



AMI Silica Advances a Strategic Joint Venture Green Silica Sand Facility and Update on Annual Meeting

September 17, 2020 Calgary, Alberta. Athabasca Minerals Inc. (“Athabasca” or the “Corporation”) (TSXV:AMI) announces the signing of a Term Sheet by its subsidiary, AMI Silica Inc., with an international industrial partner (“Industrial Partner”) to pursue the Duvernay Silica Sand Project as a joint venture (“JV”) initiative. This JV initiative aims to co-develop and operate one of the greenest silica sand facilities in North America. The facility would be located in Northeastern Alberta, offering unique synergies such as:

- industrial land suitable for construction;
- access to industrial utilities, including process water, power and heat recovery opportunities that bring distinctive environmental benefits;
- access to transportation infrastructure that will broaden the economic distribution of product across Alberta and into Northeast British Columbia;
- additional premium domestic sand deposits located in close proximity to the proposed industrial location, clear of residential areas; and
- long-term employment, support for local businesses, and a more substantial, diverse tax base for the province and local economy.

The parties will commence with Front-End Engineering & Development (FEED), scheduled to be complete in the first half of 2021. Assuming the project economic forecast remains compelling, construction and operations will follow. A forecasted operational target in the first half of 2022 is subject to approved amendments to existing industrial licenses, regulatory approval for nearby sand deposits, and ratification of commercial operating agreements. The estimated 800,000 tonnes/year silica sand facility should provide products that serve various customers in the energy, construction and environmental sectors.

During the FEED period, a number of funding alternatives will be assessed, including project financing as well as green grant and green bond opportunities. The aim is to minimize shareholder dilution while maximizing long-term shareholder value.

Robert Beekhuizen, CEO of Athabasca Minerals and President of AMI Silica, states: “We are excited about the strategic merits of this project, and to have attracted the interest of a world-class Industrial Partner. In terms of market economics, the planned operation will mitigate Western Canada’s reliance on imported American sand by introducing Alberta-based, premium domestic sand at improved prices. Our green initiatives will minimize the environmental impact and carbon footprint, unlike any other silica processing facility we are aware of in North America. This project JV, exemplifies our commitment to environmental, social and governance excellence. Most importantly, the project will be good for Alberta generating long-term jobs, contracts for local businesses and government revenues.”

Annual and Special Meeting - Your vote is important

The Corporation confirms the Management Information Circular mailing for the upcoming 2020 Annual and Special Meeting of the Shareholders in Edmonton, Alberta, on Tuesday, September 22nd, 2020. If shareholders have not yet received the Management Information Circular, they can access it online at www.sedar.com or on the Athabasca website (www.athabascaminerals.com) under Annual Documents on the Investor Relations page.

ABOUT ATHABASCA MINERALS INC.

Incorporated in 2006, Athabasca is an integrated group of companies focused on the aggregates, industrial minerals and resource sectors, including exploration and development; aggregates marketing and midstream supply-logistics solutions. Business activities include aggregate production, sales and royalties from corporate-owned pits, management services of third-party pits, acquisitions of sand and gravel

operations, integrated supply/delivery solutions of industrial minerals, and new venture development. The Corporation is strategically focused on growing its three core business units: the AMI Aggregates division, the AMI RockChain division, and the AMI Silica division. Management is continually pursuing opportunities for sustained growth and diversification in supplying aggregate products and industrial minerals.

Athabasca's business is comprised of the following three reportable segments:

- **AMI Aggregates** division produces and sells aggregate out of its corporate pits and manages the Coffey Lake Public Pit on behalf of the Province of Alberta for which aggregate management services revenue are earned.
- **AMI Silica** division is positioning to become a leading supplier of premium domestic silica sand with regional deposits in Alberta and NE British Columbia. This reporting segment encompasses all silica assets including Firebag, the Duvernay Project and the Montney In-Basin Project.
- **AMI RockChain** division is a midstream technology-based business using its proprietary RockChain™ digital platform, associated algorithm and quality assurance & control services to provide cost-effective integrated supply / delivery solutions of industrial minerals to industry, and the construction sector.
 - **TerraShift Engineering Ltd.** is a newly acquired entity of RockChain. It offers technology-based applications that support resource exploration and development, environmental and regulatory planning, resource management, compliance reporting, and reclamation for a growing customer base across Western Canada and Ontario.

For further information, please contact:

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Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

FORWARD LOOKING STATEMENTS

Certain information set forth in this news release contains forward-looking statements including, but not limited to, the expectations for industry activity, management's assessment of Athabasca's and this project's future operations and what may have an impact on them, financial performance, business prospects and opportunities, changing operating environment including the effects of COVID-19, future growth and profitability of the Corporation. This news release also contains forward-looking statements pertaining to the approval, implementation and success of the project.

Although the Corporation believes that the material factors, expectations and assumptions expressed in such forward-looking statements are reasonable based on information available to it on the date such statements are made, undue reliance should not be placed on the forward-looking statements because the Corporation can give no assurances that such statements and information will prove to be correct and such statements are not guarantees of future performance. Since forward-looking statements address future events and conditions, they involve inherent risks and uncertainties by their very nature.

Actual performance and results could differ materially from those currently anticipated due to a number of factors and risks. These include, but are not limited to, known and unknown risks, including those set forth in the Corporation's Annual Information Form (a copy of which can be found under Athabasca's profile on SEDAR at www.sedar.com) and in the Corporation's most recent Management's Discussion and Analysis. Accordingly, readers should not place undue importance or reliance on the forward-looking statements. Readers are cautioned that the list of factors is not exhaustive.

Statements, including forward-looking statements, contained in this news release are made as of the date they are given, and the Corporation disclaims any intention or obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws. This cautionary statement expressly qualifies the forward-looking statements contained in this news release.