

SHINE SAND AND GRAVEL PROJECT ADDS MINORITY-SHARE PARTNER

(Sept. 10, 2009) – Poulsbo’s Fred Hill family has taken on a partner in its “pit-to-pier” project, announced Alex Hill, head of both Fred Hill Materials and Thorndyke Resource, a separately run company that manages and finances the proposed project.

Athabasca Minerals Inc. recently announced its letter of intent to purchase minority stock shares in the project. Athabasca is an Alberta, Canada-based company publicly traded on the Toronto Stock Exchange (TSX Venture), the largest exchange in Canada and third-largest in North America. Athabasca Minerals is engaged in the international management, exploration and development of aggregate and mineral resources.

While the Fred Hill family retains majority ownership and local control of the proposed pier project, Hill said Athabasca brings additional experience and financial backing as the project enters its seventh year of environmental review and permitting process.

The project would add some 4,500 jobs directly and indirectly to the region through mining, construction, maritime and the building of barges and ships that would supply sand and gravel to Puget Sound and West Coast markets, said Hill, who estimates a \$600 million project impact to Washington’s economy.

Sand and gravel are integral components of concrete, asphalt, fill and construction aggregate used in building highways, roads, bridges, tunnels, seawalls, high-rises, schools and homes. Over half of the major construction projects are publicly funded and/or involve public transportation. The Fred Hill family has also pledged an initial 500,000 tons of sand and gravel to restore damaged beaches throughout Puget Sound and Hood Canal as part of numerous beach nourishment efforts to enhance salmon habitats.

The sand and gravel deposit near Shine (Thorndyke Block) is located within a privately owned 20,901-acre commercial tree farm comprised of Jefferson County resource lands designated for logging and mining. Thorndyke Resource owns long-term lease options for future marine-based mining and controls a contiguous, undeveloped waterfront parcel on Hood Canal to build a pier for conveying materials onto barges and ships. When fully permitted and operating, company officials add that the project’s marine delivery of sand and gravel would take thousands of truck-with-trailers off crowded highways and roads.

Fred Hill Materials (on behalf of Thorndyke Resource) submitted the project application in April of 2003. The company is currently working with Jefferson County on a Draft Environmental Impact Statement and has requested that the county affirm

pit-to-pier as a “project of statewide significance.” Under the bill (ESSB 5473), as defined under state regulations and in accord with the State Environmental Policy Act (SEPA), local officials from counties and cities with projects of statewide significance will partner with the state to consolidate, coordinate and expedite environmental reviews and permit processing.

Thorndyke Resource is a U.S. LLC comprised solely of Environmental Resources Materials Company (ERMC), owned and controlled by Alex Hill.

Fred Hill Materials Inc., founded in 1946, today is owned by third-generation grandsons Alex and Adam Hill and employs over 100 people locally. Earlier this year, Fred Hill Materials sold its truck-based mining operation at Shine Pit while retaining its longtime ready-mix delivery throughout a five-county area on the Kitsap and North Olympic peninsulas.

“We welcome Athabasca to our extended family,” Hill said. “Together we look forward to establishing an environmentally and economically sound regional source of sand and gravel for generations to come.”