



# 2020 Investor Update

April 2020

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# Forward-Looking Information and Statements

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## NOTES ON MINERAL RESOURCES AND RESERVES

Mineral resources which are not mineral reserves do not have demonstrated economic viability. There is no guarantee that all or any part of the mineral resource will be converted into a mineral reserve. With respect to "indicated mineral resource" and "inferred mineral resource", there is a great amount of uncertainty as to their existence and a great uncertainty as to their economic and legal feasibility. It cannot be assumed that all or any part of a "measured mineral resource", "indicated mineral resource" or "inferred mineral resource" will ever be upgraded to a higher category.

Any disclosure herein regarding a target for further exploration is conceptual in nature; there has been insufficient exploration to define a mineral resource and it is uncertain if further exploration will result in the target being delineated as a mineral resource.

Except as otherwise noted, scientific and technical information contained in this presentation was reviewed and approved by a "qualified person" under NI 43-101.

# Forward-Looking Information and Statements

## FORWARD LOOKING STATEMENTS

This Management Presentation contains certain statements that may be “forward-looking statements” or “forward-looking information” within the meaning of applicable securities laws. Forward looking statements are statements that are not historical facts and are often, but not always, identified using words or phrases such as “anticipates”, “plans”, “intends”, “projects”, “potential” and similar expressions, or stating that certain actions, events or conditions “will”, “would”, “may”, “might”, “could” or “should” occur or be achieved or other similar terminology. In particular, but without limiting the foregoing, this presentation contains forward-looking statements or information pertaining to, among other things, industry growth, geographic expansion, commodity price demand and fluctuations, acquisition opportunities, cost and revenue figures, industry growth, regulatory changes affecting the industries in which Athabasca operates, future delineation and completion of a National Instrument 43-101 technical report for the Montney Property; securing of new project ventures at Coffey Lake and other in-basin sand projects; future awards of tendered projects, including but not limited to, the Resource Swap Project and Ontario GTA Quarry; future equity and debt financing arrangements, partnership agreements and joint ventures; and anticipated revenue growth.

By their nature, forward-looking statements and information involve known and unknown opportunities, costs, risks and uncertainties that may cause actual results; to differ materially from those anticipated. With respect to the forward-looking statements and information contained in this Management Presentation, Athabasca has made assumptions regarding, among other things: the stability of the industries in which it operates, the price of certain commodities, the creditworthiness of the Athabasca’s customers, access to capital, and whether equity or debt and on terms acceptable to Athabasca. Although Athabasca believes the expectations expressed in such forward-looking statements and information are based on reasonable assumptions, such statements are not guarantees of future performance and actual results may differ materially from those in forward looking statements. Forward-looking statements and information are based on the beliefs, estimates and opinions of Athabasca’s management on the date the statements are made. Except as required by law, Athabasca undertakes no obligation to update these forward-looking statements in the event that management’s beliefs, estimates or opinions, or other factors, should change.

A number of factors, risks and uncertainties could cause results to differ materially from those anticipated and described herein including, among others: the effects of competition and pricing pressures; risks inherent in key customer dependence; effects of pricing fluctuations; changes in general economic, financial, market and business conditions in the markets in which Athabasca operates; changes in the technologies used to drill for and produce oil and natural gas; Athabasca’s ability to obtain, maintain and renew required permits, licenses and approvals from regulatory authorities; the stringent requirements of and potential changes to applicable legislation, regulations and standards; the ability of Athabasca to comply with unexpected costs of government regulations; liabilities resulting from Athabasca’s operations; the results of litigation or regulatory proceedings that may be brought against Athabasca; the ability of Athabasca to successfully bid on new contracts and the loss of significant contracts; uninsured and underinsured losses; risks related the impact of weather; the geographic and customer concentration of Athabasca; the ability of Athabasca to retain and attract qualified management and staff in the markets in which Athabasca operates; risks related to employee health and safety; general risks associated with the oil and natural gas industry, loss of markets, consumer and business spending and borrowing trends; limited, unfavorable, or a lack of access to capital markets; uncertainties inherent in estimating quantities and qualities of mineral with in current and past technical reports; sand processing problems; and the use and suitability of Athabasca’s accounting estimates and judgments. Although Athabasca has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in its forward-looking statements, there may be other factors, including those described under the heading “Risk Factors” in Athabasca’s Annual Information Form, that cause actions, events or results not to be as anticipated, estimated or intended.

The forward-looking statements and information included in this Management Presentation are expressly qualified in their entirety by this cautionary statement. Athabasca cautions that the foregoing list of assumptions, risks and uncertainties is not exhaustive.

# Agenda

4

1. Overview
2. Resetting the Foundations in 2019 to Transform and Reposition
3. Operational Highlights and 2020 as Strategic Transition Year to Diversify
  - a. AMI Aggregates
  - b. AMI Silica
  - c. AMI RockChain
4. Advantages to Drive Long-Term Shareholder Value
5. Questions and Answers
6. Investor Relations Contact Information





# OVERVIEW

# Responding to COVID-19



## Safety

Our first priority is the safety of our employees, customers, suppliers and communities



## Support Our Communities

Essential service company supporting infrastructure, construction and energy sector in Western Canada



## Fiscal Management

Focus on preserving our cash while thoughtfully pursuing expansion, diversification and strategic initiatives



# Adding Diversity and Resilience

7

## Athabasca Minerals Inc.

### AMI Aggregates Inc.

P&L Division

[www.athabascaminerals.com](http://www.athabascaminerals.com)

Long-life Resources

Hub Placement and  
Network

Pit Management

### AMI Silica Inc.

P&L Division

[www.amisilica.com](http://www.amisilica.com)

In-basin Resources

In-basin Processing and  
Storage

Development Partners  
and Off-take Agreements

### AMI RockChain Inc.

P&L Division

[www.amirockchain.com](http://www.amirockchain.com)

*RockChain™*  
Midstream Solutions

Lower Cost Procurement

Quality Control /  
Quality Assurance

A young green plant with several leaves is growing from a rocky surface. To the right of the plant is a large, textured tree trunk. The background is a blurred natural setting with rocks and foliage.

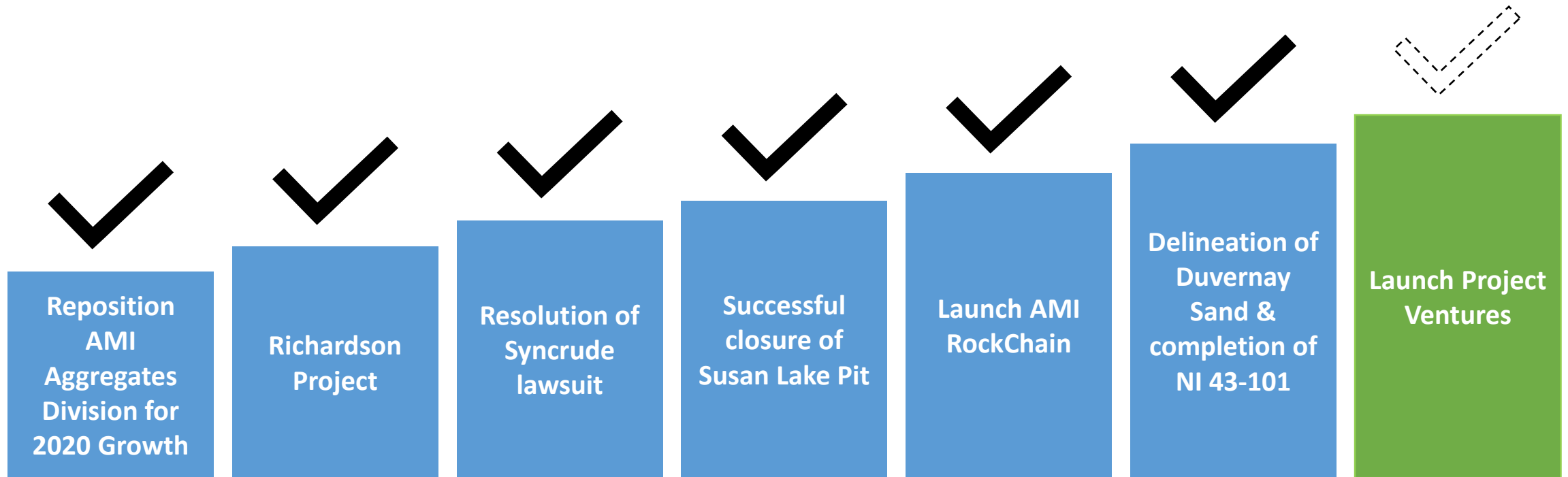
# **RESETTING THE FOUNDATIONS IN 2019 TO TRANSFORM AND REPOSITION**



# 2019 – Resetting the Foundations

9

In 2019, we made systematic and measurable progress delivering on our 2019 Corporate Strategies



# 2019 – Resetting the Foundations

10

## Revenue

- \$2.6 mm in 2019; down due to the sale of Conklin Hub and the closing of Susan Lake pit
- AMI RockChain contributor for aggregate sales revenue of \$0.7 mm in 2019

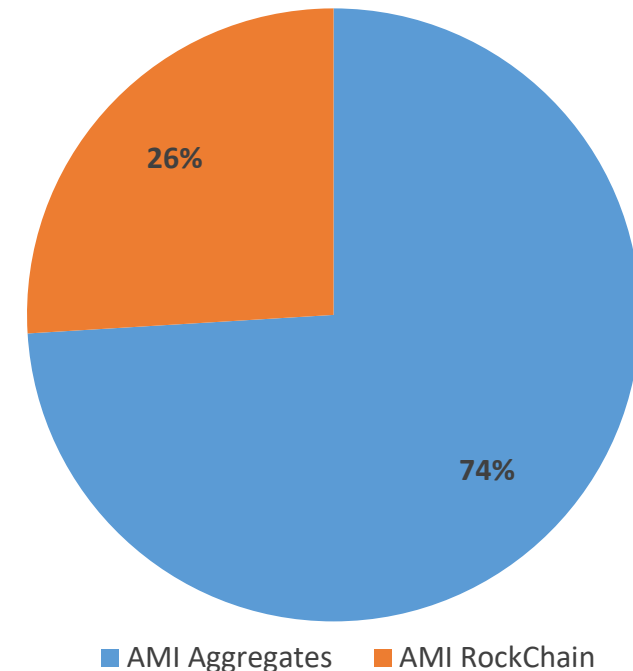
## Total Loss and Comprehensive Loss

- Loss of \$2.7 mm in 2019, loss of \$2.5 in 2018
  - Decrease in operating losses, other non-operating income, share purchase option, income tax recovery, and reduction in unrecognized deferred tax assets

## Net Working Capital<sup>1</sup>

- \$2.8 mm at Dec 31, 2019, down from \$4.8 mm in 2018

## 2019 Segmented Revenue



1) Working capital is a non-IFRS measure calculated by subtracting current liabilities from current assets. There is no directly comparable IFRS measure for working capital. Management uses working capital as a measure for assessing overall liquidity.

# Prudent Cash Management

11

## Summary Balance Sheet

millions (unless otherwise stated)	12/31/2019
Cash	\$2.0
Total Current Assets	\$4.2
Total Assets	\$18.3
Total Liabilities	\$4.0
Shareholders' Equity	\$14.3
Total Liabilities and Shareholders' Equity	\$18.3
Book Value per Share	\$0.31

millions	4/17/2020
Unrestricted Cash	\$2.0

Actively reviewing and addressing its cash position,  
and a balanced approach  
with respect to receivables and payables  
to preserve its financial objectives





# OPERATIONAL HIGHLIGHTS AND 2020 AS STRATEGIC TRANSITION YEAR TO DIVERSIFY

# AMI Aggregates – 2019 Reset and Strategic Market Positioning

13

- Awarded 15-year provincial contract for Coffey Lake
- Granted lease for Richardson Dolomite / Granite Aggregate Project, with ~683 mm tonnes of crush rock aggregate resources with updated NI 43-101
- Successful closure of Susan Lake Public Pit
  - Resolution of lawsuit
  - Reduction in environmental rehabilitation obligations (ERO)
- Monetize corporate pits and assets with third-party royalty agreements put in place
- Established Montana First Nation partnership and commenced other Indigenous relationships





# Base Aggregates – Well Positioned for ‘Shovel-Ready’ Projects

14

- Coffey Lake Public Pit officially opened on March 21, 2020, providing strong cash flow
- Announced Buckhorn Quarry JV in GTA
- Cautious outlook for early spring and summer with respect to COVID-19
- Industry drivers have changed in Western Canada; pipeline and government infrastructure projects more prominent
- Two additional corporate pits targeted to open in 2020, generating additional revenue
- Potential Resource Swap and other joint venture projects to help diversify the business
- Pursuing JV for Richardson Quarry Project



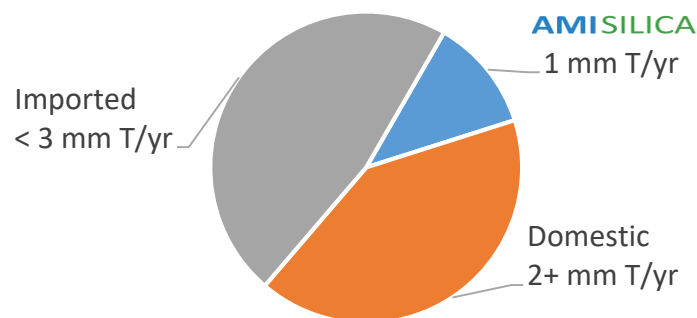


# AMI Silica – Premium Domestic Sand at Lower Costs and Less Risk

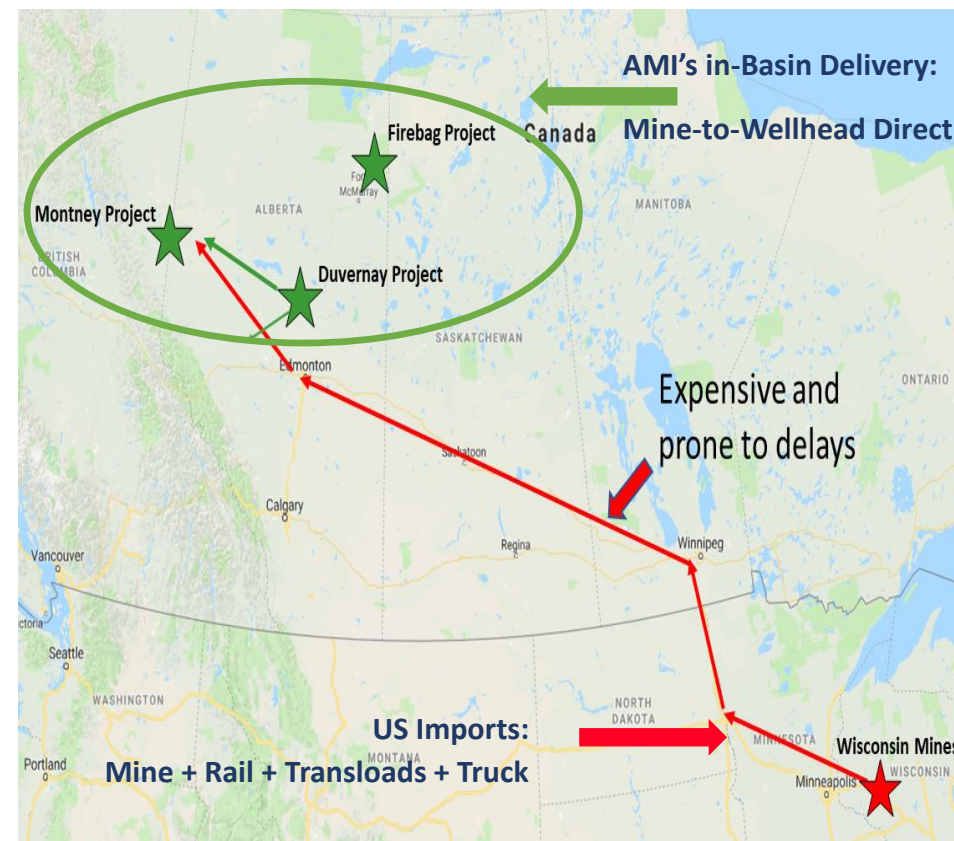
15

- Goal is to displace US imported sand with premium quality domestic sand
- Objective is to replace >1 mm tonnes of 4 mm tonnes of imported US sand
- Regional deposits in Alberta and NE British Columbia well positioned for industry requirements
- AMI's premium domestic sand projects offer unique price and risk advantages versus imported US sand

## Annual Sand Supply Objectives



Source: Altacorp, BMO, CIBC, Cormark, GMP, PetersCo and company estimates



# AMI Silica – 2020 Developmental Year

16

## Duvernay Project

- Signed five-year offtake agreement with Shell for AMI Silica's premium domestic sand
- Revising the Front-End Engineering & Development (FEED) in collaboration with pending industry partner to confirm Financial Investment Decision (FID)
- Phase 1 development costs expected to be under \$40 mm

## Montney Project

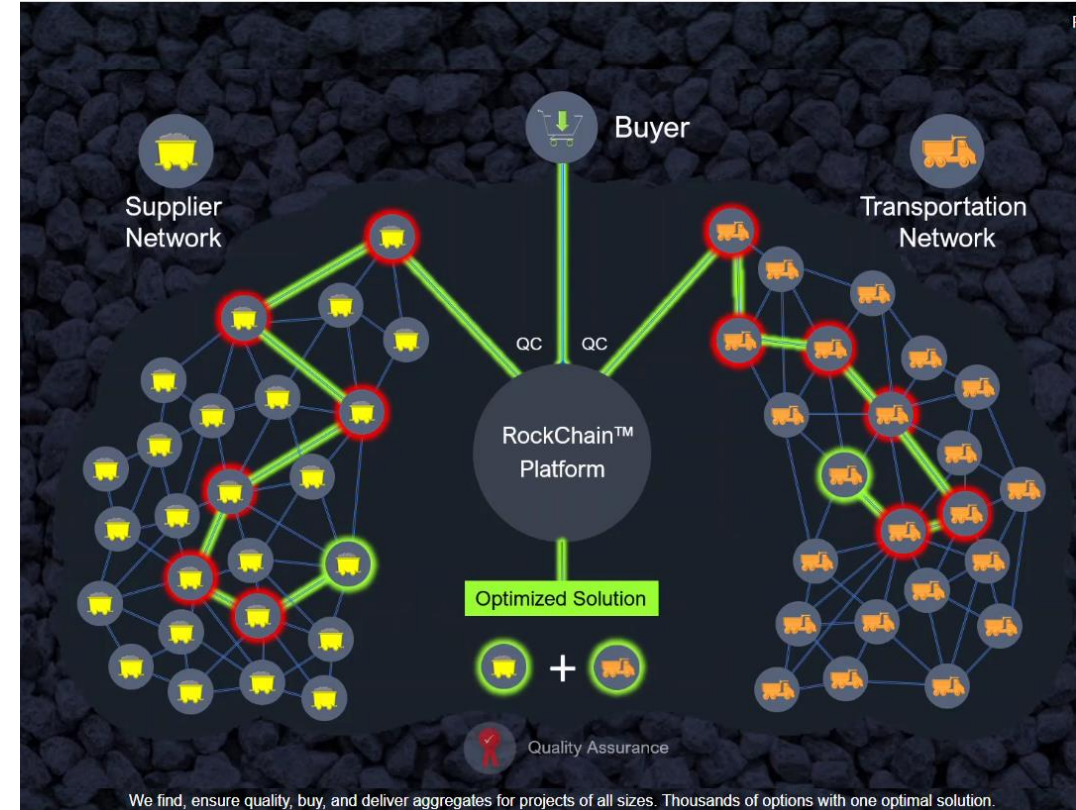
- Taking a measured approach with JV partner to re-adjust for cashflow management



# AMI *RockChain*<sup>TM</sup> Midstream Technology Solution

17

- *RockChain*<sup>TM</sup> - Proprietary optimization engine that leverages AMI's supplier network and knowledge base to procure and quality control customers' aggregates economically, faster and easier
- Introduces suppliers to additional project opportunities, allowing them to sell more of their capacity
- Secured two milestone orders in 2019
- Aggressively expanding bid opportunities in Western Canada, across multiple sectors

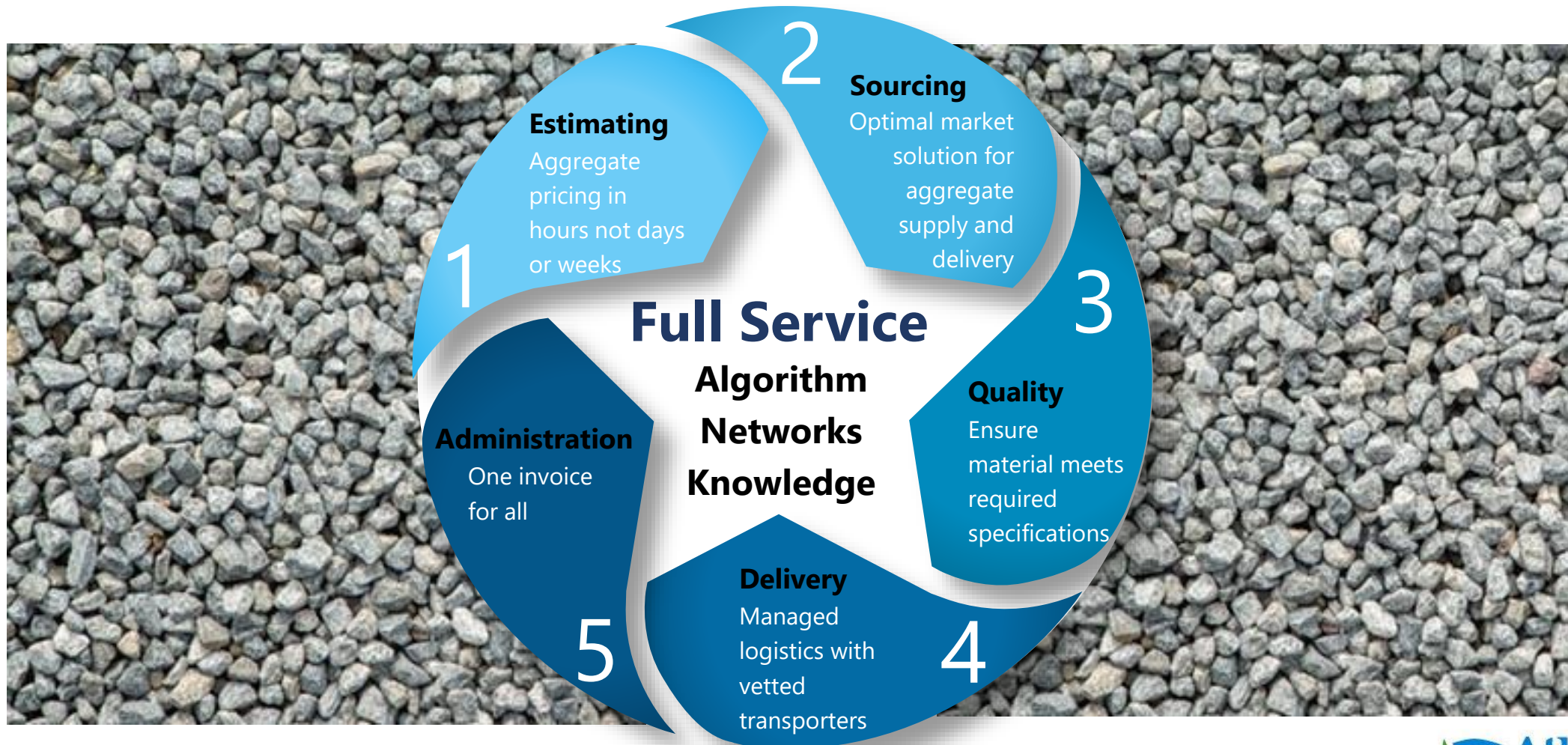


Website: [amirockchain.com](http://amirockchain.com)



# Why RockChain™ Works

18



# Advantages to Drive Long-Term Shareholder Value

19

- ✓ Three business units with distinct synergies
- ✓ Proprietary long-life resources
- ✓ Strong client, community and investor relations
- ✓ Resourceful and dedicated team
- ✓ Purposeful focus on expansion, diversification and strategic initiatives
- ✓ Disciplined cash management to ensure balanced approach to project implementation
- ✓ Improved technology and innovation to drive cost-effective and environmental efficiencies





An aerial, monochromatic blue-toned photograph of a large-scale mining operation. The image shows a deep, terraced excavation site. Two large conveyor belt systems run diagonally across the upper half of the frame. In the center-left, a large articulated haul truck is positioned near a pile of material. The ground is heavily marked with tire tracks and shows signs of extensive earthmoving. The overall scene conveys a sense of industrial scale and heavy engineering.

# QUESTIONS AND ANSWERS





Please address any additional questions to:

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