

Annual General Meeting

(25-June-2018)

CEO Presentation

Robert J. Beekhuizen, P.Eng

CEO Presentation Topics – Annual General Meeting (25-June-2018)

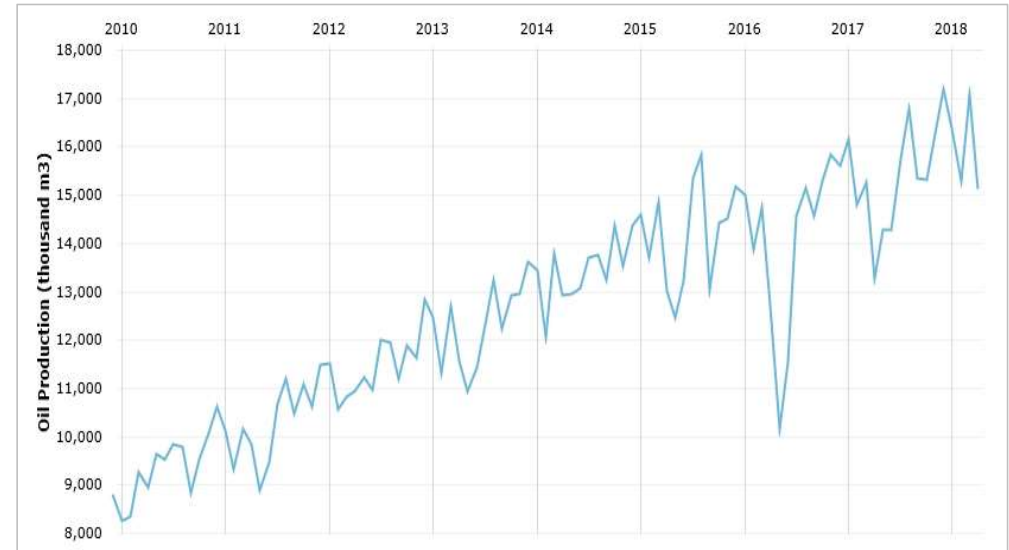
1. Alberta Market Trends affecting Demand for Aggregates & Silica Sand
2. Syncrude Law Suit (Update)
3. Susan Lake Pit Closure Program (Update)
4. Corp. Strategy #1 – Business Optimization & Value Preservation
5. Corp. Strategy #2 – Conventional Portfolio Revenue Generation & Growth
6. Corp. Strategy #3 – Step-Change Initiatives (M&A, forming AMI Silica Inc.)
7. Corp. Strategy #4 – Aggregates Marketing Inc. (a ‘Midstream’ Opportunity)
8. Revised Business Model & Repositioning
9. Highlights (Last 12 months)
10. Look-ahead & Critical Goals (Next 12 months)

Alberta Market Trends influencing Aggregate Demand

• Alberta Economic Indicators:

- Major Projects under construction (2018)
 - 389 projects; value of \$64 B
 - ✓ Infrastructure Projects:
 - ✓ 91 projects; value of \$10.6 B
- Major Projects proposed (2018*)
 - 304 projects; value of \$111 B
 - ✓ Infrastructure Projects:
 - ✓ 92 projects; value of \$8.9 B
- Alberta Oil Production has rebounded from the 2016 downturn positively impacting demand in Oil & Gas support sectors
- With impending closure of Ft. McMurray's Susan Lake Gravel Pit, aggregate supply will struggle to keep up with regional demand
 - Oilsands industry and local infrastructure: ca. 4 - 6 million Tonnes /year
 - Limited number of private pits in the area
 - Province's Coffey Lake public pit remains unopened
 - Ft. Mac aggregate prices are increasing

Alberta Oil Production Trends – Economic Indicator



Source: economicdashboard.alberta.ca

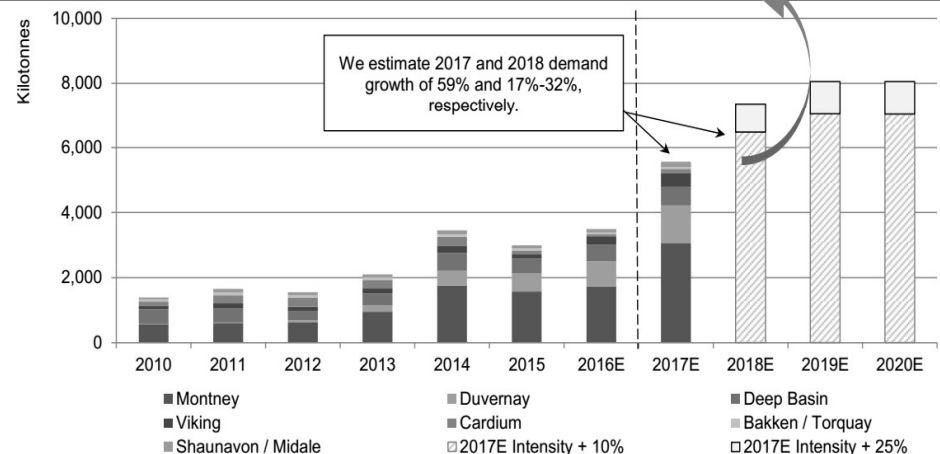
W. Canada Market Trends influencing Aggregate Demand (Silica Sand related)

A. Canadian Demand (frac-sand)

- I. 6.5 million Tonnes in 2018 (forecast)
- II. Expected to grow to 7.0 - 8.0 million Tonnes by 2020
- III. Major Plays
 - i. Duvernay intensity: 8,900 T/well
2018 Forecast: 1.3 million T
 - ii. Montney intensity: 2,900 T/well
2018 forecast 3.6 million T
 - iii. Deep Basin intensity: 1,000 T/well
2018 Forecast: 0.7 million MT

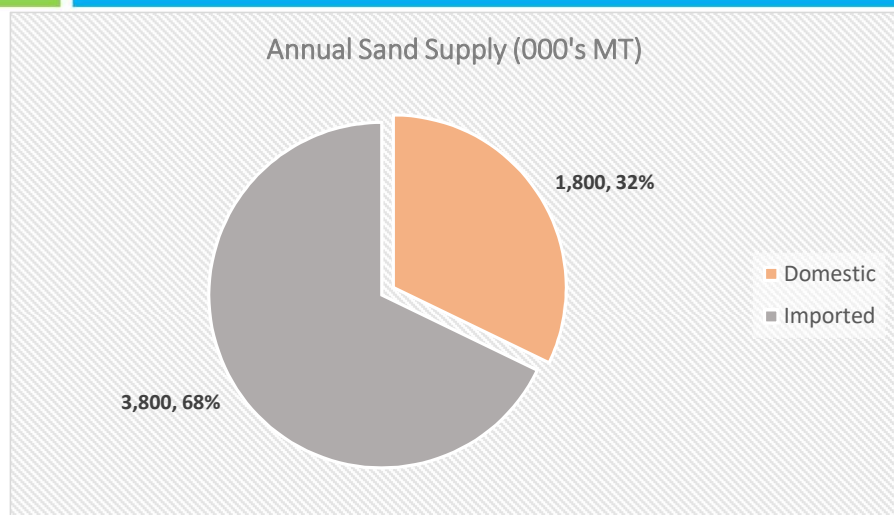
Exhibit 1: WCSB Frac Sand Demand Forecasts for 2018 (Conservative Case)

Basin	2018E Average Intensity (t/well) [A]	2018E Well Completions [B]	Proppant Demand (Mt) [C] = [A] x [B]	% of Total Demand
Montney	2,935	1,217	3.6	55%
Duvernay	8,887	151	1.3	21%
Deep Basin	998	661	0.7	10%
Viking	315	1,558	0.5	8%
Cardium	760	206	0.2	2%
Bakken / Torquay	177	343	0.1	1%
Shaunavon / Midale	418	471	0.2	3%
Total Fractured Wells		4,607	6.5	100%



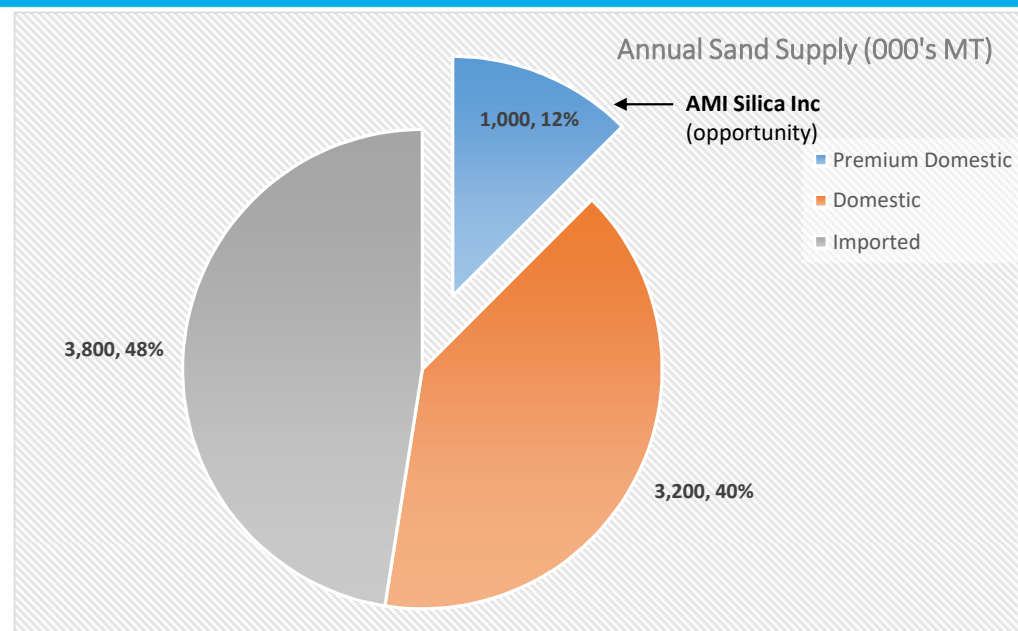
Source: geoScout; Scotiabank GBM estimates.

Regional Market Supply of Frac-Sand & Projections (based on AMI's data collection from regional suppliers)



Current State (2017)

Sand Source	Annual Canadian Forecast (MT/yr)	
	2017 (est)	2019+ (F)
Domestic	1,800,000	3,200,000
Premium Domestic	Nil	Up to 1,000,000
Norther White	3,800,000	3,800,000
TOTAL	5,600,000	8,000,000



Future State (2019+)

- Increasing market demand could support up to 1 million T/yr of premium domestic (e.g. AMI's Firebag sand deposit qualifies)
- Justifies the formation and entry of 'AMI Silica Inc' (a subsidiary of Athabasca Minerals)

CEO Update -- AGM (25-June-2018)

Syncrude Law Suit Update

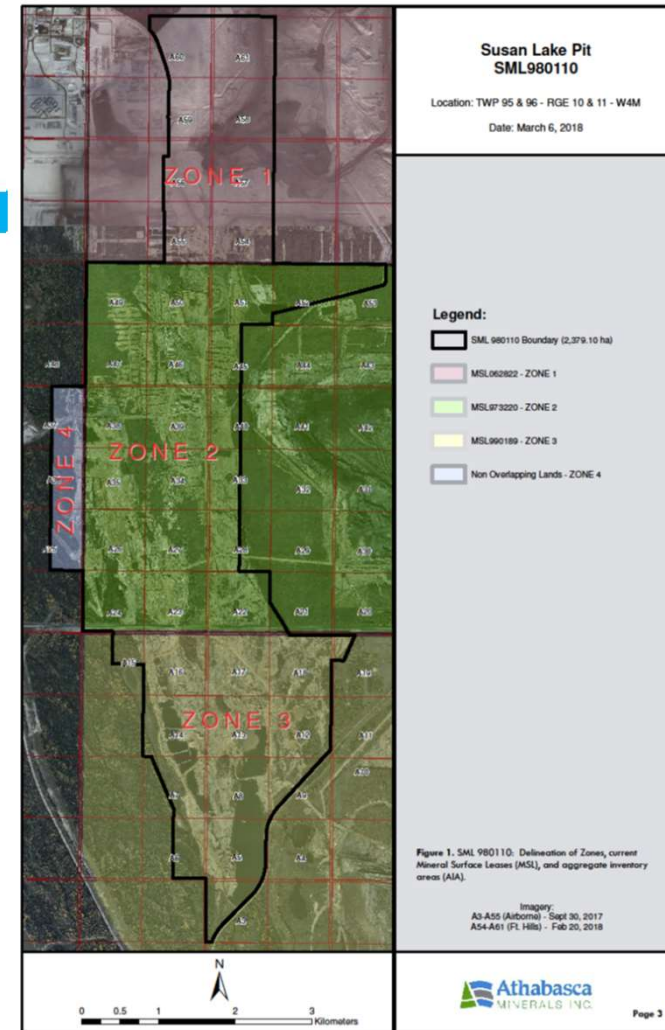
- Negotiated a settlement between Aug-Nov 2017
- AMI filed for Summary Judgement Application (SJA) in June 2018
 - Scheduling of SJA Review is not expected until Q2-2019
- Previous litigation matters are in abeyance until SJA is reviewed.

Susan Lake Public Pit – Closure Program

- The '2007 Susan Lake Renewal Management Contract' expired 30-Nov-2017
- AMI has submitted its Closure Plan to Alberta Environment & Parks for review /approval (still pending)
- AMI is currently operating under 'Overholding Tenancy Status'
 - '2007 Susan Lake Renewal Management Contract' in effect until a new disposition is issued upon Closure Plan approval
- AEP has allowed AMI to grant a limited 2018 extension for Concurrent Operations to 4 regional Pit Users during the Closure Program:
 - These 4 Pit Users are salvaging existing (surplus product) stockpiles plus base infrastructure material (in-pit roads, etc)
- AMI receives additional User fees from Concurrent Operations that support the pit closure budget
- A progressive closure program (with 4 successive zones) amends final completion to Oct-2019
- A monitoring period (up to 3 years) follows for Zone-4 (non-overlapping lands) prior to receiving a Reclamation Certificate

Susan Lake Pit Closure: Milestones

Milestones	Target Completion Date
Close & Exit Zone-1	Oct-2018
Close & Exit Zone-2	Dec-2018
Close & Exit Zone-3	Sept-2019
Reclaim Zone-4	Sept-2019
AMI Demobilizes from Susan Lake	Oct-2019
Monitoring Period (Zone-4)	Oct-2019 to 2022
Receive Reclamation Certificate (Zone 4)	2022
Receive LOC Funds (\$603k release)	2022



Corp Strategy #1 – Company Optimization & Value Preservation

- ✓ Eliminate debt and strengthen AMI's cash position
- ✓ Drive down overheads -20% below 2017 levels (office space, legal, insurance, consultants, staffing etc)
- ✓ Sell non-core portfolio assets & equipment to add cash (600-Loader, Crusher, Camps, etc) for ca. \$2.5M
- ✓ Recover Letters of Credit with Province /AEP to free-up restricted cash by year-end: + \$600k\$ (in-progress)
- ✓ Mitigate Susan Lake Pit Closure Costs by salvaging in-pit roads & base infrastructure materials: + \$1 million (in-progress)
- ✓ Improve cash management by staging payments for trucking costs in line with timing of product sales



Corp. Strategy #2 – Conventional Portfolio Revenue Generation & Growth

■ CONKLIN Regional Revenues

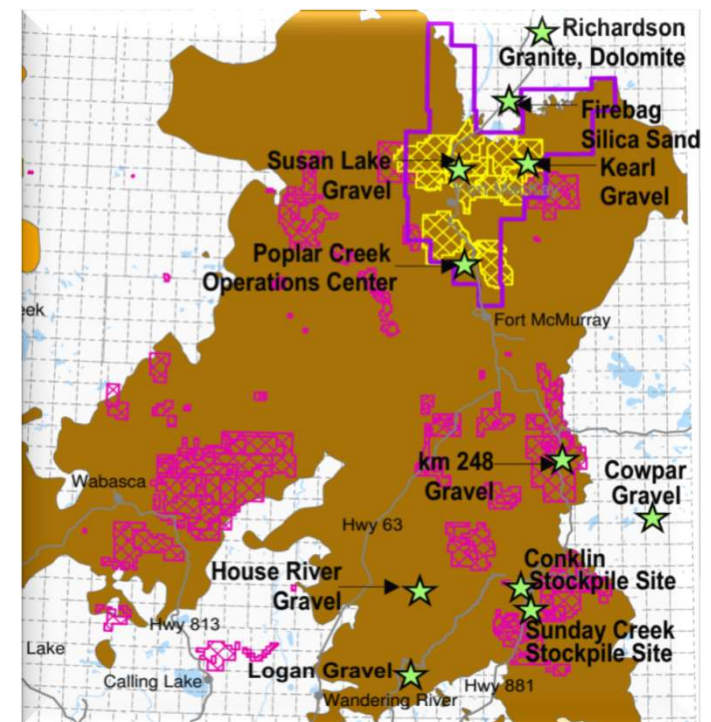
- Sell 100kT of 2017 inventory (Conklin, Sunday Ck, KM-248, Dipper)
- Replenish inventories for 2019 sales cycle (Logan Pit: 70 kT)
- Conklin Staging hub – sales & distribution of Logan Pit aggregates

■ FT. McMURRAY Regional Revenues

- House River Pit - crush 50kT & move to staging hub on Highway-63
- Poplar Creek Staging Hub – salvaged material from Susan Lake Pit
- Kearl Pit – obtain washing permit. JV partnership for production

■ 3rd Party Partnerships & Royalty Agreements

- Emerson Pit – JV underway & pit back in production
- Pelican Pit – JV pending
- Smaller players holding SMLs but short on funding – AMI negotiating royalties in exchange for AMI's pit development, operations & sales
- Special attention to developing regional Indigenous stakeholder relationships, and mutual benefit agreements



Corp Strategy #3 – Step-Change Initiatives (M&A Roll-up Targets)

- Targeting accretive deals with advantages to geography, logistics, inventory, and brand
- Selectively evaluating M&A targets seeking exit strategy:
 - Three Alberta companies have been reviewed and assessed
 - Negotiations still active
- AMI brings added dimension of stock value and liquidity
- Negotiating progressive terms that limit proportion of debt financing



Corp Strategy #3 – Step-Change Initiatives (New Venture: AMI Silica Inc)

- AMI Silica Inc has been formed as a wholly-owned subsidiary of Athabasca Minerals (www.amisilica.com)
- Goals include:
 - Monetizing the company's high-calibre 'Firebag' sand deposit
 - Developing a midstream storage & distribution hub in Mayerthorpe, AB (Letter of Intent: April-2018)
 - Processing other 3rd party silica sand deposits in the region
 - Innovative last-mile hauling and well-site solutions to improve value-add solutions for clients
 - Web-enabled marketing services (in development)
 - Zero Waste-sand operations with sand by-products serving other applications and industries

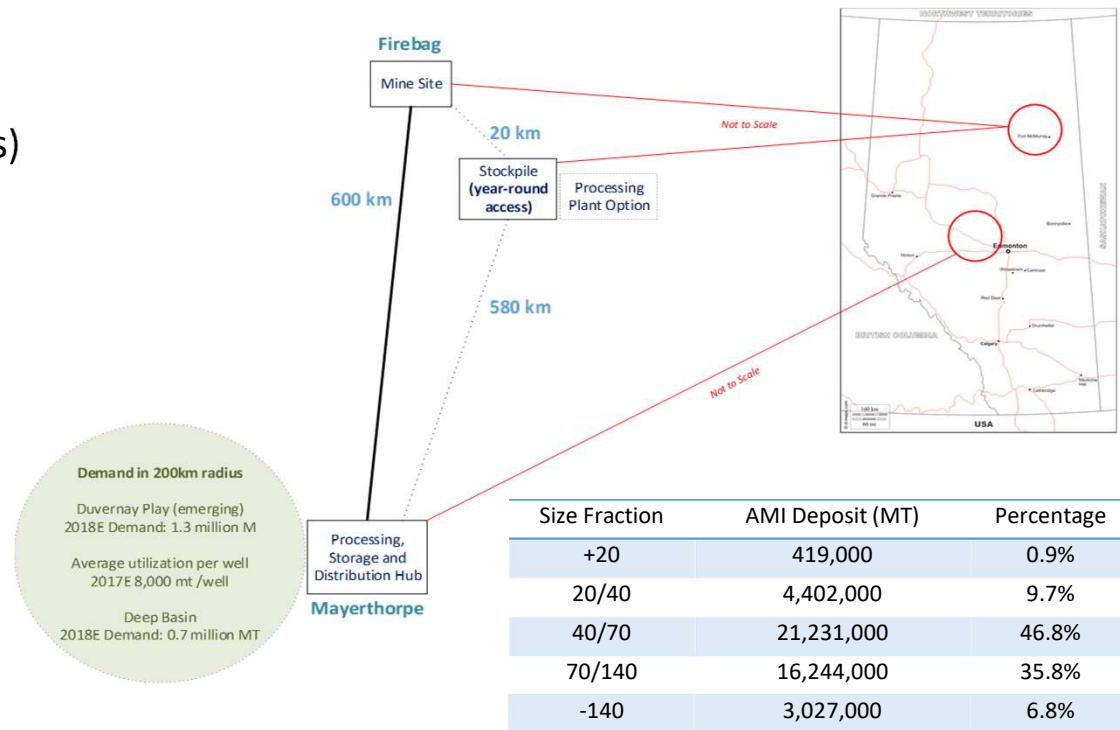


CEO Update -- AGM (25-June-2018)

Corp Strategy #3 – Step-Change Initiatives (New Venture: AMI Silica Inc)

Monetizing the ‘Firebag’ Silica Sand Deposit

- Premium domestic Frac-Sand (lab test results compare well with Tier -1 and Tier -2⁺ properties)
- 45,000,000 T of inferred resource (NI 43-101)
- Mine is fully permitted for extraction operations
- Winter road access for 2018 / 2019 season with summer access in Year 2+
- Stockpile near Highway 63
- Trucking partnership to transport to operational hub in Mayerthorpe, AB



Demand in 200km radius

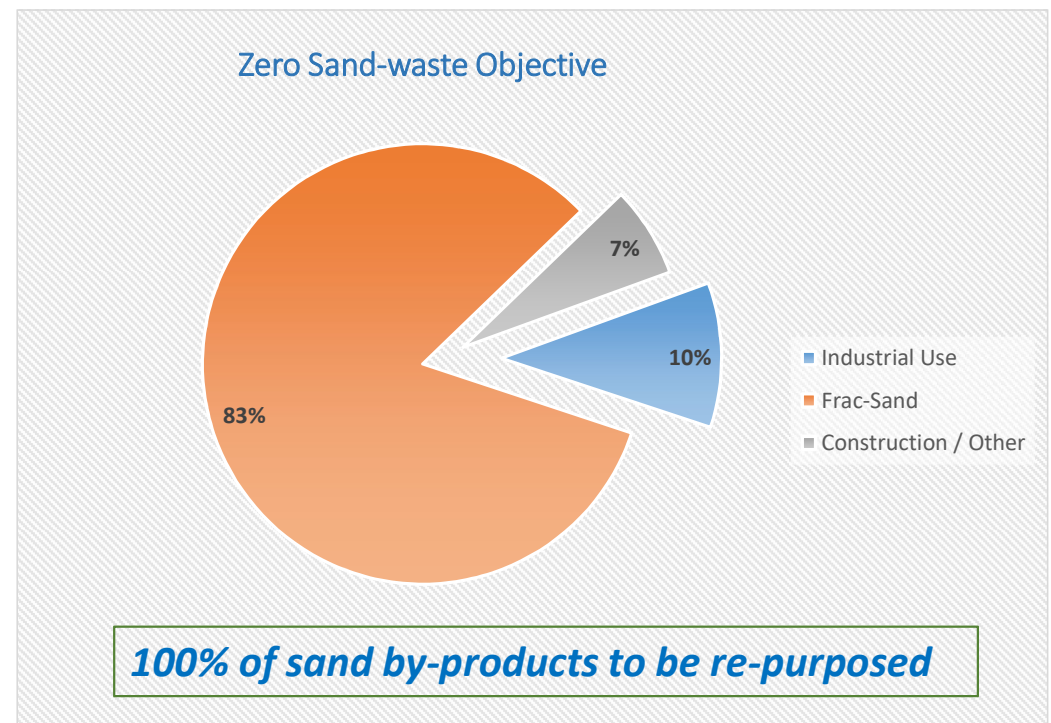
Duvernay Play (emerging)
2018E Demand: 1.3 million M

Average utilization per well
2017E 8,000 mt /well

Deep Basin
2018E Demand: 0.7 million MT

Corp Strategy #3 – Step-Change Initiatives (New Venture: AMI Silica Inc)

- Re-use & repurposing of sand by-products (“zero waste-sand operation”)
 - Frac-sand: 83%
 - Composition allows for more than one product type
 - Industrial Application: 10%
 - Construction-base materials
 - Concrete-related
 - Sandblasting
 - Other Uses: 7%
 - Water treatment /Sand Filters
 - Golf-Course sand



Corp Strategy #3 – Step-Change Initiatives (New Venture: AMI Silica Inc)

2018 Key Milestones Targets

- Processing Site Validation: July-2018
- Feasibility Package & Equipment Selection: July-2018
- Capex & Opex Validation: Aug-2018
- Mayerthorpe Land Lease & Permits: Sept 2018
- Capital Financing /JV-Funding /FID (nom. \$40-45M): Nov-2018
- Long-Lead Order Placement: Nov-2018
- Initial Extraction to Interim Staging: Winter 2018-19

OPERATIONAL TARGET: mid-2019* (* subject to financing & municipal permits)

Corp. Strategy #4 – ‘Aggregates Marketing Inc’. (Midstream Business Venture)

- ‘Aggregates Management Inc’ has been formed as a wholly-owned subsidiary (www.aggregatesmarketing.com)
- A new ‘Midstream’ business venture opportunity that:
 - Becomes the go-to brand & ‘one-stop’ midstream solution that coordinates fragmented regional supply & transportation markets for aggregates and silica sand
 - Offers an interactive technology platform (website) that brings Buyers (demand), Producers (Supply), and Truckers (Transportation) together for aggregates and frac-sand markets
 - Brokers competitive commercial solutions for aggregate & silica sand sales for a service fee
 - Also offers clients the option of competitive tendering (supply-chain) services for large-scale orders
 - Coordinates with regional logistics companies transportation solutions that enable the ‘supply-demand-delivery’ chain
 - Captures market intel on available regional inventories and regional customer demand /consumption
 - Becomes a repository of qualified trucking companies based on safety record, major clients

Corp. Strategy #4 – ‘Aggregates Marketing Inc’. (Midstream Business Venture)

Aggregates **Marketing**

Logout



Aggregates **Marketing**

Brings together market solutions for the aggregates and frac sand industry.

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Aggregates **Marketing**

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 **Athabasca**
MINERALS INC.

Corp. Strategy #4 – ‘Aggregates Marketing Inc’. (Midstream Business Venture)

Aggregates Marketing
Admin View

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Sort by:
Latest Earliest

Filter by:
Supplier Buyer Transportation Services
Sell Equipment Pit Management Tendering Services
Show All (27)
Filter by Product...

Yellowhead Supplier

Sand and Gravel:
Gravel
Gravel
Gravel
Gravel
Screened Rock

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Corp. Strategy #4 – ‘Aggregates Marketing Inc’. (Midstream Business Venture)


Aggregates Marketing Logout

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Yellowhead SUPPLIER

Contact Info

Broker: Aggregates Marketing Inc.	Telephone: 403-617-7609
Name: Dean Stuart	Listing Date: Jun 5, 2018 11:03am
Email: info@aggregatesmarketing.com	Entry ID: 4029



I am Interested in buying

First Name

Last Name

Company Name

Email

Telephone Number

Needed By

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CEO Update -- AGM (25-June-2018)

AMI's Revised Business Model

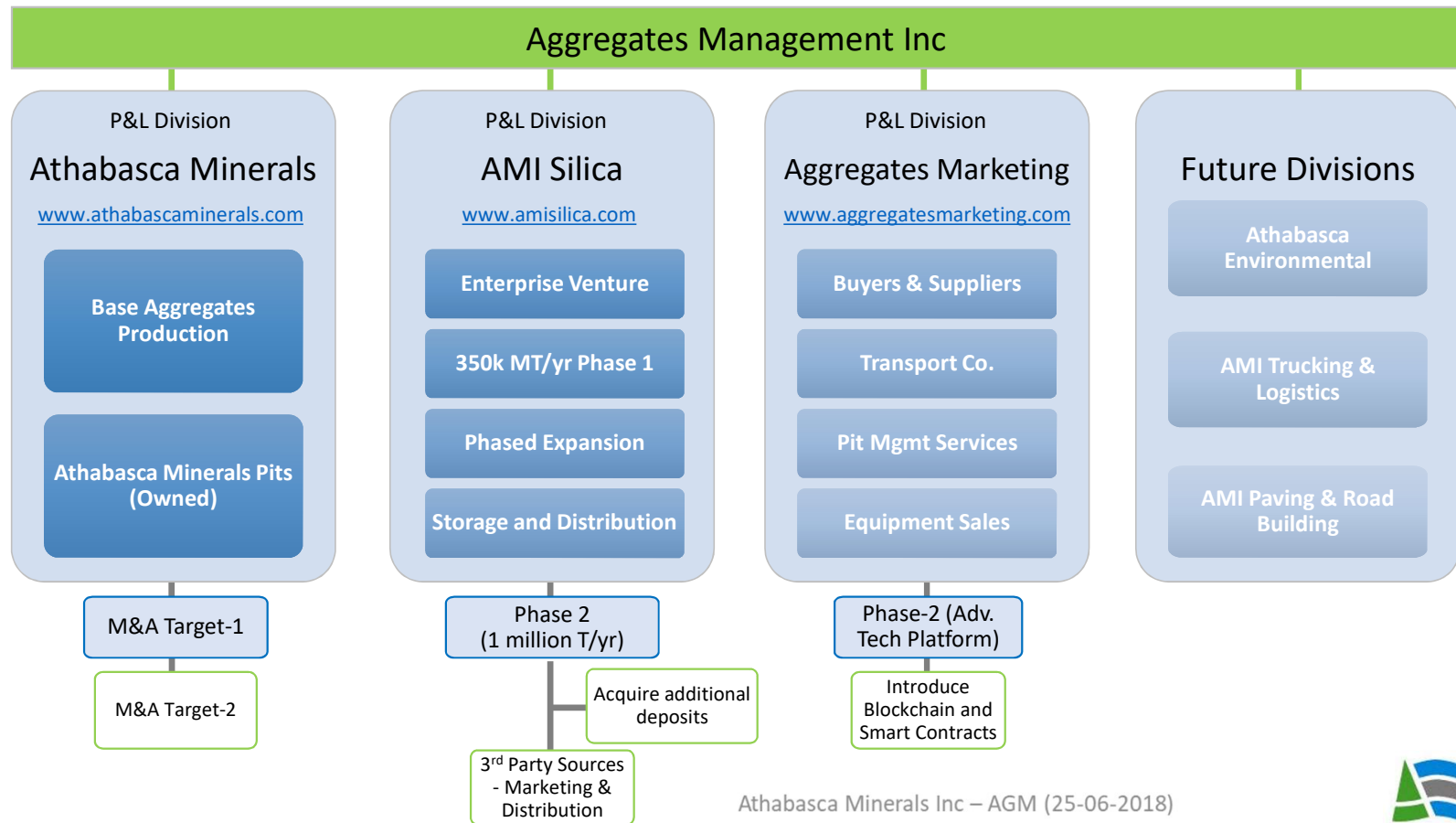
Corporate Vision, Mission & Core Values

Vision:	"to become the leading publicly-trading aggregates management company in Canada"
Mission:	"to profitably grow AMI with discipline, capturing progressive and innovative business opportunities ahead of our competition"
Motto:	"delivery with urgency; urgency with intelligence"

'Our Core Values'

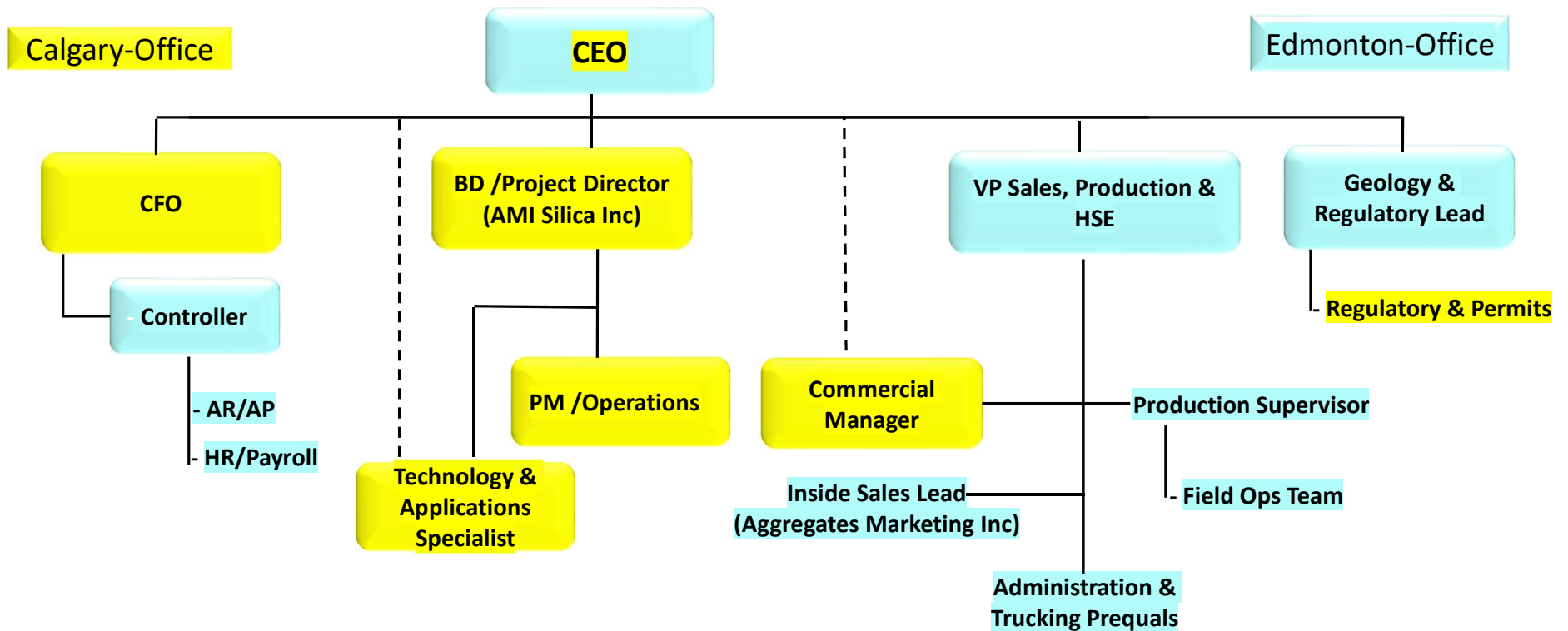
Safety & Environment	
Responsiveness	Resourcefulness
Relationships	Renewal
Integrity-First	

AMI's Revised Business Model & Repositioning



Athabasca Minerals Inc – AGM (25-06-2018)

AMI's Current Organizational Structure



CEO Update -- AGM (25-June-2018)

Key Highlights (Last 12 months)

1. Eliminated company debt, strengthened cash position, and sold-off ca. 2.5million in non-core assets
2. Restructured organization & management team with ca. \$600k (20%) reduction in overheads from 2017 Actuals to 2018 Budget
3. Developed revised business model for parent company with newly-formed ventures (subsidiaries) as distinct P&L divisions, offering improved control, branding and future spin-off opportunities
4. Launched 'AMI Silica Inc' (www.amisilica.com) to monetize Firebag resource, and established LOI for strategic storage /distribution hub in Mayerthorpe, AB
5. Launched Aggregates Marketing Inc (www.aggregatesmarketing.com) as a midstream business solution. Adding regional sales staff to support
6. Submitted Susan Lake Closure Plan to AEP, accommodating Concurrent Operations with revised fees and managing to feasible closure program targets (AEP approval pending).
7. Sustaining corporate revenues across AMI portfolio despite Susan Lake closure program, with sale of surplus inventories, joint-ventures, and role of staging hubs
8. Positioning the company for M&A /Roll-up opportunities with select target acquisitions under review

Look-ahead & Critical Goals (Next 12 months)

1. Remaining a cash-positive company with strong fiscal discipline, cash management, and cost-control.
2. On-going asset management with further dispositions of non-core assets to bolster AMI's cash position
3. Arranging capital financing for 'AMI Silica Inc', and getting FID (Financial Investment Decision) approval. Obtaining a conditional agreement for product sales /off-take with a strategic customer.
4. Cash-flowing the new subsidiary: 'Aggregates Marketing Inc' as a midstream business enterprise. Developing the services, brand, fee-schedule, and enhancing the web-enabled technology platform.
5. Obtaining AEP Approval of the Susan Lake Closure Plan. Advancing the execution of the closure program on-schedule /on-budget.
6. Advancing the M&A /Roll-up strategy. Selecting and transacting on a target acquisition.
7. Adding strategic partnerships, JVs, and royalty agreements to enhance the company & subsidiaries.
8. Summary Judgement Application Review (Syncrude case)
9. Adding strategic leadership to subsidiaries. Developing an 'Accountability /Results-focused' organizational culture



Thank You

CEO Update -- AGM (25-June-2018)

