

FORM 7

MONTHLY PROGRESS REPORT

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

Trading Symbol: "**API**"

Number of Outstanding Listed Securities: **65,048,468 common shares**

Date: **May 1, 2019**

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. **The Company completed drilling 8 holes totalling 1063 metres for uranium on the Loranger Property by the end of March. This is a follow-up to the winter 2017 drill program, which intersected uranium mineralization over broad intervals in six out of seven drill holes in two target areas. In a news release on April 9 the Company stated that it observed a combination of radioactivity, alteration and structural styles, and**

characteristic mineral assemblages that all share visual similarities with nearby basement-hosted Athabasca high-grade uranium deposits. Drill core samples were submitted for analysis but the results have not yet been received. A news release will follow when the analysis is completed.

On April 2, 2019 (see news release) the Company announced the analytical results from 6 samples of black heavy mineral sand surface layers along a 500 metre shoreline of Alces Lake, taken last summer. The Rare Earth Element grades and concentrations were found to be comparable with major heavy mineral sand producers around the World. Further work on the sands' study will continue in conjunction with the upcoming summer diamond drilling program on the world-class high-grade REO outcrops at Alces Lake.

2. Provide a general overview and discussion of the activities of management. **The successful December 2018, and January and April 2019 non-brokered private placements of flow-through (FT) units and working capital (WC) units comprising a common share and warrants has provided the working capital needed for this calendar year's exploration programs.**

The Annual and General Meeting of Shareholders was held on April 10, 2019, and all seven directors were re-elected.

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. **On May 1 the Company announced plans for an extensive summer work program on the Alces Lake project, including an estimated 3,000 metres of diamond drilling along with further exploration and surveys on the extended property. Emphasis will be on the high-grade critical rare earth elements that are in short supply for use in permanent magnets used for electric vehicles and wind turbines.**

The Company is also planning exploration work on the North Wollaston uranium property in the summer, including airborne and ground surveys over the 11,371 hectare project area.

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. 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**
5. 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**
6. 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**

7. Describe the acquisition of new customers or loss of customers. **N/A**
8. 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**
9. Report on any employee hirings, terminations or lay-offs with details of anticipated length of lay-offs. **N/A**
10. Report on any labour disputes and resolutions of those disputes if applicable. **N/A**
11. 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**
12. Provide details of any indebtedness incurred or repaid by the Issuer together with the terms of such indebtedness. **N/A**
13. Provide details of any securities issued and options or warrants granted. **N/A**
14. Provide details of any loans to or by Related Persons. **Undrawn management fees owing to the CEO totalled \$616,730 at April 30, 2019.**
15. Provide details of any changes in directors, officers or committee members. **N/A**

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 rare earth element ("REE") production and market prices affect the stock market price of the Company's shares. Prices for critical REEs have increased significantly in the past year, as a shortage is developing, largely a result of the increase in electric vehicle production. China has become an importer of REEs for the first time. Actual production statistics are difficult to assess.**

At Elliot Lake, Ontario, the economic value of the Company's NI 43-101 reported resources is dependent, among other factors, on the market price and the demand outlook for uranium and REEs, as these can be mined together in one underground mining operation. China has controlled the pricing of REEs in the past.

Spot uranium prices in 2018 increased by about 20% but remains under US\$30 per lb. Production cutbacks by Cameco and Kazatomprom, the largest uranium producer in Kazakhstan, (largely selling at spot prices) have reduced the supply side. Kazatomprom's production cut of 20% in 2018 is expected to continue for a period of three years. Cameco is using its inventory to supply contractual delivery commitments, as the cost of mining far exceeds the spot price. Cameco is also expected to purchase an

additional 30 million pounds on the spot market in 2019 to meet its commitments.

The World Nuclear Association has projected uranium demand to increase by 44% by 2035. In the near future, many utility companies have long-term supply contracts expiring and by 2021 known supply sources are projected to be unable to match demand. Industry opinion is that a minimum long-term contract price of US\$60 is needed before any new mining project will advance.

64 reactors are reported to be under construction around the world. Nine of 36 operable reactors in Japan resumed operation in 2018.

Reactor operators have adopted a wait-and-see attitude on price and are not building their stockpiles to “normal” levels. China has 42 operating nuclear reactors with an additional 19 units under construction and has plans to build another 41 units to reduce the use of coal, which is currently used to supply 70% of its electricity. China has an ongoing program of closing coal mines.

The political stability of countries currently supplying the REE and uranium market has caused concern in the United States, as very little uranium for reactors is sourced domestically, with a similar situation for the supply of critical REEs required by the defence industry and for electronics. Washington has decreed that the critical REEs for the manufacture of permanent magnets must not be sourced from China, which is difficult to do, as other sources would not be able to meet the demand for REEs.

In response to US sanctions, Russia has threatened to halt enriched uranium exports to the US. Russia provides 14% of the US requirement, but Kazakhstan and Uzbekistan provide an additional 24% and 4% respectively. The threat has had no effect on the quoted spot price.

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: **May 1, 2019.**

Name of Director or Senior Officer

"F. van de Water"
Secretary

Issuer Details Name of Issuer Appia Energy Corp.	For Month End April 30, 2019	Date of Report YY/MM/D 19/05/01
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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 CFO, Sec., Director	Contact Telephone No. (416) 546 2707
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