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Cell Towers Up and Running in Athabasca Communities

December marked the completion of a \$6M project in the Athabasca region that began with a donation announcement on a stormy day in November 2013.

On December 21, 2015, SaskTel announced that the new cellular towers serving the communities of Stony Rapids and Black Lake were fully operational and residents could now enjoy the benefits of SaskTel wireless service. Wollaston Lake and Fond du Lac's towers were operational in September 2015.

The extension of wireless cellular service to these Northern Communities was made possible through a partnership between SaskTel, Athabasca Basin Development and Huawei Canada. This partnership is based on SaskTel's Community Participation Model, which encourages communities to raise funds to assist in installing cellular infrastructure where it may not otherwise be economically feasible for SaskTel to do so.

"SaskTel remains committed to connecting all the residents of this vast province to technology and the opportunities it brings," said Minister Responsible for SaskTel Jim Reiter. "In addition to this important initiative, with support from the Connecting Canadians Program, SaskTel is also working on extending and increasing broadband internet speeds to an additional 26 Northern communities."

"This is a great day for the people in Stony Rapids," said Mayor Daniel Powder. "We've heard from our neighbors in Wollaston and Fond du Lac about how much easier it is to communicate in the community and within Saskatchewan. To have dependable cellular service now in our community means so much for our residents."

"This cell tower represents such an important investment into our community," said Rick Robillard, Chief of Black Lake First Nation. "The increased ability to communicate opens so much more potential for our business climate and improves the lives and safety of our residents. I am very excited that these towers are operational in Black Lake!"

The total cost of this project was \$6 million with Athabasca Basin Development Corporation providing \$249,000 and Huawei contributing \$385,000 in funding and telecommunications equipment.

"I am very happy to see this improvement in cellular service for the members of our community," said Chief Bart Tsannie of Hatchet



Cell tower in Black Lake. Photo courtesy of SaskTel.

Lake First Nation. "One of the most significant challenges for our area is accessibility, and these towers are helping improve connectivity to the rest of Saskatchewan. Initiatives like these serve as an important step in building a better future for our residents, and I see this as a significant and vital investment in our community."

"Huawei is extremely proud of our long-term partnership with SaskTel, and of our partnership with the Athabasca Basin Development Corporation, to work together to make this new service a reality," said Sean Yang, President Huawei Canada. "Wireless broadband and mobile services will bring both economic and social benefit to the residents of Stony Rapids and Black Lake, and reinforces the critical importance of ensuring all Canadians, regardless of location, have access to leading-edge telecommunications services."

"I'd like to thank SaskTel and Huawei Canada for their partnership in this exciting initiative

for the Athabasca region," said Geoff Gay, CEO of Athabasca Basin Development. "We look for opportunities that provide long lasting benefit for the Athabasca communities, and this one was such a perfect fit. We are so pleased that all four towers are now operational, and that the people in the Athabasca region have access to increased connectivity and all the benefits that come with that."

A video is currently being produced by Bamboo Shoots and SaskTel that will help show the tremendous impact these towers are having on the Athabasca communities. Stay tuned to ABD's social media channels for future updates.

Message from the CEO and Board Chair



Geo Gay, CEO and Anne Robillard, Board Chair

We've been here before. Canada's reliance on natural resources leads to an economy that moves up and down. As most of our investments service the natural resources industry, we have weathered the storms of downturns in the past. We have learned from past experience that economic downturns can also create opportunity.

Difficult economic conditions force a company to take a good, hard look at itself, and become a bit more entrepreneurial. Often, the best ideas for new directions come during slow times. When it's busy, you tend to simply focus on operating the business and serving your customers instead of strategic direction.

While we do continue to expect 2016 to be a weaker year in terms of financial performance, we see great positive momentum in our investments. The management teams are looking at new ideas, new opportunities, new directions, and most importantly, looking ahead, planning for the future, and continuing to grow their companies. We have featured two stories of growth in this newsletter – Flyer Electric and West Wind Aviation are both exploring new opportunities in different ways. It is in the more difficult economic times that the strength of our investments' management teams really show.

It is also in the more difficult economic times when remaining true to our strategic priorities becomes critically important. Continuing our strategies of reinvesting profits and diversification will be the key to ensure Athabasca Basin Development grows and remains strong in any economic condition, and ultimately, build reliable wealth for the Athabasca region. We continue to be actively seeking investment opportunities, and we are open to considering companies both in and outside the resource sector.

Remembering our roots and being true to the original vision of the community leaders continues to be important to us; without the unity from our

shareholder communities, we would not be where we are today. "Building a Future Through Investment" is accomplished through the pillars of building wealth for the communities, donations, community distributions, building a reputation, and building capacity. We have featured several stories in this newsletter about ways we give back to the Athabasca communities, because this remains a key priority for our company, as it has been since ABD's formation back in 2002.

Operational excellence, in ABD as well as our investments, allows us to be optimistic during difficult economic times. We know that a focus on operational execution will allow ABD and our companies to continue to excel and make a positive impact on the Athabasca communities. Our success up until now has allowed us to make donations such as the cell tower feasible. While this will not be a record year for us, we can see opportunities and we are optimistic about the future.

After all, we've been here before. With the continued support of our shareholders, employees, industry, and partners, we will continue to see success and make an impact moving into the future.

How does Athabasca Basin give back to its communities?

"Building a Future Through Investment" is accomplished through the pillars of building wealth for the Athabasca communities, donations, community distributions, building a reputation, and building capacity. Some of these are financial benefits – such as donations, distributions, and building wealth – while others have a more intangible value – such as building a reputation. The key to making all benefits possible is in building wealth for the communities; without this foundation, the other pillars would not be possible.

Building Wealth

By continuing to build wealth, we remain in a position to pay reliable dividends that can be leveraged by the Athabasca communities to finance other larger projects.

Community Distributions

Since 2007, we have paid a total of \$3.32M in community distributions. As we move into the future, the ability to increase dividends while still reinvesting profits to fuel growth allows us to keep building reliable wealth for the Athabasca region.

Building a Reputation of Excellence

Part of our company's mission is to raise awareness of the challenges and potential opportunities in Northern Saskatchewan. By building our company's profile and reputation through marketing efforts, participation in boards, giving presentations, and business excellence, this helps bring awareness of the region to the

"southern" business community and to the government, and helps us to find good investment opportunities to continue growing the company.

Building Capacity and Economic Development

One very crucial impact of our company's growth is on employment opportunities. All of our investments are committed to hiring Athabasca residents and Aboriginal people wherever possible, and many have invested in training programs that provide transferable skills to help employees obtain meaningful employment beyond our companies. Through the years, our investments have been a transitional employer for many. We see this as a success and a win-win scenario for everyone.

Working with local subcontractors is another priority for Athabasca Basin Development and its investments.

The ABD Board of Directors is comprised 100% of representatives from the Athabasca communities. Participation on the ABD Board builds local capacity through experience governing a complex investment company, as well as through board education opportunities provided by ABD.

ABD also lends its executive expertise to the communities. For example, ABD's CEO participates in local development corporation boards and the Elizabeth Falls Hydro board, as well as on the Northern Business Task Force.

Donations

As part of our donations strategy, we primarily look for opportunities that will benefit the entire Athabasca region. While we do make donations in other parts of Saskatchewan, the vast majority of our donations go towards initiatives in the North. Here are some recent highlights from our donations program:

- Student Christmas Dinner
- Forest Fire Evacuation Relief
- 2015 Christmas in the North
- Helping Develop a New Task Force
- Stony Rapids and Fond du Lac Community Garden

We've got two upcoming donation announcements coming soon – stay tuned to our social media channels for more information.



Student Christmas Supper



The annual Athabasca Student Christmas Supper was held on December 13th in Prince Albert at the Venice House restaurant. An annual tradition for many years, each year Athabasca Basin Development buys dinner for Athabasca students and their families who are attending high school or post-secondary school in Prince Albert or Saskatoon. The event recognizes the achievements and challenges faced by students being educated outside the region. This year, 35 students attended the supper, for a total of 65 people. The event was organized by Points Athabasca, with door prizes and gifts donated by Points Athabasca, Athabasca Basin Development, West Wind Aviation, Flyer Electric, Team Drilling, Tru-North RV, Auto and Marine, Athabasca Basin Security, Double Diamond Structures and Hands On Outreach and Development. Food that was left over found its way to the homeless and the needy in Prince Albert.

Forest Fire Evacuation Relief

Summer 2015's extreme forest fires will be remembered by Saskatchewan residents for years to come, and many northerners were evacuated for weeks. Points Athabasca, Flyer Electric, West Wind Aviation and Athabasca Basin Development all made donations to assist in the evacuation efforts, for a total of \$46,000. Donations were made to Travelling Carnival to Red Cross Shelters that provided food, clothing, and entertainment to people staying in various shelters, to the PAGC Forest Fire Evacuee Relief fund that provided clothing, food, and entertainment to evacuees, and to the Prince Albert Salvation Army, an official Red Cross partner providing food and clothing to evacuees.

2015 Christmas in the North



In December, Athabasca Basin Development co-sponsored the fifth annual three day Christmas in the North event together with West Wind Aviation, Pronto Airways, Cameco and AREVA Resources.

Flyer Electric opens Second Office in Regina, Expands Team

Until recently, you could only find Flyer Electric outside the small town of Birch Hills, about a half hour drive from Prince Albert. For many years, the company serviced clients across the province, particularly in northern Saskatchewan, from that location. But demand for their service is growing, and the company is expanding.

In February, Flyer Electric opened its doors to a second office location in Regina. The Regina office will focus on servicing clients in the Regina area and southern Saskatchewan, and the head office will remain in Birch Hills.

"We are very excited to be opening a second office in Regina," says Terry Tessier, CEO of Flyer Electric. "For many years, our company has provided industrial and commercial electrical service to clients across Saskatchewan. As demand for our services grows, opening a second office was a natural step for us and will allow us to provide stellar service to our clients by having a presence in both northern and southern Saskatchewan."

The company has also welcomed a new Operations Manager – South/Central in Regina. Doug Lutz, formerly from Shermco Industries (formerly known as Magna Electric Corp), will be running operations in Regina while Tessier continues running the company from the Birch Hills location. "We are so happy that Doug Lutz will be joining our team," says Tessier. "Doug brings a wealth of electrical construction experience, and will be running with the southern operations right from estimating through to commissioning and



From left to right: James Mesinchuk, Director of Sales and Business Development; Terry Tessier, CEO; Doug Lutz, Operations Manager – South/Central.

everything in between. He is a great addition to the team and we are thrilled to have him working for us."

James Mesinchuk has also joined the Flyer Electric team as Director of Sales and Business Development. "James comes to us with an extensive background in our industry and has a long list of accomplishments in business development and sales," says Tessier, "he is perfectly positioned to help Flyer Electric develop strategies to improve and provide the very best in customer service." James will be working with customers in the Regina area as well as other parts of Saskatchewan.

The new Regina office officially opened its doors on February 1, and is located at 290 Hodsman Road. An official grand opening celebration will be held in spring. Feel free to stop by for a cup of coffee if you're in the neighbourhood!

About Athabasca Basin Development

Athabasca Basin Development is an investment company committed to building and investing in successful businesses. Investments include partial or complete ownership in construction, underground mining, industrial security, electrical, diamond drilling, logistics, road maintenance and aviation. The company is owned by the seven communities in Northern Saskatchewan's Athabasca region.

Watch for our next newsletter Fall 2016.

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