



Athabasca Minerals Inc. Announces Thirteen Months Ended 2014 Results

March 31, 2015 EDMONTON, ALBERTA. Athabasca Minerals Inc. ("Athabasca" or the "Corporation") (TSX Venture: ABM) is pleased to announce its financial results for the fourth quarter and thirteen months ended December 31, 2014. The Corporation's audited financial statements and management's discussion and analysis ("MD&A") for the thirteen months ended December 31, 2014 are available on SEDAR at www.sedar.com and on the Athabasca Minerals website at www.athabascaminerals.com.

2014 Highlights

Aggregate Operations

- Revenue, net of royalties at Susan Lake, was \$26.33 million for 2014 as compared to \$25.36 million in 2013.
- EBITDA for 2014 (thirteen months) improved significantly as the year progressed due to improved sales volumes and improved production costs. Annual EBITDA of \$3.5 million consisted of \$5.1 million from June to December 2014 as compared to \$(1.6) million from December 2013 to May 2014.
- A net loss of \$0.83 million was recorded for the thirteen month period in 2014 as compared to a net profit of \$1.92 million for the twelve month period in 2013.
- Developed two new aggregate operations at the Cowper and KM248 pits through agreements with DeneCo Aggregates Ltd., a First Nations company.
- Management entered into a Joint Venture Agreement with Wood Buffalo Métis Corporation to explore, develop, and produce aggregates for ten years.

Firebag Silica Sand Project Development

- Received the completed National Instrument 43-101 ("NI 43-101") Technical Report titled "Inferred Frac Sand Resource Estimate for the Firebag Property, Northeastern Alberta, Canada" dated effective September 19, 2014 and prepared by Mr. Roy Eccles, MSc. P. Geol. and Mr. Steven Nicholls, BA. Sc., MAIG, of APEX Geoscience Ltd. headquartered in Edmonton, Alberta, and Mr. Mark Zdunczyk, CPG, a New York based consulting geologist specializing in sand and aggregates (each a "qualified person" as defined under NI 43-101), with respect to the Corporation's Firebag property located in Northeastern Alberta, Canada, approximately 95 km north of Fort McMurray. The Technical Report was filed, and is available for viewing, on the Corporation's SEDAR profile at www.sedar.com
- Engaged Norwest Corporation ("Norwest") of Calgary, Alberta to complete a Preliminary Economic Assessment ("PEA") to demonstrate the viability of the Firebag Silica Sand Project ("Firebag Project"), the results of which are set forth in the report titled "Preliminary Economic Assessment – Firebag River Sand Property" dated March 3, 2015 and effective as at November 26, 2014, which was filed, and is available for viewing, on the Corporation's SEDAR profile at www.sedar.com.
- Submitted the Conservation and Reclamation Business Plan ("CRBP") to the Alberta Environment and Sustainable Resource Development ("ESRD").

- The Firebag Project received approval for the Surface Material Lease (“SML”) and the right to work and remove sand from Phase One from Alberta ESRD.
- Retained the services of AECOM of Edmonton, Alberta for engineering work on the development of the Lynton trans-loading facility near Fort McMurray.

President and CEO Dom Kriangkum said; “We have recognized significant success through the implementation of a number of cost reduction opportunities in the extraction and processing of aggregates in 2014. Despite slow demand during the first two quarters, we supplied in excess of 8,000,000 tonnes of aggregates to regional customers, and built up significant inventory at our corporate owned aggregate operations to meet future demand. In addition to our aggregates business, we are extremely pleased with the positive results of the Preliminary Economic Assessment for the Firebag Project, and will continue development in 2015 targeting becoming a quality frac sand supplier to the oil and gas industry in Western Canada in 2016.”

Operations Update

Susan Lake sales volumes in 2014 of 7.5 million tonnes were 20% lower than 2013. Demand levels were impacted by poor weather in the first half of the year and the impact of dropping oil prices in the last quarter of the year. Management maintained operations at historical levels, while continuing to clear land and strip topsoil which should enable the Corporation to maximize sales volumes in future periods. Athabasca managed to increase aggregate sales volumes slightly from the Corporate owned pits in 2014 to 571,000 tonnes. In the latter half of 2014, Athabasca management implemented several cost improvement strategies which enabled the Corporation to produce gravel at a lower operating cost. By optimizing production levels at the crusher, labour requirements were reduced and associated equipment hours were minimized reducing maintenance and operational costs to ensure a higher margin product going forward.

Financial Highlights (in thousands of CDN, unless otherwise noted)

Four Months Q4 and Thirteen Month Ended December 31, 2014				
	<u>Four Months</u> <u>Q4 2014</u> <u>(\$000,s)</u>	<u>Three Months</u> <u>Q4 2013</u> <u>(\$000,s)</u>	<u>Thirteen</u> <u>Months Dec 31,</u> <u>2014</u> <u>(\$000's)</u>	<u>Twelve Months</u> <u>Nov 30, 2013</u> <u>(\$000,s)</u>
Aggregate management fees	\$3,283	\$2,884	\$8,709	\$10,419
Net aggregate sales	\$6,396	\$3,759	\$17,623	\$14,944
Total revenue	\$9,679	\$6,643	\$26,332	\$25,364
Gross profit	\$3,105	\$2,453	\$6,287	\$7,954
Net income and comprehensive income	\$12	\$390	\$(831)	\$1,922
Total aggregate tonnes sold (MT)	3,013,860	2,704,301	8,085,480	9,911,381
Basic income per common share (\$/share)	\$0.000	\$0.014	\$(0.026)	\$0.068

Net (loss) during fiscal 2014 decreased to (\$0.83) million from a net income of \$1.92 million in the prior year, a reduction of \$2.75 million. There were four primary contributing factors: 1) a \$1.71 million reduction in aggregate management fees resulting from a 1.8 million (or 20%) reduction in aggregate tonnes sold from Susan Lake; 2) higher operating costs in the first half of 2014; 3) higher share-based compensation expense of \$0.86 million due to the non-cash expense booked on the options issued in 2014; and 4) higher G&A costs due primarily to potential acquisition due diligence, and additional expenses related to the development and analysis of the Firebag Project.

Outlook

AGGREGATE OPERATIONS:

- Corporate-Owned Pits

The Corporation is well positioned from a resource and equipment base to increase production tonnes based on the successful award of contracts and overall demand in the target areas. Management continues to focus on further developing existing relationships with the major oil sands and SAGD operators, including continued analysis and exploration of new aggregate deposits.

Sales guidance for 2015 at the Corporate pits is 0.5 million tonnes. Management continues to strive for production optimization levels and tighter cost controls as it prepares for the heavy demand aggregate season. Strategic inventory was established in 2014 in core areas which will allow management to quickly react to any sudden demand changes as the economy changes.

Capital spending in 2015 for the existing gravel operations is anticipated to be lower than previous years as the existing infrastructure allows management to meet the forecasted product demands.

The Company has secured contracts for approximately 50% of their production for 2015.

- Susan Lake Public Pit

With the uncertainty in the region due to the drop in oil prices, sales from Susan Lake in 2015 have been forecasted for 6.5 million tonnes. While recognizing that the potential impact of lower oil prices could be significant, management believes that this projected tonnage is still appropriate and conservative, as it would be comparable to the 2009 annual sales volume recorded at Susan Lake.

EXPLORATION AND DEVELOPMENT PROJECTS:

- Firebag Silica Sand Project

The Corporation's Firebag Project is located 95 km north of Fort McMurray, is accessible via Highway 63. The planned operation is for the production of industrial proppant for use in the fracking industry.

During August 2014 the Corporation received approval from the Alberta ESRD for an 80 acre SML for the development of a silica sand mining operation, which is the first phase of development of an overall 500 acre project. The Corporation also received the completed Technical Report disclosing an inferred mineral resource of approximately 45 million tonnes of silica sand within the Corporation's Firebag property located in Northeastern Alberta, Canada, approximately 95 km north of Fort McMurray. The

Technical Report was filed, and is available for viewing, on the Corporation's SEDAR profile at www.sedar.com.

A significant amount of testing was conducted on the Firebag Project sand to verify the consistency of the silica sand at various depths within the deposit. Independent testing by both Stim-Lab Inc. and PropTester Inc. confirm a high quality product with crush strength meeting or exceeding API and ISO standards for frac sand. The PEA report is filed on Sedar and the press release **“Athabasca Minerals Reports Positive Preliminary Economic Assessment for the Firebag Silica Sand Project”** dated February 12, 2015 will provide the detailed analysis and results.

Advancements on the trans-loading sites and detailed engineering are underway. Athabasca has been in active discussions with a major railway company and the Regional Municipality of Wood Buffalo in developing a private switch and trans-loading facility in Fort McMurray.

The Corporation's second phase of development includes plans to develop a larger adjacent 420 acre SML for which applications have been submitted. The Corporation holds 100% rights to seven Industrial and Metallic mineral leases covering 12,800 hectares (31,629 acres) in the Fort McMurray region of northeast Alberta.

Resources have been allocated to advance the engineering surrounding the final plant design, complete permitting at both trans-loading sites and evaluate procurement opportunities on longer lead time items. The majority of capital spending in 2015 will be in relation to the Firebag Project. Management is identifying cost saving opportunities to reduce the initial capital estimates, and is looking at several options surrounding financing of the Firebag Project which includes joint venture, offtake arrangements, and alternative financing options. Management has been able to fund the development of Firebag Project to date from its existing cash flow.

The Corporation is committed to becoming a major domestic supplier of high quality industrial proppant for use in the fracking industry as it actively pursue the development of its Firebag Project.

The complete financial statements for Athabasca for the year-ended December 31, 2014 and Management's Discussion & Analysis for the same period are available for viewing on the Corporation's website at www.athabascaminerals.com and on SEDAR at www.sedar.com.

About Athabasca Minerals

The Corporation is a resource company involved in the management, exploration and development of aggregate projects. These activities include contracts works, aggregate pit management, aggregate production and sales from corporate-owned pits, new aggregate development and acquisitions of sand and gravel operations. The Corporation also has industrial mineral land holdings for the purpose of locating and developing sources of industrial minerals and aggregates essential to high growth economic development.

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The securities of Athabasca have not been, nor will be, registered under the United States Securities Act of 1933, as amended, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons absent U.S. registration or an applicable exemption from U.S. registration requirements. This release does not constitute an offer for sale of securities in the United States.