



FOR IMMEDIATE RELEASE  
March 6, 2014

## Athabasca Oil Corporation Reconfirms Its Near Term Capital Focus and Announces Associated Staff Reductions

CALGARY – As previously communicated, Athabasca Oil Corporation (TSX: ATH) (“Athabasca” or “the Company”) completed a detailed review of its near term exploration and development priorities late last year with a view to allocate capital between its many development opportunities. As a result, the Company announced an initial 2014 capital budget focused on its key near term priorities, including the completion of Hangingstone Project 1, preparation for a Hangingstone Expansion and a targeted Duvernay drilling and completion program.

Additional projects in Thermal Oil will be considered only when additional financing for those projects has been assured; however, the company is progressing technical work on these significant assets to prepare for future opportunities.

As the Company moves forward, it anticipates that the Fort McKay First Nation’s recent discontinuance of its appeal against the Dover Commercial Project (“DCP”) will pave the way for full regulatory approval of the DCP. Upon receipt of those approvals the Company intends to exercise the Dover put option and anticipates closing of the associated transaction to occur in the second quarter.

Upon receipt of the Dover put option proceeds, affirmation of the productivity of Athabasca’s new Duvernay wells and clarification on the outcome of its Duvernay joint venture process, Athabasca expects to revise its 2014 capital program. It anticipates issuing an updated budget in July.

As part of Athabasca’s continuing focus on capital discipline, it has decided to reduce its workforce by approximately 15 percent, predominantly in the Calgary office. The reductions largely affect employees associated, directly or indirectly, with projects for which funding will not be allocated in the near term.

“The quality of our teams at Athabasca has been and continues to be exceptional,” says Sveinung Svarte, President and CEO. “However, capital discipline is key to our future success and these difficult staffing decisions are in alignment with our near term capital focus. My sincere thanks to the individuals who are leaving Athabasca for their many contributions.”

## **About Athabasca Oil Corporation**

Athabasca Oil Corporation is a dynamic, Canadian energy company with a diverse portfolio of thermal and light oil assets. Situated in Alberta's Western Canadian Sedimentary Basin, the Company has amassed a significant land base of extensive, high quality resources. Athabasca's common shares trade on the TSX under the symbol "ATH". For more information, visit [www.atha.com](http://www.atha.com).

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#### **Reader Advisory:**

This News Release contains forward-looking information that involves various risks, uncertainties and other factors. All information other than statements of historical fact is forward-looking information. The use of any of the words "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "should," "believe", "intend", "potential" and similar expressions are intended to identify forward-looking information. The forward-looking information is not historical fact, but rather is based on the Company's current plans, objectives, goals, strategies, estimates, assumptions and projections about the Company's industry, business and future financial results. This information involves known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking information. No assurance can be given that these expectations will prove to be correct and such forward-looking information included in this News Release should not be unduly relied upon. This information speaks only as of the date of this News Release. In particular, this News Release may contain forward-looking information pertaining to the following: the Company's capital expenditure programs for 2014 and beyond; the expected timing of the receipt of regulatory approval for the Dover Commercial Project, the timing of the Company's exercise of the Dover put option and the timing of receipt of the sale proceeds from the sale of its Dover interests; the Company's drilling plans, in particular, with respect to the Duvernay asset; the Company's plans for, and results of, exploration and development activities; the Company's future business plans; and the Company's expectations regarding the outcome of its Duvernay joint venture process.

With respect to forward-looking information contained in this News Release, assumptions have been made regarding, among other things: the; the regulatory framework governing the receipt of regulatory approval for the Dover Commercial Project; the timing of receipt of regulatory approval for the Dover Commercial Project; the impact that the agreements relating to the PetroChina transaction will have on the Company, including on the Company's financial condition and results of operations; future capital expenditures to be made by the Company; future sources of funding for the Company's capital programs; the Company's future debt levels; and the Company's ability to obtain financing on acceptable terms.

Actual results could differ materially from those anticipated in this forward-looking information as a result of the risk factors set forth in the Company's most recent Annual Information Form filed on March 28, 2013 that is available on SEDAR at [www.sedar.com](http://www.sedar.com), including, but not limited to: general economic, market and business conditions; dependence on Phoenix Energy Holdings Limited ("Phoenix") as the joint venture participant in the Dover Commercial Project; failure to satisfy certain conditions in connection with the Company's debt and credit facilities; factors affecting funding, including the development of new business opportunities, the availability of financing; the potential impact of the exercise of the Dover put option on the Company; failure to meet the conditions precedent to the exercise by the Company of the Dover put option, including failure to obtain necessary regulatory approvals for completion of the Dover put option transaction in 2014 or at all; increases in operating costs making projects uneconomic; the substantial capital requirements of the Company's projects; the need to obtain regulatory approvals and maintain compliance with regulatory requirements; the potential for management estimates and assumptions to be inaccurate; failure by counterparties (including without limitation Phoenix) to comply with contractual arrangements between the Company and such counterparties; Aboriginal claims; claims made in respect of the Company's operations, properties or assets; risks arising from future acquisition and joint venture activities; risks that joint venture arrangements will not perform as expected; and volatility in the market price of the common shares;. The forward-looking statements included in this News Release are expressly qualified by this cautionary statement. Athabasca does not undertake any obligation to publicly update or revise any forward-looking statements except as required by applicable securities laws.