



Quarter 2 Financial Results

August 15, 2016 EDMONTON, ALBERTA. Athabasca Minerals Inc. ("Athabasca" or the "Corporation") (TSX Venture: ABM) is pleased to announce the Corporation's Second Quarter Financial Results for the period ending June 30, 2016. The Corporation's interim financial statements and management's discussion and analysis ("MD&A") for the three months ended June 30, 2016 are available on SEDAR at www.sedar.com and on the Athabasca Minerals website at www.athabascaminerals.com.

Highlights 2016 Second Quarter

- Completed the sale of leases surrounding the Obed Trans-loading Facility for a purchase price of \$800,000.
- Commissioned the 55 acre Emerson Road Aggregate Operation located in the Hinton / Edson, Alberta region for potential aggregate deliveries.
- Working Capital of \$6,970,238 as of June 30, 2016.
- Cash position of \$3,941,339 as of June 30, 2016.
- Revenue of \$563,638 in Q2 2016 versus revenue of \$3,348,425 during Q2 2015.
- Net loss of \$258,773 in Q2 2016 versus a net loss of \$763,146 in Q2 2015.
- Completed the balance of payments on the capital term loan of \$500,000 in 2016 to a balance of nil.

Financial Highlights (in thousands of CDN, unless otherwise noted)

	<u>3 Months Q2</u> <u>2016</u>	<u>3 Months Q2</u> <u>2015</u>
Aggregate management fees	\$405	\$1,507
Net aggregate sales	\$159	\$1,841
Total revenue	\$564	\$3,348
Gross profit (loss)	\$(275)	\$555
Net income (loss) and comprehensive income (loss)	\$(259)	\$(763)
Total aggregate tonnes sold (MT)	346,508	1,371,989
Basic income per common share (\$/share)	\$(0.008)	\$(0.023)

The Corporation was impacted by the recent Fort McMurray wildfires, whereby evacuation orders in the region and limited personnel did not allow for any production or deliveries from the Susan Lake public pit and corporate aggregate pits for a significant period of time. Susan Lake operations re-commenced on May 26 after the forest fires closed operations on May 3 with limited demand as regional customers re-start operations at regional oil sands facilities. The Corporation's sales were hindered by the current low oil price environment experienced during the second quarter.

Athabasca operates corporate pits situated in close proximity to Highway 881 and Highway 63 for the potential supply of aggregates for construction, infrastructure, development projects and steam assisted gravity drainage ("SAGD") operations. The Corporation is bidding upcoming infrastructure projects and continues to evaluate and seek diversification opportunities outside of the Wood Buffalo region. The

Corporation maintains an inventory of aggregates available for new work, and is in the process of obtaining a dewatering permit for the corporate Kearl pit in order to build inventory for anticipated sales in the second half of 2016.

The Corporation is focused on completing engineering options and additional permitting for the Firebag Frac Sand Project ("Firebag Project"). There will be limited capital spending on the Firebag Project until greater certainty surrounding pricing and domestic frac sand demand is established. Athabasca is also exploring development and joint venture partners for the Richardson Dolomite / Granite Project ("Richardson Project") located 70 km north of the Susan Lake Public Pit and 130 km north of Fort McMurray, Alberta. The Richardson Project consists of 8 mineral permits totalling 150,650 acres, with a National Instrument 43-101 technical report demonstrating an initial inferred crushed rock aggregate resource estimate of 683,000,000 tonnes.

The Corporation has received a Statement of Defence and Counterclaim from Syncrude Canada Ltd. ("Syncrude") in respect to the Corporation's dispute with Syncrude regarding approximately \$620,000 in user fees and government royalties that the Corporation believes are owed by Syncrude to the Corporation in respect of gravel used by Syncrude from the Susan Lake Public Pit. In addition to denying all allegations in the Corporation's Statement of Claim, Syncrude has brought several counterclaims against the Corporation and is seeking damages in excess of \$68,000,000 (the "Counterclaim").

In conjunction with the Counterclaim, Syncrude is seeking a preservation order on the gravel, sand and other materials located in the overlapping area. A preservation order would prevent the Corporation from receiving aggregate management fees income on the Susan Lake overlapping area which is defined as the Susan Lake Pit held by the Corporation and the Syncrude oil sand mine. The granting of a preservation order by the courts would significantly reduce the aggregate management fee income on the Susan Lake Project and may impair the Corporation's ability to continue on a going concern basis.

The Corporation believes the counterclaim is without merit and will defend it rigorously. The outcome of the claim is not determinable at this time.

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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