GLOBAL ATOMIC CORPORATION

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

FOR THE YEAR ENDED
DECEMBER 31, 2020

Dated March 29, 2021

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The following discussion of the results of operations and financial condition of Global Atomic Corporation ("Global Atomic" or the "Company") prepared as of March 29, 2021 summarizes management's review of the factors that affected the Company's financial and operating performance for the twelve months ended December 31, 2020, and the factors reasonably expected to impact on future operations and results ("Management's Discussion and Analysis of Financial Condition and Results of Operations" or "MD&A").

This MD&A is intended to supplement and complement the Company's audited consolidated financial statements as at and for the twelve months ended December 31, 2020 ("Financial Statements") and the notes thereto, which were prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

Certain information and discussion included in this MD&A constitute forward-looking information, which should be read in consideration of the cautionary notes contained in the section "Forward-Looking Statements" at the end of this MD&A.

Further information about the Company and its operations can be obtained from the offices of the Company, at www.globalatomiccorp.com or from www.sedar.com.

HIGHLIGHTS

Dasa Uranium Project

- A Preliminary Economic Assessment ("PEA") of the Phase 1 Development Plan for the Dasa Uranium Deposit was completed, indicating an initial 12-year mine schedule to produce 44.1 million pounds U_3O_8, with an average processed grade of 5,396 ppm.
- The PEA estimates cash costs of US $16.72/lb U_3O_8, including corporate and all other off-site costs, and an all-in sustaining cost of US $18.39/lb U_3O_8.
- Based on a U_3O_8 price of US $35/lb, the after-tax NPV discounted at 8%, is $211 million for an after-tax IRR of 26.6%.
- A Feasibility Study to confirm Phase I PEA was initiated and various technical and trade-off studies undertaken.
- A pilot plant project to test and optimize the plant flow sheet was initiated.
- The Company submitted its Mining Permit application.
- An Environmental Impact Statement ("EIS") was completed and filed with the Niger Government.
- The Mining Permit for the Dasa Project was issued on December 23, 2020.

Turkish Zinc Joint Venture

- Commissioning of the new Turkish Zinc recovery plant was completed in Q1 2020 and targeted operating efficiencies attained by year end.
- The Company's share of the Turkish Zinc Joint Venture ("Turkish JV") EBITDA was $5.6 million in 2020 ($0.3 million in 2019).
- The non-recourse Turkish JV debt was US $21.75 million (Global Atomic share – US $10.88 million) at the end of 2020 and the cash balance was US $3.9 million.
- The Company's share of the Turkish JV loss was $1.0 million, including its $5.0 million share of non-cash expenses attributable to depreciation and unrealized foreign exchange losses.

Corporate

- Global Atomic continues to receive management fees and sales commissions from the Turkish JV, helping to offset corporate overhead costs.
- Ron Halas, P.Eng. was appointed Chief Operating Officer.
- Bob Tait was appointed Vice-President Investor Relations.
- Trace Arlaud, M.Eng., was appointed to the Board as an Independent Director.
- The Company completed a private placement of 5,538,335 Units on May 15th at a price of $0.60 per Unit for gross proceeds of $3,323,000. Each Unit comprised one common share and one-half warrant exercisable at $0.85 per common share over a 24-month period, subject to accelerated expiry should the shares close above $1.10 for 20 days.
- The Company upgraded its listing on the OTC market in the United States to the OTCQX market and made the Company's shares DTC eligible to facilitate electronic trade settlement. The upgraded listing provides Global Atomic with blue sky clearance in all but 5 States and allows the investment community to more broadly market the Company which facilitates wider investor participation in the Company's securities and increased liquidity.

SUBSEQUENT EVENTS

Dasa Uranium Project

- The Republic of Niger issued an Environmental Certificate of Compliance to the Company in January 2021.
- All permits are now in place for the development of the Dasa Project and commencement of commercial production.
- The Republic of Niger issued extensions for each of the six exploration permits held by the Company through December 17, 2023.
- The Pilot Plant project to test and optimize the process flow sheet launched in 2020 was successfully completed with results that surpassed the May 2020 PEA and feature higher uranium recoveries.
- An agreement was signed with Fuel Link Ltd. to develop a marketing strategy and negotiate uranium supply contracts with utilities.

Corporate

- $2.4 million proceeds were received in February as a result of the accelerated expiry of warrants issued pursuant to the May 2020 private placement.
- The Company completed a Bought Deal private placement of 6,250,000 Units on March 16th at a price of $2.00 per Unit for gross proceeds of $12,500,000. Each Unit comprised of one common share and one-half warrant exercisable at $3.00 per common share over an 18-month period.

OUTLOOK

Dasa Uranium Project

- A Feasibility Study to finalize the mine plan, process flow sheets, detailed engineering, capital and operating cost estimates is well underway and expected to be completed by the end of Q3 2021.
- Initial off-take agreement discussions are underway for yellowcake delivery as early as 2024 when the Dasa Mine is scheduled to begin commercial operations.

Turkish Zinc Joint Venture

- The Turkish zinc plant continues to operate at target operating efficiencies.
- Zinc price staged a strong recovery in 2020, and in 2021 has stayed above US $1.20/lb.
- Full repayment of the loan from Befesa is anticipated by the end of 2021, subject to the zinc price and EAFD availability.
- Turkish JV dividend payments will resume following repayment of the non-recourse loan from Befesa used for plant modernization.

Corporate

- Upon completion of the Dasa Project Feasibility Study, the Company will finalize agreements relating to uranium offtake contracts and project financing.

BACKGROUND

Global Atomic is a reporting issuer under applicable securities legislation in the provinces of Alberta, British Columbia and Ontario and trades under the symbol “GLO” on the Toronto Stock Exchange (the “TSX”), under the symbol “GLATF” on the Over-The-Counter Market (the “OTC:QX”) in the United States of America and under the symbol “G12” on the Frankfurt Stock Exchange.

On December 22, 2017, the predecessor company, Silvermet Inc., completed the acquisition of Global Atomic Fuels Corporation (“GAFC”). Under the terms of the transaction, GAFC amalgamated with a wholly-owned subsidiary of Global Atomic, and all of the issued and outstanding common shares of GAFC were acquired by Silvermet, now “the Company”, in exchange for the issuance of 2.147 common shares of the Company for each GAFC share. On completion of the transaction, the Company consolidated its share capital on the basis of one new share for every 2.75 shares outstanding. Silvermet Inc. also changed its name to Global Atomic Corporation.

Global Atomic is headquartered in Toronto, Canada and is incorporated under the laws of the Province of Ontario. Global Atomic and its subsidiaries have two principal lines of business:

1. the processing of electric arc furnace dust (“EAFD”) obtained from steel companies through a Waelz kiln to recover zinc and produce a high-grade zinc concentrate in Turkey for sale to smelters.

2. the acquisition, exploration and development of uranium properties, with the Dasa Project currently under development in Niger.

URANIUM BUSINESS

The Company carries out its Niger uranium exploration and development activities through its wholly-owned subsidiary, GAFC. GAFC was incorporated on January 31, 2005 to pursue uranium mining projects. After an analysis of the prospective exploration sites in Niger, GAFC entered into six Mining Agreements with the Government of the Republic of Niger. Each Mining Agreement covers a period of 20 years. Under the terms of a Mining Agreement, GAFC is granted an initial three-year Exploration Permit, which is renewable for two successive 3 year periods. Upon completion of a Feasibility Study and Environmental Impact Statement, a Mining Permit may be granted for an initial term of 10 years and is renewable for successive five year terms until the resource is depleted. The Mining Permit for the Dasa Project was issued on December 23, 2020.

In January 2007, GAFC entered into 4 Mining Agreements known as Tin Negoran 1, 2, 3 and 4. In September 2007, GAFC entered into 2 additional Mining Agreements known as Adrar Emoles 3 and 4.

(All amounts in Canadian Dollars, unless otherwise stated)

The original area covered by each Mining Agreement was approximately 500 km^2. Upon each renewal of Exploration Permits, GAFC is required to reduce the area covered by the Mining Agreement by 50%. The area covered by each Mining Agreement is currently as follows:

Tin Negoran 1	119.7 km2
Tin Negoran 2	122.1 km2
Tin Negoran 3	124.3 km2
Tin Negoran 4	120.1 km2
Adrar Emoles 3	121.2 km2
Adrar Emoles 4	120.1 km2
	727.5 km2

After entering the Mining Agreements, GAFC acquired historic exploration and drilling data that had been compiled on the 6 permit areas. GAFC initially began exploration work on the Tin Negoran permits where a small surface deposit was delineated and the Isakanan prospect located on the Adrar Emoles 4 permit, where a deposit, potentially amenable to In Situ Leaching, was delineated. In late 2009, a surface mapping and reconnaissance program was initiated around the Dajy prospect located on the Adrar Emoles 3 permit, which led to the discovery of high grade surface mineralization approximately 2 km northeast of the Dajy prospect, which was named the Dasa Project.

Drilling during 2010 and 2011 was concentrated on Dasa with drill depths less than 100 meters and drilled by vertical rotary holes. This initial drilling led to the discovery of surface mineralization hosted in Tchirezrine 2 sandstone. In 2012, during a deeper drilling campaign (up to 754 metres), GAFC discovered the main graben hosted deposit at Dasa. Drilling in this area below 250 meters targeted the Triassic-Jurassic sandstones, Tchirezrine 2 formation (which also hosts Orano's large Imouraren deposit) and subsequently, the Carboniferous formations (which also host Orano's Cominak and Somair deposits at Arlit).

Resources

Since 2011, GAFC's exploration activities have been primarily focused on the Dasa deposit. In 2018, GAFC began a drill program at an area identified as the "Flank Zone" to assess the potential for near-surface high-grade mineralization, as well as testing strike extensions of the deeper mineralization at depth. The Company was successful with both programs. The drilling identified significant amounts of high-grade mineralization in the Flank Zone and in several new zones along strike and down dip. Using this new data, CSA Global Pty. Ltd. ("CSA Global"), was engaged to prepare an updated Mineral Resource Estimate ("MRE") that was reported in a technical report on July 31, 2019 with an effective date of June 1, 2019.

(All amounts in Canadian Dollars, unless otherwise stated)

Highlights from the MRE included a grade-tonnage report at varying cut-off grades and are summarized in the following table.

Grade-Tonnage report, highlights from July 18, 2019 MRE				
Cut-Off	Category	Tonnes	eU_3O_8	Contained metal
eU_3O_8, ppm		Mt	ppm	Mlb
100	Indicated	81.6	718	129.1
	Inferred	96.1	606	128.4
300	Indicated	34.4	1,446	109.6
	Inferred	37.6	1,260	104.6
1,000	Indicated	9.6	3,885	82.1
	Inferred	10.2	3,308	74.2
2,000	Indicated	4.6	6,624	66.8
	Inferred	4.5	5,713	56.8
2,500	Indicated	3.6	7,849	61.9
	Inferred	3.4	6,838	51.4
5,000	Indicated	1.6	13,186	46.8
	Inferred	1.6	10,805	37.2
10,000	Indicated	0.6	24,401	31.1
	Inferred	0.8	14,598	25.3
15,000	Indicated	0.3	34,236	24.3
	Inferred	0.1	21,493	4.0

At the time of the MRE, Global Atomic was operating on the premise that the Dasa resource would be mined initially by the open pit method and then going underground once a certain depth had been reached. Various trade-off studies were completed during 2019 and ultimately, it was concluded that development of an underground mine would be more efficient and profitable than an open pit mine by targeting the high grade Flank Zone as the initial mining area.

Preliminary Economic Assessment

Based on the 2019 MRE, CSA Global was engaged to prepare a Preliminary Economic Assessment ("PEA") of the Flank Zone, referred to as a Phase 1 mine. A technical report prepared pursuant to Canadian Securities Administrators' National Instrument 43-101 with an effective date of April 15, 2020 is available on the Company's website (www.globalatomiccorp.com) and was filed on SEDAR on May 20, 2020.

The Phase 1 mine plan developed for the PEA comprises the Flank Zone and indicates that this part of the mine could operate for twelve years, including ramp up, and at steady state, mining is planned to produce over 4 million pounds U_3O_8 per annum. The PEA proposes the development of an underground mine using a sublevel blast-hole retreat with cemented paste backfill as a mining method on 20 metre sublevel spacings.

The Phase 1 mine plan considered only the stope shapes above cut-off grade ("COG"). To generate stope shapes, the MSO mine design tool has been used applying 2,300 parts per million ("ppm") U_3O_8 COG. Within the Phase 1 mine plan considered in the PEA, only high grade mineralized material down to a maximum depth of 594 meters below surface has been included. All stopes with grades below the COG have been eliminated from the actual evaluation, although within individual stopes there does exist some lower grade material as shown in the table below.

Mining Parameters	LOM Total	Grade U_3O_8	Contained U_3O_8
Units	*M tonnes*	*ppm*	*M lbs*
High Grade Mineralized Material	1.25	11,305	31.1
Medium Grade Mineralized Material	0.98	3,777	8.2
Low Grade Mineralized Material	1.29	2,538	7.2
Lowest Grade Mineralized Material	0.61	1,114	1.5
Total Mined Material	***4.13***	***5,274***	***48.0***
Closing Stockpile	-0.10	475	-0.1
Total Processed Mineralized Material	***4.03***	***5,396***	***47.9***
Waste material	***0.99***		**-**

The Project in the PEA envisioned the use conventional uranium processing techniques, comprised of dry SAG grinding and classification; pug-leaching and curing; uranium extraction circuit (re-pulping and solid liquid separation); uranium purification and precipitation circuit; drying and packaging; and a paste plant for mine backfill. Based on considerable metallurgical test work, a recovery of 92% is estimated over the life of the Project, which is planned to produce 44.1 million pounds of U_3O_8 as yellowcake during Phase 1 operations.

The plant is designed with a capacity of 1,000 tonnes per day (t/d) or 365,000 tonnes per annum (t/a) using a modularised design. Layout has been optimised to enable the addition of more processing lines in the future.

Operating Cost(1)	LOM ($million)	$/lb U_3O_8 Recovered	$/tonne of Feed
Mining Cost	181	4.12	45
Processing Cost	219	4.97	54
G&A Cost	195	4.43	48
Cash Cost	**596**	**13.52**	**148**
Royalty (sliding scale based on EBIT formula)	141	3.20	35
Total Cash Cost	**737**	**16.72**	**183**
Sustaining Capital	73	1.67	18
AISC(2)	**811**	**18.39**	**201**

(1) Due to rounding, some columns may not total exactly as shown
(2) All-in sustaining cost per pound of U_3O_8 represents mining, processing and site G&A costs, royalty, off site costs and sustaining expenditures, divided by payable 44.1 million pounds of U_3O_8

Capital Costs[1]	Initial ($million)	Sustaining Capital ($million)	LOM ($million)
Mining	55	43	97
Processing	67	4	71
Infrastructure	39	0	39
Total Direct Capital Costs	**161**	**46**	**207**
Indirect & Owner's Cost	12	4	16
Total Direct and Indirect Capital Costs	**173**	**51**	**223**
Contingency	30	13	43
Reclamation	0	10	10
Total Capital Costs	**203**	**73**	**276**

(1) Due to rounding, some columns may not total exactly as shown

PEA Summary

The objective of the PEA was to assess the potential economic and technical viability of uranium production at the Dasa Project as an integrated operating facility to mine and produce yellowcake on the property. Summary project metrics are shown in the table below:

Summary Project Metrics @ US$35/lb U_3O_8		
Project Economics		
Average Royalty rate (based on Mining Code sliding scale)	%	9.1%
Average annual mine EBITDA[1]	$M	$93.8
After-tax NPV (8% discount rate)	$M	$211
After-tax IRR	%	26.6%
Undiscounted after-tax cash flow (net of capex)	$M	$437
After-tax payback period	Years	4.00
Unit Operating Costs		
LOM average cash cost[2]	$/lb U_3O_8	$16.72
AISC[2]	$/lb U_3O_8	$18.39
Production Profile		
Mine Life	Years	12
Total tonnes of mineralized material processed	M Tonnes	4.0
Peak tonnes per day mineralized material	Tonnes/day	1,124
Mill Head Grade	ppm	5,396
Overall Mill Recovery	%	92%
Total Lbs U_3O_8 processed	Mlbs	47.9
Total Lbs U_3O_8 recovered	Mlbs	44.1
Average annual Lbs U_3O_8 production	Mlbs	4.4
Peak annual Lbs U_3O_8 production	Mlbs	5.2

(1) Mine EBITDA is a non-IFRS measure, does not have a standardized meaning prescribed by IFRS and may not be comparable to similar terms and measures presented by other issuers. Mine EBITDA comprises earnings before income taxes, interest expense (income) and financing expense (income), amortization expense, and other expenses including corporate costs.

(2) Cash costs include all mining, processing, site G&A, and royalty costs, as well as all head office and other off-site costs. All-in sustain costs ("AISC") include cash costs plus capital expenditures forecast after the start of commercial production.

(All amounts in Canadian Dollars, unless otherwise stated)

The economic analysis for the PEA was done via a discounted cash flow ("DCF") model based on the mining inventory from the PEA Phase 1 mine plan and a price of US$35 per pound of U_3O_8. Sensitivity analysis was carried out at $5 per pound price intervals from $25 per pound to $50 per pound, as shown in the table below. The DCF includes an assessment of the current tax regime and royalty requirements in Niger. Net present value ("NPV") figures are calculated using a range of discount rates as shown. The discount rate used for the base-case analysis is 8% ("NPV_8"). Cash flows are discounted to the start of first construction.

Economic sensitivity with varying uranium prices[1]						
Uranium price (per pound)	**$25/lb**	**$30/lb**	**$35/lb**	**$40/lb**	**$45/lb**	**$50/lb**
Before-tax NPV @ 8%	$41 M	$139 M	**$260 M**	$365 M	$485 M	$601 M
After-tax NPV @ 8%	$34 M	$113 M	**$211 M**	$294 M	$391 M	$485 M
After-tax IRR	11.5%	18.5%	**26.6%**	32.6%	39.7%	46.3%

(1) Mine Stope Optimization ("MSO") and schedule for all uranium price sensitivities used the MSO base case model at $35 per pound uranium

Economic sensitivity with varying discount rates using base-case uranium price $35/lb				
Discount rate (%)	**5%**	**8%**	**10%**	**12%**
Before-tax NPV	$341 M	**$260 M**	$215 M	$177 M
After-tax NPV	$279 M	**$211 M**	$173 M	$141 M

Feasibility Study

Upon completion of the PEA, the Company undertook various optimization and trade-off studies to support its final Feasibility Study, including:

- A pilot plant project to further refine the flow sheet and optimize reagent use
- A structural drilling program to provide data needed for final mine plan engineering and portal location
- Trade-off studies to optimize mining methods and related parameters
- Trade-off studies to optimize its tailings storage facility
- Testing of alternative backfill methods to optimize the final selection

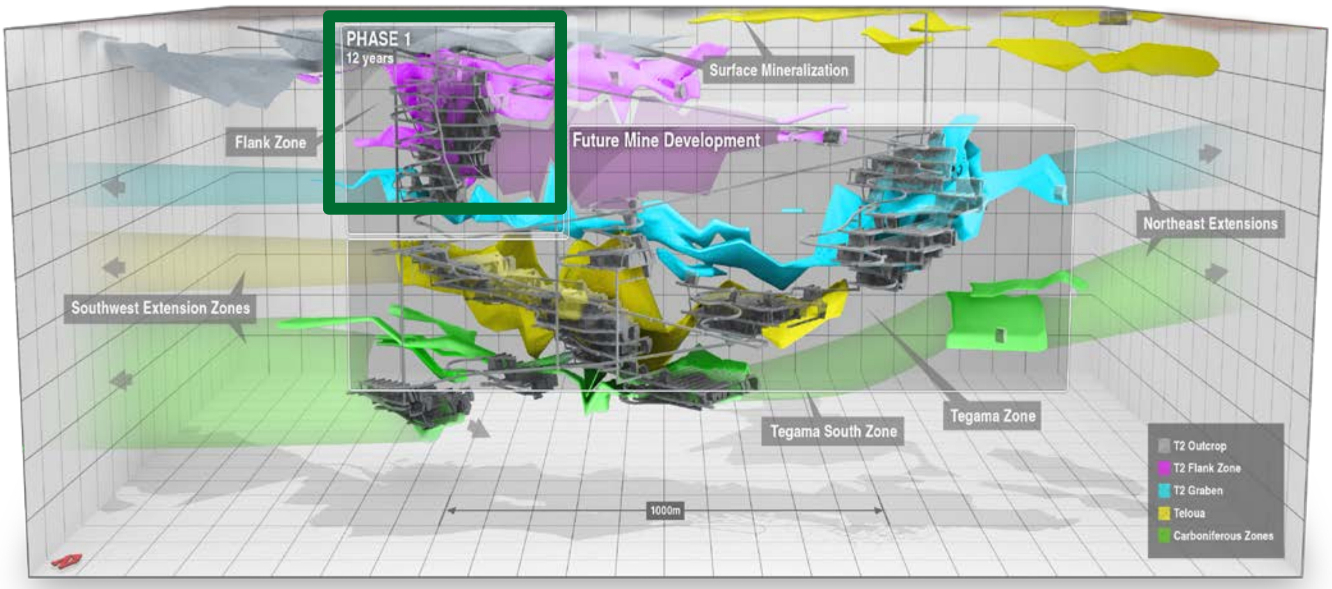
The final Feasibility Study for the Dasa deposit is presently underway and is expected to be complete in Q3 2021. The Company is investigating various financing strategies that will enable it to begin construction of the mine and processing facility in 2022, with completion by the end of 2024.

Mining Permits

In September 2020, GAFC applied for Mining Permit on the Dasa deposit; Mining Permit was subsequently awarded on December 23, 2020. The Company also completed its Environmental Impact Statement, and, on January 28, 2021 received its Environmental Certificate of Compliance. GAFC now holds all permits required to construct and mine the Dasa deposit.

Exploration Potential

The PEA presented a Phase 1 mine plan for the Dasa deposit based on the extraction 4.13 million tonnes of mineralised material from a sub-vertical section of the deposit on the flank of the graben, from depths of approximately 70 meters to 600 meters below surface. It is expected the mine life will extend well past the initial 12 years, as can be seen from the longitudinal section shown below. Drilling has defined a large deposit with resources currently in the Indicated and Inferred categories (see previous MRE table), which will be upgraded with additional drilling. In addition, the deposit remains open along strike and at depth.



With the discovery of the Dasa uranium deposit, the Company's focus in recent years has been on Dasa, including the development of a uranium processing facility to support commercial production. Within the Adrar Emoles 3 Exploration Permit there remains significant potential to extend the known resources of the high-grade Dasa deposit along both strike and at depth.

There also exists a geological prospect within Adrar Emoles 3 known as Dajy, where historical drilling encountered prospective widths and grades within the Tarat stratigraphic unit, the same geological structure that hosts Orano Mining's Somaïr mine. Further potential exists along strike of the Isakanan prospect on the adjacent Adrar Emoles 4 Exploration Permit. Historical drilling on the Isakanan prospect outlined a formation that will be further drilled and tested for in-situ recovery (ISR) potential.

The Tin Negoran Exploration Permits have been the target of over 10,000 metres of drilling by Global Atomic. Areas of extensive outcropping and near-surface mineralization will be further tested to determine the potential for open pit mining. The Tin Negoran Exploration Permits are within 100 kilometres of the Dasa deposit.

On January 21, 2021, GAFC was awarded a further extension on all 6 Exploration Permits through to December 17, 2023. The Company intends to further explore these permit areas to identify additional deposits which may be developed to feed the Dasa processing facility. All six Exploration Permit areas lie within the Tim Mersoï Basin which has produced uranium for the Republic of Niger for the past 50 years.

<u>TURKISH ZINC EAFD OPERATIONS</u>

The Company's Turkish EAFD business operates through a joint venture with Befesa Zinc S.A.U. ("Befesa"), an industry leading Spanish company that operates a number of Waelz kilns throughout Europe and Asia. On October 27, 2010, Global Atomic and Befesa established joint venture, known as Befesa Silvermet Turkey, S.L. ("BST" or the "Turkish

JV") to operate an existing plant and develop the EAFD recycling business in Turkey. BST is held 51% by Befesa and 49% by Global Atomic. A Shareholders Agreement governs the relationship between the parties. Under the terms of the Shareholders Agreement, management fees and sales commissions are distributed pro rata to Befesa and Global Atomic. Net income earned each year in Turkey, less funds needed to fund operations, must be distributed to the partners annually, immediately following the BST annual meeting, which is usually held in the second quarter of the following year.

BST owns and operates an EAFD processing plant in Iskenderun, Turkey. The plant processes EAFD containing 25% to 30% zinc that is obtained from electric arc steel mills, and produces a zinc concentrate grading 68% to 70% zinc that is then sold to zinc smelters.

Global Atomic holds a 49% interest in the Turkish JV and, as such, the investment is accounted for using the equity basis of accounting. Under this basis of accounting, the Company's share of the BST's earnings is shown as a single line in its Consolidated Statements of Income (Loss).

In 2018, BST approved a capital project to modernize and expand the Iskenderun plant. The project began in 2018 and was completed in 2019. In January 2019, the Iskenderun plant shut down so that the site reconstruction could begin. Commissioning of the new plant was completed in August 2019 and production ramp up began in September. The Iskenderun plant now has the capacity to process 110,000 tonnes EAFD per annum, an increase from the 65,000 tonnes per annum previous capacity.

The following table summarizes comparative results for 2020 and 2019 of the Turkish JV at 100%.

	Year ended December 31, 2020 100%	2019 100%
Net sales revenues	$ 33,330,563	$ 10,475,245
Cost of sales	23,537,347	9,620,079
Foreign exchange (gain)	(1,609,936)	115,439
EBITDA(1)	$ 11,403,152	$ 739,727
Management fees & sales commissions	1,560,743	499,815
Depreciation	3,183,605	1,424,310
Interest expense	1,754,562	559,544
Foreign exchange loss	6,933,343	73,173
Other expense (income)	14,690	(19,367)
Loss (gain) on property disposition	(64,040)	203,004
Tax expense (recovery)	86,738	(17,656,270)
Net income (loss)	$ (2,066,489)	$ 15,655,518
Global Atomic's equity share	$ (1,012,580)	$ 7,671,204
Global Atomic's share of EBITDA	$ 5,587,544	$ 362,466

(1) EBITDA is a non-IFRS measure, does not have a standardized meaning prescribed by IFRS and may not be comparable to similar terms and measures presented by other issuers. EBITDA comprises earnings before income taxes, interest expense (income), foreign exchange loss (gain) on debt, depreciation, management fees, sales commissions, losses (gains) on sale of property, plant and equipment and impairment charges.

Zinc concentrates are sold to smelters in US dollars. Because the Turkish Lira is the functional currency of the Turkish operations, sales are converted to Turkish Lira at the date of the sale. When funds are subsequently received, the US dollar receipts are translated to Turkish Lira. The Turkish Lira depreciated in both 2019 and 2020, with the result that exchange gains were recognized on sales when converted to Turkish Lira. In calculating EBITDA, these exchange changes related to the functional and reporting currencies are treated as operations related (i.e., above the EBITDA subtotal).

The total cost for the plant modernization and expansion was approximately US $26.6 million, which was funded by cash on hand, available credit lines from the BST's Turkish bank and non-recourse loans from Befesa. At December 31, 2020, the Befesa loans totalled US $13.6 million and bears interest at Libor + 4.0% with no fixed maturity date. The Turkish bank loans were renewed in August and September and converted to revolving lines of credit. The outstanding balance on December 31, 2020 was US $8.15 million and bears interest at 3.05%.

The loans are denominated in US dollars but converted to Turkish Lira for functional currency accounting purposes. For presentation purposes, the equity interests are then converted to Canadian dollars. The foreign exchange loss for the 12 months ended December 31, 2020 related to the Turkish JV debt and cash balances was $6.9 million.

This foreign exchange loss is an unrealized loss, and largely relates to the devaluation of the Turkish Lira relative to the US dollar from 5.95 on December 31, 2019 to 7.43 at December 31, 2020. In economic terms, all revenues are received in US dollars and these will be used to pay down the US denominated debt, so no exchange gains/losses will be realized in US dollar terms. The accounting exchange losses relate to the debt and cash balances are shown below EBITDA as a financing related cost.

Tax expense (income) shown in the income statement is a non-cash deferred tax amount. The 2019 tax recovery arises largely due to the recognition of investment tax credits. Turkish entities qualified for an investment tax credit incentive on the new plant, of which TL 77.4 million ($13.3 million) remains as a carry-forward balance at the end of 2020.

Overall, the Company's share of EBITDA was $5.6 million in 2020 ($11.4 million at 100%). After deduction of management fees, sales commissions and interest expense ($3.3 million) and non-cash depreciation, foreign exchange losses and deferred taxes ($10.2 million), the Company's share of net loss was $1.0 million ($2.1 million at 100%).

The following table summarizes comparative operational metrics of the Iskenderun facility.

	Year ended December 31,	
	2020 **100%**	**2019** **100%**
Exchange rate (TL/C$, average)	5.24	4.28
Exchange rate (C$/US$, average)	1.34	1.33
Exchange rate (TL/C$, period-end)	5.84	4.58
Exchange rate (C$/US$, period-end)	1.27	1.30
EAFD processed (DMT)	68,841	24,327
Average zinc price (US$/LB.)	1.03	1.16
Production (DMT)	25,594	7,650
Shipments (DMT)	26,600	6,735
Shipments (zinc content, 000 lb.)	40,665	10,138

The average zinc price in 2020 was US $1.03/lb, down from US $1.16/lb in 2019. The zinc price was US $1.04/lb at the start of 2020 and with improved market sentiment, the zinc prices reached a peak of US $1.12/lb on January 22nd. Thereafter, reduced market demand initially from China and then globally, resulting from the COVID-19 outbreak, resulted in price declines, reaching a low of US $0.80/lb on March 25th. The zinc price remained under pressure in Q2 2020, strengthened considerably in Q3 and through year-end to finish the year at US $1.24/lb.

With the impact of COVID-19 lock downs around the world, global steel production declined by 9.6% in Q2 2020 compared to Q2 2019. However, a general recovery began in Q3 and in Q4, world steel production increased 6.1% over the comparable 2019 period. Year over year, global steel production declined by 0.9%. The year-over-year impact by region was mixed: Chinese production increased 5.2%; European Union production declined 11.8%; North American production declined 15.5%, and Turkish production increased by 6.0%.

The capacity of the Turkish steel industry is approximately 50 million tonnes annually. Electric arc furnace steel producers account for 76% of such capacity. In 2020, the Turkish steel industry produced 35.8 million tonnes steel, of which, 11.0 million tonnes were produced from blast furnaces and 24.8 million tonnes from electric arc furnaces. Utilization in electric arc furnace steel plants (the source of EAFD) is estimated to have been approximately 65%, up from 60% in 2019. Based on EAFD processing capacity, it is estimated that EAFD processing capacity would be fully utilized if electric arc furnace steel plants are operating at approximately 80% capacity.

(All amounts in Canadian Dollars, unless otherwise stated)

The 2019 operations of the Iskenderun plant are not comparable since the plant was closed for reconstruction between January and September. In 2020, BST processed 68,841 tonnes EAFD, which represents approximately 63% of plant capacity. BST shipped 26,600 tonnes concentrates in 2020, containing 40.7 million pounds of zinc. At various times in 2020, the plant was shutdown for scheduled maintenance as well as completion of final adjustments to the new plant. By year end, the plant was operating at the efficiency levels that had been planned prior to the reconstruction and has continued to do so in 2021.

COMPARATIVE RESULTS

The following table summarizes comparative results of operations of the Company:

		Year ended December 31,		
		2020		2019
Revenues	$	707,552	$	239,451
General and administration		3,397,564		4,222,848
Share of loss (net earnings) from joint venture		1,012,580		(7,671,204)
Finance expense		16,787		24,548
Foreign exchange loss		4,371		46,426
Other income		(86,044)		(120,000)
Net income (loss)	$	(3,637,706)	$	3,736,833
Other comprehensive income (loss)	$	(1,490,473)	$	(4,014,184)
Comprehensive income (loss)	$	(5,128,179)	$	(277,351)
Basic net income (loss) per share		($0.024)		$0.026
Diluted net income (loss) per share		($0.024)		$0.025
Basic weighted-average number of shares outstanding		149,403,862		143,434,883
Diluted weighted-average number of shares outstanding		149,403,862		150,561,905
Cash dividends declared		$0.000		$0.000

		As at December 31,		
		2020		2019
Cash	$	2,448,235	$	3,890,665
Exploration & evaluation assets		38,676,797		33,218,747
Investment in joint venture		11,497,351		15,870,717
Other assets		418,704		624,949
Total assets	$	53,041,087	$	53,605,078
Total current financial liabilities	$	1,231,149	$	599,833
Total non-current financial liabilities	$	-	$	47,922

The consolidated financial statements reflect the equity method of accounting for Global Atomic's interest in the Turkish JV. The Company's share of net earnings and net assets are disclosed in the notes to the financial statements.

(All amounts in Canadian Dollars, unless otherwise stated)

Revenues include management fees and sales commissions received from the joint venture. These are based on joint venture revenues generated and zinc concentrate tonnes sold. The lower 2019 revenues reflect the shut down of the plant to enable reconstruction.

General and administration costs at the corporate level include general office and management expenses, stock option awards, costs related to maintaining a public listing, professional fees, audit, legal, accounting, tax and consultants' costs, insurance, travel, and other miscellaneous office expenses. The variance between the years is largely due to higher stock option grants in 2019.

Share of net earnings from joint venture represents Global Atomic's equity share of net earnings from the Turkish JV. Earnings from operations in 2019 declined due to the shut down of the plant for reconstruction, offset in large part by the tax benefit recognized due to investment tax credits available to reduce future income taxes. The loss in 2020 results from non-cash depreciation expense and the non-cash loss on foreign exchange related to the US dollar denominated joint venture debt.

SELECTED QUARTERLY FINANCIAL INFORMATION

	Revenues	Net income (loss)	Net income (loss) per share
2020			
Q4	$ 111,674	$ 831,402	$ 0.006
Q3	146,225	(1,882,472)	(0.012)
Q2	225,456	(1,067,553)	(0.008)
Q1	224,197	(1,519,083)	(0.010)
2019			
Q4	$ 166,076	$ (942,435)	$ (0.006)
Q3	19,697	790,048	0.005
Q2	-	2,311,576	0.016
Q1	53,678	1,577,644	0.011

All quarterly values reflect Global Atomic's 49% interest in the Turkish JV using the equity method, with the Company's share of net earnings of the joint venture. The presentation currency is Canadian dollars.

- The Company's revenues are based on management fees and sales commissions received from Turkish JV, which in turn, vary from quarter to quarter based on zinc prices and sales volumes.
- Net income is primarily impacted by changes in the equity income recorded for the Turkish JV. The Q4 positive net income reflects the positive contribution to equity income in the 4th quarter, resulting from improved zinc prices and improved Turkish Lira exchange rates.
- Stock-based compensation is granted to management, contractors and directors from time to time, and impacts quarterly results accordingly.

LIQUIDITY AND FINANCIAL POSITION

The Company had a working capital surplus of $2.2 million at December 31, 2020 ($3.7 million at December 31, 2019). During 2020, the Company spent $3.6 million on exploration and evaluation expenditures related to its Niger uranium properties ($2.7 million in 2019).

Throughout the year, the Company receives its share of management fees and sales commissions from the Turkish operations, which help fund the various corporate costs.

For the year 2020, the Company realized $0.1 million from the exercise of stock options ($0.7 million in 2019) and $0.1 million from the exercise of warrants ($0.4 million in 2019).

In January 2019, the Company completed a private placement of common shares for $1.3 million. In May 2020, the Company completed a private placement of units for gross proceeds of $3.3 million.

The Turkish JV modernization was funded in part by debt that is non-recourse to the joint venture partners. On December 31, 2020, US $8.15 million was owing to Turkish banks under lines of credit and US $13.6 million was owing to Befesa. No dividends will be paid until the Befesa loan has been repaid or refinanced. At present, the Befesa debt is expected to be repaid in 2021 and dividends may resume in 2022, depending on zinc prices and availability of EAFD supplies.

Subsequent to the year end, proceeds of $2.4 million were received from the accelerated expiration date of outstanding warrants. The Company also completed a private placement on March 16, 2021 for gross proceeds of $12.5 million. These funds will be used to complete the Feasibility Study, advance the Dasa Project toward production, and for general corporate purposes.

The Company will require additional funding to advance the Dasa Project to production. The Company expects to begin construction in 2022. The Company is pursuing opportunities to fund the required construction and start-up capital, and is considering project finance, sales contract prepayments, equity, and other sources of funding. However, there can be no assurance that such financing will be available on a timely basis and under terms which are acceptable to the Company.

CAPITAL MANAGEMENT

In managing its capital, the Company's objective is to ensure the Company is able to continue its operations and that it has sufficient ability to satisfy its capital obligations and ongoing operational expenses. The Company considers the components of shareholders' equity, as well as its cash and equivalents, notes receivable, credit facilities and long-term loan obligations as capital. Management adjusts the capital structure as necessary in order to support its business strategy. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management team to sustain current operations and future development of the business. The Company is not subject to externally imposed capital requirements.

FINANCIAL RISK FACTORS

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk (including interest rate, foreign exchange rate, and commodity and equity price risk) which are listed in Note 21 of its audited consolidated financial statements for the year ended December 31, 2020.

RELATED PARTY TRANSACTIONS

The Company lists its related party transactions in Note 13 of its audited consolidated financial statements for the year ended December 31, 2020.

OFF-BALANCE SHEET TRANSACTIONS

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

SIGNIFICANT ACCOUNTING POLICIES AND CRITICAL ACCOUNTING ESTIMATES & JUDGEMENTS

The Company prepares its consolidated financial statements in conformity with International Financial Reporting Standards ("IFRS"). The preparation of the Company's consolidated financial statements requires management to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses. Significant accounting policies and critical accounting estimates and judgments are described in Notes 3 and 5 of the Company's audited consolidated financial statements for the year ended December 31, 2020.

CHANGES IN ACCOUNTING POLICIES

The Company describes the effect of changes in accounting policies in Note 4 of its audited consolidated financial statements for the year ended December 31, 2020. Future changes in accounting policies are also covered in Note 4.

DISCLOSURE OF INTERNAL CONTROLS

The Company's management, with the participation of its President and Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of Global Atomic's internal controls over financial reporting and disclosure controls and procedures as at December 31, 2020. In making this evaluation, management used the criteria set forth in Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on that evaluation, the Company's President and Chief Executive Officer and Chief Financial Officer concluded that, as at December 31, 2020, the Company's internal controls over financial reporting and disclosure controls and procedures were effective to provide reasonable assurance that the information required to be disclosed by the Company in reports it files is recorded, processed, summarized and reported within the appropriate time periods. There was no change in the Company's internal controls over financial reporting that occurred during the year ended December 31, 2020 that has materially affected, or is reasonably likely to materially affect, the Company's internal controls over financial reporting.

The Company's management, including the President and Chief Executive Officer and the Chief Financial Officer, does not expect that its internal controls over financial reporting and disclosure controls and procedures will prevent or detect all errors and frauds. A cost-effective system of internal controls, no matter how well conceived or operated, can provide only reasonable, not absolute, assurance that the objectives of the internal controls over financial reporting are achieved.

RISKS AND UNCERTAINTIES

General Risks

Limited Operating History

The Company has a limited history of operations, business and mining operations, and no mineral production history. The Company is subject to all of the business risks and uncertainties associated with any new business enterprise, including the risk that it will not achieve its growth objective. There is no assurance that the Company will be able to successfully complete its financing and development plans or operate profitably over the short or long term. The Company has incurred net losses and negative cash flow from mineral operations to date and there is no assurance that the Company will earn profits, or that profitability, if achieved, will be sustained. Shareholders will have to rely on the expertise and good faith of management to identify, acquire, develop and operate commercially viable mineral projects. No assurance can be given that the Company's investigations and efforts will result in the acquisition and development of commercially viable mineral sources. If the Company's efforts are unsuccessful over a prolonged period of time, the Company may have insufficient working capital to continue to meet its ongoing obligations and its ability to obtain additional financing necessary to continue operations may also be adversely affected. Even if the Company is successful in developing one or more mineral projects, there is no assurance that these projects will be profitable.

To minimize this risk, management has drawn on its own prior mining experience and the advice of external mining and metallurgical experts to prepare a PEA in accordance with NI 43-101 which outlines, in detail, the geology of the Dasa deposit, its mineral content as well as the mining method and year by year estimates the construction, mining and milling costs. The PEA estimates a robust IRR using conservative assumptions and includes a 20% contingency in the capital costs. The Company has successfully run a Pilot Plant in Canada with ore from Dasa which confirmed the process flow sheet as originally defined in the PEA. Further, external engineers are in the process of preparing a more detailed Feasibility Study and have conducted several trade-off studies to make informed choices relating to mining methods, backfill options, milling processes and tailings treatment.

Inability to Manage Growth

If the Company is unable to effectively manage its planned growth and expansion, its growth strategy could be negatively affected. Any inability to manage growth effectively could have a material adverse effect on the business, results of operations and financial condition of the Company.

To effectively manage growth and expansion, management's growth strategy is focussed solely on the Dasa Project in Niger, management holds weekly meetings to monitor the project and has engaged external engineering firms for the execution of this project and separate consultants to review the project management process.

Exploration, Development and Operating Risks

The Company's mining and exploration activities involve significant risks, which even a combination of careful evaluation, experience and knowledge may not eliminate. Few properties which are explored are ultimately developed into producing mines.

Substantial Capital Requirements and Liquidity

Substantial additional funds for the establishment of the Company's current and planned mineral exploration and development will be required. No assurances can be given that the Company will be able to raise the additional funding that may be required for such activities, should such funding not be fully generated from operations. Mineral prices, environmental rehabilitation or restitution, revenues, taxes, transportation costs, capital expenditures and operating expenses and geological results are all factors, which will have an impact on the amount of additional capital that may be required. To meet such funding requirements, the Company may be required to undertake additional equity financing, which would be dilutive to shareholders. Debt financing, if available, may also involve restrictions on financing and operating activities. There is no assurance that additional financing will be available on terms acceptable to the Company or at all. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and pursue only those projects that can be funded through cash flows generated from its existing operations, if any.

The recent financing in March 2021, which was oversubscribed, successfully raised $12.5 million primarily to advance the Dasa Project. While further financing will be required to build the Dasa mine and mill, the Company has already initiated discussions with several financial institutions and advisors and is completing several initiatives to facilitate financing, including the completion of a Feasibility Study in Q3 2021 and engaging with nuclear utilities to sign off-take agreements for at least some of the yellowcake that Dasa is expected to produce.

Fluctuating Mineral Prices and Marketability of Minerals

The economics of mineral exploration are affected by many factors beyond the Company’s control, including commodity prices, the cost of operations, variations in the grade of minerals explored and fluctuations in the market price of minerals. Depending on the price of minerals, the Company may determine that it is impractical to continue a mineral exploration operation.

Mineral prices are prone to fluctuations and the marketability of minerals is affected by government regulation relating to price, royalties, allowable production and the importing and exporting of minerals, the effect of which cannot be accurately predicted. There is no assurance that a profitable market will exist for the sale of any minerals found on the Dasa Project or other properties in which the Company has an interest.

One of the key characteristics of the Dasa Project is its high-grade ore close to surface, which according to the PEA can be mined for an AISC cost of US$18.39 per pound U_3O_8, which is well below the spot price in 2021 and well below the average mining costs across the industry. This will allow Dasa to operate profitably at uranium prices below the cost of most mines. The Pilot Plant studies reported in early 2021 also indicate that the ore from Dasa has few impurities and high recovery rates using the proposed metallurgical process and therefore the yellowcake produced should be very saleable.

General Economic Conditions

The events in global financial markets recently have had a profound impact on the global economy. Many industries, including the mineral resource industry, are impacted by these market conditions. Some of the key impacts of a possible financial market turmoil include contraction in credit markets resulting in a widening of credit risk, devaluations and high volatility in global equity, commodity, foreign exchange and metal markets, and a lack of market liquidity. A slowdown in the financial markets or other economic conditions, including but not limited to, consumer spending, employment rates, business conditions, inflation, fuel and energy costs, consumer debt levels, lack of available credit, the state of the financial markets, interest rates, and tax rates may adversely affect the Company’s growth.

Mitigating these conditions is the global migration to processes including energy generation in ways that generate low or zero carbon emissions. Nuclear power, fuelled by uranium, is gaining higher acceptance as a baseload low carbon energy source. With some economic recovery from the COVID pandemic already underway, base metal demand and prices, including zinc, have risen significantly since mid-2020. While long-term growth is uncertain, near- to mid-term growth for both of the Company’s products is expected.

Competition

The mineral exploration and development industry is highly competitive. The Company competes with other mining companies, many of which have greater financial, technical and other resources than the Company, for, among other things, the acquisition of mineral claims, leases and other mineral interests as well as for the recruitment and retention of qualified employees and other personnel. Failure to compete successfully against other mining companies could have a material adverse effect on the Company and its prospects.

The Company does not anticipate competing to acquire other mining properties, as the development of the Dasa Project will occupy its entire focus in the short- to medium-term. One of the existing Niger uranium mines is closing at the end of March, due to depletion of its resources. This will result in the availability of a substantial and experienced underground mining and processing labour force. Competition in uranium markets has an impact on prices. However, the Company’s low operating costs will allow it to operate at lower prices than current uranium prices. Most other new projects that would bring substantial supply to the market are expected to require higher uranium prices.

Litigation

The Company and/or its directors may be subject to a variety of civil or other legal proceedings, with or without merit. At this time, there are no outstanding legal proceedings against the Company and/or its directors that are expected to have a material impact on the Company's financial position.

Cyber Security Threats

Information systems and other technologies, including those related to the Company's financial and operational management, are an integral part of the Company's business activities. Network and systems-related events, such as computer hacking, cyber-attacks, computer viruses, worms or other destructive or disruptive software, process breakdowns, denial of service attacks, malicious social engineering or other malicious attacks, or any combination of the foregoing, or power outages, natural disasters, terrorist attacks or other similar events, could result in damage to the Company's property, equipment and data. These events also could result in significant expenditures to repair or replace damaged property or information systems and/or to protect them from similar events in the future. Further any security breaches, such as misappropriation, misuse, leakage, falsification or accidental releases or losses of information maintained in the Company's information technology systems, including personnel and other data, could damage its reputation and require the Company to expend significant capital and other resources to remedy any such security breach. Insurance maintained by the Company against losses resulting from such events or security breaches may not be sufficient to cover any consequent losses or otherwise adequately compensate the Company for any disruptions to its business that may result, and the occurrence of any such events or security breaches could have a material adverse effect on the business of the Company. There can be no assurance that these events and security breaches will not occur in the future or not have an adverse effect on the business of the Company.

The Company mitigates these risks by maintaining firewalls to limit access to its information systems, as well as retaining off-site backup data should a breach of its security result in a loss of information.

Climate Change

The Company is subject to evolving climate change legislation that may increase both compliance costs and the risks of non-compliance. New and/or future climate change legislation may affect our ability to continue to operate as currently operated or planned to be operated.
The Company is managing potential exposure by actively investigating energy sources and equipment that utilize less carbon input than traditional mining activities. As these technologies are available, the Company intends to be proactive in their adoption.

Investment may be lost

Although shareholders will not be bound by or be personally liable for the Company's expenses, liabilities or obligations beyond their total original capital contributions, should the Company suffer a deficiency in funds with which to meet its obligations, shareholders as a whole may lose their entire investment.

The Company has never paid any cash dividends and does not currently intend to pay any dividends for the foreseeable future. Because the Company does not intend to declare dividends, any gain on an investment in the Company shares will need to come through an increase in the share price. This may never happen, and investors may lose all of their investment in the Company.

To mitigate investment risk, management, overseen by the Board of Directors, carefully manages its financial condition. The funds available to grow the business have been strongly supplemented by the cash flow from the Turkish JV. Once the debt incurred to expand the zinc plant in 2019 is fully paid off, it is expected that the Company will once again benefit from the zinc cash flow.

Market Price of the Shares

There can be no assurance that an active market for the shares of the Company will exist. Securities of small and mid-cap companies have experienced substantial volatility in the past, often based on factors unrelated to the financial performance or prospects of the companies involved. These factors include global economic developments and market perceptions of the attractiveness of certain industries. The price per share is also likely to be affected by change in the prices of uranium and zinc, the US dollar, the Turkish Lira, the Euro, the Canadian dollar, or in the Company's financial condition or results of operations as reflected in its quarterly and annual filings. Other factors unrelated to the performance of the Company that may have an effect on the price of the shares include the following: the extent of analytical coverage available to subscribers concerning the business of the Company may be limited if investment banks with research capabilities do not follow the Company's securities; and lessening in trading volume and general market interest in the Company's securities may affect a subscriber's ability to trade significant numbers of shares in the Company, the size of the Company's public float may limit the ability of some institutions to invest in the Company's securities. If an active market for the shares in the Company does not exist, the liquidity of an investment in shares may be limited and the price of the shares may decline.

Due to the cash flow from the Turkish JV, the Company has been able to grow without significant dilution to the shareholders and as individuals in management and on the Board of Directors combined own a substantial number of the Company's common shares, they are motivated to continue the anti-dilutive practices. Since the beginning of 2019, the share price has risen 680%.

COVID-19

During the quarter ended March 31, 2020, the World Health Organization declared the outbreak of the novel strain of coronavirus, specifically identified as "COVID-19", a pandemic resulting in worldwide emergency measures to combat the spread of the virus. These measures, which include self-quarantine period, have caused disruption to businesses globally, which are resulting in an economic slowdown and uncertainties potentially affecting the Company's cash flows, financial condition and results of operations. It is not possible to reliably estimate the length or effect of these developments due to uncertainties including the ultimate geographic spread of the virus, the severity of the disease, the duration of the outbreak, and actions that may be taken by governmental authorities and central banks to contain COVID-19 or to treat its impact.

To date, the largest impact on the Company from the pandemic was a slowdown during the first half of 2020 in the Turkish steel business which curtailed the supply of EAFD feedstock to the Company's Zinc EAFD Operations. Since then, the steel business has largely recovered with resulting improvements in operating rates at zinc recycling Turkish JV operation. COVID-19 has not interrupted our advance of the Dasa Project. To date, on a per capita basis, there have been far fewer COVID-19 infections in the Republic of Niger versus most countries in North America and Europe.

Risks Associated with the Mining Division

Exploration Properties

The properties in which the Company holds an interest or the right to acquire an interest, are in the exploration stage, but in the case of Dasa, contain an identified resource. Exploration for and the development of minerals involves a high degree of risk and few properties, which are explored, are ultimately developed into producing properties. There is no assurance that the Company's exploration and development activities will result in the development of commercial bodies of ore. The long-term success of the Company's operations will be in large part directly related to the cost and success of its exploration programs, which may be affected by a number of factors.

The Company to date has had notable exploration success in Niger. Dasa is one of the largest and richest deposit of uranium in Africa today and was a greenfield discovery by the Company in 2010. In January 2021, based on its success and its commitment to bring Dasa into production, the Republic of Niger granted three-year extensions for the Company's six exploration permits.

Exploration, Development and Operating Risks

The exploration for and development of mineral deposits involves significant risks that even a combination of careful evaluation, experience and knowledge may not eliminate. While the discovery of an ore body may result in substantial rewards, few properties that are explored are ultimately developed into producing mines. There is no assurance that the Company's mineral exploration activities will result in any discoveries of commercial bodies of ore. Major expenses may be required to locate and establish mineral reserves, to develop metallurgical processes and to construct mining and processing facilities at a particular site. It is impossible to ensure that the exploration or development programs planned by the Company will result in a profitable commercial mining operation as the economic viability of the project would depend on obtaining favourable exploration results and commodity prices. Whether a mineral deposit will be commercially viable depends on a number of factors, some of which are: the particular attributes of the deposit, such as size, grade, and proximity to infrastructure; metal prices that are highly cyclical; and government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection. The effect of these factors cannot be accurately predicted, but the combination of these factors may result in the Company not receiving an adequate return on invested capital. No assurance can be given that the minerals will be discovered in sufficient quantities to justify commercial operations or that funds required for development can be obtained on a favourable basis.

If any of the Company's properties is found to have commercial quantities of ore, the Company would be subject to additional risks respecting any development and production activities. Mining operations generally involve a high degree of risk. The Company's future operations would be subject to all the hazards and risks normally encountered in the exploration, development and production of base metals, including unusual and unexpected geologic formations, seismic activity, ground failure, rock bursts, cave-ins, flooding and other conditions involved in the drilling, blasting and removal of material, any of which could result in damage to, or destruction of, mines and other producing facilities, damage to life or property, environmental damage and possible legal liability.

Mining, processing, development and exploration activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important determinants, which affect capital and operating costs. Unusual or infrequent weather phenomena, sabotage, government or other interference in the maintenance or provision of such infrastructure could adversely affect the Company's operations, financial condition and results of operations.

There is no certainty that the expenditures made by the Company towards the search and evaluation of mineral deposits will result in discoveries of commercial quantities of ore. The Company's ability to execute its planned exploration programs on a timely basis is dependent on a number of factors beyond the Company's control including availability of drilling services, third party contractors and equipment, ground conditions, weather conditions and permitting.
Management has increased the likelihood for exploration success by holding exploration permits on six different properties, each within the proven uranium district of Tim Mersoï Basin in Niger, where uranium mining has been conducted for approximately 50 years. Extensive drilling and project analysis give strong indications that a successful mine can be built in Niger in the timeframe outlined in the PEA.

Uncertainty in the Estimation of Mineral Resources

The figures for Mineral Resource Estimates contained in the Technical Report are estimates only and no assurance can be given that the anticipated tonnages and grades will be achieved, that the indicated level of recovery will be realized or that mineral resources could be mined or processed profitably. Such estimation is a subjective process, and the accuracy of any mineral resource estimate is a function of the quantity and quality of available data and of the assumptions made and judgments used in engineering and geological interpretation.

CSA Global has prepared an independent technical report on the DASA resource. CSA Global reviewed and confirmed the reliability of the Company's quality assurance and quality control procedures that are the basis of the mineral resource database. CSA Global has estimated the quantity and grade of the Dasa mineral resource using this database and its experience in estimating mineral resources. The mineral resource estimates have been prepared in accordance with NI 43-101 and the Canadian Institute of Mining and Metallurgy ("CIM") Classification System. However, such figures are estimates, and no assurance can be given that the indicated level of mineral will be produced. Mineral resources that are not mineral reserves do not have demonstrated economic viability. There are numerous uncertainties inherent in estimating mineral resources, including many factors beyond the Company's control. Fluctuations in the price of uranium may render mineral resources containing lower grades of mineralization uneconomic. Market price fluctuations of uranium may render the present mineral resources unprofitable for periods of time.

Fluctuation in uranium prices, results of drilling, metallurgical testing and production and the evaluation of mine plans subsequent to the date of any estimate may require revision of such estimate. Any material reductions in estimates of mineral resources, or of the Company's ability to extract these mineral resources, could have a material adverse effect on the Company's operations and financial condition.

Maintaining Interests in Mineral Properties

The Company's continuing right to maintain title to its mineral property interests in Niger will be dependent upon compliance with applicable laws and with agreements to which it is a party. The Company's Niger properties are subject to six mining agreements, under which there is an exploration phase, which converts to a mining phase on completion of a feasibility study. The exploration phases have a termination date of December 17, 2023, unless otherwise extended. There is no assurance that the Company will be able to obtain the requisite mining permits or extend the exploration permits in order to maintain its title interests in the Niger properties beyond December 17, 2023. Additional expenditures will be required by the Company to complete further drilling and other work in support of a feasibility study on Dasa. There can be no assurance that the Company will have the funds, will be able to raise the funds, will obtain approvals for extensions or will be able to comply with the provisions of the agreements relating to its properties, which would entitle it to maintain its interest therein and if it fails to do so its interest in certain of these properties may be reduced or be lost.

Under the terms of its Mining Agreements with the Republic of Niger, the Company has been guaranteed the stability of legislative and financial regulations that may affect its projects.

Niger Government Interest

A new Niger incorporated company will be established to hold the Dasa Mining Permit and assets related to the Dasa resource. On establishment of this corporation, the Government of the Republic of Niger is granted a 10% carried interest in the equity of this new company. The Government of the Republic of Niger also has a concurrent right, on establishment of the new Niger corporation, to acquire up to 30% more of the equity in the corporation, provided it commits to funding its proportionate share of such additional equity and related debt for development and operation of the mine. Accordingly, the ultimate ownership that the Company will hold in the Dasa mining operations could vary from 60% to 90%, depending on the Government's willingness to share proportionately in any costs.

Results of Prior Exploration Work

In preparing any technical reports on the Company's properties, the authors of such reports relied on data previously generated by exploration work carried out by other parties. There is no guarantee that data generated by prior exploration work is 100% reliable and discrepancies in such data not discovered by the Company may exist. Such errors and/or discrepancies, if they exist, could impact on the accuracy of the technical reports.

Environmental Risks and Hazards

All phases of the Company's Niger operations are subject to environmental regulations, including but not limited to the maintenance of air and water quality, land reclamation, environmental pollution and the generation of transportable storage and disposal of hazardous waste. Environmental legislation is evolving in a manner that will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that existing or future environmental regulation in Niger will not have material adverse effects on the Company's business, financial condition and results of operations. Environmental hazards may exist on the properties on which the Company holds interests which are unknown at present and which have been caused by previous or existing owners of the properties. To the extent the Company is subject to environmental liabilities, the payment of any liabilities or the costs that may be incurred to remedy environmental impacts will reduce funds otherwise available for operations.

Government approvals and permits are currently required, or may be required in the future, in connection with the Company's operations. To the extent such approvals are required and not obtained, the Company may be curtailed or prohibited from proceeding with planned exploration, development or operation of mineral properties. 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 and parties that were engaged in operations in the past, may be required to compensate those suffering loss or damage by reason of such mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations.

Amendments to current laws, regulations and permits governing operations and activities of mining companies, or the more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in exploration expenses, capital expenditures or production costs, reduction in levels of production at producing properties, or abandonment or delays in development of new mining properties.

In 2020, the Company submitted to the Republic of Niger an Environmental Impact Study along with a Mine Development Plan for the Dasa Project. In January 2021, Niger granted an Environmental Compliance Certificate for Dasa. While the environmental footprint for Global Atomic as an exploration company in Niger has been relatively light, building and then operating a mine will increase the Company's activity in Niger. The Company is now initiating baseline studies for air, water and biodiversity that will form an essential part of the Company's ESG policies and practices that will continue to be developed consistent with Equator Principles and IFC Performance Standards.

Government Regulation of the Mining Industry

The current and future operations of the Company, from exploration through development activities and commercial production, if any, are and will be governed by laws and regulations governing mineral rights in the Republic of Niger. Companies engaged in exploration activities and in the development and operation of mines and related facilities may experience increased costs and delays in production and other schedules as a result of the need to comply with applicable laws, regulations and permits. Permits are subject to the discretion of government authorities and there can be no assurance that the Company will be successful in obtaining all required permits. Amendments to current laws and regulations governing the operations and activities of the Company or more stringent implementation thereof could have a material adverse effect on the Company's business, financial condition and results of operations. Further, there can be no assurance that the renewal of permits which the Company may require for future exploration, construction of mining facilities and conduct of mining operations, if any, will be obtainable on reasonable terms or on a timely basis, or that such laws and regulations would not have an adverse effect on any project which the Company may undertake.

Failure to comply with applicable laws, regulations and permits may result in enforcement actions thereunder, including the forfeiture of claims, orders issued by regulatory or judicial authorities requiring operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment or costly remedial actions. The Company may be required to compensate those suffering loss or damage by reason of its mineral exploration activities and may have civil or criminal fines or penalties imposed for violations of such laws, regulations and permits. The Company is not currently covered by any form of environmental liability insurance. See "*Insurance and Uninsured Risks*", below. Existing and possible future laws, regulations and permits governing operations and activities of exploration companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in capital expenditures or require abandonment or delays in exploration.

Changes, if any, in mining or investment policies or shifts in political attitude in the Republic of Niger may adversely affect the Company's operations or profitability. Operations may be affected in varying degrees by government regulations with respect to, but not limited to, restrictions on production, price controls, export controls, currency remittance, income taxes, expropriation of property, foreign investment, maintenance of claims, environmental legislation, land use, land claims of local people, water use and mine safety.

Failure to comply strictly with applicable laws, regulations and local practices relating to mineral right applications and tenure could result in loss, reduction or expropriation of entitlements, or the imposition of additional local or foreign parties as joint venture partners with varied or other interests. The occurrence of these various factors and uncertainties cannot be accurately predicted and could have an adverse effect on the Company's business, financial condition and results of operations.

In December 2020, the Niger government granted a Mining Permit for the Dasa Project. In January 2021, the Company announced that Niger had granted an Environmental Compliance Certificate for Dasa and extended for three years Exploration Permits for the Company's six exploration concessions in that country. The Dasa Project is protected against negative results of changes to fiscal or legislative changes during the term of its Mining Agreement. The Dasa Project will be a valuable contributor to the Nigerien economy as uranium is its largest export business. Due to the closure of a nearby uranium mine, the Dasa Project will be able to fill an important gap in Niger's revenue generation and to maintain employment levels in the Agadez region of Niger. Bringing the Dasa Project into uranium production will therefore be mutually beneficial for both Global Atomic and the Republic of Niger.

Insurance and Uninsured Risks

The Company's business is subject to a number of risks and hazards including adverse environmental conditions, industrial accidents, labour disputes, unusual or unexpected geological conditions, ground or slope failures, changes in the regulatory environment and natural phenomena such as inclement weather conditions, floods and earthquakes. Such occurrences could result in damage to mineral properties or production facilities, personal injury or death, environmental damage to the Company's properties or the properties of others, delays in mining, monetary losses and possible legal liability. Although the Company maintains liability insurance in amounts which it considers adequate, the nature of these risks is such that liabilities might exceed policy limits, the liabilities and hazards might not be insurable, or the Company may elect not to insure against such liabilities due to high premium costs or other reasons, in which event the Company could incur significant costs that could have a materially adverse effect upon its financial position.

The Company is not insured against environmental risks. Insurance against environmental risks (including potential liability for pollution or other hazards as a result of the disposal of waste products occurring from exploration) has not been generally available to companies within the industry. The Company will periodically evaluate the cost and coverage of the insurance against certain environmental risks that is available to determine if it would be appropriate to obtain such insurance. The Company may be unable to maintain insurance to cover these risks at economically feasible premiums. Insurance coverage may not continue to be available or may not be adequate to cover any resulting liability. Without such insurance, and if the Company becomes subject to environmental liabilities, the payment of such liabilities would reduce or eliminate its available funds or could exceed the funds the Company has to pay such liabilities and result in bankruptcy. Should the Company be unable to fund the remedial cost of an environmental problem, it might be required to enter into interim compliance measures pending completion of the required remedial work.

The Company maintains insurance to cover insurable risks of its present operations. As operations move into the construction and operations phases, such insurance will be modified to cover the additional exposures.

Risks Associated with the Metals Recycling Division

Equipment failures

The Company's Turkish Waelz kiln equipment is complex and has many components. Equipment failures can occur due to the failure of individual components such as electric motors, causing a temporary halt in operations while repairs are made. Equipment downtime may also be experienced due to over-heating of the kiln, requiring a period of cooling before re-start. Potential catastrophic failures include failure of the kiln shell, failure of the kiln's brick lining or failure of the primary drive gears. Catastrophic failures may result in an extended period of shut down while repairs are made, including the lead time required to order and receive replacement equipment.

The Turkish Zinc EAFD plant was expanded and extensively modernized in 2019, to make this one of the newest and most efficient EAFD recycling plants in the world. The plant is operated by our Turkish JV partner Befesa Zinc, who are the largest in this recycling business and operate extensively across Europe and Asia. The operation takes regularly scheduled downtime each year to ensure that the plant continues to operate in good running condition. Management expects that the plant will run for 40 years or more without further investment of significant capital.

Energy costs

The major cost components of the Company's Turkish operations relate to energy: coke, anthracite, natural gas, diesel fuel and electricity. The costs of natural gas and electricity are regulated in Turkey. In the case of coke and anthracite, costs are driven by global events that impact these commodities and transportation costs. Significant adverse changes to such costs may impact the ability of the Company to operate profitably. Any interruption in the supply of these energy inputs may result in cessation of operations until such supplies resumed.

Historically, the Turkish government has taken actions to smooth the impact on individuals and industry of price shocks to energy costs. There have been no supply disruptions in the past.

Uncertainty due to foreign legal and political factors

Risks may include political unrest, corruption, civil disturbances and terrorist actions, arbitrary changes in law or policies, changes to government regulation, foreign taxation, price and currency controls, delays in obtaining or the inability to obtain necessary governmental permits, limitations on foreign ownership, limitations on the repatriation of earnings and increased financing costs.

Turkey has historically encouraged foreign investment as the basis for economic growth. Terrorist related activities have historically been very localized and quickly contained.

Environmental regulations

The Company's Turkish business is subject to a variety of environmental regulations. Failure to properly process and handle EAFD in accordance with such regulations may expose the Company to liabilities and/or result in the withdrawal of operating permits. The Company has procedures in place to ensure compliance with environmental regulations. However, new laws and regulations that may be passed in the future may materially affect the Company's operations.

With the 2019 expansion of this operation the recycling process will remove up to 110,000 tonnes of EAFD waste that steel mills would otherwise have to dispose of at landfill sites. The new plant includes equipment that adheres to European environmental standards.

Raw material supply

The Company's Turkish JV requires a steady supply of EAFD in order to continue operating at an optimum level and to maintain profitable output levels. The Company relies on continued operations of local steel mills at reasonable levels in order to meet its EAFD supply requirements. The closing of or lower capacity utilization of one or more local steel mills may have an adverse impact on the available supply.

Turkey's steel industry is a significant contributor to Global steel production, with Turkey ranking the 7th largest steel producing country in 2020. EAFD supply is based on the activity of electric arc furnace steel mills, which represent 75% of Turkey's steel making capacity.

Dependence on Befesa Zinc

In accordance with the Shareholder Agreement between Befesa Zinc and the Company, Befesa Zinc is the operator of the Turkish facility. The Company is dependent on Befesa Zinc for the day-to-day operations in Turkey. The Company does not have control over these factors, nor the impact on Befesa Zinc and its personnel that a potential change of control of Befesa Zinc could have on operations.

Although Global is not the operator of the Turkish facility, the Shareholders Agreement provides for regular board meetings to discuss operations and approve budgets. Certain major decisions, such as capital expenditures, require the unanimous approval of the joint venture partners.

Price volatility

Prices of commodities can fluctuate widely and are affected by numerous factors including demand, inflation, strength of various currencies, interest rates, forward sales by producers, global or regional political or financial events, and production and cost levels in major producing regions. In addition, commodity prices are sometimes subject to rapid short-term changes because of speculative activities. The success of the Company's Waelz kiln operations is dependent on market prices for zinc and the related smelter treatment charges, as well as raw material input commodities.

Currency risk

The Company's activities occur primarily in Turkey. All revenues and some cost items are denominated in U.S. dollars, or otherwise tied to the U.S. dollar. Most operating expenses are incurred in Turkish Lira. Head office costs are incurred in Canadian dollars. Such activities are subject to risks associated with fluctuations in the rate of exchange of these foreign currencies. Past experience has demonstrated that significant changes in the U.S. dollar/Turkish Lira exchange rates usually only have short-term impacts, as inflation rate changes that mitigate such impacts usually follow soon thereafter.

(All amounts in Canadian Dollars, unless otherwise stated)

OUTSTANDING SHARE DATA

As at March 29, 2021 the total of outstanding common shares is 162,104,285:

	# Shares
Opening as at December 31, 2020	151,783,172
Options Exercised	1,159,545
Warrants Exercised	2,911,568
Private Placement	6,250,000
Balance as at March 29, 2021	**162,104,285**

As at March 29, 2021 the outstanding common shares, stock options and share purchase warrants are:

Common shares outstanding	162,104,285
Stock options	12,983,182
Warrants	3,499,998
Fully diluted shares outstanding	**178,587,465**

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL INFORMATION

The Company's financial statements are the responsibility of the Company's management and have been approved by the board of directors. The consolidated financial statements were prepared by the Company's management in accordance with IFRS. The consolidated financial statements include certain amounts based on the use of estimates and assumptions. Management has established these amounts in a reasonable manner in order to ensure the financial statements are presented fairly in all material respects.

QUALIFIED PERSON

The scientific and technical disclosures in this Management's Discussion and Analysis have been reviewed and approved by Ronald S. Halas, P.Eng. and George A. Flach, P.Geo. who are "qualified persons" under National Instrument 43-101 – Standards of Disclosure for Mineral Properties.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

Except for statements of historical fact relating to the Company, certain information contained in this MD&A constitutes "forward-looking information" under Canadian securities legislation. Forward-looking information includes, but is not limited to, statements with respect to the potential of the Company's assets; the future prices of uranium or zinc; capital expenditure requirements; requirements for additional capital and other statements relating to the financial and business prospects of the Company. Generally, forward-looking information can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". Forward-looking information is based on the reasonable assumptions, estimates, analysis and opinions of management made in light of its experience and its perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances at the date that such statements are made, and are inherently subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking information, including but not limited to risks related to: unexpected events and delays during permitting; timing and availability of external financing on acceptable terms and in light of the current status of global liquidity and credit availability; future prices of uranium or zinc; currency exchange rates; government regulation; failure of equipment or processes to operate as anticipated; risks inherent in manufacturing and processing operations, including strike by unionized personnel, environmental hazards or industrial accidents; and uncertain political and economic environments. Although management of the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking information. The Company does not undertake to update any forward-looking information, except in accordance with applicable securities laws.

March 29, 2021

"Stephen G. Roman"
Stephen G. Roman
Chairman, President & CEO

"Rein A. Lehari"
Rein A. Lehari
Chief Financial Officer