralization at the historic deposit.
- Drilling successfully expanded the deposit to depth and identified similar mineralization and rock type approximately 500m along strike of the northeast of the deposit.
- Drilling has also defined significant high-grade Ni-Cu-Co mineralization, confined within steeply oriented chutes of semi-massive sulphide breccia styles of mineralization within the historic Gochager Lake deposit.
- These chutes are hosted in a variable-texture gabbro and are oriented transverse to the northeast trending variable-texture gabbro and importantly these chutes remain open for expansion in all directions.
- BHEM has been very successful in defining zones of conductivity off-hole of the drillholes drilled and in several cases when these off-hole anomalies were pursued by drilling, the conductivity proved to be zones of Ni-Cu-Co sulphide breccia styles of mineralization.
- Company management joined our lead consultants to review Gochager Lake drill core drilled 2023 and 2024. Importantly, it was an opportunity to gain insight and a better understanding of the disseminated to semi-massive to massive style of mineralization occurring withing what is now referred to as the host, variable-textured gabbro; the "container rock".

- 2023-2024 rock assay and pXRF results of outcrop chip samples has expanded the variable-textured gabbro "container rock" footprint approximately 12.5 times in the immediate deposit area.

- Soil geochemistry results combined with rock geochemistry defines a favorable geochemical footprint 25 times the size of the historic Gochager Lake deposit area.

- The combined favourable rock and soil geochemistry footprint covers an area of 1.7 km^2 over a strike length that measures approximately 3.6 km and is open the northeast and to the southwest.

- Construction of a 20-25-person camp at the Gochager Lake project; the Weaver Lake Camp commenced on August 6 and was completed on August 23, 2024.

- Concurrently with the camp construction, a 367.2 line-kilometer Drone MAG survey centred over the historic Lake Gochager deposit and covering the area of the soil geochemistry survey was completed.

- DroneMAG results mapped an area of higher magnetic intensity that coincided with known and mapped variable-texture gabbro and also coincided with a favourable geochemical trend resulting from soil geochemistry striking northeast of the historic deposit.

Summer 2025 Exploration Program

On April 14, 2025, the Company was issued a permit to allow for the clearing of a Winter Trail from Hwy 102 to the Weaver Lake Camp located on the northwest shore of Weaver Lake.

It was anticipated that line-cutting, geological mapping / prospecting and soil geochemistry programs would commence in June 2025; however, wildfires in the La Ronge region forced a postponement to this program (Company News Release June 11, 2025). In early July 2025, a line cutting crew initiated the cutting of a 100m spaced grid over the area covered by the 2024 soil geochemistry and DroneMAG surveys. Crews initiated the geological mapping / prospecting and soil geochemistry programs mid-July and the programs were completed the end of July. A wildfire forced out crews during the July program. Crews returned to the project the last week of September and performed additional mapping and prospecting along strike of area mapped and prospected in July over newly exposed outcrop that resulted from the summer wildfire.

Combined, the two programs resulted in the collection of 3,448 B-horizon soil samples, 646 outcrop chip samples that were on-site analyzed by pXRF, and 114 outcrop grab samples that were sent for whole rock geochemistry and multi-element assay. The geological mapping / prospecting program successfully mapped the continuation of the Gochager Lake deposit host (variable-texture gabbro) >3.5km along strike northeast of the historic deposit. Soil geochemistry results have now defined a favourable Ni-Cu-Co+Cr-Mg footprint / corridor centred on the historic deposit that is >8km in strike. The Summer rock geochemistry and soil geochemistry 2025 field programs continue to support a major magmatic sulphide footprint centred on the historic Gochager Lake deposit and extending significantly to the northeast and southwest. The programs have identified numerous high-priority drill target areas the Company plans to further define by surface geophysical programs ahead of drilling.

The Company added 3 contiguous mineral dispositions (10,519ha) by staking to the Gochager Lake property bringing the total number of mineral dispositions to 39 and an increased area amounting to 33,629ha. The new claims cover the possible NE extension of the Borys Lake VMS-style trend as well as some additional mafic-hosted Ni-Cu occurrences (Company News Release June 11, 2025).

3.C Friesen Lake Claims

In June 2024, Fathom acquired three (3) dispositions totalling 10,132 hectares through direct staking with the Saskatchewan Ministry of Energy and Resources in an area known as Friesen Lake. While there are known nickel showings at the project, the Company has not yet determined the level of investment it is prepared to make into the Friesen Lake claims. Until a determination is made to proceed with exploration work at Friesen Lake, the initial cost of acquiring the claims (approximately $4,800) has been recorded as part of the Albert Lake Project.

4. E&E ASSET DETAILS

Following is a breakdown of the Company's change in E&E assets from December 31, 2024 through December 31, 2025.

	Albert Lake	Gochager Lake	Total E & E Assets
Balance, December 31, 2024	$ 12,649,425	$ 5,075,080	$ 17,724,505
Acquisition cost and leases	2,075	25,668	27,743
Exploration, net of TMEI incentive payment	79,503	638,040	717,543
Divestitures and adjustments	-	-	-
Balance, December 31, 2025	**$ 12,731,003**	**$ 5,738,788**	**$ 18,469,791**

Below are the detailed changes in E&E assets for the Albert Lake Property for both 2025 and 2024.

Exploration & Evaluation Asset (Albert Lake Property)				
	As at 31-Dec-24	Additions	Dispositions	As at 31-Dec-25
Leases and tenures	$ 269,651	2,075	-	$ 271,726
Geological consulting - Internal	978,107	42,000	-	1,020,107
G&A support - Internal	40,847	-	-	40,847
Geological and engineering consulting	1,305,657	17,456	-	1,323,113
Camp supplies and support	1,032,993	1,600	-	1,034,592
Field supplies and support	844,676	640	-	845,315
Geophysical field work	1,474,778	7,500	-	1,482,278
Drilling	2,913,071	-	-	2,913,071
Field and camp labour	112,875	5,500	-	118,375
Assays and analysis	425,789	3,908	-	429,697
Helicopter and fixed wing support	2,534,867	-	-	2,534,867
Construction and roads	14,305	-	-	14,305
ESG consulting	86,752	900	-	87,652
Travel, lodging and supplies	965,057	-	-	965,057
TMEI incentive - Saskatchewan	(350,000)	-	-	(350,000)
Total - Albert Lake Property	$ 12,649,425	$ 81,578	$ -	$ 12,731,003

Exploration & Evaluation Asset (Albert Lake Property)				
	As at 31-Dec-23	Additions	Dispositions	As at 31-Dec-24
Leases and tenures	$ 323,306	(53,655)	-	$ 269,651
Geological consulting - Internal	930,707	47,400.00	-	978,107
G&A support - Internal	2,493	38,354.00	-	40,847
Geological and engineering consulting	1,197,927	107,730.57	-	1,305,657
Camp supplies and support	955,968	77,024.72	-	1,032,993
Field supplies and support	818,218	26,457.97	-	844,676
Geophysical field work	1,352,308	122,470.00	-	1,474,778
Drilling	2,446,856	466,215.07	-	2,913,071
Field and camp labour	112,875	0.00	-	112,875
Assays and analysis	406,541	19,248.35	-	425,789
Helicopter and fixed wing support	2,118,408	416,459.94	-	2,534,867
Construction and roads	14,305	0.00	-	14,305
ESG consulting	73,847	12,904.93	-	86,752
Travel, lodging and supplies	806,027	159,030.03	-	965,057
TMEI incentive - Saskatchewan	(200,000)	(150,000)	-	(350,000)
Total - Albert Lake Property	$ 11,359,784	$ 1,289,640	$ -	$ 12,649,425

A breakdown of the Company's change in Gochager Lake E&E Asset for the years ended December 31, 2025 and 2024 is presented below.

Exploration & Evaluation Asset (Gochager Lake Property)

	As at 31-Dec-24	Additions	Dispositions	As at 31-Dec-25
Leases and Property Pymnts	$ 492,299	25,669	$ -	$ 517,967
Geo Consulting - Internal	159,725	42,000.00	-	201,725
Geo & Eng Consulting	527,283	201,086.17	-	728,369
Camp Supplies & Support	139,244	70,598.49	-	209,842
Air Support	1,591,385	41,909.52	-	1,633,295
Field Supplies & Support	82,270	6,883.61	-	89,154
Geophysical Field Work	500,112	161,675.00	-	661,787.37
Drilling	973,377	-	-	973,377
Field & Camp Labour	87,485	-	-	87,485
Assays & Ana;lysis	218,391	110,823.99	-	329,215
ESG Consulting	30,700	17,699.59	-	48,399
Travel Lodging & Supplie	272,809	75,216.21	-	348,025
Gochager TMEI	-	89,852.92	-	89,853
	$ 5,075,080	$ 663,708.22	$ -	$ 5,738,788

Exploration & Evaluation Asset (Gochager Lake Property)

	As at 31-Dec-23	Additions	Dispositions	As at 31-Dec-24
Leases and Property Pymnts	$ 421,484	$ 70,815	$ -	$ 492,299
Geo Consulting - Internal	68,675	91,050	-	159,725
Geo & Eng Consulting	237,247	290,035	-	527,283
Camp Supplies & Support	97,793	41,451	-	139,244
Air Support	890,878	700,507	-	1,591,385
Field Supplies & Support	39,048	43,222	-	82,270
Geophysical Field Work	305,939	194,174	-	500,112
Drilling	561,213	412,164	-	973,377
Field & Camp Labour	26,672	60,813	-	87,485
Assays & Ana;lysis	73,180	145,211	-	218,391
ESG Consulting	13,329	17,371	-	30,700
Travel Lodging & Supplie	106,715	166,094	-	272,809
	$ 2,842,172	$ 2,232,908	$ -	$ 5,075,080

5. SUMMARY OF SELECTED ANNUAL FINANCIAL INFORMATION

A summary of selected financial information for the three most recently completed fiscal years is as follows:

	Year ended 31-Dec-25	Year ended 31-Dec-24	Year ended 31-Dec-23
Gain on elimination of right of use asset	**$ -**	$ -	$ (33,605)
Interest income	**-**	(23,520)	(39,905)
Flow through premium renounced	**(42,750)**	(464,000)	(274,000)
Rent on sublease	**-**	-	(7,784)
Share based compensation	**86,993**	126,000	401,550
Administrative consulting fees	**180,000**	181,650	180,000
General expenses	**720,299**	1,183,129	1,828,584
Net and comprehensive loss	**$ 944,542**	$ 1,003,259	$ 2,054,840
Loss per share - basic and diluted	**$ 0.01**	$ 0.01	$ 0.02
Total assets	**$ 19,204,991**	$ 18,812,587	$ 18,304,121
Long-term financial liabilities	**$ -**	$ -	$ -

The Company posted a lower net and comprehensive loss for the year ended December 31, 2025 in comparison to 2024.

Specific, material changes in the year include:

- **Interest income.** Interest income in 2025 decreased by $23,520 year-over-year as a result of significantly lower cash in the Company's investment account during the year as well as a decreasing interest rate environment.

- **Flow-through premium renounced**. When the Company raises equity through the issuance of common shares on a flow through basis, it is often completed at a premium to the market trading price of the Company's shares. This premium is initially recognized as a flow-through share liability. However, it is subsequently reversed into the statement of loss and comprehensive loss as a recovery of deferred income taxes when the eligible expenditures are incurred and renounced to investors. As a result of the renunciation of flow- through expenditures during 2023, the Company reversed the $464,000 flow-through premium in 2024.

In 2025 the flow-through premium reversed was $42,750. The decrease in the premium reversed in 2025 relative to 2024 is a reflection of the higher total equity raises in 2023 vis-à-vis 2024 (approximately $5,973,000 in 2023 versus approximately $1.5 million in 2024). It should be noted that "flow through premium renounced" is a non-cash income item recorded in the statement of loss and comprehensive loss.

- **Share based compensation**. Options are expensed as "Share based compensation" on a quarterly basis based on their vesting schedule (typically 1/3 on date of issuance and 1/3 on each of the first and second anniversaries of the date of issuance. The Company recorded share-based compensation (non-cash charge) of $86,993 in 2025 compared to $126,000 in 2024. The decrease in 2025 was the result of no option issuances in 2024 and the fact that options were issued late in 2025 (during Q4-2025).

- **General expenses**. General expenses decreased by approximately 39% in 2025 as compared to 2024 ($720,299 from $1,183,129). See Section 6, *Results of Operations* for a discussion regarding the specific variances between 2025 and 2024.

- **Contingent loss.** On November 8, 2023 a Statement of Claim was filed in the Court of King's Bench, Alberta, naming the Company as a defendant over the termination of the sublease of its Calgary office space. (See Notes 7, 8 and 14 of the 2023 audited consolidated financial statements). The lawsuit claims damages of up to $143,000 resulting from the cancellation of the sublease. The Company's position is that the claim against it is without merit and any financial damages are the result of and the responsibility of the owner of the building. The maximum financial exposure to the Company in the event it is unsuccessful in defending the claim is estimated to be $143,000.

For the years ended December 31, 2025 and 2024, the Company reported no discontinued operations and did not declare any cash dividends.

6. RESULTS OF OPERATIONS

	For the years ended	
Expenses	**31-Dec-25**	**30-Dec-24**
Share based compensation	$ 86,993	$ 126,000
Administrative consulting fees	180,000	181,650
Investor relations and capital markets consulting	166,859	519,113
Advertising and promotion	77,564	167,075
Legal and accounting	93,820	124,653
Insurance	59,462	44,117
Market making services	84,000	84,000
Exchange, transfer agent and commission fees	56,037	67,924
Travel	66,065	61,170
Depreciation	4,512	4,096
Telecommunications	31,911	14,581
Dues, fees and subscriptions	10,682	35,197
Shareholder communications	20,239	44,511
Bank charges	3,186	3,035
Office rent	10,795	9,810
Office supplies	7,027	3,847
Property investigations	28,140	-
Operating loss	$ 987,292	$ 1,490,779

Analysis of Key Variances
Fathom incurred an operating loss of $987,292 in 2025 versus $1,490,779 in 2024, a decrease of 34% year-over-year. Material variances include:

- *Share Based Compensation.* Share Based Compensation was 31% lower in 2025 compared to 2024 due to the fact that no options were issued in 2024, versus 5,535,000 in 2023. As described in Section 5, above, options are expensed based on their vesting period.

- *Investor relations and capital markets consulting.* The significant decrease in Investor relations and capital markets consulting of 68% (from $519,113 in 2024 to $166,859 in 2025) is a result primarily of two factors: 1) the shift away from broad advertising to a focus capital markets approach; 2) the participation in and presenting at fewer select investor events geared towards small cap resource investors.

- *Advertising and promotion*. The 54% decrease in advertising and promotion expense ($167,075 in 2024 versus $77,564 in 2025) is primarily the result of the cancellation of certain promotional agreements that the Company entered into in 2023 and 2024 that were not renewed in 2025.

- *Legal and accounting.* The Company incurred $93,820 in legal and accounting expenses during 2025 (2024, $124,653). The 25% decrease in this expense item on a year-over-year basis is a result of less audit and ancillary accounting costs as well as the legal costs associated with defending the lawsuit related to the Company's office sublease in 2024 (See Note 7 of the 2025 audited consolidated financial statements). Legal costs associated with financings are not reflected as an expense item in "legal and accounting" but are recorded as a net of the gross proceeds from the financings.

- *Insurance*. The 35% year-over-year increase in insurance expense is the result of a higher premium on both the Company's Director & Officer insurance policy.

- *Property investigations.* During 2025 the Company incurred $28,140 (2024, $Nil) in investigating potential projects, outside of its core project areas of Albert Lake and Gochager Lake. Until such time as a decision is made with respect to moving forward with such project opportunities, costs associated with the review and investigation are expensed.

Use of Proceeds from Financings

Following is a summary of the Use of Proceeds from the Company's February and December 2024 financings, the two financing closing dates that occurred in April and May, 2025, and the two financing closing dates that occurred in February 2026.

	[a]	Stated Use of Proceeds 16-Feb-24	[b]	Stated Use of Proceeds 23-Dec-24	[c]	Stated Use of Proceeds April/May 2025	[d]	Stated Use of Proceeds 28-Feb-26
AL and Gochager Exploration	$	487,196	$	377,025	$	258,000	$	2,500,000
Financing related expenses		51,791		21,000		32,000		62,296
General working capital purposes		650,000		-		1,210,000		1,437,704
Total funds raised	$	1,188,987	$	398,025	$	1,500,000	$	4,000,000

[a] From the Company's February 20, 2024 press release.
[b] From the Company's December 24, 2024 press release.
[c] From the Company's May 27, 2025 press release.
[d] From the Company's February 26, 2026 press release.

7. QUARTERLY FINANCIAL INFORMATION

The following selected financial data for the past eight quarters has been prepared in accordance with IFRS and should be read in conjunction with the Corporation's 2025 audited consolidated financial statements:

	Quarter ended 31-Dec-25	Quarter ended 30-Sep-25	Quarter ended 30-Jun-25	Quarter ended 31-Mar-25	Quarter ended 31-Dec-24	Quarter ended 30-Sep-24	Quarter ended 30-Jun-24	Quarter ended 31-Mar-24
Operations								
Operating expenses	$ 244,975	$ 234,516	$ 270,738	$ 150,070	$ 240,291	$ 247,389	$ 465,710	$ 411,390
Share based compensation	65,623	1,370	4,980	15,020	31,500	31,500	31,500	31,500
Interest income	-	-	-	-	-	-	(2,173)	(21,348)
Flow through premium renounced	-	(42,750)	-	-	-	-	(464,000)	-
Net and (income)/comprehensive loss	310,598	193,136	275,718	165,090	271,791	278,889	31,037	421,542
Per share	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00
Balance Sheet								
Cash and equivalents	$ 11,263	$ 126,198	$ 599,221	$ 89,313	$ 314,973	$ 267,210	$ 346,945	$ 1,442,162
Exploration and evaluation assets	$ 18,469,791	$ 18,308,049	$ 17,836,215	$ 17,833,377	$ 17,724,505	$ 17,641,259	$ 17,095,126	$ 16,209,992

8. FOURTH QUARTER EVENTS AND RESULTS

Financial highlights of the quarter ended December 31, 2025 ("Q4-25") include:

- During Q4-25 the Company announced the results of from the fall field exploration program at Gochager Lake. The Company also announced the commencement of the winter of the winter trail at Gochager Lake.
- The Company added $161,742 to E&E assets through work on the Gochager Lake Project during the quarter bringing the capitalized balance of E&E asset to $18,469,791 at December 31, 2025.
- Fathom incurred a net and comprehensive loss of $310,598 during Q4-25.

9. LIQUIDITY AND CAPITAL RESOURCES

As at December 31, 2025, the Company had a cash position of $11,263 (December 31, 2024, $314,973) and net working capital of $296,406 (December 31, 2024, $461,727).

At this stage in its business model Fathom is wholly dependent on equity financings to complete the exploration, evaluation and development of its Albert Lake and Gochager Lake Properties, fund its general and administrative expenses and assess other potential mineral projects in Saskatchewan and elsewhere. See also "Risk Factors". Fathom has not generated any revenue from operations and does not expect to generate any such revenue in its current or next fiscal year. As at the date of this MD&A, based on the closing of its non-brokered $4 million equity financing in February 2026, Management is confident that the Company is sufficiently capitalized to fund the balance of its 2026 exploration initiatives, and its ongoing general operating expenses. Further, as of the date of this MD&A, Management is confident that the Company will successfully raise sufficient capital through the equity markets to continue to finance its ongoing operations.

An investment in Fathom's securities is speculative, see "Risk Factors".

Fathom had no off-balance sheet arrangements as at December 31, 2025.

10. OUTLOOK

Fathom is currently in the exploration stage and is subject to risks and challenges similar to companies in a comparable stage. These risks include but are not limited to: challenges of securing adequate capital in view of exploration, development and operational risks inherent in the mining and mineral exploration industries, changes in the global economic environment, and fluctuations in base and precious metals market pricing. There is no assurance that Fathom's funding initiatives will continue to be successful to fund its planned exploration activities, which are currently focused on its Albert Lake and Gochager Lake Projects.

Working capital from Fathom's treasury, as available from time to time, may also be used to acquire and explore other properties either alone or in concert with others as opportunities and finances permit.

11. CRITICAL ACCOUNTING ESTIMATES AND SIGNIFICANT JUDGMENTS

Fathom's 2025 audited consolidated financial statements have been prepared using IFRS applicable to a going concern, which assumes continuity of operations and realization of assets and settlement of liabilities in the normal course of business. However, Fathom is in the exploration stage and is subject to risks and challenges similar to companies in a comparable stage. As a result of these circumstances, there is some doubt as to the appropriateness of the going concern presumption. However, due to positive net working capital of $296,406 (see Section 9, above), Management is confident that the going concern presumption is appropriate as at the date of this MD&A. However, there is no assurance that Fathom's funding initiatives will continue to be successful in the future and the 2025 audited consolidated financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and balance sheet classifications that would be necessary if the going concern assumption is no longer deemed to be appropriate. These adjustments could be material. See also Note 2.2 of 2025 audited consolidated financial statements.

The preparation of Fathom's 2025 audited consolidated financial statements in compliance with IFRS requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the 2025 audited consolidated financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. The 2025 audited consolidated financial statements include estimates, which by their nature, are uncertain. The impacts of such estimates are pervasive throughout the 2025 audited consolidated financial statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates:

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the financial position reporting date, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

- The fair value of stock options issued using the Black Scholes option pricing model;
- Management's assumption of no material restoration, rehabilitation and environmental costs, based on the facts and circumstances that existed during the period;
- The recoverability of deferred tax assets and liabilities; and
- The Company finances some exploration and evaluation expenses through the issuance of flow-through shares and flow-through special warrants. The resource expenditure deductions for income tax purposes are renounced to investors in accordance with the appropriate income tax legislation. The difference ("premium") between the amounts recognized in common shares and the amount the investors pay for the shares is recognized as a flow-through share related liability which is reversed into the statement of loss and comprehensive loss as a recovery of deferred income taxes when the eligible expenditures are incurred. The amount recognized as a flow-through share liability represents the difference between the quoted price of the common shares and the amount the investor pays for the flow-through shares, net of allocated issue costs.

Critical accounting judgments:

The determination of categories of financial assets and financial liabilities has been identified as an accounting policy which involves judgments or assumptions made by management.

Management has determined that exploration and evaluation costs incurred which were capitalized may have future economic benefits and may be economically recoverable. Management uses several criteria in its assessments of economic recoverability and probability of future economic benefits including geologic and other technical information, scoping and feasibility studies, accessibility of facilities and existing permits in order to determine if there are indicators of impairment.

12. MATERIAL ACCOUNTING POLICIES

The 2025 audited consolidated financial statements have been prepared on the basis of IFRS standards that were in effect at December 31, 2025 and these accounting policies have been applied consistently to all periods presented in the 2025 audited consolidated financial statements. The policies described below, and estimates related to them, have the most significant effect in preparation and presentation of Fathom's 2025 audited consolidated financial statements.

Exploration and Evaluation Asset

i) Pre-exploration costs

Pre-exploration costs are expensed in the year in which they were incurred. Pre-exploration costs are those incurred prior to obtaining the legal right to explore.

ii) Exploration and evaluation expenditures

Once the legal right to explore a property has been acquired, costs directly related to exploration and evaluation ("E&E") expenditures are recognized and capitalized, in addition to the acquisition costs. These direct expenditures include such costs as materials used, surveying costs, drilling costs, payments made to contractors and depreciation on plant and equipment during the exploration phase. Costs not directly attributable to exploration and evaluation activities, including general administrative overhead costs and share based payments to employees and consultants, are expensed in the period in which they occur.

The acquisitions of mineral property interests are initially measured at cost. Mineral property acquisition costs and development expenditures incurred subsequent to the determination of the feasibility of mining operations and approval of development by the Company are capitalized until the property to which they relate is placed into production, sold or allowed to lapse.

Mineral property acquisition costs include the cash consideration and the fair market value of shares issued for mineral property interests pursuant to the terms of the relevant agreements. These costs will be amortized over the estimated life of the property following commencement of commercial production, or written off if the property is sold, allowed to lapse, or when an impairment of value has been determined to have occurred.

iii) Developed and producing properties

Once the technical feasibility and commercial viability of extracting the mineral resource has been determined, the property is considered to be a mine under development and is classified as property, plant and equipment. Once commercial production has commenced, these costs are amortized using the units-of-production method based on proven and probable reserves. Production facilities and equipment are stated at cost and will be depreciated using the units-of-production method at rates sufficient to depreciate the assets over their estimated useful lives, not to exceed the life of the mine to which the assets relate.

Government incentives

The Company is entitled to the refundable Saskatchewan Targeted Mineral Exploration Incentive ("TMEI") grant as a result of incurring qualifying mineral exploration expenses in Saskatchewan. These amounts are recognized when the amount to be received can be reasonably estimated and collection is reasonably assured. Once recovered, these amounts are treated as a reduction to the carrying value of E&E properties.

13. ACCOUNTING ISSUES

Management of Capital Risk

The objective when managing capital is to safeguard Fathom's ability to continue as a going concern, so that it can continue to provide adequate returns to shareholders, benefits to other stakeholders and to have sufficient funds on hand to meet its exploration and development plans to ensure the ongoing growth of the business.

Fathom considers its shareholders equity and cash and equivalents as capital. Fathom manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust capital structure, Fathom may issue new shares through private placements, repurchase shares, sell assets, incur debt, or return capital to shareholders. Fathom's net working capital at December 31, 2025 was $296,406 (December 31, 2024, $461,727). Actual funding requirements may vary from those planned due to a number of factors, including the progress of exploration and development activities. Due to the cyclical nature of the industry, there is no guarantee that when Fathom needs to raise capital, there will be access to funds at that time.

Management of Financial Risk

Fathom is exposed to various financial instrument risks and continually assesses the impact and likelihood of this exposure. These risks include fair value of financial instruments and commodity price risk. Where material, these risks are reviewed and monitored by the Board of Directors and they are more fully described in Note 5 to Fathom's 2025 audited consolidated financial statements.

14. CHANGES TO SIGNIFICANT ACCOUNTING POLICIES

There have been no significant changes in accounting policies applicable for the current period.

Future accounting changes

We have assessed the following new standards and interpretations as having a possible impact on us in the future. We intend to adopt these standards and interpretations, if applicable, as at the required effective dates indicated below and are currently assessing the impact on our consolidated financial statements.

1) *IFRS 18 – Presentation and Disclosure in Financial Statements*
IFRS 18 will replace IAS 1; many of the other existing principles in IAS 1 are retained, with limited changes. IFRS 18 will not impact the recognition or measurement of items in the financial statements, but it might change what an entity reports as its 'operating profit or loss. IFRS 18 will apply for reporting periods beginning on or after 1 January 2027.

15. OUTSTANDING SHARE DATA

Authorized: Unlimited number of common shares without a value

The following chart summarizes the number of securities outstanding at year end and as at the date of this MD&A.

	Outstanding as at December 31, 2025	Outstanding as at April 30, 2026
Common shares	201,336,691	301,807,101
Warrants	65,884,331	155,545,767
Options	12,860,000	12,860,000
RSUs	60,000	60,000
Broker warrants	2,488,308	4,945,046

16. OTHER INFORMATION

Contractual Commitments

At December 31, 2025 Fathom had the following commitments for material exploration expenditures:

- As disclosed Note 6 (Exploration and Evaluation Assets) of the 2025 audited consolidated financial statements, the Company is required to incur annual minimum work program expenditures ranging between $15.00 and $25.00 hectare in order to maintain title to the dispositions. Excess qualifying exploration expenditures can be carried forward indefinitely to be applied to future years' work requirements. The Company is required to incur annual qualifying expenditures of approximately $1.85 million in each of the next five years in order to maintain all dispositions in good standing. However, based on available expenditures carried-forward from prior years, the minimal required expenditure for 2026 is $Nil.

- Effective December 1, 2021 the Company entered into a lease for office space. However, the landlord cancelled the lease of the property effective December 31, 2023. The Company therefore has no ongoing commitment related to the office lease. However, as described in Note 7 of the 2025 audited consolidated financial statements, prior to the cancellation of the office lease, the Company had entered into a sublease with a subtenant for the continued occupancy of the office until December 2027. As a result of the termination of the lease and, by extension, the sublease, the subtenant has named both Fathom Nickel Inc, and the landlord as defendants in a Court of King's Bench action claiming losses of approximately $143,000. The Company is of the position that the subtenant's claim is without merit and is defending the action accordingly.

Related Party Transactions

The following related party transactions occurred and were charged in the 2025 audited consolidated financial statements during the years ended December 31, 2025 and 2024 as follows:

		December 31, 2025		December 31, 2024
Administrative and exploration-related consulting fees:				
Administrative consulting fees were charged by officers for corporate administrative and financial management services	**$**	**180,000**	$	181,650
Consulting fees were charged by officers for geological management of the Company's exploration and evaluation asset (Note 7)	**$**	**84,000**	$	84,000
Legal fees charged by a law firm of which a director of the Company is a partner	**$**	**78,486**	$	41,533

Amounts accrued and paid as administrative consulting fees are expensed and disclosed in the Statement of Loss as administrative consulting fees. Amounts accrued and paid as geological consulting fees are capitalized to the exploration and evaluation asset account. Legal fees associated with equity financings are disclosed as a share issuance cost and recorded as a reduction to share capital. Legal fees on account of general corporate and other non-financing matters are expensed in the Statement of Loss as legal and accounting fees.

At the period end, the Company owed the respective holding companies owned by officers of the Company for administrative and geological consulting fees $50,696 (December 31, 2024 - $38,700).

At December 31, 2025, the Company had a recorded liability of $33,418 owing to the law firm of which a director of the Company is a partner (December 31, 2024 $25,756).

[1] Included in administrative consulting fees is the monthly fees charged by Doug Porter in his role as CFO. Mr. Porter contracts his services through his 100%-owned holding company, Porter Valuations & Financial Consulting Inc. ("PV&FC"). Through a contract between the Company and PV&FC executed in May 2021, PV&FC charges the Company a monthly fee of $11,350 for the CFO services. This monthly fee was reduced to $11,000 in January 2023. The CFO fee is allocated 100% to administrative consulting.

[2] Included in geological management is the monthly fees charged by Ian Fraser in his role as Vice President, Exploration. Mr. Fraser contracts his services through his 100%-owned holding company, IF Consulting Inc. ("IFC"). Through a contract between the Company and IFC executed in May 2021, IFC charges the Company a monthly fee of $12,350 for the Vice President, Exploration services. Up to August 31, 2022, this fee was allocated 100% to geological consulting. From September 1, 2022 to December 31, 2022, IFC's monthly fee was allocated $8,350 to geologic consulting (E&E assets) and $4,000 to administrative consulting. Since January 1, 2023, IFC's monthly fee was reduced to $11,000

and is allocated $7,000 to geologic consulting (E&E assets, split equally between Albert Lake and Gochager Lake, unless particular circumstances dictate otherwise) and $4,000 to administrative consulting.

[3] McLeod Law LLP provides various legal services to the Company including, but not limited to securities, corporate-commercial and general corporate legal services. Eugene Chen, a partner of McLeod Law LLP is also a director of Fathom.

Risk Factors
Financial Instruments

Financial instruments recorded at fair value on the statement of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1 – valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 – valuation techniques based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices);
- Level 3 – valuation techniques using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Cash and cash equivalents is recorded at fair value based on a Level 1 designation.

Fair value less costs of disposal, when used to test the recoverable amounts of exploration and evaluation assets is based on a Level 3 valuation model.
There were no changes to the fair value designations for the above financial instruments during the year.

Cash and cash equivalents:

Cash and cash equivalents include cash and highly liquid investments with a maturity of three months or less from the purchase date. As at December 31, 2025, the balance was comprised of cash in bank.

Common shares:

Common shares are classified as equity. Incremental costs directly attributable to the issue of common shares and stock options are recognized as a deduction from equity, net of any tax effects.

Risk Factors

Fathom is in the exploration stage and is subject to the risks and challenges similar to other companies at a comparable stage. Other than the risks relating to reliance on future financings as previously discussed, as well as those discussed elsewhere in this MD&A, the Fathom's risks include, but are not limited to its limited operating history, the speculative nature of mineral exploration and development activities, operating hazards and risks, mining risks and insurance, no current mineral resources or reserves, environmental and other regulatory requirements, competition, stage of development, fluctuations in commodity prices, conflicts of interest, reliance on key individuals, enforcement of civil liabilities as discussed further below.

Limited Operating History - An investment in Fathom should be considered highly speculative due to the nature of Fathom's business. Fathom has no history of earnings, it has not paid any dividends and it is unlikely to enjoy earnings or be paying dividends in the immediate or foreseeable future.

Speculative Nature of Mineral Exploration and Development Activities - Resource exploration and development is a speculative business, characterized by a number of significant risks including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits but from finding mineral deposits which, though present, are insufficient in quantity and quality to return a profit from production. The marketability of minerals acquired or discovered by Fathom may be affected by numerous factors which are beyond the control of Fathom and which cannot be accurately predicted, such as market fluctuations, the proximity and capacity of milling facilities, commodity markets 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, the combination of which factors may result in Fathom not receiving an adequate return of investment capital.

Substantial expenditures are required to establish mineral reserves through drilling, to develop processes to extract and process and refine the minerals and, in the case of new properties to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineral deposit, no assurance can be given that minerals will be discovered in sufficient quantities and grades to justify commercial operations or that the funds required for development can be obtained on a timely basis. Estimates of mineral reserves, mineral deposits and production costs can also be affected by such factors as environmental permitting regulations and requirements, weather, environmental factors, unforeseen technical difficulties, unusual or unexpected geological formations and work interruptions. In addition, the quality and quantity of minerals ultimately mined may differ from that indicated by drilling results.

Fathom's Gochager Lake and Albert Lake Projects are in the exploration stage only and is without known bodies of a mineral resource. The exploration programs proposed by Fathom are exploratory searches for commercial mineral deposits only. Development of any of Fathom's current or future mineral properties will only follow upon obtaining satisfactory exploration results.

Few properties which are explored are ultimately developed into producing mines. Major expenses may be required to establish mineral resources and reserves, develop metallurgical processes and construct mining and processing facilities at a particular site. There is no assurance that Fathom's mineral exploration activities will result in any discoveries of commercially minable ore bodies. Also, no assurance can be given that any or all of Fathom's properties will not be subject to prior unregistered agreements or interests or undetected claims which could be materially adverse to Fathom.

No Mineral Resource or Reserves - All of the Fathom properties are considered to be in the exploration stage only and do not contain a known mineral resource. Mineral resources and reserves are estimates and no assurance can be given that the anticipated mineral grades, and tonnages will be achieved or that the indicated level of recovery will be realized. Resource and reserve estimates for properties that have not yet commenced production may require revision based on actual production experience. Market price fluctuations of base and precious minerals, as well as increased production costs or reduced recovery rates may render reserves containing relatively lower grades of mineralization uneconomic and may ultimately result in a restatement of resources and/or reserves.

Conflicts of Interest - Certain of the Directors and Officers of Fathom 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 Fathom may become subject to conflicts of interest. Canadian corporate laws provide 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 those laws. To the extent that conflicts of interest arise, such conflicts will be resolved in accordance with the provisions of the applicable Canadian corporate laws.

Operating Hazards and Risks - Mineral exploration involves many risks, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. Fathom's operations will be subject to all the hazards and risks normally incidental to exploration, development and production of minerals, such as unusual or unexpected formations, cave-ins or pollution, all of which could result in work stoppages, damage to property and possible environmental damage.

Mining Risks and Insurance - The business of exploring for and mining base and precious minerals is generally subject to a number of risks and hazards including environmental hazards, industrial accidents, labour disputes, unusual or unexpected geological conditions, pressures, cave-ins, changes in the regulatory environment and natural phenomena such as inclement weather conditions, floods, blizzards and earthquakes. No assurance can be given that such insurance will continue to be available or that it will be available at economically feasible premiums. Mining operations will be subject to risks normally encountered in the mining business.

Environmental and Other Regulatory Requirements – Fathom's activities are subject to environmental regulations promulgated by government agencies from time to time. Environmental legislation generally provides for restrictions and prohibitions on spills, releases or emissions of various substances produced in association with certain mining industry operations, such as seepage from tailings disposal areas, which would result in environmental pollution. A breach of such legislation may result in imposition of fines and penalties. In addition, certain types of operations require the submission and approval of environmental impact assessments. Environmental legislation is evolving in a manner, which means stricter standards and enforcement, fines and penalties for non-compliance are more stringent. Environmental assessments of proposed projects carry a heightened degree of responsibility for companies and Directors, Officers and employees. The cost of compliance with changes in governmental regulations has a potential to reduce the profitability of operations.

The exploration operations of Fathom and development and commencement of production on its properties require permits from various federal and 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 and other matters.

Companies engaged in the development and operation of mines and related facilities generally experience increased costs and delays in production and other schedules as a result of the need to comply with applicable laws, regulations and permits. Fathom believes it is in substantial compliance with all material laws and regulations, which currently apply to its activities.

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 mining operations may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations and, in particular, environmental laws.

Competition - Significant and increasing competition exists for the limited number of minerals exploration acquisition opportunities available. 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 Fathom, Fathom may be unable to acquire additional attractive mineral properties on terms it considers acceptable. Accordingly, there can be no assurance that Fathom's exploration and acquisition programs will yield any resources or reserves or result in any commercial mining operation.

Stage of Development - Fathom is in the business of exploring for, with the ultimate goal of extracting and refining minerals from its mineral exploration property. Fathom's Albert Lake Property has not commenced commercial production and Fathom has no history of earnings or cash flow from its operations. As a result of the foregoing, there can be no assurance that Fathom will be able to develop any of its current or future properties profitably or that its activities will generate positive cash flow.

Fathom has not paid any dividends and it is unlikely to enjoy earnings or paying dividends in the immediate or foreseeable future. Fathom has not sufficiently diversified such that it can mitigate the risks associated with its planned activities.

A prospective investor in Fathom must be prepared to rely solely upon the ability, expertise, judgment, discretion, integrity and good faith of Fathom's management in all aspects of the development and implementation of Fathom's business activities.

Fluctuations in Commodity Prices - The profitability, if any, in any mining operation in which Fathom has an interest is significantly affected by changes in the market price of nickel, copper, platinum and palladium, and other base and precious metals, which fluctuate on a short-term basis and are affected by numerous factors beyond Fathom's control.

Reliance on Key Individuals – Fathom's success depends to a certain degree upon certain key members of the management. These individuals are a significant factor in Fathom's growth and success. The loss of the service of members of the management and certain key employees could have a material adverse effect on Fathom.

Corporate Governance
Fathom's Board of Directors follows corporate governance policies to ensure transparency and accountability to shareholders.

17. FORWARD LOOKING STATEMENTS

This MD&A contains forward-looking statements with respect to Fathom's expectations, estimates and projections regarding its business and the economic environment in which it operates. These forward-looking statements, by their nature, involve risks and uncertainties that could cause actual results to differ materially from those contemplated by such statements. When used in this document, the words "may", "would", "could", "will", "intend", "plan", "propose", "anticipate", and "believe", used by any of the Company's management, are intended to identify forward-looking statements. Such statements reflect the Company's forecasts, estimates and expectations, as they relate to the Company's views with respect to future events and are subject to certain risks, uncertainties, and assumptions. Many factors could cause the Company's performance or achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements. Given these risks and uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements. Except as required by securities law, the Company does not intend and does not assume any obligation, to update any such factors or to publicly announce the result of any revisions to any of the forward-looking statements contained herein to reflect future results, events, or developments.

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