

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: **August 31, 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 July 26 the Company reported on the 117 km ground prospecting and radiometric survey conducted on the property, identifying elevated radioactivity in 154 individual boulders and outcrops with a range from 500 cps to 4,000 cps, far more than indicated by historic prospecting reports. Considerable information was gained regarding future drill targets. (News release, July 26).**

On August 22 the Company announced the start of a two week ground prospecting and radiometric surveying program on the high-grade rare earth element (“REE”) plus uranium Alces Lake property located 29 km north of the Athabasca Basin, northern Saskatchewan, following-up anomalous radioactive areas identified in a helicopter-borne survey flown last year, and outcrop and boulder samples taken in 2014.

On August 29 Terraquest Ltd. commenced 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.

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.**
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. **The Company allowed 5,037 hectares of claims to lapse in August, mostly away from the area of interest at Alces Lake, which has been retained. Total area of exploration surface rights in Saskatchewan is now 63,504 hectares (156,922 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 August 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 some sites can be accessed and drilled due to ground conditions.

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 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. 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: **August 31, 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 August 31, 2017	Date of Report YY/MM/D 17/08/31
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