

## 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: **November 2, 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 October 31, the Company announced "exceptional geochemical assay results from the ground prospecting and radiometric program on the high-grade rare earth element ("REE") plus uranium Alces Lake property located 29 km north of the Athabasca Basin, northern Saskatchewan." Rare Earth Oxides ("REO") of as high as 49.64 weight % Total REO were reported from 5 zones on the Property.**

Mineralization in the zones have high uniformly concentrations of critical REEs which are in scarce supply and high demand. Neodymium and Praseodymium account for 20% and 5% of the Total REEs respectively. Prices for these REEs at September 8 had increased by 81% and 89% in 2017.

Uranium and Thorium Oxides of up to 0.20 weight % and 5.51 weight % were also reported.

Assay results were provided by Saskatchewan Research Council's ("SRC") Geoanalytical Laboratory. SRC has developed the individual REE separation technology over the past three years at its in-house pilot plant, and projects that there may be an opportunity for one central facility that would handle REE separation for mining companies in Saskatchewan, to avoid the necessity to build a plant at each site. This concept of shared separation facilities has been successfully implemented in Europe.

Terraquest Ltd. completed flying a 1,178 line-kilometre High Resolution Aeromagnetic Gradiometer, Radiometric, Digital Matrix VLF-EM Survey over the Company's "Eastside" property. The property comprises 4,933 hectares (12,191 acres), located 50 km. east of the Company's "Loranger" property and 85 km. east of Cameco's Rabbit Lake mill. The survey data is currently being analysed and interpreted, with the results to be announced when completed.

2. Provide a general overview and discussion of the activities of management. **A follow-up drill program to concentrate on the geophysical targets that share similarities with the drilled areas on the Loranger property will take place in the winter when ground conditions permit drilling. To follow up the excellent results from the prospecting at Alces Lake, an overburden stripping program followed by diamond drilling is being planned for May or June 2018, weather permitting.**
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 paragraph 1 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. **Two mineral claims in the SW part of the Athabaskan Basin, totalling 528 hectares were allowed to lapse in October reducing the Saskatchewan holdings to 30 mineral claims totalling 62,976 hectares, (155,617 acres).**
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. **Undrawn management fees to which he is entitled has resulted in \$577,426 owing to the CEO, the major shareholder, at October 31.**
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 exploration programs as well as the outlook for world uranium and REE production and market prices affect the stock market price of the Company's shares.**

**Financings completed in the past year will enable further exploration work to be done on the Saskatchewan properties in the coming year, with limitations on timing when as some sites can only be accessed and drilled when ground conditions permit.**

**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") as these will be mined in one mining operation.**

Spot uranium prices remain around US\$20 per lb., far below the cost of production for most miners. The price outlook for REEs remains uncertain with supply largely controlled by China. Illegal mining and smuggling of REEs continues. The uranium demand forecast is not expected to increase in the near future, but by 2021 known supply sources are projected to be unable to match demand. Industry opinion is that a price of US\$60 is needed before any new mining project will advance.

Of the 42 reactors affected by the tsunami in Japan, five are currently in operation, with an additional 7 being prepared for restart.

Kazatomprom the largest uranium producer in Kazakhstan, largely sold at spot prices, cut production by 10%, reducing by 5.2 million pounds the 2017 surplus production otherwise projected at 11.5 million pounds. Cameco also reduced its production.

Operators have adopted a wait-and-see attitude on price and are not building their stockpiles to “normal” levels. China has 20 new nuclear units under construction 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.

64 reactors are reported to be under construction around the world.

The political stability of countries currently supplying the REE and uranium 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 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: **November 2, 2017.**

Name of Director or Senior Officer

**“F. van de Water”  
Secretary**

<b>Issuer Details</b> Name of Issuer <b>Appia Energy Corp.</b>	For Month End <b>October 31, 2017</b>	Date of Report YY/MM/D <b>17/11/02</b>
Issuer Address <b>500 – 2 Toronto Street</b>		
City/Province/Postal Code <b>Toronto, ON M5C 2B6</b>	Issuer Fax No. <b>( 416) 218 9772</b>	Issuer Telephone No. <b>(416) 546 2707</b>
Contact Name <b>Frank van de Water</b>	Contact Position <b>CFO, Sec., Director</b>	Contact Telephone No. <b>(416) 546 2707</b>
Contact Email Address <b>fvandewater@rogers.com</b>	Web Site Address <a href="http://www.appiaenergy.ca">www.appiaenergy.ca</a>	