

Athabasca Minerals Inc. First Quarter Financial Results

May 30, 2017 - EDMONTON, ALBERTA. Athabasca Minerals Inc. (“Athabasca” or the “Corporation”) (TSX Venture: ABM) is pleased to announce its financial results for the first quarter ended March 31, 2017. The Corporation’s interim financial statements and management’s discussion and analysis (“MD&A”) for the three months ended March 31, 2017 are available on SEDAR at www.sedar.com and on the Athabasca Minerals website at www.athabascaminerals.com.

Highlights First Quarter 2017

- The Corporation successfully defended Syncrude's application for a preservation order, with the Corporation receiving a favourable decision of the Court of Queen's Bench of Alberta on January 24, 2017;
- Working capital \$5.9 million; current debt \$0.9 million; non-current debt \$0.4 million;
- Revenue for the three months ended March 31, 2017 declined to \$0.5 million from \$1.5 million in 2016, reflecting lower activity levels in the oil and gas industry and the timing of orders year over year;
- During the three months ended March 31, 2017, 87,000 tonnes of 40mm product was relocated from a winter access only pit to a pit with year-round access and
- The Corporation received First Nations Consultation approval for the silica sand Firebag project

FINANCIAL HIGHLIGHTS:

(\$ thousands of CDM, except per share amounts and tonnes sold)	Three Months Q1 2017	Three Months Q1 2016
Aggregate management fees	\$337	\$378
Net aggregate sales	\$140	\$1,103
Total revenue	\$476	\$1,481
Gross profit (loss)	\$(248)	\$221
Total comprehensive income (loss)	\$(855)	\$(634)
Total aggregate tonnes sold (MT)	250,763	391,605
Basic income (loss) per common share (\$/share)	\$(0.026)	\$(0.019)

During Q1 2017, the Corporation continued to see reduced sales volumes resulting from the continuing economic downturn in the oil and gas industry and the slow start to the construction season. The significant decline in sales at its corporate pits is due to an unseasonably large order in Q1 2016. The Corporation continues to recognize efficiencies from its ongoing cost control measures.

Operations Update

The Corporation relocated 87,000 tonnes of 40mm product from a winter access only pit to a location with year-round access and has production plans to rebuild its corporate pit inventory later in the fiscal year. Management has initiated a more aggressive sales program to new and

existing customers for sand and gravel from its corporate owned pits. The Corporation has received First Nation Consultation approval for the Firebag silica sand project.

As at March 31, 2017 the Corporation is 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. The Corporation has requested a forbearance for the three months ended March 31, 2017 on the funded debt to EBITDA ratio and the debt service coverage ratio covenants from HSBC Bank Canada. The lender and the Corporation are working together with respect to the forbearance request.

To facilitate the management of these ratios, the Corporation prepares quarterly and annual financial budgets. These budgets are updated regularly to reflect varying factors including the seasonality of the construction industry, fluctuating weather conditions, timing of projects and current market demand, current and forecasted prices, acquisitions, and general industry conditions, to assess how these factors may impact covenant compliance in future periods.

The complete financial statements for Athabasca for the period ended March 31, 2017 and management's discussion and analysis for the same period are available for viewing on the Corporation's website at www.athabascaminerals.com and on SEDAR at www.sedar.com.

Forward Looking Statements

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 update for later in the fiscal year including continuing to rebuild inventory in strategic locations, establishing what will be needed to bring product to market. In certain cases, forward looking statements can be identified by the use of words such as "plans", "expects", "anticipates" 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 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; continuance 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.

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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