Athabasca MINERALS INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the three and nine months ended September 30, 2019

November 26, 2019

The following discussion of Athabasca Minerals Inc.'s financial condition and results of operations should be read in conjunction with the unaudited interim condensed consolidated financial statements for the three and nine months ended September 30, 2019. The accompanying unaudited interim condensed consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"). All dollar amounts referred to in this management's discussion and analysis ("MD&A") are Canadian dollars.

Athabasca Minerals Inc. ("Athabasca", "AMI", "Our" or the "Corporation") is a reporting issuer in each of the provinces of Canada.

The Corporation's shares trade on the TSX Venture Exchange under the symbol AMI-V (previously ABM-V).

Athabasca's Board of Directors, on the recommendation of the audit committee, approved the content of this MD&A on November 26, 2019.

Additional information about Athabasca, including our management information circular and quarterly reports, is available at **athabascaminerals.com** and on the System for Electronic Document Analysis and Retrieval (SEDAR) at **sedar.com.**

We encourage readers to read the "Caution Regarding Forward-Looking Statements and Information" section at the end of this document.

OUR BUSINESS

Athabasca Minerals Inc. (or "**AMI**"), which incorporated in 2006, is an integrated group of companies focused on the aggregates and industrial minerals sectors, including resource 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, and new venture development. Athabasca Minerals Inc. is the parent company of Aggregates Marketing Inc. ("Aggregates Marketing"), a midstream technology-based business using its proprietary Rockchain™ digital platform, associated algorithm and QA/QC services to provide cost-effective integrated supply /delivery solutions of industrial minerals to industry, and the construction sector. It is also the parent company of AMI Silica Inc. ("AMI Silica"), a subsidiary positioning to become a leading supplier of premium domestic in-basin sand with regional deposits in Alberta and NE British Columbia. It is the joint venture owner of the Montney In-Basin and Duvernay Basin Frac Sand Projects. Additionally, the Corporation has industrial mineral leases, such as those supporting AMI's Richardson Quarry Project, that are strategically positioned for future development in industrial regions with historically and consistently high demand for aggregates.

The Corporation has managed the Susan Lake aggregate (sand and gravel) pit, an operation covering 5,900 acres on Crown Land, on behalf of the Government of Alberta for over the past 20 years. This contract generated revenues for aggregate management services. The contract technically expired in November 30, 2017, but the Corporation continued to manage the Susan Lake aggregate pit with overholding tenancy and generated revenues into the first quarter of 2019. In the third quarter of 2019, the Susan Lake Closure Plan was approved and finalized by the Government of Alberta. The Corporation will continue its aggregate management services for the Province with its recent award of the Coffey Lake Public Pit contract in March 2019.

The Corporation is strategically focused on growing its three core business units: the base Aggregates division, the AMI Silica sand division, and the Aggregates Marketing division. Management is continually pursuing opportunities for sustained growth and diversification in supplying aggregate products and industrial minerals.

BUSINESS HIGHLIGHTS

Athabasca Minerals is pleased to report the following:

- Received approval of the Susan Lake Closure Plan by Alberta Environment and Parks ("AEP") on August 15, 2019.
- Executed a Settlement Agreement with Syncrude Canada Ltd ("Syncrude") effective September 26th, 2019 with respect to a legacy claim (filed by AMI Oct-2012) and counter claim (filed by Syncrude Mar-2015). The settlement agreement did not have a material impact on AMI's cash position.
- Submitted the regulatory application in Q3-2019 to AEP for approval to operate the Coffey Lake Public Pit located approximately 50 km north of Susan Lake or 90 km north of Fort McMurray. The regulatory application is under review and has gone through progressive rounds of formal clarifications. Upon regulatory approval AMI will be the pit management contractor on behalf of the Province of Alberta for a period of 15 years.
- Completed the NI 43-101 technical report for the Duvernay premium domestic sand project ("Duvernay Project") which includes a contiguous resource of 24.7 million metric tonnes ("MT") measured resource, an additional 5.6 million MT indicated resource, and a further 4.9 million MT inferred resource.
- Completed the design basis in support of regulatory applications for the Duvernay Project and presented to AEP and County of Athabasca officials with respect to submissions for approval. The County development permit application was submitted in October 2019.
- Expanded its strategic relationship with Montana First Nation ("MFN") beyond the initial 185 acres Colchester Lands situated near Ponoka, Alberta to encompass approximately 9,600 acres of both on-reserve and off-reserve Lands. Additionally, the Corporation was awarded the MFN Emergency Road Repair Contract, which will further strengthen this important relationship.
- Aggregates Marketing was awarded a contract in excess of $800,000 in revenues for integrated supply, transportation, quality control and delivery of rail ballast to the regional operations of a major oil & gas company. Work started in October 2019.

SELECTED FINANCIAL INFORMATION

	Three months ended September 30,			Nine months ended September 30,		
	2019	2018	% Change	2019	2018	% Change
FINANCIAL HIGHLIGHTS:						
Aggregate Sales Revenue	$ 78,146	$ 1,769,211	-96%	$ 1,058,551	$ 2,023,693	-48%
Aggregate Management Services	-	1,186,218	-100%	433,635	2,417,727	-82%
Revenue	78,146	2,955,429	-97%	1,492,186	4,441,420	-66%
Gross profit (loss)	(444,778)	1,272,802	-135%	(850,722)	1,322,824	-164%
Gross profit (loss) percent	-569%	43%		-57%	30%	
Operating income (loss)	748,220	(1,145,398)	-165%	(1,658,023)	(2,619,771)	-37%
Other non-operating Income (expenses)	(18,041)	94,372	-119%	(32,068)	481,570	-107%
Total income (loss) and comprehensive income (loss)	$ 748,666	$ (782,148)	-196%	$ (1,618,940)	$ (1,577,257)	3%
Income (loss) per share, basic ($ per share)	0.017	(0.023)	-170%	(0.038)	(0.047)	-20%
Income (loss) per share, fully diluted ($ per share)	0.016	(0.023)	-170%	(0.038)	(0.047)	-20%
CASH FLOW HIGHLIGHTS:						
Net cash generated from (used in) operating activities	(748,353)	1,037,169	-172%	(1,855,804)	957,124	-294%
Purchase of property and equipment	(35,946)	(1,430)	2414%	(44,824)	(64,807)	-31%
Spending on resource properties	(20,549)	(8,161)	152%	(57,185)	(22,148)	158%
Weighted Average # of Shares Outstanding	44,682,155	33,303,650		42,803,924	33,303,650	
OPERATIONAL HIGHLIGHTS:						
Tonnes sold						
Susan Lake operations	-	382,645	-100%	341,459	1,095,710	-69%

	As at		
	September 30, 2019	December 31, 2018	% Change
FINANCIAL POSITION:			
Working capital[1]	$ 4,691,650	$ 4,833,947	-3%
Total assets	18,315,146	20,271,052	-10%
Total liabilities	3,118,599	5,599,149	-44%
Shareholder's Equity	15,196,547	14,671,903	4%

[1]Non-IFRS Measure - identified and defined under "Liquidity & Capital Resources"

FINANCIAL AND OPERATIONAL REVIEW

REVENUE

Revenues for the three months ended September 30, 2019 ("Q3-2019") were expectedly lower for the following reasons:

- No further revenue was generated from Susan Lake Public Pit with closure of operations since March 31, 2019;
- AMI's other corporate pits are primarily accessed during winter months; and
- Aggregates Marketing was awarded work in Q3 with delivery scheduled to occur in Q4; as such, this revenue has not yet been recognized.

GROSS PROFIT (LOSS)

Gross profit (loss) is measured by Athabasca's management team as revenue less cost of sales and is used to analyze the operational efficiency during a reporting period and to track changes in efficiency over time. This gives management a valuable tool to evaluate the effect of variables that could affect revenue or cost of sales.

The Corporation's gross profit (loss) declined by $1.72 million during Q3-2019 to a gross loss of ($0.44 million) compared to a gross profit of $1.27 million in Q3-2018:

- The decline in gross profit was primarily caused by $2.88 million decrease in revenues (considering the closure of Susan Lake Public Pit).
- Cost of sales were only reduced by $1.16 million (considering a significant portion of operating costs are fixed and carried to facilitate commencement of operations at the Coffey Lake Pit).

The Corporation had a gross loss of ($0.85 million) during YTD-2019 compared to a gross profit of $1.32 million in YTD-2018. The decline in gross profit of $2.17 million was due to a $2.95 million decrease in revenue that was only partially offset by a $0.78 million decrease in cost of sales.

The decrease of $1.16 million in cost of sales in Q3-2019 was due to the following:

- operating costs decreased by $0.95 million, or 69%, due to the significant decrease in volumes sold. The variable costs associated with production of inventory decreased significantly, but the fixed costs around employment, pit related costs, and pit supplies were still incurred in the quarter;
- royalties and trucking costs also decreased by $0.23 million in accordance with the significant decrease in volumes sold; and
- these decreases were slightly offset by a small increase in depreciation, depletion, and amortization of $0.02 million.

The decrease of $0.78 million in cost of sales during YTD-2019 was due to the following:

- operating costs decreased by $0.35 million, or 14%, as the significant reduction in volumes sold was offset partially by continued spending on fixed operating costs;
- royalties and trucking costs decreased by $0.30 million, or 91%, due to the lower sales volumes; and
- depreciation, depletion, and amortization decreased by $0.13 million, or 35%, as a result of a reduction in the depreciable base of property and equipment when compared to the previous year.

OPERATING INCOME (LOSS)

Athabasca's operating income increased by $1.89 million to $0.75 million (Q3-2019) from an operating loss of $1.14 million (Q3-2018). The year-to-date operating loss decreased by $0.96 million to $1.66 million (YTD-2019) from $2.62 million (YTD-2018).

The year-over-year increase in operating income in Q3-2019 was due to the following:

- other operating income increased by $3.82 million due primarily to the positive impact of the change in estimate in environmental rehabilitation obligations ("ERO") at Susan Lake as a result of the approval of the Susan Lake Public Pit Closure Plan. These allowed the Corporation to recognize a gain of $2.17 million in Q3-2019 due to a reduction in anticipated reclamation work on the overlapping lands at Susan Lake, whereas a year ago an additional $1.55 million loss was booked based on more conservative cost-estimates and work scope at the time;
- offsetting the above, the Corporation experienced a decline in gross profit (loss) of $1.72 million (discussed in the previous section) as well as smaller increases in share-based compensation expense and general and administrative expenses.

The year-over-year reduction in operating loss in YTD-2019 was due to the following:

- significant improvement in the change in estimate on ERO's of $3.82 million in Q3-2019 (discussed above);
- partially offset by the decline in gross profit (loss) of $2.17 million (discussed above);
- as well as the increase in general and administrative expenses of $0.43 million, discussed in the following section; and
- the increase in shared-based compensation expense of $0.24 million.

GENERAL AND ADMINISTRATIVE EXPENSES

	Three months ended September 30,			Nine months ended September 30,		
	2019	2018	% Change	**2019**	2018	% Change
Wages and benefits	**$ 439,478**	$ 351,609	25%	**$ 1,280,001**	$ 938,398	36%
Legal and professional fees	**136,263**	89,159	53%	**348,512**	295,436	18%
Consulting	**29,715**	98,779	-70%	**170,052**	189,252	-10%
Rent and office expenses	**44,758**	50,609	-12%	**147,319**	142,089	4%
Directors fees and expenses	**38,386**	37,973	1%	**120,685**	119,062	1%
Investor relations	**22,091**	23,333	-5%	**92,735**	73,048	27%
Insurance	**28,840**	20,532	40%	**82,049**	106,410	-23%
General office	**20,514**	23,414	-12%	**68,065**	60,807	12%
Travel	**11,237**	6,677	68%	**47,337**	19,783	139%
Exploration	**1,165**	11,147	-90%	**24,162**	18,285	32%
Severance	**-**	-	0%	**8,608**	-	100%
	$ 772,447	$ 713,232	8%	**$ 2,389,525**	$ 1,962,570	22%

General and administrative expenses increased by 8%, or $0.06 million, in Q3-2019 and 22%, or $0.43 million, YTD-2019 when compared to the corresponding periods in 2018.

- Wages and benefits increased by 25%, or $0.09 million, in Q3-2019 and 36% or $0.34 million YTD-2019 as a result of adding staff including a Chief Operating Officer, a VP of Corporate Development & Capital Markets, project management staff, and employees supporting Aggregates Marketing;
- Legal and professional fees were up $0.05 million in Q3-2019 due to increased spending in the quarter to finalize the settlement agreement with Syncrude Canada Ltd. The quarterly increase led to a similar increase in the YTD-2019 period.
- Consulting costs were down by $0.07 million in Q3-2019 as some of the costs incurred to support the new projects in AMI Silica and Aggregate Marketing systems in Q2-2019 were not required in the third quarter of 2019.
- The remaining general and administrative expenses were quite comparable to the prior year.

Athabasca is committed to maintaining a competitive cost structure. Management monitors and evaluates cost effectiveness in the context of appropriate human resources during the Corporation's business model restructuring. Major initiatives which are distinguished from prior periods are the introduction of AMI Silica Inc. and Aggregates Marketing Inc. as wholly owned subsidiaries and support for organic and inorganic growth opportunities.

TOTAL INCOME (LOSS) AND COMPREHENSIVE INCOME (LOSS)

The Corporation generated total comprehensive income of $0.75 million ($0.017 per share) in Q3-2019 compared to incurring a total comprehensive loss of $0.78 million ($0.023 per share) in Q3-2018.

The total comprehensive loss of $1.62 million ($0.038 per share) YTD-2019 was comparable to the total comprehensive loss of $1.58 million ($0.047 per share) YTD-2018 as decreased revenues were offset by the gain on ERO's arising from the approval of the Susan Lake closure plan.

SUMMARY OF QUARTERLY RESULTS

The following selected information is derived from unaudited consolidated financial statements of the Corporation. The information has been prepared by management in accordance with IFRS. Revenue refers to aggregate management fees and gross aggregate sales from pits where the Corporation owns the Alberta Metallic and Industrial Minerals Permits and the Surface Material Leases.

	Q3 2019	Q2 2019	Q1 2019	Q4 2018
Aggregate Sales Revenue	$ 78,146	$ 980,405	$ -	$ 114,718
Aggregate Management Services	-	-	433,635	575,455
Revenue	78,146	980,405	433,635	690,173
Gross Profit (Loss)	(444,778)	(295,417)	(135,956)	143,662
Total Income (Loss) and Comprehensive Income (Loss)	748,666	(1,310,647)	(1,056,959)	(932,579)
Income (loss) per share, basic	0.017	(0.030)	(0.026)	(0.074)
Income (loss) per share, diluted	0.016	(0.030)	(0.026)	(0.074)
Total Assets	18,315,146	19,753,963	19,546,329	20,271,052
Total Resource Properties	6,272,040	6,261,111	6,260,921	6,212,364
Current portion of lease obligations	94,493	30,979	49,245	29,284
Total Debt (non-current)	103,923	-	-	-
	Q3 2018	**Q2 2018**	**Q1 2018**	**Q4 2017**
Aggregate Sales Revenue	$ 1,769,211	$ 247,720	$ 6,762	$ 976,894
Aggregate Management Services	1,186,218	1,124,588	106,921	1,266,561
Revenue	2,955,429	1,372,308	113,683	2,243,455
Gross Profit (Loss)	1,272,802	494,320	(444,298)	1,076,554
Total Loss and Comprehensive Loss	(782,148)	(54,640)	(740,469)	(728,832)
Loss per share, basic	(0.023)	(0.022)	(0.022)	(0.022)
Loss per share, diluted	(0.023)	(0.022)	(0.022)	(0.022)
Total Assets	19,949,558	18,885,242	18,022,552	19,324,388
Total Resource Properties	6,240,437	5,935,917	5,891,420	5,903,241
Current portion of lease obligations	51,011	72,540	182,398	224,967
Lease obligations on equipment held for sale	-	-	190,903	230,811
Total Debt (non-current)	-	-	7,355	29,284

Seasonality of Operations

The Corporation derives revenues from managing the supply of, and from the production of, various types of aggregates in Northern Alberta. Aggregate sales and the associated delivery can be affected by, among other things:

- weather conditions,
- timing of spring break-up,
- timing of projects,
- market demand, and
- timing of growth capital investments in the region

Most construction, infrastructure and industry projects, to which the Corporation supplies aggregate, typically ramp up later in the summer and the fall seasons when ground conditions firm up. These seasonal trends typically lead to quarterly fluctuations in operating results and consequently the financial results from one quarter are not necessarily comparable or indicative of financial results in other quarters of the year. This can be seen in fluctuations in revenue and total comprehensive loss in the Summary of Quarterly Results.

OUTLOOK

The Corporation is re-positioning for growth across multiple business fronts – i.e. growth of its base Aggregates division, growth of its AMI Silica sand division, and growth of its Aggregates Marketing division.

Highlights of the activities taking place to advance Corporate goals are as follows:

BASE AGGREGATES DIVISION:

The regulatory process for the Coffey Lake Public Pit has taken longer than anticipated, however the Corporation continues to progress through the approvals towards commencement and site clearing activities. AMI is working to commercialize new emerging opportunities with strategic partners related to corporate-owned and third-party aggregate pits with royalty and/or pit management agreements. AMI is working to advance the Montana First Nation partnership with further aggregate exploration and delineation activities on the expanded land base of 9,600 acres, with permit preparations.

AMI SILICA DIVISION:

The Corporation is working to advance permitting and financing activities for the Duvernay premium domestic sand project. Additional delineation drilling is planned for the the Montney premium domestic sand project in order to obtain a NI 43-101 Technical Report.

AGGREGATES MARKETING DIVISION:

The Corporation is working to aggressively expand bid opportunities geographically across Western Canada and by industrial sector. AMI will continue to leverage strategic First Nations relationships and grow key client accounts. AMI is also focused on strengthening the *RockChain*™ digital platform & algorithm, supplier & transportation network, supply chain systems (technology) and back office support. Business-to-Business sales remain the primary focus, however market expertise and the *RockChain*™ platform can also be leveraged into Business-to-Consumer sales.

OPERATIONS

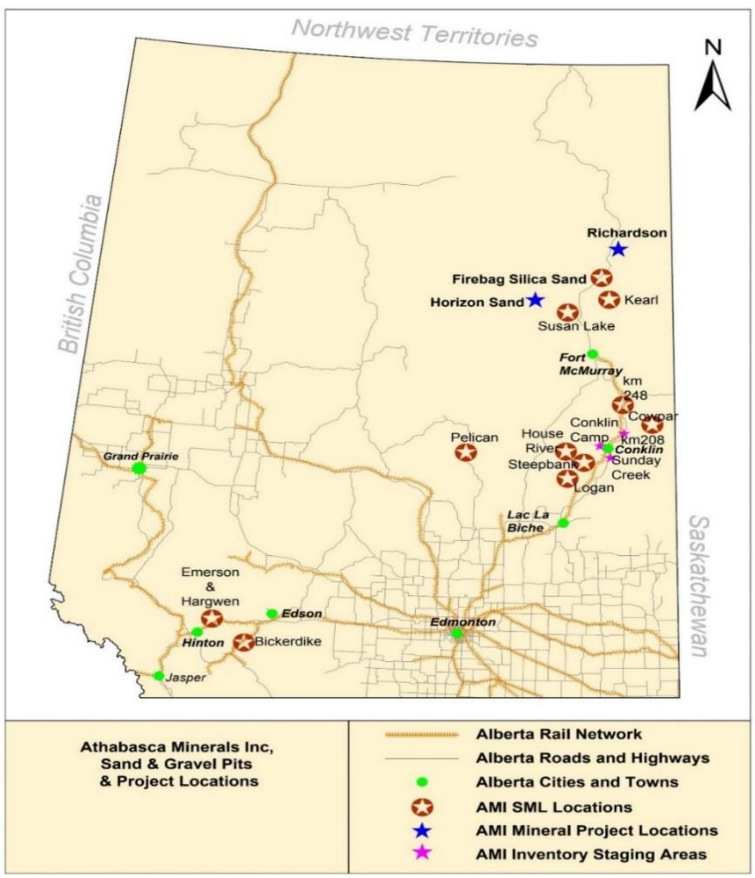
A conversion ratio of 2.471 acres to 1 hectare has been used throughout this document.

SUSAN LAKE PUBLIC PIT

- As of March 31, 2019, the Susan Lake public pit concluded operations and closed all four zones (i.e. Zones 1-4), including the removal of equipment, and associated aggregates related infrastructure (e.g. weight scales, scale houses, storage structures, etc.);
- The Corporation received official approval of its Closure Plan from AEP on August 15th, 2019
- Zones 1-3, i.e. those lands overlapping with Oilsands Operators' leases, were successfully transitioned over to them and now fall under each their respective dispositions;
- Zone 4, i.e. the non-overlapping lands, received a new SML disposition from AEP pertaining to the reclamation period that will apply until a final reclamation certificate is received.

CORPORATE PITS

- The Corporation holds Surface Material Leases ("SMLs") for several aggregate pits in northern Alberta. A SML grants the lease holder the right to extract sand and gravel from Crown land.
- The Corporation is exploring options to either reactivate inactive pits, assign to a 3rd party under a royalty agreement, or divest depending on market conditions.



KEARL PIT

- The Kearl corporate pit is located on 80 acres of crown land north of Ft. McMurray on an all-season road in close proximity to Imperial Oil /Exxon Kearl Oilsands Operations.
- Athabasca received SML approval in March 2011 for 10 years to develop and operate an aggregate operation.
- The Kearl pit was in production for approximately 4 years with approximately 1 million tonnes of aggregates removed. Kearl has not been operational since 2016 in response to a slowdown in the regional demand market. As would be expected, the pit will have incremental production costs when the time comes to access the remaining aggregates reserves.

HOUSE RIVER PIT

- The House River corporate pit is located on 160 acres (across 2 leases) of crown land, south of Ft. McMurray, and approximately 11 km east of Highway-63 on a winter access road.
- Athabasca received its first SML approval August-2011 for 10 years relating to initial 80-acre lease, to develop and operate an aggregate operation. It received a second SML in October-2016 for 10 years for an adjacent lease of 80 acres.
- The House River pit was in production for 1 winter season with approximately 250,000 tonnes of aggregates removed. It has not been in operational since 2012 due to changes in the regional demand market and seasonal access limitations which require advanced orders versus crushing on-demand.

LOGAN PIT

- The Logan corporate pit is located on 200 acres (across 3 leases) of crown land, approximately 110 km north of Lac La Biche accessible by an all-season road to the south, and a seasonal winter road from the east.
- Athabasca received SML approvals for each of the three adjacent leases on February 2010, May-2012, Nov-2012 respectively, in each case for 10 years, to develop and operate an aggregate operation.
- The Logan pit (first lease) was in production from 2013 to 2017 with approximately 400,000 tonnes of aggregates removed. It has not been operational since 2017 due to changes in the regional demand market and seasonal access limitations which require advanced orders versus crushing on-demand.

PELICAN HILL PIT

- The Pelican corporate pit is located on 79.7 acres of crown land approximately 70 km south-east of the Hamlet of Wabasca, Alberta, and historically was only accessible by a 2km winter road.
- Athabasca received SML approval in June-2011 for 10 years to develop and operate an aggregate operation;
- The Pelican pit has not yet gone into production due to changes in the regional demand market and seasonal access limitations which require advanced orders versus crushing on demand.
- In Q2-2019, the Corporation signed a non-binding term sheet which may allow the Corporation to enter into a royalty agreement with a 3rd party and received approval to amend the seasonal winter access road to an all-season road with construction commencing in Q4 2019.
- The Corporation is now actively addressing the opening of the pit for operation in 2020, together with the 3rd party under royalty agreement, based on upcoming infrastructure projects in the area. Conversion of the winter-access road into an all-season road is part of this 3rd party agreement.

EMERSON PIT

- The Emerson corporate pit is located on 75 acres of crown land approximately 27 km south-east of the community of Hinton, Alberta on an all-season road.
- Athabasca acquired the SML in March-2011 for 10 years to develop and operate an aggregate operation.
- The Corporation had the SML transferred into its possession on April 17, 2019 in accordance with the asset purchase and sale agreement dated June 1, 2016 with Prairie Mines.

INVENTORY STAGING AREAS (Conklin, Sunday Creek, and KM208)

The Corporation has strategic inventory staging locations on year-round accessible roads at Conklin, Sunday Creek, and KM208 which are all situated on all-season roads in close proximity to Highway 881 south of Ft. McMurray, and north of Lac la Biche. These staging areas support product supply and deliveries to local clients and industry on demand throughout the year. These staging areas also accommodate seasonal production from AMI's corporate pits, particularly from the Logan Property.

DEVELOPMENT & EXPLORATION PROJECTS

COFFEY LAKE PUBLIC PIT

- On March 6, 2019, the Corporation announced that it was awarded a 15-year contract by the Province of Alberta to construct, operate and manage the Coffey Lake Public Pit north of Fort McMurray, Alberta. This Crown resource is situated on approximately 750 acres of land about 90 km north of Fort McMurray.
- AMI submitted the Conservation Operation and Reclamation Plan to AEP in July 2019. AMI is working with AEP to obtain regulatory approval and aiming to start with site access and clearing activities accordingly.

AMI SILICA INC – Montney In-Basin Sand Deposit

- The Corporation has a 49.2% ownership interest in an entity ("Privco1"), which is engaged in delineation drilling activities for the appraisal of the Montney in-basin sand deposit located in the vicinity of Dawson Creek and Fort St. John, British Columbia.
- The Corporation's cash investments in Privco1 are being allocated towards funding the delineation program in order to achieve a National Instrument 43-101 compliant Technical Report and validation of reserve or resource status associated with the deposit.
- The Corporation may, in its sole discretion, exercise the option to acquire the remaining interest in Privco1.

AMI SILICA INC – Duvernay (White Rabbit) In-Basin Sand Project & Resource

- The Corporation has a 49.6% ownership interest in an entity ("Privco2") that owns which the Duvernay (White Rabbit) in-basin sand resource in Alberta. In Q3-2019, Privco2 recently completed the National Instrument 43-101 Technical Report to validate the reserves and resources.
- The Corporation's cash investments in Privco2 have been allocated towards funding:
    - the delineation program, the NI 43-101 compliant Technical Report (including validation of reserve or resource), for securing land options, conducting facility design, and for the preparation of regulatory applications.
- The Privco2 resource encompasses 356 hectares (878 acres) of largely contiguous, and privately-owned, properties. The underlying sand deposit was delineated based on 49 drill holes, and the retrieval of over 200 stratum samples which were subject to a comprehensive lab testing program.

- The Technical Report establishes that AMI's Duvernay in-basin Project contains a sand resource of:
  - fine-to-coarse grain sands with pay thickness from 0.4 meters to 21.6 meters;
  - 24.7 million metric tonnes (MT) measured resource, with an additional 5.6 million MT indicated resource, and a further 4.9 million MT inferred resource.
- AMI and Privco2 have recently completed front-end design work and have filed its development permit application with the local County.
- Project funding is anticipated to be a combination of two or three of the following sources: joint venture partnerships, debt, and equity.
- Capital funding requirements and timelines for this project, as well as the Corporation's other projects, will be developed based on plant design requirements and interest from stakeholders.
- The Corporation may, in its sole discretion, exercise the option to acquire the remaining interest in Privco2.

AMI SILICA INC – Firebag

- The Firebag frac sand deposit is located north of Ft. McMurray with an active SML covering 80 acres, and a land amendment application for an additional SML consisting of 420 acres.
- The Corporation is in the final stages of updating the previous National Instrument 43-101 Technical Report for the Firebag deposit that was originally filed in 2014 in order to file a revised Technical Report during Q4-2019.
- The asset is fully permitted for mining operations.
- The Corporation has applied for permits to develop a rail transload terminal in the Fort McMurray region to facilitate transportation to market.
- The Corporation is exploring options to either develop the pit, assign to a 3rd party under a royalty agreement, or divest depending on market prospects.

RICHARDSON QUARRY PROJECT

- The Corporation holds leases for a potential large-scale quarry located approximately 70 km north of the Susan Lake gravel pit and 130 km north of Fort McMurray, Alberta (the "Richardson Quarry Project"). It contains high quality dolomite and granite deposit.
- With the closure of Susan Lake gravel pit as a source of aggregates, limited options are available to the industry for supply in the Fort McMurray/Wood Buffalo region. Proximity to market and market demand are important factors. The Richardson Quarry Project is directly adjacent to the Athabasca oil sands region in north-eastern Alberta. The oil sands operations represent an area of continued and sustained demand and enormous growth opportunity for AMI as the operations require substantial sources of local aggregate. Coarse sand and gravel aggregates in the oil sands region are scarce and inadequate to meet industry demand. Consequently, new local sources of crushed aggregate are necessary to minimize development impediments and reduce transportation costs.
- An initial drilling program in 2013 confirmed that granite and dolomite extended beyond the outcrop, and a follow up drilling program completed in 2014 successfully cored the dolomite, and all but one drill hole intersected the granite basement. APEX Geoscience Ltd. ("APEX") of Edmonton, Alberta completed a technical resource report in accordance with NI 43-101 on the Richardson Project in 2015, estimating an initial crush rock dolomite aggregate inferred mineral resource of 683 million tonnes with thickness ranging from 8.3 m to 47.9 m, averaging 39.5 m. The granite is conservatively estimated at 165 million tonnes.
- In Q1 2019, the Corporation was granted three Metallic and Industrial Mineral Leases for the Richardson Quarry Project totaling 9,647 acres. Management secured the leases following discussions with government, industry and First Nations stakeholders in relation to the newly designated Kitaskino Nuwenëné Wildland Provincial Park, which was announced by the Province of Alberta on March 11, 2019. With a view to the establishment of the new wildland provincial park, the Corporation agreed to voluntarily surrender 39,488 hectares of its original eight contiguous Metallic and Industrial Minerals Permits which had no impact on the project. AMI's lease boundary includes the deposit that was assessed in the Richardson Technical Report (as defined herein) so that the estimated inferred resource has not been compromised and includes additional lands proximal to the deposit area and the granite outcrop.

- The leases provide the Corporation with subsurface rights to commercially develop industrial minerals, but prior to commencing operations, the leases are subject to a regulatory review including an environmental impact assessment and public consultations. Other municipal development permits and provincial authorizations (e.g. under the Public Lands Act (Alberta) and the Water Act (Alberta)) will also be required.
- Athabasca is preparing a front-end development scope for the Richardson Quarry Project, including a preliminary budget for regulatory approvals. Regulatory sensitivities associated with woodland caribou remain a factor affecting the Richardson Quarry Project. An assessment of a draft Caribou Range Plan published by the Government of Alberta in 2018 did not identify immediate negative impacts. The Corporation will align the Richardson Project with goals for restoring the caribou habitat pending a final decision for the proposed caribou plan.

OTHER AGGREGATES DEPOSITS (Hargwen, Bickerdike, and Steepbank)

- The Corporation controls three other deposits for potential development
  - Hargwen aggregates deposit, the Bickerdike sand deposit, and the Steepbank aggregates deposit
- **Hargwen aggregates deposit**: is located on approximately 80 acres of crown land some 21 km east of the community of Hinton, Alberta on an all-season road:
  - AMI has an SML- approved in principle
  - A Conservation Operation & Reclamation Plan was submitted in January 2019 and is at its final stages of review.
  - AMI is addressing the opening of the pit together with a 3rd party under a royalty agreement, with timing based on upcoming infrastructure projects in the area.
- **Bickerdike sand deposit:** is located on approximately 80 acres of crown land some 20 km south of the community of Edson, Alberta on an all-season road:
  - AMI has an SML-approved in principle.
  - The Bickerdike sand has been tested. It is a useful resource for construction purposes, but is considered marginal for frac sand applications
  - Until market conditions change in the area, there are no immediate plans for the development of Bickerdike deposit
- **Steepbank aggregates deposit:** is located on approximately 80 acres of crown land some 50 km south-west of Conklin, Alberta, accessible by approximately 30 km winter access road:
  - AMI has an SML-approved in principle
  - Until market conditions change in the area, there are no immediate plans for the development of Steepbank deposit

LIQUIDITY & CAPITAL RESOURCES

	As at		
	September 30, 2019	December 31, 2018	% Change
FINANCIAL POSITION:			
Working capital[1]	$ 4,691,650	$ 4,833,947	-3%
Total assets	18,315,146	20,271,052	-10%
Total liabilities	3,118,599	5,599,149	-44%
Shareholder's Equity	15,196,547	14,671,903	4%

[1]Non-IFRS Measure - identified and defined under "Liquidity & Capital Resources"

WORKING CAPITAL

Working capital is a non-IFRS measure calculated by subtracting current liabilities from current assets. There is no directly comparable IFRS measure for working capital. Management uses working capital as a measure for assessing overall liquidity.

The Corporation has working capital of $4.69 million as at September 30, 2019, which management feels is adequate to fund on-going operations and to meet its liabilities when they come due. Working capital decreased by 3% from December 31, 2018, when the working capital balance was $4.83 million.

Current assets as at September 30, 2019 of $5.38 million are lower than December 31, 2018 by 34%, or $2.78 million, which is largely due to lower cash and trade receivables resulting from the significant decrease in sales volumes.

Current liabilities as at September 30, 2019 of $0.69 million are lower than December 31, 2018 by 79%, or $2.64 million. The significant decrease is primarily due to the change in estimate of remaining ERO work at Susan Lake as a result of the approval of the Susan Lake Public Pit Closure Plan in Q3-2019, which significantly reduced the current portion of ERO as well as the deposit liabilities.

AVAILABLE CREDIT FACILITIES

The Corporation currently has a credit facility with Canadian Western Bank which includes a letter of credit facility with an annual renewal fee of 1.50% that are mostly used to guarantee reclamation and remediation work and are to the benefit of the Government of Alberta. The Corporation is not subject to any covenants or capital spending requirements as part of the current credit facility.

Letter of Credit/Guarantee Facility

The letters of commercial credit to the benefit of the Government of Alberta for decommissioning and restoration are as follows:

	As at	
	September 30, 2019	December 31, 2018
Susan Lake Pit	$ 228,540	$ 603,000
Poplar Creek Site, storage yard	180,000	180,000
Poplar Creek pit	-	500,000
Emerson pit	75,240	-
	$ 483,780	$ 1,283,000

The Corporation has secured its letters of credit to the benefit of the Government of Alberta for decommissioning and restoration with guaranteed investment certificates to the benefit of Canadian Western Bank.

COMMITMENTS

The Corporation has the following financial commitments as at September 30, 2019:

			As at	
			September 30, 2019	December 31, 2018
Finance Leases	**Interest Rate**	**Monthly / Quarterly * Instalments**		
VETS Group Ltd. Edmonton Office Lease, due Jan 31, 2022	3.680%	Variable	156,742	-
Xerox Photocopier Lease, due May 19, 2024	3.680%	816 *	14,308	-
Jim Peplinski Leasing, due Feb 28, 2020	3.680%	1,230	27,366	-
Cat Financial Lease #2, due May 31, 2019	3.680%	3,450	-	13,695
Cat Financial Lease #3, due May 31, 2019	3.680%	3,927	-	15,589
			198,416	29,284
Current portion - principal due within one year			(94,493)	(29,284)
			$ 103,923	$ -

Future minimum lease payments for the subsequent five years is as follows:

October 1, 2019 to September 30, 2020	$ 99,753
October 1, 2020 to September 30, 2021	$ 78,806
October 1, 2021 to September 30, 2022	$ 22,428
October 1, 2022 to September 30, 2023	$ 3,264
October 1, 2023 to September 30, 2024	$ 2,617
	206,868
Less: interest included in payments above	8,452
Lease principal outstanding, September 30, 2019	$ 198,416

In the three months and nine months ended September 30, 2019, the Corporation agreed to new lease obligations of $171,728 for the new Edmonton office location.

The minimum exploration expenditures to retain the Corporation's existing mineral permits are as follows:

	$ per hectare
First two year period	$ 5.00
Second two year period	$ 10.00
Third two year period	$ 10.00
Fourth two year period	$ 15.00
Fifth two year period	$ 15.00
Sixth two year period	$ 15.00
Seventh two year period	$ 15.00

These expenditures will either be recorded on the balance sheet in resource properties or expensed in the statement of loss and comprehensive loss as cost of sales or general and administrative expenses, depending on the future viability of the project as at the reporting period.

In managing the exploration permits, the Corporation adds mineral permits in areas of interest and relinquishes mineral permits in areas that the exploration activities indicate a low potential of discovering mineral reserves. As permits are relinquished, the number of acres is decreased thereby reducing the spending commitment. The Corporation is in the process of exploring aggregate and mineral properties and has not yet determined whether these properties contain deposits that are economically recoverable. The continuing operations of the Corporation to meet its commitments, including the development of the properties, securing and maintaining title and financing exploration and development of the properties is dependent upon the internal generation of cash flow and availability of capital.

CAPITAL RESOURCES

As of September 30, 2019, the Corporation had 44,844,773 (December 31, 2018: 40,240,606) common shares outstanding.

Share-based compensation expense in the consolidated statements of income (loss) and comprehensive income (loss) for the nine months ended September 30, 2019 includes $54,142 to Directors, $152,672 to Officers, and $104,593 to employees (nine months ended September 30, 2018: $16,422 to Directors, $35,994 to Officers, and $20,148 to employees).

The Corporation has not declared or paid dividends during the nine months ended September 30, 2019 or the year ended December 31, 2018.

Stock options

During the nine months ended September 30, 2019, 1,166,667 options were granted to Directors, Officers and employees of the Corporation (year ended December 31, 2018: 1,705,000).

During the nine months ended September 30, 2019, 516,667 options were exercised at a weighted average exercise price of $0.23 for total proceeds of $121,259 (year ended December 31, 2018: nil).

The weighted average remaining contractual life of the options is 3.78 years (December 31, 2018: 3.84 years).

Of the 2,725,000 (December 31, 2018: 2,555,000) outstanding stock options, 1,256,667 (December 31, 2018: 1,178,334) options have vested and therefore, were exercisable at September 30, 2019 at a weighted average exercise price of $0.21 per share (December 31, 2018: $0.45 per share).

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 Corporation's outstanding stock options are as follows:

		As at	
		September 30, 2019	December 31, 2018
Expiry Date	**Exercise Price**		
June 26, 2019	$ 2.90	-	100,000
December 14, 2020	0.30	**100,000**	245,000
January 13, 2022	0.24	**195,000**	270,000
July 7, 2022	0.18	**400,000**	430,000
November 23, 2022	0.22	-	30,000
April 30, 2023	0.17	**70,000**	220,000
June 4, 2023	0.17	**425,000**	550,000
September 13, 2023	0.30	**100,000**	100,000
November 23, 2023	0.26	**450,000**	610,000
January 9, 2024	0.28	**225,000**	-
May 21, 2024	0.57	**75,000**	-
May 22, 2024	0.57	**345,000**	-
June 24, 2024	0.65	**120,000**	-
August 20, 2024	0.64	**220,000**	-
		2,725,000	2,555,000

The fair value of the options granted was estimated on the dates of the grant using the Black-Scholes Option Pricing Model. The fair values of the options granted in the last two years were estimated using the following assumptions:

Grant Date	# of Options	Exercise Price	Dividend Yield	Expected Volatility	Risk Free Rate of Return	Expected Life	Weighted Average Fair Value on Grant Date	Forfeiture Rate
August 20, 2019	220,000	$ 0.64	Nil	84.9%	1.19%	5 years	$ 0.43	18.8%
June 24, 2019	120,000	$ 0.65	Nil	79.6%	1.34%	5 years	$ 0.42	18.1%
May 22, 2019	476,667	$ 0.57	Nil	81.6%	1.61%	5 years	$ 0.37	17.7%
May 21, 2019	75,000	$ 0.57	Nil	85.1%	1.64%	5 years	$ 0.38	17.7%
January 9, 2019	275,000	$ 0.28	Nil	78.2%	1.90%	5 years	$ 0.18	17.3%
November 23, 2018	610,000	$ 0.26	Nil	73.1%	2.28%	5 years	$ 0.16	16.3%
September 13, 2018	160,000	$ 0.30	Nil	74.3%	2.24%	5 years	$ 0.18	16.6%
June 4, 2018	665,000	$ 0.17	Nil	74.4%	2.10%	5 years	$ 0.10	16.3%
April 30, 2018	270,000	$ 0.17	Nil	72.9%	2.10%	5 years	$ 0.10	16.5%
November 23, 2017	200,000	$ 0.22	Nil	73.4%	1.61%	5 years	$ 0.13	16.8%
July 7, 2017	530,000	$ 0.18	Nil	74.1%	1.46%	5 years	$ 0.11	15.3%

The expected volatility was determined using historical trading data for the Corporation for a period commensurate with the expected life of the options.

Warrants

The Corporation's outstanding warrants are as follows:

	Nine months ended September 30, 2019		Year ended December 31, 2018	
	Number of Warrants	Weighted Average Exercise Price	Number of Warrants	Weighted Average Exercise Price
Warrants outstanding, beginning of period:	**2,875,000**	**$ 0.35**	-	$ -
Issued	-	-	2,875,000	0.35
Exercised	**(1,987,500)**	**0.35**		-
Expired or cancelled	-	-	-	-
Warrants outstanding, end of period:	**887,500**	**$ 0.35**	2,875,000	$ 0.35

During the nine months ended September 30, 2019 1,987,500 warrants were exercised at an exercise price of $0.35 for proceeds of $695,625 (year ended December 31, 2018: no warrants were exercised).

Of the 887,500 (December 31, 2018: 2,875,000) outstanding warrants, 887,500 (December 31, 2018: 2,875,000) were exercisable at September 30, 2019 at a weighted average exercise price of $0.35 per warrant (December 31, 2018: $0.35 per warrant).

The weighted average remaining contractual life of the warrants is 1.14 years (December 31, 2018: 1.89 years).

The fair value of the warrants issued were estimated on the dates of the grant using the Black-Scholes Option Pricing Model. The fair values of the options issued were estimated using the following assumptions:

Grant Date	# of Warrants	Exercise Price	Dividend Yield	Expected Volatility	Risk Free Rate of Return	Expected Life	Weighted Average Fair Value on Grant Date
November 21, 2018	2,875,000	$ 0.35	Nil	72.6%	2.23%	2 years	$ 0.08

CONTINGENCY

Syncrude Counterclaim
In October 2012, Athabasca filed a statement of claim against Syncrude to recover approximately $620,000 in user fees and government royalties that the Corporation believed were owed to AMI with respect to Syncrude's use of aggregates at the Susan Lake public pit, despite Syncrude's overlapping oilsands mineral lease. Three years later, in March 2015, Syncrude filed a counterclaim seeking damages of $68.0 million relating to applicable pit management fees and potential future reclamation liabilities. On January 24, 2017, Athabasca announced that the Court of Queen's Bench of Alberta released a decision which denied Syncrude's application for an injunction relating to AMI's aggregates management activities at Susan Lake Public Pit.

On September 26, 2019, Athabasca and Syncrude executed a settlement agreement which included the discontinuance of each respective party's claim and counterclaim. The settlement agreement did not have a material impact on AMI's cash position.

RELATED PARTY TRANSACTIONS

Transactions with independent Directors were as follows:

	Three months ended September 30, 2019	Three months ended September 30, 2018	Nine months ended September 30, 2019	Nine months ended September 30, 2018
Directors:				
Directors fees	$ 35,016	$ 37,500	$ 114,516	$ 117,667
Travel and miscellaneous expenses	3,370	473	6,169	1,395
Share-based compensation	24,934	9,292	54,142	16,422
	$ 63,320	$ 47,265	$ 174,827	$ 135,484

Amounts due to Directors at September 30, 2019 was $393 (September 30, 2018: $nil). The Director's fees are paid on a quarterly basis. Any unpaid amounts due to Directors are unsecured and are non-interest bearing.

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

FINANCIAL INSTRUMENTS

Classification

The Corporation's financial instruments consist of the following:

Financial statement item	Classification
Cash	Amortized cost
Trade and other receivables	Amortized cost
Share purchase options	Fair value through profit and loss
Long-term deposits	Amortized cost
Restricted cash	Amortized cost
Accounts payable and accrued liabilities	Amortized cost
Deferred share unit liability (included in Accounts payable and accrued liabilities)	Fair value through profit and loss

Fair Value

Due to the short-term nature of cash, trade and other receivables, accounts payable and accrued liabilities the carrying value of these financial instruments approximate their fair value. The fair value of restricted cash approximates the carrying values as they are at the market rate of interest. Long-term deposits are refundable. The fair values of long-term deposits are not materially different from their carrying value.

The deferred share unit liability and the share purchase options are the only financial instruments measured at fair value on a recurring basis. The deferred share unit liability is a Level 2 fair value hierarchy measurement and the share purchase options are a Level 3 fair value hierarchy measurement. There were no transfers between Level 1, 2, or 3 of the fair value hierarchy for the three and nine months ended September 30, 2019 (year ended December 31, 2018: none).

Share purchase options

The following tables show the sensitivity of the fair value estimates for the share purchase options as a result of changes to the inputs:

Financial instrument carried at fair value	Significant unobservable input	Sensitivity of the fair value measurement to input
Montney in-basin share purchase option	Expected volatility	An increase of 25% (decrease of 25%) would increase (decrease) the fair value by $79,659 ($33,060)
	Risk free rate of return	An increase of 25% (decrease of 25%) would increase (decrease) the fair value by $314 ($250)

Financial instrument carried at fair value	Significant unobservable input	Sensitivity of the fair value measurement to input
Duvernay share purchase option #2	Expected volatility	An increase of 25% (decrease of 25%) would increase (decrease) the fair value by $264 ($8)
	Risk free rate of return	An increase of 25% (decrease of 25%) would increase (decrease) the fair value by $nil ($nil)

The reconciliation of the carrying amounts of financial instruments classified within Level 3 of the fair value hierarchy is as follows ($CDN):

	As at					
	September 30, 2019			December 31, 2018		
	Montney in-basin frac sand project	**Duvernay frac sand project**	**Total**	Montney in-basin frac sand project	Duvernay frac sand project	**Total**
Balance at December 31, 2018	$ 124,151	$ -	**$ 124,151**	$ 124,151	$ -	$ 124,151
Share purchase option additions	-	(138,676)	**(138,676)**	-	-	-
Share purchase option exercised	-	(79,035)	**(79,035)**	-	-	-
Change in fair value of share purchase options	(80,231)	217,719	**137,488**	-	-	-
Balance at September 30, 2019	**$ 43,920**	**$ 8**	**$ 43,928**	**$ 124,151**	**$ -**	**$ 124,151**

The Corporation has the option to purchase the remaining shares in each private corporation for an initial term of one year after the close date. For the MIB project, this option has now been extended for a term of up to 6 months after a NI 43-101 compliant technical report is filed so management has assumed a remaining expected life of 8.5 months as at September 30, 2019.

The total amount of the unrealized loss included in the consolidated statements of income (loss) and comprehensive income (loss) for the three months and nine months ended September 30, 2019 is $50,968 and $218,899 respectively (December 31, 2018: $nil).

Credit Risk

Financial instruments that potentially subject the Corporation to credit risk consist primarily of cash, restricted cash, trade and other receivables, and long-term deposits. The Corporation's maximum credit risk at September 30, 2019 is the carrying value of these financial assets.

Credit risk associated with cash and restricted cash is minimized substantially by ensuring that these financial assets are placed with major financial institutions that have been accorded strong investment grade rating. Long-term deposits are held with the Government of Alberta thus minimizing their credit risk.

On an ongoing basis, the Corporation monitors the financial condition of its customers with all information available. The Corporation reviews the credit worthiness of all new customers and sets credit limits accordingly in order to minimize the Corporation's exposure to credit losses. The Corporation requires any customers deemed to be high-risk to prepay for aggregate prior to taking delivery.

Under the simplified approach, lifetime expected credit losses are measured using a present value and probability-weighted model that considers all reasonable and supportable information available without undue cost or effort along with the information available concerning past defaults, current conditions and forecasts at the reporting date. The Corporation estimates an increased loss rate for new customers as opposed to customers that the Corporation has previous experience with, as the Corporation has experienced defaults more commonly with new customers as opposed to previous customers. New customers are customers that the Corporation has not completed projects with previously.

The calculation of the lifetime expected credit loss is as follows:

	Days outstanding	Estimated loss rate	Accounts receivable - gross	Lifetime expected credit loss	Accounts receivable - net
Previous customers	Current (0-60)	0.01%	$ 85,995	$ (12)	$ 85,983
	60-90	0.00%	-	-	-
	90+	0.00%	-	-	-
			$ 85,995	**$ (12)**	**$ 85,983**
			$ 85,995	**$ (12)**	**$ 85,983**

The following table summarizes the changes in the estimated lifetime expected credit loss included in accounts receivable:

	As at			
	September 30, 2019		December 31, 2018	
Balance, beginning of period	$	3,741	$	3,054
Adjustment to lifetime expected credit loss estimate		2,571		687
Less: specific account written-off		(6,300)		-
Balance, end of period	**$**	**12**	**$**	**3,741**

The aging summary for trade and other receivables is as follows:

		Current		60-90 days		> 90 days		Total
As at September 30, 2019	**$**	**73,052**	**$**	**12,931**	**$**	**-**	**$**	**85,983**
As at December 31, 2018	$	1,048,713	$	311,911	$	171,239	$	1,531,863

Due to the much smaller receivable amount as at September 30, 2019, five customers individually owed greater than 10% of the accounts receivable total balance and therefore, accounted for 88% of the Corporation's accounts receivable balance as at September 30, 2019 (December 31, 2018: two customers accounted for 84%).

Liquidity Risk

Liquidity risk is the risk that the Corporation will not be able to meet its financial obligations as they fall due. The Corporation manages liquidity risk through budgeting and forecasting cash flows to ensure it has enough cash to meet its short-term requirements for operations, start-up costs for its wholly-owned subsidiaries, Aggregates Marketing Inc. and AMI Silica Inc., and other contractual obligations.

As at September 30, 2019, the Corporation has enough 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's financial liabilities include accounts payable and accrued liabilities and lease obligations, including interest.

The expected remaining contractual maturities of the Corporation's financial liabilities are shown in the following table:

	As at September 30, 2019							
		0 - 1 year		2 - 3 years		4 - 5 years		Total
Accounts payable and accrued liabilities	$	452,589	$	-	$	-		452,589
Lease obligations, including interest		99,753		101,234		5,881		206,868
Total	**$**	**552,342**	**$**	**101,234**	**$**	**5,881**	**$**	**659,457**

SEGMENTED REPORTING

Reportable segments are determined based on the corporate structure and operations in accordance with the Corporation's accounting policies. The "Frac Sand" segment was first disclosed in the December 2018 consolidated financial statements when the operations became material for disclosure. The "Corporate" segment is disclosed for reconciliation purposes only.

	Aggregate sales and aggregate management services		Frac sand		Corporate		Consolidation eliminations		Consolidated	
For the three months ended September 30,	**2019**	**2018**	**2019**	**2018**	**2019**	**2018**	**2019**	**2018**	**2019**	**2018**
Revenue:										
Aggregate sales revenue	$ 78,146	$ 1,769,211	$ -	$ -	$ -	$ -	$ -	$ -	$ 78,146	$ 1,769,211
Aggregate management services	-	1,186,218	-	-	-	-	-	-	-	1,186,218
Total income (loss) and comprehensive income (loss)	1,781,962	(392,136)	(96,777)	-	(936,519)	(390,012)	-	-	748,666	(782,148)
Amortization, depreciation, and depletion	(68,505)	(41,384)	-	-	(23,967)	(25,230)	-	-	(92,472)	(66,614)
Finance costs	(251)	(602)	-	-	-	-	-	-	(251)	(602)
Interest income	-	-	-	-	18,738	23,942	-	-	18,738	23,942
Income tax recovery (expense)	-	-	-	-	-	245,538	-	-	-	245,538
For the nine months ended September 30,	**2019**	**2018**	**2019**	**2018**	**2019**	**2018**	**2019**	**2018**	**2019**	**2018**
Revenue:										
Aggregate sales revenue	$ 1,058,551	$ 2,023,693	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,058,551	$ 2,023,693
Aggregate management services	433,635	2,417,727	-	-	-	-	-	-	433,635	2,417,727
Total income (loss) and comprehensive income (loss)	1,370,202	(581,845)	(325,594)	-	(2,663,548)	(995,412)	-	-	(1,618,940)	(1,577,257)
Amortization, depreciation, and depletion	(202,777)	(310,841)	-	-	(35,641)	(57,125)	-	-	(238,418)	(367,966)
Finance costs	(872)	(8,062)	-	-	-	-	-	-	(872)	(8,062)
Interest income	-	-	-	-	73,848	45,043	-	-	73,848	45,043
Income tax recovery (expense)	-	-	-	-	(1,825)	523,963	-	-	(1,825)	523,963
As at	**September 30, 2019**	**December 31, 2018**	**September 30, 2019**	**December 31, 2018**	**September 30, 2019**	**December 31, 2018**	**September 30, 2019**	**December 31, 2018**	**September 30, 2019**	**December 31, 2018**
Segment assets	$ 10,143,054	$ 12,491,127	$ 4,891,670	$ 1,274,685	$ 4,415,798	$ 7,036,910	$ (1,135,376)	$ (531,670)	$ 18,315,146	$ 20,271,052
Segment liabilities	2,554,146	5,403,328	1,177,034	525,774	522,795	135,076	(1,135,376)	(465,029)	3,118,599	5,599,149

OFF-BALANCE SHEET ARRANGEMENTS

The Corporation has no off-balance sheet arrangements as at September 30, 2019 or at December 31, 2018.

RISKS & UNCERTAINTIES

The success of Athabasca depends on several factors, including but not limited to those risks normally encountered by junior resource exploration companies, such as exploration uncertainty, operating hazards, increasing environmental regulation, competition with companies having greater resources, fluctuations in the price and demand for aggregates and minerals.

The operations of the Corporation are speculative due to the high-risk nature of its business which includes the acquisition, financing, exploration, development, production and operation of mining properties. These risk factors could materially affect the Corporation's future operations and could cause actual events to differ materially from those described in forward looking statements relating to the Corporation ("Forward Looking Information").

Outlined below are some of the Corporation's significant business risks.

Economic Cyclicality of the Energy Industry
Demand for Athabasca's aggregates products is affected by the economic cyclicality of Western Canada's energy industry.

Commodity risk
Athabasca's aggregates, including silica sand, are commodities, and as such there is pricing commodity risks in a competitive market.

Environmental & Regulatory
Environmental and Regulatory legislation is becoming increasingly stringent and time-consuming. Costs, expenses and approval periods associated with regulatory compliance are increasing. The impact of new and future environmental legislation on the Corporation's projects or operations could affect financial performance. Restrictions such as those relating to wildlife habitat can adversely affect the timing and scope of exploration and development activities or introduce production constraints.

Conditions of Equity markets
The Corporation's on-going ability to finance exploration and development can be affected by, among other things, conditions of the equity market.

Access to Capital
The Corporation's access to capital for planned and future projects, including debt and equity financing, is subject to risk related to the amount capital required, market conditions, and timing.

Seasonality
Extreme weather conditions in Alberta can impact the mining industry and project activities during cold winter months and wet spring months.

Loss of key personnel
Athabasca relies on certain key employees whose skills and knowledge are critical to maintaining the Corporation's success. Loss of key personnel is an inherent risk. Athabasca strives to retain key employees with competitive compensation, including incentive-based programs.

Shortage of equipment or other supplies
The mining industry in Alberta has a history of long periods of growth and significant capital development which can often impact the availability of equipment, labor and other supplies.

Risks & Uncertainties (continued)

Sales and Inventory Turnover versus Production

The conversion of annual aggregates production into annual sales within a given budget year is variable, where sales often range between 50% - 80% of production. Inventory turnover of annual production is typically affected by, but not limited to, economic demand, construction-window seasonality, and competitor pricing responses to market conditions.

Profitability from production and operations

The profitability of mining and resource companies depends, in part, on the actual costs of developing and operating such properties, which may differ significantly from estimates determined at the time a relevant resource project was approved. The development of resource projects may also be subject to unexpected problems and delays that could increase the cost of development and the ultimate operating cost of a given project. Athabasca's past and future decisions to acquire, develop, and operate resource properties for production are based on estimates in relation to expected or anticipated project's economic returns. These estimates are based on assumptions regarding future aggregate prices, anticipated tonnage (with geological uncertainties), recovery rates and quality, anticipated capital expenditures and operating costs. Actual cash operating costs, production and economic returns may vary from those anticipated by original project development estimates.

Reclamation & remediation obligations

The Corporation is subject to the laws and regulations relating to environmental matters in all jurisdictions in which it operates, including provisions relating to property reclamation, discharge of hazardous material and other matters. The Corporation conducts its exploration, development, production, operations and reclamation activities in compliance with applicable environmental protection legislation. The Corporation is not aware of any existing environmental or reclamation problems related to any of its current properties.

The estimates made by the Corporation for reclamation obligations could vary significantly due to potential changes in regulatory requirements and/or contractor rates and services prior to the actual commencement of reclamation work.

Estimation of resource reserves

The Corporation has a risk that actual reserves in place on its properties can vary from geological estimates of such reserves and resources.

Health, Safety & Environment ("HSE") Operational risks

The Corporation has a robust HSE program and performance record, also validated through independent 3rd party audits. Nonetheless, any major HSE operational incident in the future could significantly impact production, productivity, corporate reputation, or cause disruption to operations.

Cyber security risk

The Corporation's business requires the continued operation of information technology systems and network infrastructure. Management believes it has implemented reasonable cyber security measures, including third party surveillance, to safeguard against potential cyber-attacks. However, if a cyber security event occurred, and the Corporation's systems were detrimentally affected in a way that information systems cannot be recovered or re-instated in a timely manner, this could impact business operations, payment or financial collection. The Corporation has taken steps to add insurance policy coverage for cyber security.

Litigation

The risk of unknown future claims being brought forth against the Corporation in excess of the Corporation's commercial general liability coverage could materially affect the Corporation's future operations. There are no known issues or threats to the Corporation in this regard.

SIGNIFICANT MANAGEMENT ESTIMATES AND JUDGEMENTS

The preparation of consolidated financial statements in conformity with IFRS as issued by the IASB requires management to make estimates and judgments that affect the amount reported in the consolidated financial statements. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances, and are subject to measurement uncertainty. The effect on the consolidated financial statements of changes in such estimates in future reporting periods could be significant.

Significant estimates and areas where judgment is applied that have significant effect on the amount recognized in the consolidated financial statements are described below.

Significant Management Judgements

Realization of Assets

The investment in and expenditures on resource properties comprise a significant portion of the Corporation's assets. Realization of the Corporation's investment in these assets is dependent upon the successful exploration, development and the attainment of successful production from the properties or from the proceeds of their disposal.

Exploration and Development Expenditures

Mineral exploration and development is highly speculative and involves inherent risks. While the rewards if a resource body is discovered can be substantial, few properties that are explored are ultimately developed into producing mines. There can be no assurance that current exploration programs will result in the discovery of economically viable quantities of minerals. The application of the Corporation's accounting policy for exploration and development expenditures requires judgement to determine whether future economic benefits are likely from either future exploration or sale or whether activities have not reached a stage that permits a reasonable assessment of the existence of reserves. In addition to applying judgement to determine whether future economic benefits are likely to arise from the Corporation's exploration and development assets or whether activities have not reached a stage that permits a reasonable assessment of the existence of reserves, the Corporation has to apply a number of estimates and assumptions.

The determination of a mineral resource is an estimation process that involves varying degrees of uncertainty depending on how the resources are classified (i.e., measured, indicated or inferred). The estimates impact when the Corporation defers exploration and development expenditures. The deferral policy requires management to make certain estimates and assumptions about future events and circumstances, particularly, whether an economically viable extraction operation can be established. Any such estimates and assumptions may change as new information becomes available. If after the expenditure is capitalized, information becomes available suggesting that the recovery of expenditure is unlikely, the relevant capitalized amount is written off to the statements of loss and comprehensive loss in the period when the new information becomes available.

Impairment of Resource Properties

Resource properties are reviewed and evaluated for impairment at each reporting period or when events or changes in circumstances indicate that the carrying amount of the asset may not be recoverable. Common indicators of impairment of a resource property include, but is not limited to: the right to explore in a specific area has expired, or will soon expire, and is not expected to be renewed; substantive expenditure on further exploration in a specific area is neither budgeted or planned; exploration in an area has not led to the discovery of commercially viable quantities of mineral resources, or the results are not compelling enough to warrant further exploration, and the Corporation has decided to discontinue activities in the area; or sufficient data exists to indicate that, although exploration or development in an area is likely to proceed, the carrying amount of the resource property is unlikely to be recovered in full from successful development or by sale.

Commencement of Commercial Production

The Corporation assesses the stage of each resource property under development to determine when a property reaches the stage when it is substantially complete and ready for its intended use. The Corporation considers various relevant criteria to assess when the commercial production phase is considered to commence.

Some of the criteria used will include, but is not limited to, the following:

- the completion of a reasonable period of testing of mine plant and equipment;
- the ability to produce saleable aggregates;
- the ability to achieve production targets;
- sufficiency of hauling access from the pit;
- ability to sustain ongoing production; or
- capital expenditures incurred relative to the expected costs to complete.

Revenue

Revenue is recognized at the point in time where the Corporation has transferred control of the aggregate to the customer. In some cases, judgement is involved to determine when this has occurred.

Additionally, in certain circumstances, the Corporation has to make a judgement on whether it actually controlled the asset being sold to determine if it is the principal or the agent in a sales transaction. An entity acts as a principal (as opposed to an agent) when it has exposure to the significant risks and rewards associated with the sale of goods or the rendering of services. In a principal relationship, revenue amounts are reported on a gross basis. In an agency relationship, billed amounts are reported on a net basis as the amounts collected on behalf of the principal are not considered revenue. Determining whether an entity is acting as a principal or agent requires judgment and consideration of all relevant facts and circumstances.

Features that indicate that an entity is acting as a principal include:

- The entity has the primary responsibility for providing the goods or services to the customer or for fulfilling the order;
- The entity bears the customer's credit risk for the amount receivable from the customer;
- The entity has latitude in establishing prices, either directly or indirectly, for example by providing additional goods or services; and
- The entity has inventory risk before or after the customer order, during shipping or on return.

It is the judgment of management that the Corporation serves a role as principal rather than agent in the aggregate management services it performs, whether the aggregate is sourced from an Athabasca pit or a 3rd party supplier.

Degree of Control Over Investees

In determining the degree of control or influence that exists between the Corporation and an investee, the Corporation considers to what extent it is exposed to or has the right to variable returns and whether it has the ability to use its power to affect those returns. If the Corporation determines that it has the power to affect its returns, then the investee is consolidated into the Corporation's consolidated financial statements using the acquisition method.

If the Corporation determines that it does not have the power to affect its returns in the investee, then it considers all relevant factors in assessing whether it has significant influence over the investee. If the Corporation determines that it has the power to participate in the financial and operating decisions of the investee, but that it does not control the investee, then the interest in the investee is accounted for using the equity method.

Management Estimates

Collectability of Accounts Receivable
In determining the collectability of a trade or other receivable, the Corporation considers all available information in assessing the risk or probability of a credit loss occurring over the contractual period of the receivable, even if the probability is low.

Inventory Valuation
The Corporation values inventory at the lower of cost and net realizable value ("NRV"). The net realizable value of inventories is the estimated selling price in the ordinary course of business less estimated costs of completion and costs to sell. Estimates of net realizable value are based on the most reliable evidence available at the time the estimates are made. These estimates take into consideration fluctuations of price or cost directly relating to events occurring after the end of the period to the extent that such events confirm conditions existing at the end of the period. The key assumptions require the use of management judgement regarding reliability of evidence available and are reviewed on a quarterly basis. Write-downs of inventory in stockpiles, in-process and finished inventories resulting from NRV impairments are reported as a component of other operating expenses.

Depreciation and Amortization and Determining Useful Lives
Mineral properties in production and other tangible assets used directly in resource production activities are depreciated on a unit-of-production basis ("UOP") over the productive life of the mine based on the economically recoverable reserves and resources including proven and probable reserves.

The calculation of the UOP rate, and therefore the annual depreciation expense could be materially affected by changes of estimates of mineral reserves and of the underlying mineral properties. Changes in estimates can be the result of:

- actual future production differing from current forecasts of future production;
- expansion of mineral reserves through exploration activities;
- differences between estimated and actual costs of mining development; and
- differences in the mineral prices used in the estimation of mineral reserves.

Property and equipment are depreciated, net of residual value, over their useful economic life. Depreciation commences when assets are available for use. The assets' useful lives and methods of depreciation are reviewed and adjusted, if appropriate, at each fiscal year end.

Significant judgment is involved in the determination of useful life and residual values. No assurance can be given that actual useful lives and residual values will not differ significantly from current assumptions.

Mineral Reserves
Proven and probable mineral reserves are the economically mineable parts of the Corporation's measured and indicated mineral resources demonstrated by, at a minimum, a preliminary feasibility study. The Corporation estimates its proven and probable mineral reserves based on information compiled by appropriately qualified persons. Geological estimates of the size, depth and shape of the mineral body requires complex judgements.

The estimation of future cash flows related to proven and probable mineral reserves is based upon factors such as:

- estimates of commodity prices;
- future capital requirements;
- mineral recovery factors and production costs;
- unforeseen operational issues; and
- geological assumptions and judgements made in estimating the size and grade of the mineral body.

Changes in the proven and probable mineral reserves or mineral resource estimates may impact the carrying value of resource properties, property and equipment, environmental rehabilitation obligations, recognition of deferred taxes, amortization, depletion and accretion. The Corporation conducts an annual review of its reserves and mineral resources. Changes in estimates are accounted for prospectively.

Provision for Reclamation and Decommissioning Obligations

Accounting for reclamation and decommissioning obligations requires management to make estimates of the timing and amount of future costs the Corporation will incur to complete the reclamation and decommissioning work required to comply with existing laws, regulations and contractual agreements at each mining operation. Timing and actual costs incurred may differ from those estimated. Future changes to environmental laws and regulations could increase the extent of reclamation and remediation work required to be performed by the Corporation. Increases in future costs and timing of those costs could materially impact the amounts estimated for reclamation, remediation and decommissioning. The Corporation assesses its provision for asset retirement obligations on an annual basis or when new material information becomes available. If after a provision is recognized, information becomes available suggesting that recovery of the corresponding asset is unlikely, the asset is written off to the statements of loss and comprehensive loss in the period when the new information becomes available.

When the Corporation is virtually certain that all or a portion of the costs will be reimbursed by another party, the Corporation uses judgement to determine whether it would be liable for the entire provision in the event that the other party failed to pay and then presents the reimbursement as a separate asset. However, if the Corporation determines that it would have no further liability for those costs in the event that the other party failed to pay, then the provision is net with the expected reimbursement.

Impairment of Non-Current Assets

The Corporation assesses each asset or cash generating unit ("CGU") at each reporting period to determine whether any indication of impairment exists. Where an indicator of impairment exists, an estimate of the recoverable amount is made, which is considered to be the higher of the fair value less costs of disposal and value in use. These assessments require the use of estimates and assumptions such as long-term commodity prices (considering current and historical prices, price trends and related factors), discount rates, operating costs, future capital requirements, closure and rehabilitation costs, reserves and operating performance. These estimates and assumptions are subject to risk and uncertainty and therefore, there is a possibility that changes in circumstances will impact these projections, which may impact the recoverable amount of assets and/or CGUs.

Calculation of Share-based Compensation Expense

The amount expensed for share-based compensation is determined using the Black-Scholes Option Pricing Model based on estimated fair values of all share-based awards at the date of grant and is expensed to profit or loss over each award's vesting period. The Black-Scholes Option Pricing Model utilizes subjective assumptions such as expected price volatility and expected life of the option. Changes in these input assumptions can significantly affect the fair value estimate.

Valuation of Warrants Issued in Private Placements

Warrants issued along with common shares in a private placement of units are valued using the relative fair value method. This method involves separately valuing the common shares at the fair value on the date of the transaction and the warrants using the Black-Scholes Option Pricing Model. The proceeds from the private placement are allocated based on the common shares and warrants proportionate valuations and credited to share capital or contributed surplus respectively. The Black-Scholes Option Pricing Model utilizes subjective assumptions such as expected price volatility and expected life of the warrant. Changes in these input assumptions can significantly affect the fair value estimate.

Fair Value of Share Purchase Options

Options to purchase shares are accounted for at fair value. These options are valued using the Black-Scholes Option Pricing Model. The options are carried at fair value and are re-measured each reporting period. The Black-Scholes Option Pricing Model utilizes subjective assumptions such as expected price volatility and expected life of the option. Changes in these input assumptions can significantly affect the fair value estimate.

NEW ACCOUNTING POLICIES & ACCOUNTING STANDARDS

The accounting policies applied in the Corporation's unaudited interim condensed consolidated financial statements for the three and nine months ended September 30, 2019 are the same as those applied in the December 31, 2018 audited consolidated financial statements, except for the following new accounting policies and the new standards adopted.

The Corporation has changed the presentation of changes in cash from operating activities in its Statements of Cash Flows from the indirect method to the direct method to provide more relevant information regarding receipts from customers and payments to suppliers and employees.

The Corporation recognizes revenue under IFRS 15, which was adopted effective January 1, 2018. The accounting policies in effect as of December 31, 2018 remain in effect for these interim financial statements. In 2019, the Corporation has generated new sales of aggregate to customers sourcing the aggregate from third party sources. The Corporation is recognizing revenue on a gross basis as the principal in the transaction based on the fact that AMI exhibits discretion over the price of the product, carries inventory risk, and has primary responsibility for fulfilling the order with the customer. AMI recognizes revenue for these sales when the Corporation transfers control to the customer, which is the point in time when the aggregate material is delivered and accepted by the customer.

New Standards adopted

IFRS 16 – Leases ("IFRS 16")
IFRS 16 requires lessees to recognize right of use assets and liabilities for most leases under a single accounting model for which all leases will be accounted for, with certain exemptions. The lease liability is measured as the present value of the remaining lease payments discounted using the Corporation's incremental borrowing rate. Right of use assets are measured at cost, which is calculated as the initial measurement of the lease liability described previously, plus/(minus) any lease payments/(incentives) made prior to the commencement date, plus initial direct costs of entering into the lease, less estimated removal/dismantling costs. Right of use assets are depreciated based on their estimated useful life and interest on the lease liability is expensed through the consolidated statement of loss and comprehensive loss as finance costs. On January 1, 2019, the Corporation transitioned to IFRS 16 using the modified retrospective approach, which involved adjusting January 1, 2019 opening retained earnings.

The Corporation has leases for trucks, equipment used in operating activities, office space, and office equipment.

Included in these leases are a few leases for low value assets as well as short-term leases. As such, the Corporation applied the following recognition exemptions available under IFRS 16:

- Electing not to apply IFRS 16 to leases of low dollar value assets, and
- Electing not to apply IFRS 16 to leases with a term of 12 months or less at the commencement date of the lease

The Corporation also applied the following practical expedients to leases previously classified as operating leases under IAS 17:

- Grandfathering existing contracts using the definition of a lease under the previous standard, IAS 17, and applying the new definition of a lease under IFRS 16 to new or modified contracts only,
- Relief in applying IFRS 16 to leases expiring within 12 months of the date of initial application of IFRS 16,
- Applying a single discount rate to leases with similar characteristics,
- Using hindsight in determining lease terms,
- Excluding initial direct costs from the measurement of right of use assets, and
- Relief in re-assessing the right of use assets for impairment for onerous contracts under the new standard.

The table below summarizes the changes to the statement of financial position as a result of the transition to IFRS 16 as of January 1, 2019:

Financial statement item	As previously stated under IAS 17 as at December 31, 2018	Change on transition to IFRS 16:	Tax	Net of tax
Right-of-use assets	$ -	$ 31,214	$ (8,428)	$ 22,786
Current portion of lease liabilities	$ (29,284)	$ (37,974)	$ 10,253	$ (27,721)
		$ (6,760)	$ 1,825	$ (4,935)

The table below reconciles the additional lease liability upon transition to IFRS 16 on January 1, 2019 to the Corporation's operating lease commitments as of December 31, 2018:

Operating lease commitments as of December 31, 2018	$ 92,591
Less: exemption for short-term leases	(74,508)
Residual value guarantee	22,000
Effect of discounting	(2,109)
Lease liability recognized upon initial adoption of IFRS 16 on January 1, 2019	$ 37,974

FORWARD LOOKING INFORMATION

This document contains "forward looking statements" or "forward looking information" concerning anticipated developments and events that may occur in the future. Forward looking statements include, but are not limited to, statements with respect to future events or future performance of the Corporation, including the Corporation's intentions to become a leading supplier of premium domestic in-basin frac sand, the future price of commodities, the estimation of aggregate and mineral reserves and resources, the realization of aggregate and mineral reserve estimates, disposition of assets, the timing and amount of estimated future production, costs of production, capital expenditures, costs and timing of the development of new deposits, success of exploration activities, permitting time lines, requirements for additional capital and project funding, potential joint venture relationships and partnerships, potential acquisitions, plans for the Corporation's pits, geographic diversification, government regulation of mining operations, environmental risks, unanticipated reclamation expenses, title disputes or claims and limitations on insurance coverage.

Readers are cautioned that the foregoing list of risks and uncertainties is not exhaustive.

Specifically, such forward-looking statements are set forth under "Liquidity and Capital Resources", "Financial Instruments", "Risks and Uncertainties" and "Outlook". In certain cases, forward looking statements can be identified by the use of words such as "plans", "expects", "addressing", "striving" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "increasing", "improving", "optimizing", "intends", "anticipates" or "does not anticipate", or "believes", "pursuing", "recommence", "replenish", "reactivation" or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved".

Forward looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Corporation to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Although the Corporation has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward looking statements in the section entitled "Risks and Uncertainties", there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward looking statements. These forward-looking statements are made as of the date of this document and, other than as required by applicable securities laws, the Corporation assumes no obligation to publicly update or revise them to reflect new events or circumstances.

Certain information set out herein may be considered as "financial outlook" within the meaning of applicable securities laws. The purpose of this financial outlook is to provide readers with disclosure regarding the Corporation's reasonable expectations as to the anticipated results of its proposed business activities for the periods indicated. Readers are cautioned that the financial outlook may not be appropriate for other purposes.

Notice on Website Disclosure

Athabasca has removed the Investor Presentation, dated June 24, 2019, from its website which was posted on June 24, 2019 (the "Investor Presentation"). Athabasca believes that certain material factors or assumptions used to develop the forward-looking information in the Investor Presentation are no longer valid, including those statements in respect of revenues, valuation and market share. Accordingly, the forward-looking information in the Investor Presentation has been withdrawn.

APPROVAL

The Board of Directors has approved the disclosure in this MD&A, and related financial statements for the three and nine months ended September 30, 2019 at the Board of Directors meeting on November 26, 2019.

Under National Instrument 52-109F2 Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"), TSX Venture issuers like Athabasca are required to certify using the Venture Issuer Basic Certificate. This certificate states that the Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO") of the Corporation each certify that the documents prepared for the three and nine months ended September 30, 2019 have been reviewed, contain no misrepresentations, and provide a fair presentation of the financial condition, financial performance and cash flows of the Corporation, to the best of their knowledge. This Venture Issuer Basic Certificate does not include any representations relating to the establishment and maintenance of disclosure controls and procedures and/or internal controls over financial reporting.

Please refer to the Form 52-109FV2 for additional details. The CEO and CFO of Athabasca have each certified using the Venture Issuer Basic Certificate for the three and nine months ended September 30, 2019.

A copy of this MD&A, the financial statements, certification of annual filings, and previously published financial statements and MD&A, as well as other filed reporting is available on the SEDAR website at www.sedar.com.