

COURT FILE NUMBER & BANKRUPTCY ESTATE NUMBER 25-3009380, 25-3009384, 25-3009386, 25-3009385, 25-3009379, 25-3009389, 25-3009398

Clerk's Stamp

COURT COURT OF KING'S BENCH OF ALBERTA, IN BANKRUPTCY AND INSOLVENCY

JUDICIAL CENTRE Calgary

IN THE MATTER OF THE *BANKRUPTCY AND INSOLVENCY ACT*, RSC 1985, C B-3 AS AMENDED

AND IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF ATHABASCA MINERALS INC., AMI SILICA INC., AMI AGGREGATES INC., AMI ROCKCHAIN INC., TERRASHIFT ENGINEERING LTD., 2132561 ALBERTA LTD., and 2140534 ALBERTA LTD.

APPLICANT ATHABASCA MINERALS INC., AMI SILICA INC., AMI AGGREGATES INC., AMI ROCKCHAIN INC., TERRASHIFT ENGINEERING LTD., 2132561 ALBERTA LTD., and 2140534 ALBERTA LTD.

DOCUMENT **SUPPLEMENTAL AFFIDAVIT OF JOHN DAVID CHURCHILL**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT

Fasken Martineau DuMoulin LLP
Attn: Robyn Gurofsky / Jessica Cameron
3400 First Canadian Centre
350-7 Avenue SW
Calgary, AB T2P 3N9
Telephone: (403) 261-9469/261-9468
Facsimile: (403) 261-5351
Email: rgurofsky@fasken.com / jcameron@fasken.com
File No. 318938.00024

**SUPPLEMENTAL AFFIDAVIT OF JOHN DAVID
CHURCHILL**

Sworn on December 8, 2023

I, John David Churchill, of the City of Calgary, in the Province of Alberta, SWEAR AND SAY THAT:

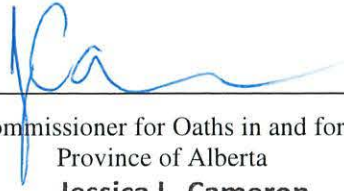
1. I am the Chief Financial Officer (“CFO”) of the Applicant, Athabasca Minerals Inc. (“AMI”). I previously swore an Affidavit in the within proceedings on December 6, 2023 (the “First Affidavit”). Capitalized terms used but not otherwise defined herein have the meanings given to them in the First Churchill Affidavit.
2. I am authorized to swear this Affidavit as a corporate representative of the Companies.
3. At paragraph 15(a) of my First Affidavit, I state that Silica holds a 50% interest in AMI Silica LLC. This statement is inaccurate and was made in error. As depicted on the Companies’ corporate organizational chart attached as Exhibit “C” to my First Affidavit, AMI holds the 50% interest in AMI Silica LLC. Further, AMI is the entity with resource holdings and business interests in Alberta, North-East British Columbia and the United States, whereas Silica has resource holdings in Alberta.
4. Further, there are two typographical errors in my First Affidavit. First, paragraph 64 of my First Affidavit should state that as of November 30th, 2023 (not 20th), there were 78,582,686 common shares issued and outstanding of AMI. Second, paragraph 67 of my First Affidavit should state that the Cash Flow Forecast indicates a payment by AMI in the amount of USD \$2 million (or CDN \$2.825 million) to AMIS LLC in order to fund a cash call anticipated to be issued by AMIS LLC imminently.
5. Attached as Exhibit “M” to my First Affidavit is a copy of the Companies’ consolidated Cash Flow Forecast for the period December 4, 2023 to March 3, 2024. The notes to that Cash Flow Forecast were inadvertently excluded to that exhibit. For ease of reference, attached hereto as **Exhibit “A”** is a full copy of the Cash Flow Forecast.

This is Exhibit "A"

Referred to in the Supplemental
Affidavit of

JOHN DAVID CHURCHILL

Sworn before me this 8th day of
December, 2023.



A Commissioner for Oaths in and for the
Province of Alberta

Jessica L. Cameron

Barrister & Solicitor

3400, 350 – 7th Avenue SW

Calgary, Alberta T2P3N9

Ph: 1-403-261-9468

Athabasca Minerals Inc., 2132561 Alberta Ltd., 2140534 Alberta Ltd.,
 AMI Aggregates Inc., AMI RockChain Inc., AMI Silicia Inc., TerraShift Engineering Ltd.
Cash Flow Forecast
 December 04, 2023 to March 03, 2024

		Forecast Week 1	Forecast Week 2	Forecast Week 3	Forecast Week 4	Forecast Week 5	Forecast Week 6	Forecast Week 7	Forecast Week 8	Forecast Week 9	Forecast Week 10	Forecast Week 11	Forecast Week 12	Forecast Week 13	Total
For the week ending, In CAD	Notes	10-Dec-23	17-Dec-23	24-Dec-23	31-Dec-23	7-Jan-24	14-Jan-24	21-Jan-24	28-Jan-24	4-Feb-24	11-Feb-24	18-Feb-24	25-Feb-24	3-Mar-24	
Opening cash balance	1	1,175,887	1,026,387	929,693	851,613	712,466	526,533	389,333	1,062,284	1,072,284	985,897	1,007,478	522,484	522,484	1,175,887
Cash Receipts															
Cash Collections	2	-	-	-	-	2,167	100,000	676,645	40,000	44,460	46,581	14,000	-	4,460	928,313
Cash Disbursements															
Operating Expenses															
Wages, salaries, and benefits	3	-	57,800	64,080	57,800	4,100	70,000	-	-	70,000	-	65,000	-	262,240	651,020
Utilities	4	-	200	-	1,500	-	200	-	-	-	-	1,800	-	-	3,700
Other operating expenses	5	29,500	18,694	14,000	29,987	-	50,000	3,694	10,000	45,987	25,000	33,694	-	48,987	309,543
Rent	6	-	-	-	14,860	-	-	-	-	14,860	-	-	-	14,860	44,580
		29,500	76,694	78,080	104,147	4,100	120,200	3,694	10,000	130,847	25,000	100,494	-	326,087	1,008,843
Other Disbursements															
AMI Silicia LLC - funding	2	-	1,770,000	-	1,080,000	-	-	-	-	-	-	-	-	-	2,850,000
Total other disbursements	7	-	-	-	-	184,000	2,000	-	-	-	-	316,000	-	-	502,000
Anticipated capital expenditures	8	-	20,000	-	10,000	-	-	-	20,000	-	-	2,500	-	-	52,500
		-	1,790,000	-	1,090,000	184,000	2,000	-	20,000	-	-	318,500	-	-	3,404,500
Debt Repayment															
Interest & principal		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements		29,500	1,866,694	78,080	1,194,147	188,100	122,200	3,694	30,000	130,847	25,000	418,994	-	326,087	4,413,343
Professional Costs	9														
Company counsel legal fees		50,000	-	-	-	-	50,000	-	-	-	-	35,000	-	-	135,000
Trustee fees		50,000	-	-	-	-	50,000	-	-	-	-	35,000	-	-	135,000
Trustee's counsel fees		20,000	-	-	-	-	15,000	-	-	-	-	10,000	-	-	45,000
Total Professional Costs		120,000	-	-	-	-	115,000	-	-	-	-	80,000	-	-	315,000
Net cash flow		(149,500)	(1,866,694)	(78,080)	(1,194,147)	(185,933)	(137,200)	672,951	10,000	(86,387)	21,581	(484,994)	-	(321,627)	(3,800,030)
Interim financing															
Interim financing advances / (repayments)	10	-	1,770,000	-	1,055,000	-	-	-	-	-	-	-	-	-	2,825,000
Closing cash (operating line) balance		1,026,387	929,693	851,613	712,466	526,533	389,333	1,062,284	1,072,284	985,897	1,007,478	522,484	522,484	200,857	200,857

Management of Athabasca Minerals Inc., 2132561 Alberta Ltd., 2140534 Alberta Ltd., AMI Aggregates Inc., AMI RockChain Inc., AMI Silicia Inc., TerraShift Engineering Ltd. (collectively "AMI" or the "Companies") has prepared this forecasted cash-flow statement (the "Cash Flow Forecast") based on probable and hypothetical assumptions detailed in Notes 1 to 10. The Cash Flow Forecast has been prepared on a consolidated basis, as the Companies will be seeking a consolidation order at the first extension application. The Cash Flow Forecast has been prepared solely for the purpose of supporting the Notice of Intention to Make a Proposal ("NOI") filed by each of the Companies on November 13, 2023. As such, readers are cautioned that it may not be appropriate for their purposes. The Cash Flow Forecast of the Companies is prepared in accordance with the provisions of the *Bankruptcy and Insolvency Act* and should be read in conjunction with the Trustee's Report on the Cash-flow Statement. Dated at the City of Calgary in the Province of Alberta, this 6th day of December 2023.

Athabasca Minerals Inc., 2132561 Alberta Ltd., 2140534 Alberta Ltd.,
 AMI Aggregates Inc., AMI RockChain Inc., AMI Silicia Inc., TerraShift Engineering Ltd.

Per 
 David Churchill
 Chief Financial Officer

KSV Restructuring Inc.
 Per 
 Andrew Basi, CPA, CA, CIRP, LIT
 Managing Director

**Athabasca Minerals Inc., 2132561 Alberta Ltd., 2140534 Alberta Ltd.,
AMI Aggregates Inc., AMI RockChain Inc., AMI Silicia Inc., TerraShift Engineering Ltd.
Notes to the Cash Flow Forecast
December 04, 2023 to March 03, 2024**

Note 1

Consolidated cash balance for all Athabasca entities. Please note only the following entities have bank accounts: Athabasca Minerals Inc., AMI RockChain Inc. (formerly Aggregates Marketing Inc.), AMI Silicia Inc., TerraShift Engineering Ltd., 2132561 Alberta Ltd. and 2140534 Alberta Ltd. The following entities do not have bank accounts: AMI Aggregates Inc..

Note 2

Athabasca Minerals Inc. owns a 50% interest in AMI Silicia LLC. The only cash flow for AMI is through monthly management fees and reimbursement of expenses from AMI Silicia LLC. There are some small AR balances in RockChain and TerraShift with no further revenue from these entities. A significant amount of this balance relates to the repayment of cash collateral provided for letters of credit for sold aggregate leases. AMI Silicia LLC is currently experiencing a working capital shortfall that will be funded by its two equity holders. The advances to AMI Silicia LLC represents AMI's 50% share.

Note 3

Athabasca Minerals Inc. has 9 employees. The other entities do not have employees. Payroll is mid month and month end. Employee benefits are through Equitable Life and are paid at month end. Salary expense increase in January 2024 is due to restart of CPP/EI. KERP payments are in accordance with the KERP agreement and are paid on the week ended December 24th and March 3, 2024. There are payments to the sole Director for the payroll for January 15 2024.

Note 4

Utilities are for EPCOR and Direct Energy for the Edmonton office. Calgary office utilities are included in rent

Note 5

Other operating expenses are as follows: Third party IT support, office supplies, water for office, Xerox for photocopier in Edmonton office, Telus mobility, Shaw internet, Shaw phone, Website management, fuel for company vehicles, janitorial services for the Edmonton office.

Note 6

Rent for both office leases in Calgary and Edmonton. Property taxes are included in the monthly lease payments.

Note 7

Other disbursements include amounts for outstanding royalty payments, to the extent payable, related to aggregate dispositions that will result in release of cash deposits related to letters of credit. Additional amounts relate to D&O run-off insurance.

Note 8

Capital expenditures are required to maintain the in-basin sand development project leases in Montney BC.

Note 9

Trustee fees to KSV Restructuring and their legal counsel, Bennett Jones and to Fasken as AMI counsel.

Note 10

AMI has reached an agreement with JMAC Energy Services LLC to advance a DIP facility in the amount of \$2,850,000 less \$25,000 as a DIP facility fee. The Companies will be seeking an interim financing charge at the first extension application.