



Athabasca Minerals Inc. Announces 2015 Year End Results

April 20, 2016 EDMONTON, ALBERTA. Athabasca Minerals Inc. ("Athabasca" or the "Corporation") (TSX Venture: ABM) is pleased to announce its financial results for the fourth quarter and twelve months ended December 31, 2015. The Corporation's audited financial statements and management's discussion and analysis ("MD&A") for the twelve months ended December 31, 2015 are available on SEDAR at www.sedar.com and on the Athabasca Minerals website at www.athabascaminerals.com.

2015 HIGHLIGHTS

- The Corporation entered into an agreement with Coal Valley Resources Inc. ("CVRI"), a subsidiary of Westmoreland Coal Company NasdaqGM: WLB) to purchase a private rail trans-loading facility ("Obed Facility") from CVRI.
- Announced Preliminary Economic Assessment for the Firebag Silica Sand Project demonstrating an after tax Net Present Value of Cdn \$268 million utilizing a 10% discount rate and an Internal Rate of Return of 57%.
- Announced a National Instrument 43-101 Initial Inferred Crushed Rock Aggregate Resource Estimate of 683,000,000 tonnes at the Richardson Project.
- The Shareholder Rights Plan has been adopted by the Board of Directors and the shareholders to ensure the fair treatment of shareholders in connection with any take-over offer for Athabasca, and to provide the Board of Directors and shareholders with additional time to fully consider any unsolicited take-over bid.
- Revenue for 2015 of \$19,454,139 versus revenue for the thirteen months ending 2014 of \$26,332,357.
- Revenue for Q4 2015 of \$6,913,000 versus revenue of \$9,680,000 for the comparable four month period ending December 31, 2014.
- Gross profit for 2015 of \$4,576,644 versus gross profit of \$6,286,608, for the thirteen months ending 2014.
- EBITDA for 2015 of \$2,619,727 versus EBITDA for 2014 of \$5,076,275, the comparable thirteen month period ending December 31, 2014.
- Increased cash as at December 31, 2015 to \$2,644,430 from December 31, 2014 of \$828,672.
- Susan Lake managed aggregate operation sales of 6.2 million tonnes of aggregates, versus 7.5 million tonnes sold for the comparable thirteen month period ending December 31, 2014.

- Corporate owned aggregate operations sales of 384,610 tonnes of aggregates, versus 571,493 tonnes sold for the comparable thirteen month period ending December 31, 2014.
- Net loss and comprehensive loss for 2015 of \$7,313,810 after write downs of \$7,545,890 versus net loss and comprehensive loss for thirteen month period ending December 31, 2014 of \$831,179.
- Working capital for the period ending December 31, 2015 of \$7,953,063.
- Appointment of Mr. Scott MacDougall, P. Eng. to the permanent position of President and Chief Executive Officer (“CEO”) and Mr. William Woods to Chief Financial Officer (“CFO”).
- Successful implementation of cost efficiencies associated with the production of aggregates from corporate owned aggregate projects.

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

	<u>Three Months Q4 2015</u>	<u>Four Months Q4 2014</u>	<u>Twelve Months Dec 31, 2015</u>	<u>Thirteen Months Dec 31, 2014</u>
Aggregate management fees	\$1,833	\$3,284	\$7,431	\$8,709
Net aggregate sales	\$5,080	\$6,396	\$12,023	\$17,623
Total revenue	\$6,913	\$9,680	\$19,454	\$26,332
Gross profit	\$986	\$3,105	\$4,577	\$6,287
Net income (loss) and comprehensive income (loss)	\$(6,762)	\$12	\$(7,314)	\$(831)
Total aggregate tonnes sold (MT)	1,738,965	3,013,816	6,599,512	8,085,480
Basic income per common share (\$/share)	\$(0.203)	\$0.000	\$(0.220)	\$(0.026)

Net (loss) during fiscal period ending December 31, 2015 increased to \$(7.314) million from a net loss of \$(0.831) million in the prior thirteen month period ending December 31, 2014, an increase of \$6.483 million. The primary contributing factors: 1) a \$1.278 million reduction in aggregate management fees resulting from a 1,300,000 tonnes (17%) reduction in aggregate tonnes sold from Susan Lake; 2) a \$5.600 million reduction in aggregate sales revenue resulting from a 186,883 (33%) reduction in aggregate tonnes sold from Corporate pits; 3) lower share-based compensation expense of \$0.89 million due to the non-cash expense booked on the options issued in 2014 and 2015; 4) other expenses of \$7.79 million for inventory impairment of \$2.87 million, Susan Lake goodwill impairment \$2.54 million, exploration resource property write-down of \$2.14 million and others netting to \$0.24 million; and 5) an income tax recovery of \$1.17 million as a result of the losses.

Operations Update

Susan Lake managed sales volumes in 2015 of 6.2 million tonnes were 17% lower than 2014 managed sales volumes of 7.5 million tonnes. Management maintained operations at historical base levels, with demand levels being impacted by lower oil prices in 2015. Athabasca maintains year round operations at Susan Lake, and has cleared and stripped the majority of the pit.

Corporate owned pits aggregate sales in 2015 decreased to 384,610 tonnes from 571,493 tonnes in 2014. Management continued the implementation of cost improvement strategies which enabled the Corporation to produce gravel at a lower operating cost per tonne. Through the optimization of production levels at the crusher, labour requirements were reduced and associated equipment hours were minimized reducing maintenance and operational costs.

Outlook

AGGREGATE OPERATIONS

Corporate-Owned Pits

Management continued to follow its strategy of cost reductions implemented in 2014. The Corporation implemented and managed tight cost controls, minimize capital expenditures, and reduce headcount both in the field and in the corporate office. The Corporation focused on production and existing inventory to align with contractual obligations and sales strategy. With the uncertainties surrounding the timeline of a recovery in oil prices, the Corporation will continue this strategy; bidding jobs sourced from existing inventory and when accretive, will crush new material only as required with the award of successful bids. Focused on reducing existing inventory, the Corporation is situated well with its pit along the Highway 881 and Highway 63 corridor to supply its historical client base for construction, infrastructure, development projects and steam assisted gravity drainage operations. Our Kearn pit experienced anticipated sales with a complete turn of produced aggregate in late 2015 and early 2016. The Corporation will begin dewatering and stockpiling in Q2 2016 to ensure available aggregate supply for oil sands requirements in close proximity to the pit. The Corporation implemented a new software system which complements the cost savings initiatives established in 2015. This new system provides detailed cost reporting which will allow operations to continue to focus on additional cost saving opportunities.

Susan Lake Public Pit

Susan Lake gravel pit continued to supply aggregate to both maintenance and development of oil sands projects in Northern Alberta, and for infrastructure projects in the region. 2016 sales guidance is in line with historic low levels, and the Corporation can meet potential increased demand through the operation of the Susan lake pit during weekends and off-peak times. The Corporation has cleared the majority of the land for future aggregate production at Susan Lake and is anticipating an increase to historical margins received from managing the Susan lake pit.

EXPLORATION AND DEVELOPMENT PROJECTS

Athabasca will be undertaking an increased exploration program in the 2016 calendar year to identify additional resources both on public, private and First Nation lands to align with its diversification efforts into additional areas outside of the Wood Buffalo Region.

Firebag Silica Sand Project

The Corporation's Firebag silica sand project ("Firebag Project"), is located 95 km north of Fort McMurray and is accessible via Highway 63. The planned operation is for the production of industrial proppants for use in the hydraulic fracturing of oil and gas wells. Independent testing by both Stim Lab and Proptester confirm a high quality product with crush strength meeting or exceeding American Petroleum Institute and International Standards Organization standards for frac sand. A Preliminary Economic Assessment ("PEA") confirmed that the Corporation's Firebag Project has considerable potential for development as a frac sand resource, which includes the potential for a large, highly economical deposit with high margin, rapid payback and 25 years of open pit mining. The PEA was prepared by Norwest Corporation ("Norwest"), headquartered in Calgary, Alberta.

With the uncertainty in oil prices the Corporation will be limiting any capital spending on this project until greater certainty surrounding pricing and domestic frac sand demand is established. The Corporation will focus efforts on completing engineering options surrounding plant size and additional permitting.

The complete financial statements for Athabasca for the year-ended December 31, 2015 and Management's Discussion & 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.

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.

For further Information on Athabasca, please contact:

Dean Stuart
T: 403-517-2270
E: dean@boardmarker.net

Neither the TSX Venture 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 news release contains forward-looking statements that involve risks and uncertainties. Forward-looking statements or information are based on current expectations, estimates and projections that involve a number of risks and uncertainties which could cause actual results to differ materially from those anticipated by the Corporation. The forward-looking statements or information contained in this news release are made as of the date hereof and the Corporation does not undertake any obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.