



Athabasca Minerals announces Third Quarter Financial Results

November 27, 2017 EDMONTON, ALBERTA. Athabasca Minerals Inc. (“Athabasca” or the “Corporation”) (TSX Venture: ABM) is pleased to announce its financial results for the three months ended September 30, 2017. The Corporation’s unaudited interim financial statements and management’s discussion and analysis (“MD&A”) for the three months ended September 30, 2017 are available on SEDAR at www.sedar.com and on the Athabasca Minerals website at www.athabascaminerals.com.

Q3 Highlights

- Revenue for the three months ended September 30, 2017 decreased 7% to \$3,479,022 versus \$3,745,532 in the comparable three-month period ending September 30, 2016;
- Corporate pits sales decreased 9% for the three months ended September 30, 2017 to \$2,026,736;
- Working capital of \$4.7 million; current debt of \$0.4 million; non-current debt \$0.2 million;
- During the nine months ended September 30, 2017, 83,277 tonnes of aggregate was produced at the KM248 corporate pit and 23,449 tonnes of aggregate was produced at the Logan corporate pit;
- Recent meetings and discussions with frac-sand supply chain and logistics companies, equipment suppliers, and interested parties for potential staging locations have taken place to consider the feasibility of a pilot project for the Firebag Frac Sand Project;
- Susan Lake Gravel Pit closure activities are underway in relation to 30-November-2017 contract completion date. Closure Plan has been submitted and a Request for Extension to 30-September-2018 is pending approval by Alberta Environment & Parks;
- Revised Corporation’s organizational structure and management team to optimize costs as well as strengthen development, reclamation and project management capabilities;

Financial Highlights

(\$ CDN, except metric tonnes sold)	Three Months Ended September 30		Nine Months Ended September 30	
	2017	2016	2017	2016
Aggregate management fees	\$ 2,481,158	\$ 2,867,463	\$ 4,349,512	\$ 4,289,646
Susan Lake royalty expense	\$ 1,028,872	\$ 1,347,065	\$ 1,846,710	\$ 1,986,437
Corporate pits sales revenue	\$ 2,026,736	\$ 2,225,134	\$ 2,730,200	\$ 3,486,936
Total revenue	\$ 3,479,022	\$ 3,745,532	\$ 5,233,002	\$ 5,790,145
Gross profit (loss)	\$ 801,942	\$ 1,072,747	\$ 566,890	\$ 1,007,414
Total comprehensive (loss)	(\$ 431,203)	(\$ 411,859)	(\$ 1,958,309)	(\$ 1,304,782)
Tonnes Sold (metric tonnes)				
Corporate pits	66,262	63,795	92,455	112,212
Susan Lake Operations	1,165,150	1,370,804	2,042,761	2,060,500
Total aggregate tonnes sold	1,231,412	1,434,599	2,135,216	2,172,712
Loss per share, basic and fully diluted (\$ per share)	(\$ 0.013)	(\$ 0.012)	(\$ 0.059)	(\$ 0.039)

Outlook

Athabasca is actively addressing and working on various strategic and operational initiatives related to the following activities.

- Conclude the Susan Lake Management Renewal Contract (30-November-2017 expiry date) and execute the closure program of the Susan Lake Gravel Pit, subject to milestones in the Request for Extension to 30-September-2018 (still pending approval by Alberta Environment & Parks);
- Optimize Corporate overheads and expenses;
- Preserve the Corporation's cash position, including the disposition of non-core or low-priority assets;
- Sell existing stockpiled inventories of sand and gravel;
- Re-commence production from the Corporation's Logan Pit and Kearn Pit in the range of 100 kT to 300 kT (production volume and range is dependent on geological re-assessment of available aggregates at Kearn);
- Advance the Firebag Frac Sand project venture – initiate site development activities to retain permits, and pursue potential partnerships (processing, and logistics) to support a pilot project with offsite staging area;
- Expand the role and functionality of strategic inventory staging & distribution hubs (e.g. Conklin, Poplar Creek, and potentially House River area) to augment corporate pits limited by winter access roads;
- Selectively pursue conventional aggregate companies for potential acquisition;

As at September 30, 2017 the Corporation was not in compliance with certain financial covenants on their credit facility with HSBC Bank Canada, namely the funded debt to EBITDA ratio and the debt service coverage ratio. HSBC Bank Canada has granted the Corporation forbearance for the three and nine months ended September 30, 2017 on the funded debt to EBITDA ratio and the debt service coverage ratio covenants.

The Corporation also announces that its Board of Directors has approved the grant of 200,000 stock options to an officer and employees of the Corporation subject to regulatory and TSX Venture Exchange approval. The options have an exercise price of \$0.22 per share and have a five-year term.

About Athabasca Minerals

The Corporation is a resource company involved in the management, exploration and development of aggregate projects. These activities include contracts works, aggregate pit management, aggregate production and sales from corporate-owned pits, new aggregate development and acquisitions of sand and gravel operations. The Corporation also has industrial mineral land holdings for the purpose of locating and developing sources of industrial minerals and aggregates essential to high growth economic development.

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Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture) accepts responsibility for the adequacy or accuracy of this release.

This press release contains forward looking statements concerning anticipated developments and events that may occur in the future, including (but not limited to) statements regarding the Corporation's operational focus for the next 12 months including striving to increase production with improved margins



from corporate pits, improving the Corporations cash position, disposition of non-core &/or low-priority assets, Improving revenue generation and inventory management, production from corporate pits, sales of inventory produced at corporate pits and stockpiled at stockpile sites, and sales of inventories from staging areas. In certain cases, forward looking statements can be identified by the use of words such as “planning”, “expects”, “anticipates”, “believes” or “does not expect”, “striving”, “optimizing”, “improving”, or variations of such words and phrases or state that certain actions, events or results “may”, “could”, “would”, “might” or “will be taken”, “occur” or “be achieved”.

Forward looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Corporation to be materially different from future results, performance or achievements expressed or implied by forward looking statements including general economic and business conditions; the Corporation’s reliance on oil sands industry which impacts the market demand for the Corporations’ product; extension of the Susan Lake contract; impact of extreme weather conditions on production; the Corporation’s products and potential development projects such as silica sand and salt are commodities, and as such, there is always pricing risk in a competitive market; the Corporation has the risk that projects will not develop as anticipated or resources may not have the quality or quantity that management anticipates; reclamation obligations estimates could significantly change due to potential changes in regulatory requirements prior to completing reclamation work. Although the Corporation has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward looking, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. See “Risks and Uncertainties” in the MD&A. There can be no assurance that forward looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward looking statements. These forward-looking statements are made as of the date of this document and, other than as required by applicable securities laws, the Corporation assumes no obligation to update or revise them to reflect new events or circumstances or otherwise.