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ATHABASKA GOLD RESOURCES LTD.

CORPORATE PROFILE

SYMBOL: AHB-TSE

<http://www.athabaska.com/athabaska/>

OVERVIEW

Athabaska holds a firm option to acquire 100% of the **Ladner Creek Gold Mine**, a former gold producer near Hope, British Columbia. The option requirements have been fulfilled until June 30, 1998, and the option may be exercised at any time through the issue of stock. Work carried out by the Company during 1995-1997 resolved technical problems that had plagued the former operation and increased ore reserves. A decision to proceed to production at 53,000 ounces per year at a cash cost of US\$266 per ounce was imminent when a drastic drop in the world price of gold made it necessary to defer production plans. The Company intends to exercise its option and proceed to production when world gold prices improve.

The Company holds an option to earn a 75% interest in the **Warburton Bay** diamond exploration project in the Northwest Territories, Canada. An airborne geophysical survey identified numerous anomalies that may represent kimberlite pipes, and till sampling has yielded kimberlite indicator minerals. The property adjoins the Winspear-Aber Project where diamond-bearing kimberlites have been confirmed and a major 1998 winter drilling program is underway. Breckenridge Resources Ltd. holds an option to earn a 30% interest in the Warburton Bay project from Athabaska and will finance a drilling program to test kimberlite targets on Warburton Bay in early 1998.

Athabaska holds a large interest in **Breckenridge Resources Ltd. (BKD:VSE)** and has a right to provide future financing for this company. Breckenridge has signed a Joint Venture Agreement with Chinese partners, subject to regulatory approval, to jointly develop a large **silver-base metals massive sulfide deposit in China**, and a Memorandum of Understanding with the Sichuan Bureau of the Ministry of Geology and Mineral Resources to jointly explore and develop two other silver-rich massive sulfide deposits within the same belt. The three deposits may contain well over 200 million ounces of silver and major amounts of base metals.

PROJECTS

Ladner Creek Gold Project: British Columbia, Canada

The Ladner Creek Gold Project comprises an underground gold mine, 1500 ton-per-day processing plant and tailings pond built in 1981 by a previous operator at a cost of C\$40 million. Athabaska holds an option to acquire 100% of this complex plus a 15-kilometre long highly prospective section of the Coquihalla Gold Belt through the issue of 4,000,000 shares of Athabaska to the vendors.

The previous operation failed economically because of severe technical problems resulting in extremely poor gold recovery in the mill, excessive dilution of ore grade in the mine, and environmental problems.

During 1995-1997 Athabaska carried out a C\$4 million program including surface and underground diamond drilling, tailings pond testing and a comprehensive program of metallurgical testing to support a final feasibility report.

Reserves and resources identified to date are summarized below:

	Tonnes	Grade (g/tonne)	Ounces of Gold
Accessible from Existing Mine Workings (Idaho Mine)	1,622,000	4.42	229,800
Existing Mine Tailings	400,000	2.09	26,900
Preliminary Estimate at McMaster Zone			
Underground	240,000	4.42	34,100
Open Pit	186,000	1.89	11,300
Total - All Categories	2,448,000	3.83	301,800

This represents nearly six years of projected mill production. The mineralized zones in both the Idaho mine and the McMaster Zone are open for extension, and the entire length of the property is highly prospective for the discovery of new zones. There is thus an excellent potential for a much extended life of operation.

Extensive bulk sample metallurgical testing indicates that gold recoveries from new ore to concentrate will be in the 85% range. The optimum mill process will be a simple flotation-only circuit with the gold bearing flotation concentrate to be shipped off-site to a custom smelter. Proposals have been received from a number of smelters. The metallurgical program has also determined that the existing tailings can be profitably reprocessed through the mill. Thereafter, the mill will process ore from underground. The flotation-only mill process is the most economic process evaluated with the additional benefit of completely eliminating the need to use cyanide in the gold recovery process on site. This eliminates any concerns with regard to meeting water discharge standards.

Permitting for the proposed operation is in place. The total capital cost to rehabilitate the mill and reactivate the mine is estimated at C\$8.11 million. Operating costs at the mine site and processing new ore are C\$34.42 per tonne of ore or US\$205 per ounce of gold. Projected costs for shipping concentrates, smelting, and refining are the equivalent of US\$38 per ounce, bringing the total operating cost to US\$243 per ounce. With appropriate allowances for property exploration and development and head office costs, the overall cost is US\$266 per ounce of recovered gold.

Projected annual operating profit ranges from C\$2.57 million at US\$300 gold to C\$8.62 million at US\$380 gold.

With the current uncertainties in gold price predictions, the Company has elected to defer further development until prices improve.

Warburton Bay Diamond Project: N.W.T., Canada

Athabaska holds an option to acquire 75% of this diamond exploration project located northeast of Yellowknife and centrally located with respect to the overall N.W.T. diamond exploration activity. It lies southwest of the Diamet/BHP development, which will reach production in 1998, and adjoins the Winspear-Aber project where diamondiferous kimberlite has been encountered in both boulders and drill core, and a major 1998 drill program is under way.

Work to date on the Warburton Bay project includes an airborne geophysical survey that identified numerous targets that could represent kimberlite pipes and a preliminary till sampling program that produced minerals indicative of kimberlite sources.

The Company has signed an agreement whereby Breckenridge Resources Ltd. may earn a 30% interest by financing exploration on the property. Initial work will include geophysics and drilling early in 1998.

INVESTMENTS

Breckenridge Resources Ltd. (BKD-VSE)

Athabaska has a 20.7% interest in Breckenridge Resources Ltd., acquired through a private placement. Athabaska has a right of first refusal to provide future financing to Breckenridge. Athabaska and Breckenridge have a number of directors and officers in common.

Breckenridge Projects

Breckenridge has signed an agreement to jointly develop the Xiacun silver–base metals deposit and has preliminary agreements on two other similar deposits in Sichuan Province, China. The three deposits may contain well over 200 million ounces of silver as well as major amounts of base metals.

Xiacun Silver–Base Metals Project, Sichuan Province, China Breckenridge is party to a Joint Venture Agreement, subject to regulatory approval, with respect to the joint development of a large, high grade, massive sulfide, silver–base metals deposit in Sichuan, China (Xiacun Project). The Chinese partner is a consortium of four Chinese mineral industry corporate entities representing county, prefecture and provincial government interests. The Joint Venture Agreement provides Breckenridge the right to earn and maintain a 68% participating project interest. The proposed development has been under review in Beijing since April, 1997, and final approval is anticipated early in 1998.

A prefeasibility study prepared for Breckenridge by an independent engineering company indicates the deposit will be a robust 1500 tonne-per-day mine and mill for a minimum fifteen-year life. Operating profits in the early years of operation exceed US\$40 million per year indicating a very rapid payback of total capital cost, estimated at US\$86 million. Upon receipt of a Business License and Mining License, the joint venture company will immediately proceed work to advance the project to final feasibility.

Xiasai and Gaiyiqiong Silver–Base Metals Projects, Sichuan Province, China Breckenridge Resources Ltd. has signed a Memorandum of Understanding with the Sichuan Bureau of the Ministry of Geology and Mineral Resources (MGMR) to jointly develop two silver-rich, Kuroko-type, massive sulfide deposits in the same geological belt as the feasibility stage Xiacun Project. The advanced exploration stage Xiasai Deposit is located 100 kilometres south of the Xiacun Deposit and the Gaiyiqiong Deposit is located 53 kilometres northwest of Xiacun. It is the opinion of Breckenridge management that this whole belt has tremendous potential for the discovery of additional significant deposits of this type, which could impact very positively on the already robust economics of the projected Xiacun development.

Mudesa Placer Gold Project, Costa Rica Breckenridge owns 100% of a Costa Rican company, Mudesa Internacional S.A., which holds the Rio Agujas Concession, a placer deposit with **proven gold reserves**. Initial production is proposed in an area of proven reserves containing 3.3 million cubic metres grading 0.403 grams of gold per cubic metre. There are also very **large probable and inferred reserves** in the Rio Agujas Concession.

Warburton Bay Diamond Exploration Project Described above

MANAGEMENT

Athabaska is managed by an experienced group of mining executives whose expertise qualifies them to guide the Company through all phases of the mining business from grassroots exploration through feasibility studies, production, metal marketing and mine finance. Their international exposure is particularly relevant to the current worldwide mineral exploration boom.

President, CEO and Founding Director, J. S. (Jim) Kermeen, P.Eng., holds degrees in geological engineering and geology. His career in the mining business has included mineral exploration, mine management, mineral marketing, several major mine feasibility studies and mine financing. Regions of specific experience include North and South America and East Asia.

Vice President, Administration and Director, Thomas J. Adamson, P.Geo., holds a Bachelor of Science degree in geology. Mr. Adamson has had a successful 30-year career in mineral exploration and mining company management.

Founding Director, Edward G. Kennedy, P.Eng., holds a B.A. degree in geology. He has been involved in mineral exploration and the administration of mining companies working in North America, Australia and East Asia.

Director and Financial Advisor, Ian Burgess, joined the company recently after a seventeen-year career with Barclay's Bank, chiefly involved with mine financing. His extensive financial experience will balance the technical expertise of the other Board members.

Vice President, Finance, CFO, Ross Wilmot, C.A., is a chartered accountant with a degree in metallurgical engineering and has broad experience in the field of resource company finance and accounting.

Vice President, Investor Relations, Stephen C. Jackson, has an extensive background in marketing, public relations, journalism, and private and public company management.

January 23, 1998

CORPORATE INFORMATION

HEAD OFFICE:

#1300 - 1075 West Georgia Street
Vancouver, B.C.
Canada V6E 3C9

Tel: (604) 688-3144
Fax: (604) 684-4601
E-mail: 71044.2635@CompuServe.com
Internet: <http://www.athabaska.com/athabaska/>

SHARES LISTED:

Toronto Stock Exchange. Trading Symbol: **AHB**

OFFICERS & DIRECTORS:

James S. Kermeen, M.Sc., P.Eng.	<i>Director and President</i>
Thomas J. Adamson, P.Geo	<i>Director and Vice-President</i>
Edward G. Kennedy, P.Eng.	<i>Director</i>
Ian Burgess	<i>Director and Financial Advisor</i>
Ross Wilmot, B.Sc., M.Sc., C.A.	<i>Vice-President and CFO</i>
Stephen C. Jackson	<i>Vice-President, Investor Relations</i>

CAPITALIZATION:

Authorized: 50,000,000 common shares with no par value
Issued: 25,462,931
Fully Diluted: 26,987,931

SEC EXEMPTION:

Rule 12g3-2(b) - - Exemption # 82-1906

BANK:

Bank of Montreal
First Bank Tower, 595 Burrard Street
Vancouver, B.C. V7X 1L7

SOLICITORS:

Hemsworth, Schmidt
#430 - 580 Hornby Street
Vancouver, B.C. V7X 1L1

AUDITOR:

Coopers & Lybrand
1111 West Hastings Street
Vancouver, B.C. V6E 3R3

REGISTRAR & TRANSFER AGENT:

Montreal Trust
510 Burrard Street
Vancouver, B.C. V6C 3B9

January 23, 1998



January 30, 1998

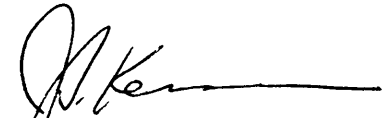
Mr. Tom G. Shroeter, P.Eng.
Senior Regional Geologist
Geological Surveys Branch
Ministry of Employment and Investment
865 Hornby Street
Vancouver, B.C.

Dear Tom,

I enclose herewith a recently updated Corporate Profile for Athabaska Gold Resources. You will note our projected operating costs at Ladner Creek are US\$243 per ounce of gold and US\$266 per ounce including property exploration and head office costs.

Your 1996 Overview lists US\$380 per ounce. Where did this number come from? It makes us look pretty stupid to be spending money on the project!

Yours truly,



J. S. Kermeen, M.Sc., P.Eng.
President

Please note our new address: 1300 - 1075 West Georgia St. Vancouver, B.C. V6E 3C9

Athabaska Gold Resources Ltd. 1200 - 1185 West Georgia St. Vancouver, B.C., Canada V6E 4E6 Tel (604) 688-3144 Fax (604) 684-4601



J.S. Kermeen, M.Sc., P. Eng.
President
Athabaska Gold Resources Ltd.
1300-1075 West Georgia Street
Vancouver, B.C.
V6E3C9

February 3, 1998

Dear Jim:

Re: LADNER CREEK PROPERTY

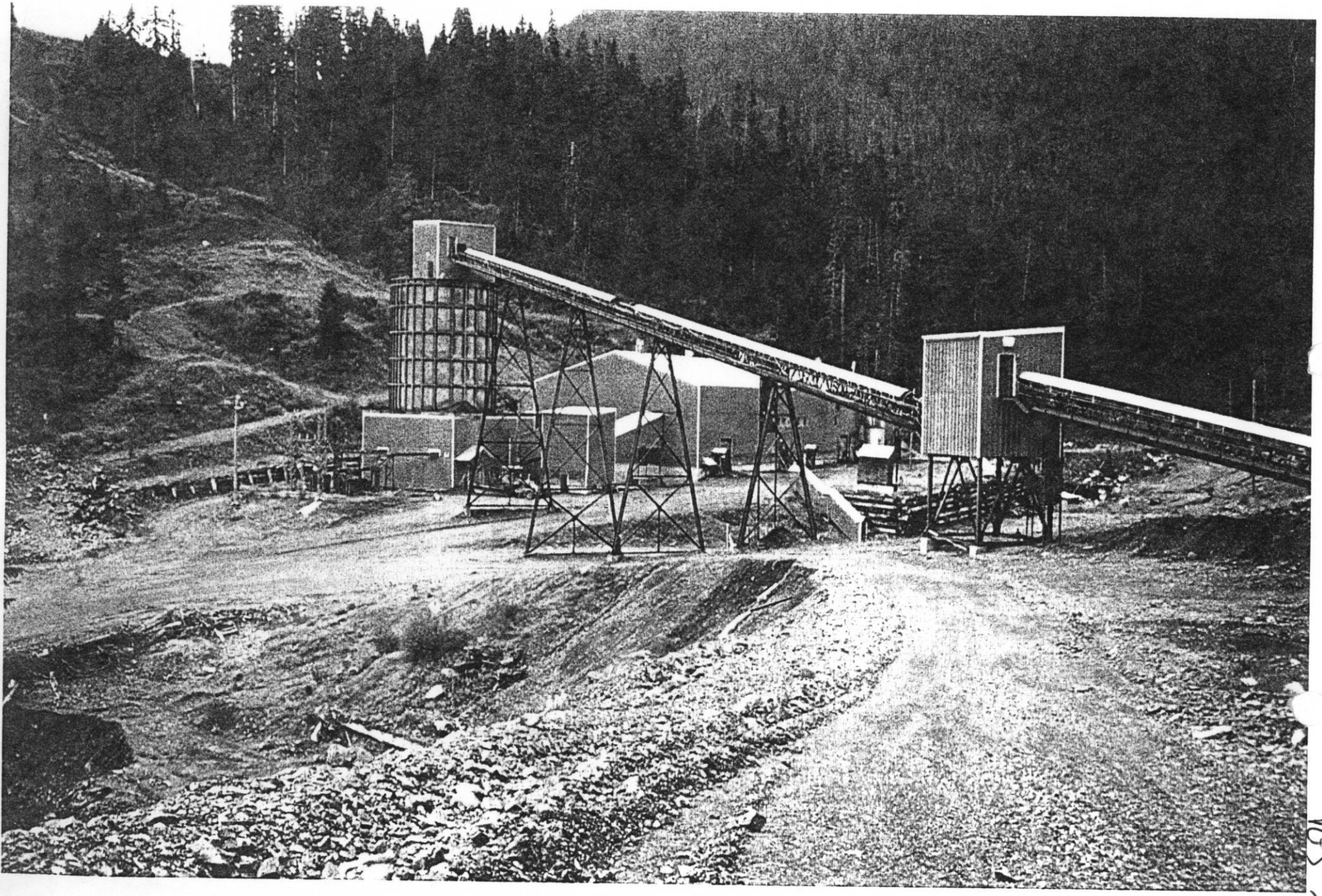
___ Thank you very much for your letter dated January 30, 1998, along with a recently updated Corporate Profile for Athabaska Gold Resources. I am pleased to note your projected operating costs; let's hope the price of gold strengthens, the markets improve and the operating climate improves.

In checking the 1996 Overview, I note your concern with the US\$380 per ounce number. I agree - this is NOT the projected cash operating cost; rather it was the gold price per ounce used in determining "current economic projections", as identified in one of Athabaska's Fall 1996 news releases. Somewhere along the line there appears to have been a breakdown in communication; I certainly apologize from this office. Hopefully, with closer communication on such matters between the government and the industry, this type of error will be minimized in the future.

Once again, thank you for bringing this matter to my attention, and good luck with the Ladner Creek Project and with further exploration programs along the prospective Coquihala Gold Belt.

Yours sincerely,

Tom G. Schroeter, P. Eng.
Senior Regional Geologist



VCS -> (AOLM)



Athabaska Gold

Athabaska Gold Resources Ltd.

LADNER CREEK MILL



TGS -> Ladner
Ck
(Carolin)

NEWS RELEASE

OCT 24 1996

Symbol: AHB:TSE
S.E.C. 12g3-2(b)
Exemption: #82-1906

Geological Survey Branch
MEMPR

LADNER CREEK GOLD PROJECT

HIGH GRADE ASSAYS FROM SURFACE TRENCHING

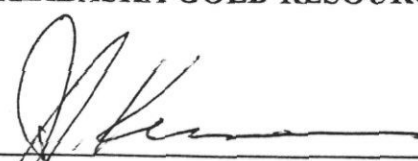
Vancouver, Canada, September 18, 1996: Athabaska Gold Resources Ltd. is pleased to report the following results from continuous sampling of new surface trenches cut across the previously untested surface projection of the Idaho Zone.

	No. of Samples	Total Width		Average Gold Grade	
		metres	feet	g/tonne	oz/ton
Trench 1	33	34.0	111.6	5.75	0.168
Trench 2	13	15.0	49.2	4.96	0.145
Trench 3	5	5.0	16.4	9.54	0.278
Trench 4	14	25.4	83.3	5.21	0.152

These results and additional work in this area will define mineable reserves in a proposed readily accessible surface pit.

<http://www.athabaska.com/athabaska/>

ATHABASKA GOLD RESOURCES LTD.



J.S. Kermeen, M.Sc., P.Eng., President



NEWS RELEASE

Symbol: AHB:TSE
S.E.C. 12g3-2(b)
Exemption #82-1906

ATHABASKA UPDATE, FALL 1996 DRILLING STARTS ON LADNER CREEK "McMASTER ZONE"

Vancouver, Canada; October 21, 1996: Athabaska Gold Resources Ltd is pleased to report surface diamond drilling has now commenced on the McMaster Zone, one mile north of the Ladner Creek mill. An earlier drill hole through the zone had intersected 12.92 metres (42.4 feet) of ore grade mineralization assaying 5.07 g/tonne (0.148 ounces per ton) gold. The target is open for extension both along strike and at depth. Eight drill holes are planned for this drilling phase.

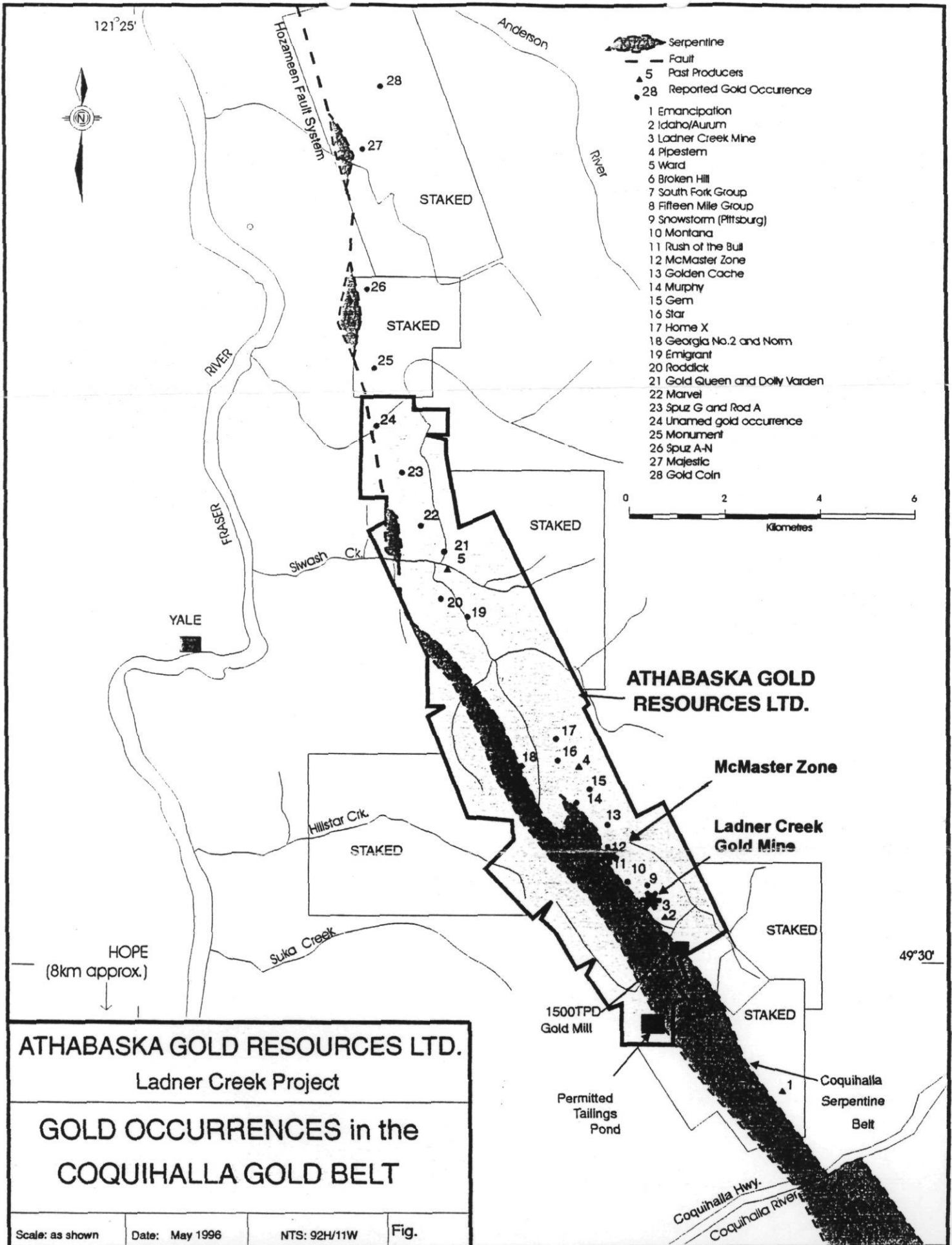
Further work is planned to define additional mineable reserves in a proposed readily accessible pit over the previously untested surface projection of the main "Idaho" mine zone. Gold assays over bulk mining widths have been returned from recent trench channel samples (up to 34.0 metres (111.6 feet) assaying 5.75 g/tonne (0.168 oz/ton) gold, as reported in news release dated September 18, 1996).

During recent months, Athabaska has successfully advanced the Ladner Creek Project much closer to a production decision and a variety of production financing scenarios are being assessed. Recent surface and underground drilling has increased project reserves to 263,800 ounces of contained gold. This reserve, incorporating a minimum mining width of 3.0 metres (9.8 feet), a cut-off grade of 2.74 g/tonne (0.08 oz/ton) and 15% mining dilution at 1.0 g/tonne is detailed as follows:

	Tons	Grade(oz/ton)	Ounces Gold
Recent Drilling	300,000	0.126	37,800
Previous Mine Total	1,488,000	0.129	192,000
Present Mine Total	1,788,000	0.129	229,800
Plus Tailings Reserve	660,000	0.051	34,000
Total			263,800

Extensive bulk sample metallurgical testing, now completed, has confirmed the expected gold recoveries to concentrate will be in the 85% range. The optimum mill process will be a simple flotation-only circuit with the gold bearing flotation concentrate to be shipped off-site to a custom smelter. The metallurgical program has also conclusively determined that the existing tailings can be profitably reprocessed through the mill. The first year of mill operation will reprocess these tailings, yielding operating profits in excess of the entire cost of retrofitting the mill for the new operation. The flotation-only mill process is advantageous in that it is the most economic process evaluated and it also eliminates the use of cyanide on site, removing any concerns with regards to meeting water discharge standards. Ladner Creek operational permits dating from the prior operation are still in good standing.

Current economic projections indicate a very favorable rate of return and rapid payback of capital in the second year of mill operation. An annual operating profit of C\$7.7 million, at a gold price of US\$380 per ounce, is forecast from full scale production of underground ore producing 52,940 ounces of gold per year. Reprocessing tailings in the first year of mill operations will yield 20,000 ounces of payable gold generating an operating profit of C\$4.1 million. Total capital costs to reactivate both the mine and the mill, including all associated infrastructure costs and working capital, is C\$8.1 million, of which only C\$3.38 million is required to rehabilitate the mill and install the tailings recovery system.





ATHABASKA GOLD RESOURCES LTD.

CORPORATE PROFILE

SYMBOL: AHB-TSE

MARCH 1996

CORPORATE PHILOSOPHY & OBJECTIVES

Athabaska Gold Resources Ltd. was formed in 1987 primarily to explore for gold in Canada. Originally listed on the Vancouver Stock Exchange, the Company subsequently obtained a listing on the more senior Toronto Stock Exchange in 1989. During the period 1987 to 1995, the Company acquired and developed two significant gold properties in the Northwest Territories, the Nicholas Lake and Damoti Lake Projects. In 1995 the Company elected to sell its interest in these projects to provide financing to develop more interesting projects which are described later in this profile.

The Company will remain active in exploration but is also now moving very rapidly towards gold production in Canada and, through an associated company, early gold production in Costa Rica and a longer term objective of major silver and basemetals production in China.

In short, the Company is moving into a new phase where it will have measurable value from production and will finance new exploration from cash flow, the objective being to maximize benefit to shareholders over both long and short terms.

COMPANY MANAGEMENT

Athabaska is managed by a seasoned group of mining people whose training and long experience eminently qualifies them to guide the Company through all phases of the mining business from grass roots exploration through feasibility studies, production, metal marketing and mine finance. Their extensive international experience is particularly relevant to the current worldwide mineral exploration boom.

President, CEO and Founding Director, J. S. [Jim] Kermeen, P.Eng., holds degrees in geological engineering and geology and is a professional engineer. His long career in the mining business has included mineral exploration, mine management, mineral marketing, several major mine feasibility studies and senior mine financing. Regions of specific experience include North and South American and East Asia.

Vice President, Administration and Director, Thomas J. Adamson, P.Geo., holds a Bachelor of Science degree in geology. Mr. Adamson has had a successful 30 year career in mineral exploration and mining company management.

Founding Director, Edward G. Kennedy, P.Eng., holds a B. A. Degree in geology and has explored for minerals and administered junior mining companies in North America, Australia and East Asia.

Director and Financial Advisor, Ian Burgess, joined the company recently after a seventeen year career with Barclay's Bank chiefly involved with mine financing. His extensive financial experience will balance the technical expertise of the other Board members.

Vice President, Finance, CFO, Ross Wilmot, is a Chartered Accountant who holds a degree in Metallurgical Engineering and has broad experience in the field of resource company accounting.

Vice President, Investor Relations, Stephen C. Jackson, has an extensive background in marketing, public relations, journalism and public company management.

COMPANY PROJECTS

Ladner Creek Gold Project:

The Company is focusing on this former gold producer located near a main highway 100 miles east of Vancouver, B. C. An underground mine, 1500 ton-per-day mill and tailings pond were built in 1981 by a previous operator at a cost of C\$40 million. The Company holds an option to acquire 100% of this complex plus 12 kilometres of the highly prospective gold belt through the issue of 4,000,000 common shares of Athabaska to the vendors. The previous operation failed in 1984 due to technical and operational problems which rendered it uneconomic.

The Company has recently completed a successful C\$2.1million program of underground and surface diamond drilling and metallurgical testing. Feasibility studies to date indicate that a decision to re-open is probable in the near future for an operation to yield in excess of 50,000 ounces of gold per year at a cash cost of about US\$245 per ounce corresponding to an operating profit of C\$9 million per year at US\$380 gold. The current reserve in the mine will feed the mill for three years and the nature of the mineralization is such that new reserves will be defined to prolong the operation indefinitely. Capital costs to recondition and reopen the mill and mine are estimated to be only in the order of C\$7 to 10 million. Existing permits are expected to be reinstated without the environmental review process normally required for new mines.

The immediate focus of the Company is further ore definition drilling and completion of the feasibility study to re-open the mine.

Alliger Lake West Project, Labrador:

The Company holds a 25% participating interest in this nickel-cobalt-copper prospect, located 70 km north of Diamond Fields' world-class deposit in the Voisey's Bay area of Labrador. Airborne and ground geophysical surveys have defined a strong electromagnetic/magnetic anomaly believed to be caused by potentially ore-bearing sulphide mineralization. Measuring 150 metres and 800 metres, this anomaly could well represent an economically significant basemetal deposit. Diamond drilling to test it will commence in mid March.

Warburton Bay Project:

In September 1995, the Company acquired the right to earn a 75% interest in a 170,000 acre tract located northeast of Yellowknife, Northwest Territories, and central to the overall NWT diamond exploration play. It was not explored during the initial exploration wave due to the previous owner's lack of funds. It lies southwest of the planned mine developments by Diamet/BHP and Kennecott/Aber and is on an east west trend connecting diamondiferous pipes held by Ashton (Cross Lake), Winspear and Mountain Province (No. 5034 pipe). A recent airborne geophysical survey identified 33 targets typical of kimberlite pipes, the host rock for diamonds. The Company has carried out ground geophysical surveys and till sampling on 12 of these as well as regional till sampling. G9 and G10 garnets and other favourable indicator minerals have been identified. Drilling of selected targets is planned.

INVESTMENTS:

Breckenridge Resources Ltd. (BKD-VSE)

The Company recently acquired a 25% position through a private placement into **Breckenridge Resources Ltd.** Upon exercise of warrants, the Company will hold 30% and has a right of first refusal on future financing.

Breckenridge holds a placer lease in Costa Rica which will be placed into production upon receipt of an mining permit. A proven reserve has been established which will support an operation yielding a cash flow of C\$1.5 million per year for four years; the capital cost of placing it in production will be C\$1.5 million. There is also a very large probable reserve on the concession which bodes well for increased production rate and prolonged life of the operation.

Breckenridge has also signed an Agreement in Principle with a Chinese consortium to jointly develop a rich silver-base metal deposit in China (Xiacun Deposit). The agreement grants **Breckenridge** the right to earn a 67% interest. A prefeasibility study by an independent engineering company indicates the deposit will support a robust 1500 tonne per day mine and mill for a minimum fifteen year life. Operating profits in the early years of operation exceed US\$40 million per year indicating a very rapid payback of total capital cost estimated at US\$86 million. Pretax DCFROR is 37%; the tax regime is still under negotiation but it is expected that the first two years will be income tax free and the rate will be 16.5% for 3 to 5 years thereafter. Negotiation of a final joint venture agreement is continuing. Upon satisfactory completion and approval of the joint venture agreement, **Breckenridge** will proceed with a two stage program to advance the project to final feasibility at an estimated cost of US\$5 million.

Consolidated Ramrod Gold Corporation:

In consideration of the sale of its interest in the Damoti Lake project, the Company holds 630,000 shares of Consolidated Ramrod Gold Corporation. Valued at C\$2.3 million at the time of the sale, these shares are expected to be a significant liquid asset when they become free for trading on October 2, 1996.



CORPORATE INFORMATION

HEAD OFFICE	#1200-1185 West Georgia Street, Vancouver, B.C., V6E 4E6, Canada Tel: (604) 688-3144 Fax: (604) 684-4601 E-mail: 71044.2635@CompuServe.com
SHARES LISTED	Toronto Stock Exchange. Trading Symbol: AHB
OFFICERS & DIRECTORS	James S. Kermeen, M.Sc., P.Eng. <i>Director and President</i> Thomas J. Adamson, P.Geo. <i>Director and Vice-President</i> Edward G. Kennedy, P.Eng. <i>Director</i> Ian Burgess <i>Director and Financial Advisor</i> Ross Wilmot, C.A., B.Sc., M.Sc. <i>Vice-President and CFO</i> Stephen C. Jackson <i>Vice-President Investor Relations</i>
CAPITALIZATION	Authorized: 50,000,000 common shares with no par value Issued: 23,956,018 Fully Diluted: 26,106,018
SEC EXEMPTION	Rule 12g3-2(b) - - Exemption # 82-1906
BANK	Bank of Montreal First Bank Tower, 595 Burrard Street, Vancouver, B.C., V7X 1L7
SOLICITORS	Armstrong, Dunne, Singer & Cowan #1400-141 Adelaide Street West, Toronto, Ontario, M5H 3L5 Hemsworth, Schmidt #430 - 580 Hornby Street, Vancouver, B.C., V7X 1L1
AUDITOR	Coopers & Lybrand 1111 West Hastings Street, Vancouver, B.C., V6E 3R3
REGISTRAR & TRANSFER AGENT	Montreal Trust 510 Burrard Street, Vancouver, B.C., V6C 3B9

ATHABASKA GOLD RESOURCES LTD.
LADNER CREEK GOLD PROJECT
NEAR HOPE, SOUTHEAST BC

Hole No.	From metres	To metres	Core Length		Gold Grade	
			metres	feet	g/tonne	oz/ton
547-96-3	16.00	19.00	3.00	9.8	4.89	0.142
	39.00	41.70	2.70	8.9	2.80	0.082
666-96-1	9.00	12.00	3.00	9.8	3.57	0.104
820-96-1	126.00	130.95	4.95	16.2	3.29	0.096
including	128.00	130.95	2.95	9.7	4.40	0.128
837-96-1	170.40	183.37	12.97	42.6	3.31	0.097
including	170.40	173.33	2.97	9.7	8.23	0.240
and	177.37	179.37	2.00	6.6	2.80	0.082
and	181.37	183.37	2.00	6.6	4.28	0.125
895-96-1	84.73	86.76	2.03	6.7	4.93	0.144
895-96-2	3.00	6.10	3.10	10.2	6.26	0.183
	14.11	17.11	3.00	9.8	4.24	0.124
895-96-3	5.00	7.07	2.07	6.8	7.02	0.205
	125.00	128.70	3.70	12.1	3.33	0.097
	173.00	181.00	8.00	26.2	3.78	0.110
including	174.00	177.00	3.00	9.8	5.59	0.163
934-96-1	47.00	73.00	26.00	85.3	4.52	0.132
including	47.00	50.00	3.00	9.8	5.90	0.172
and	54.00	70.19	16.19	53.2	5.36	0.156
966-96-1	10.00	18.50	8.50	27.9	2.00	0.058
	24.84	32.00	7.16	23.5	3.26	0.095
	115.50	119.50	4.00	13.1	2.51	0.073
including	115.50	117.50	2.00	6.6	3.43	0.100
	135.00	136.00	1.00	3.3	8.19	0.239
11050-60	162.59	164.63	2.04	6.7	2.51	0.073
	276.76	296.81	20.05	65.8	3.49	0.102
including	276.76	280.00	3.24	10.6	4.94	0.144
and	289.00	296.81	7.81	25.6	4.45	0.130
	305.55	311.26	5.71	18.7	2.71	0.079
11100-96-1	220.60	231.14	10.54	34.6	3.37	0.098
including	225.60	230.30	4.70	15.4	5.47	0.160
	243.10	244.95	1.85	6.1	4.39	0.128



*TGS → Carolin
(Ladner CA)*

NEWS RELEASE

Symbol: AHB:TSE
S.E.C. 12g3-2(b)
Exemption: #82-1906

SEP 09 1996
Geological Survey Branch
MEMPR

LADNER CREEK GOLD PROJECT RECENT DRILLING ADDS 300,000 TONS

Vancouver, Canada, September 6, 1996: Athabaska Gold Resources Ltd. is pleased to announce the following results from the first phase of the current drilling program which have increased the underground ore reserve by 300,000 tons. Results from holes 934-96-1 and 966-96-1, initially reported on August 7, are included with the results below.

Hole No.	From metres	To metres	Core Length		Gold Grade	
			metres	feet	g/tonne	oz/ton
547-96-3	16.00	19.00	3.00	9.8	4.89	0.142
	39.00	41.70	2.70	8.9	2.80	0.082
666-96-1	9.00	12.00	3.00	9.8	3.57	0.104
820-96-1	126.00	130.95	4.95	16.2	3.29	0.096
including	128.00	130.95	2.95	9.7	4.40	0.128
837-96-1	170.40	183.37	12.97	42.6	3.31	0.097
including	170.40	173.33	2.97	9.7	8.23	0.240
and	177.37	179.37	2.00	6.6	2.80	0.082
and	181.37	183.37	2.00	6.6	4.28	0.125
895-96-1	84.73	86.76	2.03	6.7	4.93	0.144
895-96-2	3.00	6.10	3.10	10.2	6.26	0.183
	14.11	17.11	3.00	9.8	4.24	0.124
895-96-3	5.00	7.07	2.07	6.8	7.02	0.205
	125.00	128.70	3.70	12.1	3.33	0.097
	173.00	181.00	8.00	26.2	3.78	0.110
including	174.00	177.00	3.00	9.8	5.59	0.163
934-96-1	47.00	73.00	26.00	85.3	4.52	0.132
including	47.00	50.00	3.00	9.8	5.90	0.172
and	54.00	70.19	16.19	53.2	5.36	0.156

966-96-1	10.00	18.50	8.50	27.9	2.00	0.058
	24.84	32.00	7.16	23.5	3.26	0.095
	115.50	119.50	4.00	13.1	2.51	0.073
including	115.50	117.50	2.00	6.6	3.43	0.100
	135.00	136.00	1.00	3.3	8.19	0.239
11050-60	162.59	164.63	2.04	6.7	2.51	0.073
	276.76	296.81	20.05	65.8	3.49	0.102
including	276.76	280.00	3.24	10.6	4.94	0.144
and	289.00	296.81	7.81	25.6	4.45	0.130
	305.55	311.26	5.71	18.7	2.71	0.079
11100-96-1	220.60	231.14	10.54	34.6	3.37	0.098
including	225.60	230.30	4.70	15.4	5.47	0.160
	243.10	244.95	1.85	6.1	4.39	0.128

Using a minimum mining width of 3.0 metres (9.8 feet), a cut-off grade of approximately 2.74 g/tonne (0.08 oz/ton), and 15% mining dilution at 1.0 g/tonne, the above-listed intersections represent an increase in mineable reserves of 300,000 tons at 0.126 oz/ton. Updated reserves are as follows:

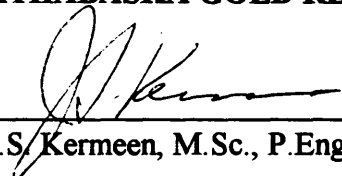
	<u>Tons</u>	<u>Grade oz/ton</u>	<u>Ounces Gold</u>
Added this program	300,000	0.126	37,800
Previous mine total	<u>1,488,000</u>	<u>0.129</u>	<u>192,000</u>
Present mine total	1,788,000	0.129	229,800
Add tailings	660,000	0.051	<u>34,000</u>
Grand total			263,800

Extensive surface sampling has been carried out where the previously mined zones come to surface. This work is expected to define additional reserves recoverable by open pit mining. Results will be reported when assaying and calculations are complete.

Management is confident the current drilling program will advance the project to a production decision.

<http://www.athabaska.com/athabaska/>

ATHABASKA GOLD RESOURCES LTD.


 J.S. Kermeen, M.Sc., P.Eng., President

Ladner Creek Project, B.C.

Work continued during the quarter under review, and to date, on the Ladner Creek Project feasibility program.

A major bulk sample metallurgical test program was completed during the quarter. The results of this program, and proposals received from smelters, established that the optimum mill process is a simple flotation-only circuit, with gold bearing concentrates to be shipped to a custom smelter. This process is very advantageous in that it not only yields the optimum, and very favourable, economic results of the numerous processes evaluated, but it also totally eliminates the use of cyanide in the Ladner Creek mill. This factor is significant in that it virtually eliminates concerns with regard to meeting environmental standards. The metallurgical program also conclusively determined that the existing tailings can be profitably reprocessed through the mill. The first year of mill operation, reprocessing existing tailings, will yield sufficient operating profits to pay back the entire cost of retrofitting the mill for the new operation.

A low projection, based on the flotation/smelting option, at a gold price of US \$380 per ounce, indicates an annual operating profit of C \$8.5 million for full scale production of new underground ore. The capital cost to rehabilitate the mine and mill for full scale production is estimated at less than C \$7.0 million. Projected annual gold production is 51,400 ounces per year at a cash cost (including smelting, refining and transportation of concentrates) of US \$259 per ounce.

During the quarter, on May 9, the Company reported a newly calculated underground ore reserve at the Ladner Creek Mine of 1,174,300 metric tonnes grading 4.92 grams of gold per tonne (1,294,400 tons grading 0.144 ounces gold per ton). With predicted 15% mining dilution at a grade of 1.0 gram gold per tonne, this equates to a diluted mining reserve of 1,350,400 tonnes grading 4.41 grams gold per tonne (1,488,500 short tons grading 0.129 ounces gold per ton) containing 192,000 ounces of gold. The proven tailings reserve contains an additional 34,000 ounces of gold.

On May 9, the Company also reported that the most recently completed drill program identified a number of new zones of ore grade mineralization west of the mine workings. These zones have major new potential both to the north, extending beyond current workings, and, more significantly for near term reserves, projected to the south toward the mine portal in an area parallel to and closely adjacent to the existing workings. On July 2, 1996, subsequent to the end of the quarter, the Company commenced a 30,000 foot program of underground drilling to define proven mineable reserve blocks in these new zones prior to completing final feasibility mine planning and to drill test their projected extensions.

Alliger Lake West Project, Labrador

During April, diamond drilling commenced on the AW-1 geophysical anomaly on the Alliger Lake West claims, on which the Company held a 25% interest. Seven drill holes were completed on this program. Although some sulfides were encountered, the overall drilling results were disappointing to the Company. On May 15, the Company reported that it had concluded a sale of its minority interest in the Alliger Lake West Project to the other project participants, for cash consideration to Athabaska of \$270,000 and the assumption by the purchasers of certain payment obligations of Athabaska with respect to the diamond drilling

and prior geophysical program on the claims. While recognizing the exploration potential of the well situated Alliger Lake claims and the objective of the joint venture partners to aggressively expand the scale of exploration on this project, Athabaska management determined that it was in the best interest of the Company to focus its main efforts on achieving near term commercial gold production from the final feasibility stage Ladner Creek Mine Project.

Financings

On June 17, 1996, the Company announced the unbrokered private placement of 438,571 units, at a price of \$0.70 per unit, with two places. Each unit consisted of one common share and one non-transferable share purchase warrant. Each warrant enables the holder to purchase one additional common share, for a period of one year, at a price of \$0.80 per share. A 10% finders' fee was payable in cash with respect to the placement of 300,000 of the above units (\$21,000).

Also reported was the negotiation of a private placement of 142,857 flow-through common shares, at a price of \$0.70 per share, with one place. There are no warrants associated with this placement.

These placements subsequently received regulatory approval and closed in full on July 19.

Investor Relations

During July, the Company established an internet site, as a service to its shareholders and potential investors, to make easily accessible up-to-the-minute information pertaining to the Company and its projects. The internet location of Athabaska's home page is:

<http://www.athabaska.com/athabaska/>

Consolidated Balance Sheets

as at May 31, 1996

(Unaudited)

	1996	1995
Assets	\$	\$
Cash and short term deposits	298,625	102,664
Accounts receivable	33,527	61,329
Fixed assets, net of amortization	15,340	17,426
Investments	2,916,690	-
Mineral properties	2,804,363	6,955,952
	<u>6,068,545</u>	<u>7,137,371</u>
Liabilities and Shareholders' Equity		
Accounts payable	226,126	179,416
Share capital	5,842,419	6,957,955
	<u>6,068,545</u>	<u>7,137,371</u>

Statements of Operations and Deficit

For the three months ended May 31, 1996

(Unaudited)

	1996	1995
Revenue	\$	\$
Gain on sale of property	170,326	-
Interest	18,264	11,729
	<u>188,590</u>	<u>11,729</u>
Expenses		
Amortization	2,174	2,285
Consulting and professional	53,511	38,766
General and administrative	108,855	89,542
Loss on investment	20,386	-
Shareholder relations	75,176	25,527
Travel and accommodation	8,740	9,032
	<u>268,842</u>	<u>165,152</u>
Net loss for the period	<u>(80,252)</u>	<u>(153,423)</u>

Statements of Deferred Exploration and Development Costs

For the three months ended May 31, 1996

(Unaudited)

	1996	1995
EXPLORATION AND DEVELOPMENT	\$	\$
Assays	24,366	1,619
Communication	737	952
Drafting	16,374	13,568
Diamond drilling	316,224	47,573
Field support costs	153,859	57,834
Geophysics and geology	586,200	161,732
Professional fees	21,499	93,344
Staking and recording costs	19,139	3,061
Travel and accommodation	1,508	41,376
Underground bulk sampling	-	121,769
Net Costs for the Period	<u>1,139,906</u>	<u>542,828</u>

**Consolidated Statements of Changes
in Financial Position**

For the three months ended May 31, 1996

(Unaudited)

	1996	1995
Operating Activities	\$	\$
Loss for the period	(80,252)	(153,423)
Gain on sale of property	(170,326)	-
Loss on investment	20,386	-
Amortization	2,174	2,285
	<u>(228,018)</u>	<u>(151,138)</u>
Change in working capital	<u>(230,407)</u>	<u>62,611</u>
	<u>(458,425)</u>	<u>(88,527)</u>
Investing Activities		
Deferred expenditures	(1,094,282)	(542,828)
Purchase of mineral properties	-	(120,000)
Sale of mineral properties	270,000	-
Costs written off	(99,674)	-
Other investments	(200,964)	-
Capital assets acquired	<u>(1,089)</u>	<u>(760)</u>
	<u>(1,126,009)</u>	<u>(663,588)</u>
Financing Activities		
Shares issued for cash	-	306,200
Increase/Decrease in Cash	<u>(1,584,434)</u>	<u>(445,915)</u>
Cash, beginning	<u>1,883,059</u>	<u>548,579</u>
Cash, ending	<u>298,625</u>	<u>102,664</u>

Athabaska Gold Resources Ltd.

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Montreal Trust
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Listed

TSE - Symbol AHB



QUARTERLY REPORT

ATHABASKA GOLD RESOURCES LTD

For the six months
ended May 31, 1996