Athabasca Minerals Announces Q2 2023 Financial Results and Postponement of Shareholder Meeting Date

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Calgary, August 24, 2023 - Athabasca Minerals Inc. (TSXV: AMI) ("AMI" or the "Corporation"), announces its Q2 Financial Statements for the second-quarter ending June 30, 2023. The Q2 2023 Financial Statements and Management's Discussion and Analysis are available on SEDAR+ at www.sedarplus.ca and on the Corporation's website at www.athabascaminerals.com.

Q2 2023 HIGHLIGHTS

- Signed multi-year transload agreement for the delivery of silica sand into the Grande Prairie, Alberta region.
- Signed an 18-month sand supply agreement with a leading North American oilfield services firm for a total minimum commitment of 360,000 tons, subject to pricing adjustments.
- Closed a definitive sale agreement with an arm's length purchaser to divest of certain non-core assets within the aggregates division for total cash consideration of C$3.2 million.
- Canaccord Genuity continued the exploration of strategic alternatives for the Corporation.

Q2 2023 FINANCIAL RESULTS

In the second quarter of 2023, Athabasca reported consolidated revenue of $14.4 million (compared to $7.5 million in Q2 2022), a gain of 92%, driven mainly by increasing revenue from industrial sand. Industrial sand revenue was $13.0 million, which is 90% of reported consolidated revenue. Total comprehensive loss in Q2 2023 is ($606,145) versus total comprehensive loss of ($4,770,632) in Q2 2022, an improvement of $4,164,487. Athabasca recognized a gross profit of ($453,272) in Q2 2023, versus gross profit of ($401,098) in Q2 2022. The Corporation incurred a depreciation, depletion and amortization ("DDA") expense of $1,306,036 in Q2 2023 versus a DDA expense of $1,012,177 in Q2 2022.

Dana Archibald, Chief Executive Officer, states: "AMI Silica LLC's transload network has proven to be a key part of the Corporation's sales growth over the last several months. We are seeing higher demand for our sand despite the challenges that we faced throughout the second quarter, including wildfires, rail outages and floods. April and May of this year proved to be extremely challenging throughout our industry and Silica LLC was no exception, however we saw a healthy rebound in June. In addition, the recent disposition of non-core assets in Alberta provides AMI the opportunity to allocate resources to focus on our sand assets in both Canada and the US."

FINANCIAL AND OPERATIONAL HIGHLIGHTS

	Three months ended June 30,2023		Six Months ended Ju	
	2023	2022	2023	20
FINANCIAL HIGHLIGHTS:				
Product sales revenue	$ 13,039,192	$ $ 5,967,509	$ 25,375,438	$ 11,873
Services revenue	1,373,576	1,489,189	2,033,770	2,628,(
Gross revenue, including royalties	14,412,768	7,456,698	27,409,208	14,501
Less: provincial royalties	(310,788)	(122,229)	(388,487)	(182,3
Gross revenue, net of royalties	14,101,980	7,334,469	27,020,721	14,318
Gross profit (loss)	(453,272)	(401,098)	(653,552)	781,52

Write-down of contract costs and resource properties	-	(3,322,795)	-	(3,322
Severance expense	-	(638,985)	-	(638,9
Total Operating income (loss)	(1,997,538)	(5,489,541)	(3,319,337)	(5,260
Gain on acquisition of Wisconsin assets	-	100,970	-	22,445
Other non-operating income	1,190,698	59,969	1,207,150	75,836
Total comprehensive income (loss)	$ (606,145)	$ (4,770,632)	$ (3,236,041)	$ 17,515
Comprehensive income (loss) per common share - basic	(0.008)	0.610	(0.041)	0.226
Comprehensive income (loss) per common share - diluted	(0.008)	0.610	(0.041)	0.223
Weighted Average # of Shares Outstanding	78,582,686	77,695,603	78,582,686	77,410

ANNUAL GENERAL & SPECIAL MEETING UPDATE

The Corporation received an order from the Court of King's Bench of Alberta (the "Court") pursuant to the Business Corporations Act (Alberta) (the "Act") allowing the Corporation to extend the time in which the next annual meeting of Athabasca shareholders will be held (the "Meeting"). The Court granted an order extending the time for the Corporation to hold the Meeting until on or before December 31, 2023. The Meeting had previously been scheduled for September 21, 2023.

On March 28, 2023, the Corporation announced that it initiated a process to evaluate potential strategic alternatives intended to maximize shareholder value (the "Process"). As part of the Process, the Corporation's board of directors is considering a full range of strategic alternatives, which may include financing alternatives, a merger, amalgamation, plan of arrangement, consolidation, reorganization or other business combinations and other alternatives intended to increase shareholder value.

The consummation of a transaction as part of the Process may require shareholder approval at a special meeting of shareholders (the "Potential Special Meeting") pursuant to one or more provisions of the Act, applicable securities laws and the policies of the TSX Venture Exchange. In order to conserve its financial and human resources, the Corporation plans to hold the Meeting concurrently with the Potential Special Meeting, if any, to the extent that such Potential Special Meeting would be held on or prior to December 31, 2023.

The Corporation will file an amended notice of meeting on SEDAR+ at www.sedarplus.ca when a new Meeting date has been chosen.

For further information, please contact:
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FORWARD-LOOKING STATEMENTS

This news release contains certain statements or disclosures relating to Athabasca that are based on the expectations of its management as well as assumptions made by and information currently available to Athabasca which may constitute forward-looking statements or information ("forward-looking statements") under applicable securities laws. All such statements and disclosures, other than those of historical fact, which address activities, events, outcomes, results, or developments that Athabasca anticipates or expects may, or will occur in the future (in whole or in part) should be considered forward-looking statements. In some cases, forward-looking statements can be identified by the use of the words "focus", "intended", "opportunity", "plans", "potential", "will", "would" and similar expressions. In particular, but without limiting the foregoing, this news release contains forward-looking statements pertaining to the following: the Meeting and Potential Special Meeting; the Corporation's filings on SEDAR+; shareholder value; the Process; and the Corporation's operational position, potential, growth, success, commitments and strategy.

The forward-looking statements contained in this news release reflect several material factors and expectations and assumptions of Athabasca including, without limitation: that costs, expenses, and inflationary pressures faced by Athabasca will not continue; availability of debt and/or equity sources to fund Athabasca's capital and operating requirements as needed; certain cost assumptions; Athabasca will continue to conduct its operations in a manner consistent with past operations; that Athabasca's capital resources will be sufficient to meet its forecasted and budgeted expenses and that such expenses will not exceed the level of capital resources available; the ability of Athabasca to obtain and retain qualified staff, equipment, and services in a timely and cost efficient manner; continuity in the management of Athabasca; and the general continuance of current or, where applicable, assumed industry conditions.

Athabasca believes the material factors, expectations, and assumptions reflected in the forward-looking statements are reasonable at this time, but no assurance can be given that these factors, expectations, and assumptions will prove to be correct. The forward-looking statements included in this news release are not guarantees of future performance and should not be unduly relied upon. Such forward-looking statements involve known and unknown risks, uncertainties, and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements including, without limitation: the required shareholder and regulatory approvals; general economic, market, and business conditions; shareholder value may not be maximized in the manner suggested by Athabasca or at all; Athabasca may be unable to resolve mechanical or operational issues in the timelines anticipated, in the manner anticipated, or at all; increased costs and expenses; reliance on industry partners; that Athabasca will have sufficient working capital to meet its existing contractual obligations, including without limitation certain production commitments that may limit Athabasca's ability to ensure operations are profitable and operational requirements; future co-operation of the creditors of Athabasca and the ongoing willingness of its lenders to provide funds to Athabasca; the ability to maintain relationships with suppliers, customers, employees, shareholders, and other third parties in light of Athabasca's current liquidity situation; and certain other risks detailed from time to time in Athabasca's public disclosure documents including, without limitation, those risks identified in this news release and in Athabasca's annual information form dated April 28, 2022, copies of which are available on Athabasca's SEDAR+ profile at www.sedarplus.ca. Readers are cautioned that the foregoing list of factors is not exhaustive and are cautioned not to place undue reliance on these forward-looking statements.

The forward-looking statements contained in this news release are made as of the date hereof and Athabasca undertakes no obligations to update publicly or revise any forward-looking statements, whether as a result of new information, future events, or otherwise, unless so required by applicable securities laws.

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