



Corporate Update

October 19, 2016 EDMONTON, ALBERTA. Athabasca Minerals Inc. ("Athabasca" or the "Corporation") (TSX Venture: ABM) is pleased to announce an update on legal issues related to Syncrude Canada Ltd. ("Syncrude"), operations at the Susan Lake public pit, activities at corporate owned aggregate operations and developments related to industrial mineral projects.

Syncrude

Athabasca and Syncrude were present in Court of Queen's Bench on October 13th and 14th, 2016 for the hearing of the proposed preservation order requested by Syncrude regarding operations at the Susan Lake public pit, as previously disclosed in the Corporation's press release of August 15th, 2016. No decision has been received from the appointed judge as of today, and it is unknown as to when any decision will be announced. Athabasca rigorously defended its rights to operate under the Susan Lake management contract with the Province of Alberta, and will continue to operate as it has done since 1998.

The Corporation had previously received a Statement of Defence and Counterclaim from Syncrude in respect to the Corporation's dispute with Syncrude regarding approximately \$620,000 in user fees and government royalties that the Corporation believes are owed by Syncrude to the Corporation in respect of gravel used by Syncrude from the Susan Lake Public Pit. In addition to denying all allegations in the Corporation's Statement of Claim, Syncrude has brought several counterclaims against the Corporation and is seeking damages in excess of \$68,000,000 (the "Counterclaim").

The Corporation believes the counterclaim is without merit and will defend against it rigorously. The outcome of the claim is not determinable at this time.

Susan Lake Public Pit

Susan Lake has experienced an increase in activity since re-opening after the Fort McMurray wildfires on May 26th, 2016. Although activity has not returned to previous years' level of sand and gravel demand, we are recognizing increased demand for aggregates for the municipality of Fort McMurray and regional oil sands operations.

Susan Lake Aggregate Deliveries

	Q3 2016	Q2 2016	Q3 2015
Tonnes Sold	1,370,804	342,514	2,570,836

Corporate Aggregate Operations

The Corporation maintains a number of corporate pits in the Wood Buffalo region, and the newly commissioned Emerson Road pit located near Hinton, Alberta. During Q3, the Corporation filled orders of 25, 40, and 75 mm aggregates.

Corporate Aggregate Deliveries

	Q3 2016	Q2 2016	Q3 2015
Tonnes Sold	63,795	3,994	160,067

Industrial Mineral Projects

The Corporation will be initiating a geophysical survey of the Richardson Dolomite / Granite Project (“Richardson Project”) in late October / early November. The purpose of this survey is to identify potential drilling targets. The Richardson Project lies 130 kilometers north of Fort McMurray, Alberta. The Richardson Project consists of eight contiguous Alberta Metallic and Minerals Permits totalling 60,966 hectares (150,650 acres). The Corporation maintains a 100% interest in all eight permits. A winter road extending to the hamlet of Fort Chipewyan traverses through the central portion of the Richardson Project and provides seasonal access with transport load capacity.

Athabasca is continuing permitting for the Firebag Frac Sand Project (“Firebag Project”). Under the terms of the recent sale of the Obed Transloading Facility, Athabasca retains the ability to distribute frac sand from the Firebag Project via the Obed Facility. Additional permitting is also being sought for a potential transloading facility in the Lynton, Alberta region, which lies approximately 100 kilometers south of the Firebag Project.

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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