

FORM 7

MONTHLY PROGRESS REPORT

Name of Listed Issuer: **APIA ENERGY CORP.** (the "Issuer").

Trading Symbol: "**API**"

Number of Outstanding Listed Securities: **52,332,007 common shares**

Date: **June 6, 2017**

This Monthly Progress Report must be posted before the opening of trading on the fifth trading day of each month. This report is not intended to replace the Issuer's obligation to separately report material information forthwith upon the information becoming known to management or to post the forms required by Exchange Policies. If material information became known and was reported during the preceding month to which this report relates, this report should refer to the material information, the news release date and the posting date on the Exchange website.

This report is intended to keep investors and the market informed of the Issuer's ongoing business and management activities that occurred during the preceding month. Do not discuss goals or future plans unless they have crystallized to the point that they are "material information" as defined in the Policies. The discussion in this report must be factual, balanced and non-promotional.

General Instructions

- (a) Prepare this Monthly Progress Report using the format set out below. The sequence of questions must not be altered nor should questions be omitted or left unanswered. The answers to the items must be in narrative form. State when the answer to any item is negative or not applicable to the Issuer. The title to each item must precede the answer.
- (b) The term "Issuer" includes the Issuer and any of its subsidiaries.
- (c) Terms used and not defined in this form are defined or interpreted in Policy 1 – Interpretation and General Provisions.

Report on Business

1. Provide a general overview and discussion of the development of the Issuer's business and operations over the previous month. Where the Issuer was inactive disclose this fact. **On May 24, 2017 the Company announced the geochemical assay results from the first seven holes of the diamond drill program, totalling 1,461 metres completed in April on the Loranger Property. Six of the holes returned assay result with greater than or equal to 0.01 wt % U₃O₈, with the best hole returning a composite down hole thickness of 72.9 metres grading 0.012 wt % U₃O₈. The News release of May 24 contains the details of**

the assays as well as the location of the drill holes on the Property. Both drill targeted areas successfully identified unique uranium-bearing systems on the property.

The follow-up drill program to concentrate on the geophysical targets that share similarities with the drilled areas will start when lake ice and ground conditions are favourable.

2. Provide a general overview and discussion of the activities of management. **The next phase of the drill program is in the planning stage. The drill was left on the site for a quick restart.**
3. Describe and provide details of any new products or services developed or offered. For resource companies, provide details of new drilling, exploration or production programs and acquisitions of any new properties and attach any mineral or oil and gas or other reports required under Ontario securities law. **See section 2 above.**
4. Describe and provide details of any products or services that were discontinued. For resource companies, provide details of any drilling, exploration or production programs that have been amended or abandoned. **N/A**
5. Describe any new business relationships entered into between the Issuer, the Issuer's affiliates or third parties including contracts to supply products or services, joint venture agreements and licensing agreements etc. State whether the relationship is with a Related Person of the Issuer and provide details of the relationship. **N/A**
6. Describe the expiry or termination of any contracts or agreements between the Issuer, the Issuer's affiliates or third parties or cancellation of any financing arrangements that have been previously announced. **N/A**
7. Describe any acquisitions by the Issuer or dispositions of the Issuer's assets that occurred during the preceding month. Provide details of the nature of the assets acquired or disposed of and provide details of the consideration paid or payable together with a schedule of payments if applicable, and of any valuation. State how the consideration was determined and whether the acquisition was from or the disposition was to a Related Person of the Issuer and provide details of the relationship. **N/A**
8. Describe the acquisition of new customers or loss of customers. **N/A**
9. Describe any new developments or effects on intangible products such as brand names, circulation lists, copyrights, franchises, licenses, patents, software, subscription lists and trade-marks. **N/A**
10. Report on any employee hirings, terminations or lay-offs with details of anticipated length of lay-offs. **N/A**
11. Report on any labour disputes and resolutions of those disputes if applicable. **N/A**
12. Describe and provide details of legal proceedings to which the Issuer became a party, including the name of the court or agency, the date instituted, the principal parties to the proceedings, the nature of the claim, the amount claimed, if any, if

the proceedings are being contested, and the present status of the proceedings.
N/A

13. Provide details of any indebtedness incurred or repaid by the Issuer together with the terms of such indebtedness. **N/A**
14. Provide details of any securities issued and options or warrants granted. **N/A**
15. Provide details of any loans to or by Related Persons. **By not drawing the fees to which he is entitled, the amount owing to the CEO, the major shareholder, increases by \$5,000 per month. Included in amounts owing to officers and directors at May 31 is \$568,306 owing to him.**
16. Provide details of any changes in directors, officers or committee members. **N/A**
17. Discuss any trends which are likely to impact the Issuer including trends in the Issuer's market(s) or political/regulatory trends. **The results of the drilling program on the Loranger Property could affect the stock market price of the Company's shares.**

The successful private placements recently completed will finance the additional exploration work to be done on the Loranger property, as well as at the "Otherside" property and at Alces Lake, Saskatchewan this summer.

The economic value of the Company's NI 43-101 reported resources at Elliot Lake is dependent, among other factors, on the market price and the demand outlook for uranium and rare earth element metals ("REEs").

Spot uranium prices remain around the US\$20 level, below the cost of production for most miners. The price outlook for REEs remains uncertain and is totally controlled by China. The uranium demand forecast is not expected to increase for the rest of the calendar year, but by 2020 known supply sources are projected to be unable to match demand.

Japan is reported to have 130 million pounds of uranium stockpiled, enough to power all of Japan's reactors for six years. Of the 42 reactors affected by the tsunami, only four are currently in operation.

Kazatomprom the largest uranium producer in Kazakhstan, largely sold at spot prices, announced a production cut of 10%, which would remove 5.2 million pounds from the 2017 surplus production otherwise projected at 11.5 million pounds.

Operators have adopted a wait-and-see attitude on price and are not building their stockpiles to "normal" levels. China is building 6 to 8 new nuclear units a year to reduce the use of coal, which is currently used to supply 70% of its electricity, and has an ongoing program of closing coal mines.

The political stability of countries currently supplying the market has caused concern in the United States, as very little uranium for reactor and defence requirements is sourced domestically, with a similar situation for the supply of the REEs required by the defence industry and for electronics.

Certificate Of Compliance:

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Certificate of Compliance.
2. As of the date hereof there were is no material information concerning the Issuer which has not been publicly disclosed.
3. The undersigned hereby certifies to the Exchange that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all Exchange Requirements (as defined in CNSX Policy 1).
4. All of the information in this Form 7 Monthly Progress Report is true.

Dated: **June 6, 2017.**

Name of Director or Senior Officer

"F. van de Water"
Secretary

<i>Issuer Details</i> Name of Issuer Appia Energy Corp.	For Month End May 31, 2017	Date of Report YY/MM/D 17/06/06
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City/Province/Postal Code Toronto, ON M5C 2B6	Issuer Fax No. (416) 218 9772	Issuer Telephone No. (416) 546 2707
Contact Name Frank van de Water	Contact Position COO, CFO, Sec	Contact Telephone No. (416) 546 2707
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