Athabasca
MINERALS INC.

UNAUDITED FINANCIAL STATEMENTS

For the Three Months Ended

February 28, 2011 and 2010

ATHABASCA MINERALS INC.

Notice of No Auditor Review of Interim Financial Statements
Three months ended February 28, 2011

The accompanying unaudited interim financial statements of the Corporation have been prepared by and are the responsibility of the Corporation's management and have been approved by the Audit Committee and Board of Directors of the Corporation.

The Corporation's independent auditor has not performed a review of these financial statements in accordance with the standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditor.

April 28, 2011

"Udomdej Kriangkum"	"*Don Hruba*"
Udomdej Kriangkum	Don Hruba
Chief Executive Officer	Chief Financial Officer

ATHABASCA MINERALS INC.

Balance Sheets

	February 28, 2011 (unaudited)	November 30, 2010 (audited)
ASSETS		
CURRENT		
Cash	$ 2,046,007	$ 1,296,812
Accounts receivable	1,747,752	3,210,246
Prepaid expenses	627,853	502,546
Short-term investment (Note 5)	603,000	603,000
	5,024,612	5,612,604
LONG-TERM DEPOSIT (Note 6)	25,050	25,050
PROPERTY AND EQUIPMENT	826,109	858,911
RESOURCE PROPERTIES	3,552,085	3,445,276
INTANGIBLE ASSETS	5,967,049	6,201,442
GOODWILL	2,537,701	2,537,701
	$ 17,932,606	$ 18,680,984
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	$ 607,338	$ 871,279
Income tax payable	669,390	700,910
Callable debt due within one year (Note 7)	1,840,250	1,840,250
	3,116,978	3,412,439
Callable debt (Note 7)	3,423,417	3,883,479
ASSET RETIREMENT OBLIGATION	236,242	231,436
FUTURE INCOME TAX	2,342,324	2,357,456
	9,118,961	9,884,810
COMMITMENTS AND CONTINGENCIES		
SHAREHOLDERS' EQUITY		
SHARE CAPITAL		
Common shares (Note 9 b)	6,533,607	6,585,761
CONTRIBUTED SURPLUS (Note 10)	792,207	736,643
RETAINED EARNINGS	1,487,831	1,473,770
	8,813,645	8,796,174
	$ 17,932,606	$ 18,680,984

Approved by the Board of Directors

"Douglas Stuve", Director

Douglas M. Stuve

"Theodore Rousseau", Director

Theodore Rousseau

The accompanying notes are part of these financial statements.

ATHABASCA MINERALS INC.

Statements of Net Income (Loss), Comprehensive Income (Loss) and Retained Earnings (Deficit)

	Three Months Ended February 28, 2011 (unaudited)	Three Months Ended February 28, 2010 (unaudited)
AGGREGATE MANAGEMENT FEE REVENUE	$ 1,348,330	$ 1,086,134
ROYALTIES	350,488	267,815
	997,842	818,319
Stripping and clearing expenses	-	-
Other aggregate management operating expenses	299,868	207,691
AGGREGATE MANAGEMENT OPERATING EXPENSES	299,868	207,691
	697,974	610,628
EXPENSES		
Accretion	4,806	4,427
Amortization of property and equipment	35,436	42,336
Amortization of intangible assets	234,393	234,393
General and administrative	278,828	376,832
Interest on callable debt	67,011	73,606
Stock based compensation (Note 10)	55,564	58,137
	676,038	789,731
INCOME (LOSS) BEFORE OTHER ITEMS	21,936	(179,103)
OTHER INCOME (LOSS)		
Interest income	2,131	6,552
Miscellaneous expense	(23,913)	-
Write down of resource properties and exploration costs	(1,250)	(12,429)
	(23,032)	(5,877)
LOSS BEFORE INCOME TAXES	(1,096)	(184,980)
INCOME TAXES		
Current income tax (benefit)	(6,369)	(40,389)
Future income tax expense (benefit)	(15,132)	2,678
	(21,501)	(37,711)
NET INCOME (LOSS) AND COMPREHENSIVE INCOME (LOSS)	**$ 20,405**	**$ (147,269)**
RETAINED EARNINGS (DEFICIT), BEGINNING OF PERIOD	1,473,770	(195,957)
PREMIUM ON REPURCHASED SHARES	(6,344)	-
RETAINED EARNINGS (DEFICIT), END OF PERIOD	**$ 1,487,831**	**$ (343,226)**
BASIC AND DILUTED INCOME (LOSS) PER COMMON SHARE (Note 9 e)	**$ .00**	**$ (.01)**
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING	**27,090,659**	**27,978,165**

The accompanying notes are part of these financial statements.

ATHABASCA MINERALS INC.

Statements of Cash Flows

	Three Months Ended February 28, 2011 (unaudited)	Three Months Ended February 28, 2010 (unaudited)
OPERATING ACTIVITIES		
Net income (loss)	$ 20,405	$ (147,269)
Adjustments for non-cash items:		
Amortization and accretion	274,635	281,156
Future income tax expense (benefit)	(15,132)	2,678
Stock based compensation (Note 10)	55,564	58,137
Write down of resource properties and exploration costs	1,250	-
	336,722	194,702
Net changes in non-cash working capital balances		
Accounts payable and accrued liabilities	(263,941)	(462,897)
Accounts receivable	1,462,494	831,695
Income tax payable	(31,520)	(40,389)
Prepaid expenses	(125,307)	(72,202)
Prepaid stripping costs	-	(274,721)
	1,378,448	176,188
INVESTING ACTIVITIES		
Long-term deposits	-	(25,050)
Purchase of property and equipment	(2,633)	(3,755)
Resource properties	(108,059)	(140,455)
	(110,692)	(169,260)
FINANCING ACTIVITIES		
Repurchase of share capital	(58,498)	-
Repayment of callable debt	(460,063)	(452,312)
Repayment of long-term debt	-	(60,000)
	(518,561)	(512,312)
NET INCREASE (DECREASE) IN CASH	749,195	(505,384)
CASH, BEGINNING OF PERIOD	1,296,812	2,077,716
CASH, END OF PERIOD	$ 2,046,007	$ 1,572,332

Supplemental cash flow information (Note 12)

The accompanying notes are part of these financial statements.

Note 1 - Nature of Business

Athabasca Minerals Inc. (the "Corporation") manages two aggregate (sand and gravel) pits on behalf of the Province of Alberta for which management fees are earned. Significantly all of the Corporation’s revenue is derived from these contracts. In addition to these management contracts, the Corporation explores and develops land for the purposes of establishing Company owned gravel pits producing aggregate for a variety of purposes. The Corporation also acquires, explores and develops mineral claims in the Fort McMurray area for the purpose of extracting salt, silica sand and other minerals.

Note 2 - Seasonality of Operations

The Corporation derives a significant portion of its revenues from producing various types of aggregates in Northern Alberta. The ability to remove gravel from its gravel pits is hampered by cold and wet weather conditions. As a result, winter and spring are traditionally the slowest time for the Corporation.

Note 3 - Significant Accounting Policies

The accompanying unaudited interim financial statements have been prepared on a going concern basis in accordance with Canadian generally accepted accounting principles (“GAAP”) on a basis consistent with that followed in the November 30, 2010 audited financial statements. These unaudited interim financial statements do not include all the information and note disclosures required by GAAP for annual financial statements and therefore should be read in conjunction with the said November 30, 2010 audited financial statements and the notes below.

In the opinion of management, the unaudited interim financial statements include all adjustments (consisting of normal recurring accruals) considered necessary by management to present a fair statement of the results of operations, financial position and cash flows.

Note 4 - Future Changes in Accounting Policies

International Financial Reporting Standards

In 2006, the Canadian Accounting Standards Board ("AcSB") published a new strategic plan that outlined the convergence of Canadian GAAP with International Financial Reporting Standards ("IFRS") over an expected five year transitional period. In February 2008, the AcSB announced that publicly-listed companies will be required to follow IFRS starting for fiscal years beginning on or after January 1, 2011. The transition to IFRS will be applied retroactively and, accordingly, will require the restatement of the amounts reported by the Corporation for the year ended November 30, 2011. While the Corporation has begun a preliminary assessment of the effect of the adoption of IFRS on the financial statements, the financial reporting impact of the transition to IFRS cannot be reasonably estimated at this time.

Note 5 - Short-Term Investment

	February 28, 2011 (unaudited)	November 30, 2010 (audited)
Term deposit bearing interest at 1.25% per annum, maturing on November 22, 2011.	$ 603,000	$ 603,000

Note 5 - Short-Term Investment (continued)

The Corporation has a letter of commercial credit outstanding of $603,000 to the benefit of the Province of Alberta for reclamation of the Susan Lake pit. The letter of commercial credit is secured by the term deposit in the amount of $603,000.

Note 6 - Long-Term Deposit

	February 28, 2011 (unaudited)	November 30, 2010 (audited)
Security deposit on gravel lease	$ 25,050	$ 25,050

The Corporation provided a security deposit of $25,050 paid to the Province of Alberta having been approved to operate the Logan River sand and gravel surface material lease (25.05 acres situated S ½ 16-73-12W4M). The security deposit is refundable February 9, 2020 at the expiry of the lease term.

Note 7 - Callable Debt

	February 28, 2011 (unaudited)	November 30, 2010 (audited)
Bank loan, repayable in monthly instalments of $150,000 plus interest at the bank's prime lending rate plus 1.875%, due December 31, 2013.	$ 5,100,000	$ 5,550,000
Bank loan, repayable in monthly instalments of $771 plus interest at the bank's prime lending rate plus 2%, due June 30, 2013.	21,583	23,896
Bank loan, repayable in monthly instalments of $2,583 plus interest at the bank's prime lending rate plus 2%, due September 30, 2015.	142,084	149,833
	5,263,667	5,723,729
Less amount due within one year	1,840,250	1,840,250
	$ 3,423,417	$ 3,883,479

The bank loans have been classified as current liabilities since the lender has the right to demand repayment at any time. The principal repayment requirements unless demanded for the subsequent five years are expected to be as follows:

2011	$ 1,840,250
2012	1,840,250
2013	1,534,084
2014	31,000
2015	18,083
	$ 5,263,667

Note 7 - Callable Debt (continued)

The following security is provided for the callable debt and the following additional credit facilities:

- general security agreement
- mortgage over half of a section of land located near Peace River, Alberta
- 36x60 triple wide modular office complex
- withhold of management compensation
- assignment of investment at a minimum of $600,000

The Corporation has a letter of commercial credit for $603,000 to the benefit of the Province of Alberta for reclamation at the Susan Lake pit. A cost of 1.75% per annum is charged for the letter of commercial credit.

The Corporation has access to a letter of commercial credit, for which the maximum of $250,000 is available at a cost of 1.75% per annum relating to reclamation. As at February 28, 2011, a letter of commercial credit of $248,760 has been issued to the benefit of the Province of Alberta in relation to a miscellaneous lease for a storage yard located at the Poplar Creek site.

The Corporation has access to a letter of commercial credit, for which the maximum of $500,000 is available at a cost of 1.75% per annum relating to reclamation. As at February 28, 2011, a letter of commercial credit of $500,000 has been issued to the benefit of the Province of Alberta for reclamation at the Poplar Creek pit.

The Corporation has access to a corporate credit card facility, up to a maximum of $50,000.

The Corporation has access to an operating loan, for which the maximum of $250,000 is available at the bank's prime lending rate plus 1.5%. The facility has not been drawn on as at February 28, 2011. There is no lending margin associated with the facility.

As at February 28, 2011, the Corporation is in compliance with the lender's financial covenants.

Note 8 - Related Party Transactions

During the three months ended February 28, 2011 the Corporation incurred expenses of $123,490 (2010 - $196,091) for services provided by certain directors and officers and certain companies controlled by certain directors and officers of the Corporation.

These fees are recorded in the financial statements as follows:

	Three Months Ended February 28, 2011 (unaudited)	**Three Months Ended February 28, 2010** (unaudited)
Directors and officers:		
Directors fees and expenses	$ 2,250	$ 4,734
Travel and miscellaneous	4,402	6,065
	6,652	10,799
Companies controlled by directors and officers:		
Consulting fees for services rendered	97,292	151,070
Travel and miscellaneous	3,051	423
Exploration costs	1,495	6,170
Interest	-	296
Letter of credit fees	-	13,333
Rent	15,000	14,000
	116,838	185,292
	$ 123,490	$ 196,091

Note 8 - Related Party Transactions (continued)

There is $10,690 related to these expenses recorded in accounts payable and accrued liabilities at February 28, 2011 (2010 - $19,504).

During the three months ended February 28, 2011 there was $nil promissory note (2010- $4,000) repayment to directors and officers and $nil promissory notes repayment (2010- $44,000) to companies controlled by directors and officers. As at February 28, 2011 the promissory notes have been fully repaid.

All related party transactions were in the normal course of operations and were measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

Note 9 - Share Capital

a) Authorized:
An unlimited number of
Common voting shares
Preferred shares, issuable in series

b) The Corporation has issued common voting shares of its share capital as follows:

	Three Months Ended February 28, 2011		**Year Ended November 30, 2010**	
	Number of Shares	**Amount**	**Number of Shares**	**Amount**
Balance at beginning of period	27,149,165	$ 6,585,761	27,978,165	$ 6,610,693
Warrants expired	-	-	-	176,164
Repurchased shares (Note 9 c)	(215,000)	(52,154)	(829,000)	(201,096)
Balance at end of period	26,934,165	$ 6,533,607	27,149,165	$ 6,585,761

c) Repurchased common shares:

During the three months ended February 28, 2011 the Corporation had in place a normal course issuer bid. The issuer bid commenced on July 5, 2010 and will terminate on July 5, 2011. During the three months ended February 28, 2011 the aggregate cost of the common shares purchased and cancelled was $58,498 of which $52,154 was recorded as a charge against share capital for the average carrying value of the common shares of approximately $0.24 per share with $6,344 charged to retained earnings.

Note 9 - Share Capital (continued)

d) Stock options:

The Corporation has issued options to directors, officers, employees and consultants of the Corporation as incentives.

The continuity of the Corporation's outstanding stock options is as follows:

	Three Months Ended February 28, 2011			Year Ended November 30, 2010		
	Number of Options		Weighted Average Exercise Price	Number of Options		Weighted Average Exercise Price
Options outstanding, beginning of period	2,645,767	$	0.32	2,537,435	$	0.35
Issued	-	$	-	890,000	$	0.28
Expired	-	$	-	(781,668)	$	0.37
Options outstanding, end of period	2,645,767	$	0.32	2,645,767	$	0.32

1,672,434 options were exercisable at February 28, 2011 at a weighted average exercise price of $0.36.

The weighted average remaining contractual life of the options is 2.70 years.

The Corporation's stock option plan provides that the Board of Directors may from time to time, in its discretion, grant to directors, officers, employees and consultants of the Corporation, or any subsidiary of the Corporation, the option to purchase common shares. The stock option plan provides for a floating maximum limit of 10% of the outstanding common shares, as permitted by the policies of the TSX Venture Exchange. Options may be exercisable for up to ten years from the date of grant, but the Board of Directors has the discretion to grant options that are exercisable for a shorter period. Options under the stock option plan are not transferable or assignable. Pursuant to the stock option plan, options must be exercised within a reasonable period following termination of employment or cessation of the optionee's position with the Corporation, or such other period established by the Board of Directors, provided that if the cessation of office, directorship, consulting arrangement or employment was by reason of death or disability, the option may be exercised within one year, subject to the expiry date.

The following is a summary of the outstanding options:

Expiry Date		Exercise Price	Number of Options Outstanding February 28, 2011	Number of Options Outstanding November 30, 2010
January 8, 2012	$	.40	955,767	955,767
October 15, 2012	$	.26	150,000	150,000
May 13, 2013	$	.40	75,000	75,000
September 21, 2014	$	.25	625,000	625,000
October 15, 2014	$	.40	100,000	100,000
November 2, 2014	$	.40	100,000	100,000
October 15, 2015	$	.26	640,000	640,000
			2,645,767	2,645,767

Note 9 - Share Capital (continued)

e) Diluted income per common share

For the three months ended February 28, 2011, there are 1,415,000 stock options that are dilutive. After applying the treasury stock method, the dilutive effect of these securities is negligible and results in basic and diluted earnings per share being reportable as the same amount.

Note 10 - Contributed Surplus

		Three Months Ended February 28, 2011 (unaudited)		Year Ended November 30, 2010 (audited)
Balance, beginning of period	$	736,643	$	598,763
Stock based compensation expense		55,564		137,880
Balance, end of period	$	792,207	$	736,643

Note 11 - Financial Instruments

The Corporation's financial instruments consist of cash, accounts receivable, short-term investment, accounts payable and accrued liabilities, and callable debt.

a) Fair Value

Due to the short-term nature of cash, accounts receivable, and accounts payable and accrued liabilities the carrying value of these financial instruments approximate their fair value. The fair value of callable debt, long-term debt and short-term investment approximates their carrying values as they are at the market rate of interest.

b) Credit Risk

Financial instruments that potentially subject the Corporation to concentrations of credit risk consist primarily of cash, short-term investment and accounts receivable. The Corporation’s maximum credit risk at February 28, 2011 is the carrying value of these financial assets.

In the normal course of business the Corporation evaluates the financial condition of its customers on a continuing basis and reviews the credit worthiness of all new customers. Management assesses the need for allowances for potential credit losses by considering the credit risk of specific customers, historical trends and other information. At February 28, 2011, 87% of the Corporation's accounts receivable was receivable from four customers.

The Corporation’s aged accounts receivable are comprised of 35.2% current, 17.6% past due up to 60 days and 47.2% past due over 60 days. While certain amounts are past due, management considers there is no impairment of the accounts receivable.

Credit risk associated with cash and short-term investment is minimized substantially by ensuring that these financial assets are placed with major financial institutions that have been accorded a strong investment grade rating.

Note 11 - Financial Instruments (continued)

c) Liquidity Risk

The Corporation manages liquidity risk by ensuring sufficient funds are available to meet liabilities when they come due. Under its long-term credit facilities, the Corporation must maintain certain ratios. The Corporation has complied with all ratios as at February 28, 2011 however the credit facilities are due on demand. The demand feature of the credit facilities increases the Corporation's liquidity risk as the bank could demand repayment. Management has assessed this risk and believes that it has sufficient capital through internally generated cash flows or alternate sources of financing to mitigate this risk.

As at February 28, 2011 the Corporation has sufficient working capital to fund ongoing operations and meet its liabilities when they come due. Accordingly, the Corporation is not exposed to significant liquidity risk. The Corporation has identified its financial liabilities as accounts payable and accrued liabilities and callable loans. In aggregate the contractual maturities and amount due at maturity by fiscal year for these financial liabilities are as follows:

Year 1	$ 5,871,005

The Corporation expects the callable loans will be repaid in monthly amounts, however, the balance of $5,871,005 has been reported above as the lender has the right to demand at any time.

The Corporation's existing credit facilities and cash flow from operating activities is expected to be greater than anticipated capital expenditures and the contractual maturities of the Corporation's financial liabilities for 2011. The expectation could be adversely affected by a material negative change in the demand for aggregate or the Corporation's management contracts.

d) Foreign Currency Risk

The Corporation has no exposure to foreign currencies as the Corporation's business is conducted in Canadian dollars.

e) Interest Rate Risk

The Corporation has an interest bearing term deposit and carries variable rate debt financing. Given the interest rate is fixed on the term deposit, the Corporation is not exposed to any interest rate risk on this financial instrument. However, the Corporation is exposed to interest rate risk on the variable rate callable loans. A 100 basis point increase in interest rate on the callable loans would decrease net income and comprehensive income by approximately $38,000.

The Corporation's bank loans bear interest at 1.875% and 2% over the bank prime lending rate. As the bank prime lending rate fluctuates so will the cost of borrowing. While exposed to interest rate risk in the short term, the Corporation has the ability to convert the variable rate financing to fixed rate financing on the demand loan bearing the bank's prime lending rate plus 1.875%, due December 31, 2013 thereby significantly reducing the exposure to interest rate risk. Given the ability to convert to a fixed rate bank loan, the Corporation is not exposed to significant interest rate risk.

Note 12 - Supplemental Cash Flow Information

The Corporation paid or received cash during the period for the following:

		Three Months Ended February 28, 2011 (unaudited)		Three Months Ended February 28, 2010 (unaudited)
Interest paid	$	67,011	$	73,606
Interest received	$	272	$	522
Income taxes paid	$	25,151	$	nil

Note 13 - Comparative Figures

Certain of the comparative figures have been reclassified to conform to the current period's presentation.