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January 6, 2025

**To: Shareholders of Athabasca Minerals Inc.**

**Re: In the matter of the bankruptcy of 2585929 AB Ltd.**

On November 13, 2023, Athabasca Minerals Inc., 2132561 Alberta Ltd., 2140534 Alberta Ltd., AMI Aggregates Inc., AMI RockChain Inc., AMI Silica Inc., and TerraShift Engineering Ltd. (collectively the “**Company**” or “**AMI**”) filed a Notice of Intention to Make a Proposal (the “**NOI Proceedings**”) pursuant to Section 50.4(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the “**BIA**”). KSV Restructuring Inc. (“**KSV**”) was appointed as the proposal trustee (the “**Proposal Trustee**”).

On April 19, 2024, the Court issued a transaction approval and reverse vesting order (the “**RVO**”), which, among other things, approved a transaction (the “**Transaction**”) between AMI and Badger Mining Corporation. Upon completion of the Transaction, AMI was removed from the NOI Proceedings and replaced by 2585929 Alberta Ltd. (“**929**”) as an applicant to the NOI Proceedings.

On May 14, 2024, 929 was deemed to have made an assignment into bankruptcy pursuant to section 50.4(8)(a) of the BIA, and KSV was appointed as the Licensed Insolvency Trustee (the “**Trustee**”) of 292.

On June 13, 2024, the Trustee issued a Section 149 Notice to all known creditors, notifying them to prove their claim and providing a notice of dividend. Subsequently, on July 10, 2024, a second Section 149 Notice was issued to additional creditors that the Trustee was made aware of, providing a notice to prove their claim and notice of dividend by August 10, 2024.

Following the expiration of the claims bar date, the Trustee received 26 claims from creditors. Upon the Trustee’s review, 23 of these claims were determined to be valid (“**Proven Claims**”) and 3 were disputed claims (“**Disputed Claims**”). The Trustee issued payments to the creditors in relation to the Proven Claims on September 4, 2024 for a total of \$4,150,985.

As of the current date, the Trustee issued a Notice of Disallowance for one of the Disputed Claims and this disallowance has not been appealed to the court. The Trustee is currently in the process of working with the claimants on the remaining 2 claims (“**Remaining Disputed Claim**”) and is communicating with the respective claimants to address any necessary amendments or additional information required to either admit or disallow the claim.

The Trustee is also working with its legal counsel to address various tax issues that have been identified as a result of the Transaction and related to future distribution of proceeds to shareholders.

The Trustee will be authorized to issue a payment to shareholders after the following final steps are taken:

- 1) All creditor claims have been adjudicated, any applicable appeals have been dealt with, and payments have been issued;

- 2) All tax matters have been addressed and filed taxed returns have been assessed by the tax authorities and any updated proofs of claims are received; and
- 3) The Trustee's final statement of receipts and disbursements has been approved by the Office of the Superintendent of Bankruptcy and the Trustee is authorized to issue final distributions.

The Trustee anticipates that completing the final steps outlined above will require several months before distributions to shareholders can commence.

Further information on the NOI proceedings and the Transaction is contained in the Proposal Trustee's report which are available on the Proposal Trustee's website at [www.ksvadvisory.com/experience/case/athabasca-minerals](http://www.ksvadvisory.com/experience/case/athabasca-minerals).

Should you have any questions with respect to this notice or bankruptcy proceedings, please contact Maha Shah at (587)-287-9958 or [mshah@ksvadvisory.com](mailto:mshah@ksvadvisory.com).

Yours truly,



**KSV RESTRUCTURING INC.  
IN ITS CAPACITY AS LICENSED INSOLVENCY TRUSTEE OF  
2585929 AB LTD.  
AND NOT IN ITS PERSONAL CAPACITY**