ATLAS MINERALS INC
Form 10QSB
May 13, 2003

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-QSB

COMMISSION FILE NO. 1-2714

(Mark One)

(X) Quarterly Report Under Section 13 or 15(d) of the Securities Exchange Act of 1934 For the quarterly period ended March 31, 2003 or

( ) Transition Report Under Section 13 or 15(d) of the Securities Exchange Act of 1934 For the transition period from __________ to _________

ATLAS MINERALS INC.

(Formerly Atlas Corporation)
(Exact name of small business issuer as specified in its charter)

COLORADO	84-1533604
(State or other jurisdiction of incorporation or organization)	(I. R. S. Employer Identification No.)

10920 W. Alameda Ave., Suite 205, Lakewood, CO 80226
(Address of principal executive offices) (Zip Code)

303-292-1299
(Issuer's telephone number)

Check whether the issuer (1) has filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the past 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes X No

Check whether the registrant filed all documents and reports required to be filed by Section 12, 13 or 15(d) of the Exchange Act after the distribution of securities under a plan confirmed by a court.

Yes No X

As of May 7, 2003, 5,915,103 shares of Common Stock, par value $0.01 per share, were issued and outstanding.

Transitional Small Business Disclosure Format (Check one):

Yes No X

Independent Auditors' Report

The Board of Directors and Stockholders
Atlas Minerals Inc.

We have reviewed the accompanying consolidated balance sheet of Atlas Minerals Inc. and subsidiaries as of March 31, 2003 and the related consolidated statements of operations and cash flows for the three-month periods ended March 31, 2003 and 2002. These consolidated financial statements are the responsibility of the Company's management.

We conducted our reviews in accordance with standards established by the American Institute of Certified Public Accountants. A review of interim financial information consists principally of applying analytical procedures to financial data and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with auditing standards generally accepted in the United States of America, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our reviews, we are not aware of any material modifications that should be made to the accompanying consolidated financial statements for them to be in conformity with accounting principles generally accepted in the United States of America.

We have previously audited, in accordance with auditing standards generally accepted in the United States of America, the consolidated balance sheet as of December 31, 2002, and the related consolidated statements of operations, stockholders' equity and cash flows for the year then ended (not presented herein), and in our report dated March 20, 2003, we expressed an unqualified opinion on those consolidated financial statements. In our opinion, the information set forth in the accompanying consolidated balance sheet as of December 31, 2002, is fairly stated in all material respects, in relation to the consolidated balance sheet from which it has been derived.

HORWATH GELFOND HOCHSTADT PANGBURN, P.C.

Denver, Colorado
May 6, 2003

PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

Atlas Minerals Inc.
Consolidated Balance Sheets
(in Thousands)

	March 31, 2003	December 31, 2002
	(Unaudited)	
ASSETS		
Current assets:		
Cash and cash equivalents	$ 78	$ 396
Trade and other accounts receivable	21	25
Inventories	42	45
Prepaid expenses and other current assets	28	21
Assets held for sale	605	580
Total current assets	774	1,067
Property, plant and equipment	210	210
Less: accumulated depreciation, depletion and amortization	(27)	(19
	183	191
Other assets	4	4
Restricted cash equivalents and securities	45	45
Deferred acquisition costs	155	86
Assets held for sale	422	413
	$ 1,583	$ 1,806
LIABILITIES		
Current liabilities:		
Trade accounts payable	$ 183	$ 149
Accrued liabilities	35	44
Estimated reorganization liabilities	157	406
Total current liabilities	375	599
Estimated reorganization liabilities	199	12
Deferred gain	106	44
Other liabilities, long-term	127	129
Total long-term liabilities	432	185
Total liabilities	807	784
Commitments and contingencies		
STOCKHOLDERS' EQUITY		
Preferred stock, par $1 per share; authorized 1,000,000; no shares issued and outstanding	--	--
Common stock, par value $0.01 per share; authorized 100,000,000; issued and outstanding, 5,915,000 at March 31, 2003 and December 31, 2002	59	59
Capital in excess of par value	2,980	2,980
Deficit	(2,263)	(2,017
Total stockholders' equity	776	1,022

	$ 1,583	$ 1,806

See notes to consolidated financial statements.

Atlas Minerals Inc.
Consolidated Statements of Operations
(In Thousands, Except Per Share Data, Unaudited)

	Three Months Ended March 31,	
	2003	2002
Mining revenue	$ 3	$ --
Costs and expenses:		
Production costs	35	--
Depreciation, depletion and amortization	8	--
General and administrative expenses	253	87
Gross operating loss	(293)	(87)
Other (income) expense:		
Interest income	--	(1)
Gain on settlement of environmental liability claims	(16)	--
Other income, net	(31)	--
Loss before income taxes	(246)	(86)
Provision for income taxes	--	--
Net loss	$ (246)	$ (86)
Basic and diluted loss per share of common stock	$ (0.04)	$ (0.01)
Weighted average number of common shares outstanding	5,915	6,062

See notes to consolidated financial statements.

Atlas Minerals Inc.
Consolidated Statements of Cash Flows

(In Thousands, Unaudited)

	Three Months Ended March 31, 2003	Three Months Ended March 31, 2002
Operating activities:		
Net loss	$ (246)	$ (86)
Add (deduct) non-cash items:		
Depreciation, depletion and amortization	8	--
Gain on settlement of environmental liability claims	(16)	--
Net change in non-cash items Related to operations (Note 3)	23	(99)
Cash used in operating activities	(231)	(185)
Investing activities:		
Deferred acquisition costs	(69)	--
Proceeds from settlement of environmental liability claims	16	--
Investment in assets held for sale	(57)	(23)
Proceeds from sale of assets held for sale	23	28
Cash (used in) provided by investing activities	(87)	5
Financing activities:		
Payment of estimated reorganization liabilities	--	(4)
Cash used in financing activities	--	(4)
Decrease in cash and cash equivalents	(318)	(184)
Cash and cash equivalents:		
Beginning of period	396	417
End of period	$ 78	$ 233

See notes to consolidated financial statements.

NOTES TO UNAUDITED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

1. The accompanying consolidated financial statements have been prepared in accordance with generally accepted accounting principles for interim financial information and with the instructions to Form 10-QSB and Item 310(b) of Regulation S-B. Accordingly, they do not include all of the information and footnotes required by accounting principles for complete financial statements generally accepted in the United States of America. There has not been any change in the significant accounting policies of Atlas Minerals Inc. (the "Company") for the periods presented.

In the opinion of Management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. The results for these interim periods are not necessarily indicative of results for the entire year. These statements should be read in conjunction with the consolidated financial statements and notes thereto included in the Company's Annual Report on Form 10-KSB for the fiscal year ended December 31, 2002.

2. The accompanying consolidated financial statements include the accounts of Atlas Minerals Inc. ("Atlas") and its subsidiaries as follows: Atlas Precious Metals Inc. ("APMI") (approximately 96% owned at December 31, 2002 and March 31, 2003), White Cliffs Mining, Inc., a wholly-owned subsidiary in which the White Cliffs property is held (collectively the "Company"). At December 31, 2002 APMI owned approximately 96% of Atlas Gold Mining Inc. ("AGMI"), however, during March 2003, AGMI was merged with and into APMI, with APMI remaining as the surviving entity.

3. The components of the net change in items other than cash related to operating activities as reflected in the Consolidated Statements of Cash Flows are as follows:

(in thousands)	Three Months Ended March 31, 2003	Three Months Ended March 31, 2002
Add (deduct) items other than cash:		
Accounts receivable	$ 4	$ -
Inventories	3	
Prepaid expenses and other current assets	(7)	(49)
Trade accounts payable	34	(31)
Accrued liabilities	(9)	(15)
Other liabilities, long-term	(2)	(4)
	$ 23	$ (99)

There were no cash payments made for interest or income taxes during the three months ended March 31, 2003 and 2002.

4. In September 2002, the Company signed a 120-day exclusive option agreement to acquire 100% of the outstanding shares of Western Gold Resources, Inc., a private Florida company whose primary asset is the Estrades polymetallic mine. The option agreement was subsequently amended on January 3, 2003 to extend the option period until March 31, 2003 and transferred all rights under the option to APMI. At this time the Company paid an additional $50,000 to keep the option period open. The option agreement was amended on March 31, 2003 to extend the option period until June 30, 2003. During the option period, the Company will be conducting extensive due diligence of the property and is seeking financing for the project as will be required should the Company exercise the option and proceed with development. The primary shareholder of Western Gold Resources, Inc. is the Company's Chief Executive Officer. The Company has spent $69,000 during the three months ended March 31, 2003 in deferred acquisition costs relating to this option agreement, which included the January 2003 option payment.

5. During March 2003, the Company reached a settlement agreement with a group of the Company's excess insurance carriers relating to environmental liability claims. The net proceeds from this settlement totaled approximately $16,000 and were recorded as a gain from settlement of environmental liability claims.

6. During the first quarter 2003, the Company was informed that money was being held in trust pending the satisfaction of tax compliance requirements with Canadian authorities relating to operating activities prior to 2001. The Company was cleared of the related tax liability and the escrowed money totaling approximately $30,000 was released and is recognized as other income in the first quarter 2003.

7. On March 26, 2003, stock options for 50,000 shares were granted to an employee under the Atlas Minerals Inc. 2001 Stock Option Plan. The options granted were at an exercise price of $0.22, the quoted market price of the Company's shares at the date of grant, and expire on March 26, 2008.

8. On April 3, 2003, the Company completed the sale of the Grassy Mountain property to Seabridge Gold Inc., formerly Seabridge Gold Resources, Inc., and received the final cash payment of $600,000 on that date, which was the approximate carrying value of the asset held for sale at March 31, 2003.

Item 2. Management's Discussion and Analysis

"SAFE HARBOR" STATEMENT UNDER THE UNITED STATES PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995.

This Form 10-QSB contains forward looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Atlas Minerals Inc. is referred to herein as "we" or "our". The words or phrases "would be," "will allow," "intends to," "will likely result," "are expected to," "will continue," "is anticipated," "estimate," "project," or similar expressions are intended to identify "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Actual results could differ materially from those projected in the forward looking statements as a result of a number of risks and uncertainties. Statements made herein are as of the date of the filing of this Form 10-QSB with the Securities and Exchange Commission and should not be relied upon as of any subsequent date. Except as may otherwise be required by applicable law, we do not undertake, and specifically disclaim, any obligation to update any forward-looking statements contained in this Form 10-QSB to reflect occurrences, developments, unanticipated events or circumstances after the date of such statement.

RECENT EVENTS

On September 22, 1998, Atlas filed a petition for relief under Chapter 11 of the federal bankruptcy laws in the United States Bankruptcy Court for the District of Colorado. On January 26, 1999, APMI and AGMI also filed petitions for relief under Chapter 11. On December 11, 1999, the Bankruptcy Court approved the Reorganization Plan of Atlas, APMI and AGMI (the "Reorganized Company"). Having consummated the Reorganization Plan, Atlas, APMI and AGMI emerged from Chapter 11 on January 10, 2000. Final decrees were issued by the Bankruptcy Court officially closing the APMI and AGMI cases on November 8, 2000 and the Atlas case effective December 31, 2001.

As a result of the bankruptcy proceedings, the majority of any remaining claims against the Company are unsecured claims (the "Creditors"). Under the Reorganization Plan, these claims received stock representing 67.5% of the Reorganized Company. In addition, the Creditors could receive future cash distributions upon the sale of certain assets of the Reorganized Company, including the possible salvaging of the Company's Gold Bar mill facility and related assets located near Eureka, Nevada and the sale of the Company's Grassy Mountain property located in eastern Oregon (of which Creditors would receive approximately 45.9% and 65.4%, respectively, of net proceeds after payment of certain general and administrative costs).

The Reorganization Plan also provided for the distribution of stock representing 12.5% of the Reorganized Company to the then-Management and employees of the Company as recognition for their efforts in the reorganization process and 2.5% to each of ACSTAR and Moab Reclamation Trust for assumption by them of certain future liabilities relating to the environmental cleanup and reclamation of various of the Company's mine sites. The remaining 15% of the Reorganized Company remains with the equity holders of the Predecessor Entity, which ceased to exist on December 11, 1999 when the Reorganized Company came into existence.

In July 2001, an agreement was reached with TRW, Inc. ("TRW") to settle the one remaining adversary proceeding. Under the terms of the agreement, the Company agreed to make a total cash payment of $30,000 to TRW in three equal installments due in October 2001, January 2002, and April 2002. In exchange, TRW agreed to transfer back to the Company all common stock of the Company (146,415 shares) owned by it upon payment of the final installment. This matter was finalized in July 2002 and the returned shares were subsequently cancelled by the Company effective in August 2002.

During 2001 and through April 10, 2002, the Company reached final settlement agreements with all insurance carriers regarding the ongoing CGL Claims, which the Company had against various insurance carriers for their failure to cover certain environmental costs previously incurred by the Company that were the result of permitting and remediation activities at the Company's past-producing uranium processing mill in Utah. Effective May 2002, cash settlement amounts had been received from all such carriers providing the Company in aggregate $2,373,000 net proceeds for the years 2001 and 2002. The net proceeds exceeded the carrying amount of the CGL Claims resulting in a gain of $66,000 and $455,000 being recognized in 2002 and 2001, respectively.

In June 2002, the Company purchased the White Cliffs Diatomite Mine and processing facilities located approximately 30 miles north of Tucson, Arizona ("White Cliffs"). The property, which has been dormant for several years, consists of approximately 3,200 acres of unpatented placer claims, a fully permitted mine and a processing plant with a nominal annual capacity of at least 50,000 tons of finished product.

The largest current use of diatomaceous earth is in filtering applications.

It is also used as an absorbent, in filler applications and in manufacture of insulation. One of the fastest growing uses is as a livestock feed supplement and first production from the property was pre-sold as livestock feed supplement. The majority of U.S. production currently comes from California and Nevada which accounted for 87% of the production in 2000.

It is estimated from previous drilling, face sampling, and testing that there are approximately 2,500,000 tons of diatomite mineralization on the property. Based on internal and third party analyses, it appears that the known diatomite material should be able to meet specifications for most end products. The property is located adjacent to the Copper Basin Railroad which accesses the Southern Pacific Line and within five miles of Highway 77, both of which will serve for product distribution.

In July 2002, the Company incorporated a wholly-owned subsidiary in Arizona, White Cliffs Mining, Inc., in which is held the White Cliffs Diatomite Mine and related assets in Arizona.

In September 2002, the Company entered into a 120-day exclusive option agreement (the "Option Agreement') to acquire 100% of the outstanding shares of Western Gold Resources, Inc., a private Florida company whose primary asset is the Estrades polymetallic mine located in northwestern Quebec. In December 2002, this Option Agreement was amended extending the option period to March 31, 2003 and another amendment was signed during March 2003 which extended the option until June 30, 2003. The Company subsequently assigned the Option Agreement to APMI. The Company is in the process of completing extensive due diligence of the Estrades mine.

During 2002, the Company entered into transactions with the Pension Benefit Guaranty Corporation ("PBGC"), U.S. Fire Insurance Company ("US Fire") and Newmont Grassy Mountain Corporation ("Newmont") whereby the Company effectively settled a portion of its "estimated reorganization liabilities". The Company paid $50,000, $7,000 and $2,000 to PBGC, Newmont and US Fire, respectively, in exchange for each company's rights to receive future creditor distributions under APMI's and AGMI's Reorganization Plan as well as to acquire the portion of APMI's and AGMI's outstanding common stock owned by PBGC, US Fire and Newmont. As a result of these transactions, the Company controlled 100% of the voting stock of each AGMI and APMI.

In March 2003, the Company merged APMI and AGMI, with APMI remaining as the surviving entity. As a result of the merger, APMI now owns 100% of the gold processing mill and related facilities and infrastructure related to the Gold Bar mine in Eureka County, Nevada, previously held by AGMI as well as the Grassy Mountain property in Malheur County, Oregon, a property known to host gold mineralization. The Company controls 100% of the voting stock of the resulting APMI.

Also in March 2003, the Board of Directors of the Company approved an option for the possible future acquisition of a fluorite property in Sonora, Mexico, by the Company and authorized Management to enter into negotiations on behalf of APMI for: 1) the acquisition in Sonora Mexico, of: a) a property on which both copper oxide material and gold have been identified, and b) the long-term lease of an existing processing plan with nominal capacity of 100 tonnes per day based on processing of sulfide ores; and 2) the acquisition of a property in Sinoloa, Mexico, containing primarily zinc and silver mineralization.

On April 3, 2003 the Company completed the sale of the Grassy Mountain property located in Malheur County, Oregon to Seabridge Gold Inc., formerly Seabridge Gold Resources, Inc. and its wholly-owned subsidiary, Seabridge Gold Corporation. Under the terms of the final agreement entered into in December 2002 the Company received the final payment of $600,000 upon closing, of which 65.4% of the net proceeds after repayment of certain priority claims will be distributed to creditors. Management is currently determining the exact amount of the creditor distribution but believes it will be approximately $150,000.

It is the intention of Management for the Company to remain in the business of development and exploitation of natural resource properties. Management's current efforts regarding this are being directed toward the identification of possible acquisition opportunities of smaller-scale properties, primarily in the sectors of industrial minerals, base metals, precious metals and oil/natural gas. In the opinion of Management, the Company may have a competitive edge in making such acquisitions in that, being smaller than many of its competitors, it may be able to act more quickly and the smaller, possibly higher grade, properties on which it will most likely focus its efforts should be of little interest to the larger companies.

CAPITAL RESOURCE REQUIREMENTS

Liquidity

As of March 31, 2003, the Company's working capital was $399,000, compared to $468,000 as of December 31, 2002. The Company's cash balance decreased from $396,000 at December 31, 2002 to $78,000 at March 31, 2003. The decrease of $318,000 was primarily the result of utilizing cash to fund operating activities for the first quarter of $231,000. Proceeds from the gain on settlement of environmental liability claims and the sale of assets held for sale were $16,000 and $23,000, respectively; however, this amount was offset by expenses for the sale of assets held for sale of $57,000 and the deferred acquisition costs related to Estrades of $69,000. In April 2003, the Company received proceeds of $600,000 upon closing of the sale of the Grassy Mountain Property, of which 34.6% of the net proceeds after repayment of certain priority claims will be retained and the remainder will be paid to creditors. Management is currently determining the exact amount of the creditor distribution but believes it will be approximately $150,000.

The Company expects to generate cash adequate to pay general, administrative and other operating expenses through the bankruptcy-mandated sale of certain remaining assets. Assets held for sale include the Gold Bar mill and related assets, and the Grassy Mountain property. While the Company is confident in the ultimate realization of these assets, it cannot be certain as to the timing or the exact amount of proceeds that will be received. The Company believes, however, that cash from such activities will be sufficient to cover its current operations through 2003. Additionally, during the first quarter 2003, the Company was able to have released from a trust account $30,000, which was held pending proof of compliance with Canadian tax authorities and received $16,000 in net proceeds from the settlement of environmental liability claims. Should the Company proceed with the merger with Western Gold Resources, Inc. a cash payment of approximately $100,000 will be required at the time of merger. The Company paid $50,000 in January 2003 to extend the option period through March 31, 2003 and subsequently extended the option period through June 30, 2003.

It is further anticipated that up to $100,000 could be required to modify the mill operations at White Cliffs to better ensure that specifications of existing products can be continuously met and to allow the production of new product lines. Management is continuing to explore possible acquisitions and business combinations, although, as of this date, no definitive agreements have been reached. In 2003, the Company also entered into a two-year non-cancelable lease commitment for office space that expires in January 2005. Future cash requirements for these activities will be funded from the sources noted above and/or alternative sources of financing including loans against the aforementioned assets, equity financing or project financing as deemed necessary.

RESULTS OF OPERATIONS

The Company had revenues from production of diatomite at the White Cliffs property, which commenced mining operations in August 2002, of $3,000 during the three-month period ended March 31, 2003 compared to zero for the comparable period in 2002. Production costs were $35,000 for the three-month period ended March 31, 2003 versus zero for the same period in 2002.

General and administrative expenses for the three months ended March 31, 2003 were $253,000 compared to $87,000 for the comparable period in 2002. Salaries and benefits increased $85,000 from the first quarter 2002 compared to the same period in 2003 due to the salaries and benefits of the administrative employees at White Cliffs, the addition of one employee at headquarters, and increased salaries for the Company's officers. Legal fees for first quarter 2003 were $43,000 compared to $14,000 for the first quarter 2002 due to legal services incurred due to the merger of APMI and AGMI and the proposed restructuring of APMI. Insurance costs increased $16,000 due to increased directors and officers insurance premiums and additional coverage due to the equipment, property and liability insurance at White Cliffs. Travel costs increased $11,000 from first quarter 2002 to the same period in 2003 due to travel to the White Cliffs operation and management meetings amongst the officers. During the first quarter 2003, the Company incurred $8,000 in business development costs to explore business opportunities to advance the Company's interests, while there were no business development costs during the same period in 2002. Director's fees and expenses decreased from $19,000 to $8,000. During the first quarter 2002, the Board met three times, the Audit Committee once and the Compensation Committee once, compared to one Board meeting and two audit committee meetings in the first quarter of 2003.

Interest income during the three-month period ended March 31, 2003 was zero compared to $1,000 for the three-month period ended March 31, 2002. Interest was higher in 2002 due to slightly larger cash balances available for investment.

During the first quarter 2003, the Company recognized a gain on the settlement of environmental liability claims of $16,000. The Company also recognized as other income the release of $30,000 from a trust account, which was held pending proof of compliance with Canadian tax authorities.

Item 3. Controls and Procedures

A review and evaluation was performed by the Company's management, including the Company's Chief Executive Officer (the "CEO") and Chief Financial Officer (the "CFO"), of the effectiveness of the design and operation of the Company's disclosure controls and procedures as of a date within 90 days prior to the filing of this quarterly report. Based on that review and evaluation, the CEO and CFO have concluded that Company's current disclosure controls and procedures, as designed and implemented, were effective. There have been no significant changes in the Company's internal controls or in other factors that could significantly affect the Company's internal controls subsequent to the date of their evaluation. There were no significant material weaknesses identified in the course of such review and evaluation and, therefore, no corrective measures were taken by the Company.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

None

Item 2. Changes in Securities

None

Item 3. Defaults upon Senior Securities

None

Item 4. Submission of Matters to a Vote of Security Holders

None

Item 5. Other Information

None

Item 6. Exhibits and Reports on Form 8-K

a. Exhibits

99.1 Certification of Chief Executive Officer pursuant to 18 U.S.C. 1350.
99.2 Certification of Chief Financial Officer pursuant to 18 U.S.C. 1350.

b. Reports on Form 8-K

Date Filed on Form 8-K

January 9, 2003 Press Release dated January 8, 2003, announcing that the Company had restructured the Option Agreement for sale of the Grassy Mountain property to Seabridge Gold, Inc. (f/k/a

Seabridge Resources Inc.) and had also assigned the option held by the Company for possible merger with Western Gold Resources, Inc. whose primary asset is the Estrades polymetallic mine located in Quebec, to its wholly-owned subsidiary, Atlas Precious Metals Inc.

April 17, 2003 Press Release dated April 7, 2003, wherein the Company announced that, through its wholly-owned subsidiary, APMI, it completed the sale of the Grassy Mountain gold property located in eastern Oregon to Seabridge Gold Inc. (formerly Seabridge Gold Resources, Inc.) and its wholly-owned subsidiary, Seabridge Gold Corporation (collectively "Seabridge").

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

ATLAS MINERALS INC.
(Registrant)

Date: May 7, 2003 By: /s/ H.R. (Roy) Shipes
H.R. (Roy) Shipes
Chief Executive Officer

Date: May 7, 2003 By: /s/ Gary E. Davis
Gary E. Davis
President and Chief Financial Officer

CERTIFICATION OF CHIEF EXECUTIVE OFFICER PURSUANT TO
RULE 13A-14 OR 15D-14 OF THE SECURITIES EXCHANGE ACT OF 1934, AS ADOPTED
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, H.R. (Roy) Shipes, certify that:

1. I have reviewed this quarterly report on Form 10-QSB of Atlas Minerals Inc.;
2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to

make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;

3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report.
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and have:
   a) Designed such disclosure controls and procedures to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us during the period in which this quarterly report is being prepared;
   b) Evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this quarterly report (the "Evaluation Date"); and
   c) Presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):
   a) All significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and
   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and
6. The registrant's other certifying officer and I have indicated in this annual report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date: May 7, 2003

/s/ H.R. (Roy) Shipes

H.R. (Roy) Shipes
Chief Executive Officer

CERTIFICATION OF PRESIDENT AND CHIEF FINANCIAL OFFICER PURSUANT TO
RULE 13A-14 OR 15D-14 OF THE SECURITIES EXCHANGE ACT OF 1934, AS ADOPTED
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Gary E. Davis, certify that:

1. I have reviewed this quarterly report on Form 10-QSB of Atlas Minerals Inc.;
2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to

make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;

3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report.
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and have:
   a) Designed such disclosure controls and procedures to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us during the period in which this quarterly report is being prepared;
   b) Evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this quarterly report (the "Evaluation Date"); and
   c) Presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):
   a) All significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and
   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and
6. The registrant's other certifying officer and I have indicated in this annual report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date: May 7, 2003

/s/ Gary E. Davis

Gary E. Davis
President and Chief Financial Officer