

ALMO CAPITAL CORP.

Condensed Interim Financial Statements

Second Quarter ended April 30, 2015

Unaudited

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

These interim financial statements of the Company for the period ending April 30, 2015 have been prepared by management and have not been subject to review by the Company's auditors.

ALMO CAPITAL CORP.

Condensed Interim Balance Sheets
Unaudited
(Expressed in Canadian Dollars)

| | April 30, 2015 | October 31, 2014 |
|--|------------------|------------------|
| | \$ | \$ |
| Assets | | |
| Current assets | | |
| Cash | 12,137 | 9,785 |
| Amounts receivable | 3,377 | 2,484 |
| | <u>15,514</u> | <u>12,269</u> |
| Non-current assets | | |
| Equipment (note 6) | 1,115 | 1,301 |
| Exploration and evaluation assets (note 3) | 1,291,165 | 1,286,634 |
| | <u>1,307,794</u> | <u>1,300,204</u> |
| Liabilities and Equity | | |
| Current liabilities | | |
| Accounts payable and accrued liabilities | 7,135 | 18,362 |
| Due to related parties (note 5) | 1,744 | 1,930 |
| | <u>8,879</u> | <u>20,292</u> |
| Non-current liability | | |
| Loan payable (note 7) | 874,157 | 821,672 |
| | <u>883,037</u> | <u>841,964</u> |
| Equity | | |
| Share capital (note 4) | 1,389,307 | 1,389,307 |
| Reserves | 171,133 | 171,133 |
| Deficit | (1,135,682) | (1,102,200) |
| | <u>424,758</u> | <u>458,240</u> |
| | <u>1,307,794</u> | <u>1,300,204</u> |

Nature and continuance of operations (Note 1)

Approved by the Board of Directors and authorized for issue on June 19, 2015.

"Ram Vallabh"

Ram Vallabh, Director

"Wesley H. Wakefield"

Wesley H. Wakefield, Director

See accompanying notes to the condensed interim financial statements

ALMO CAPITAL CORP.

Condensed Interim Statements of Comprehensive Loss
 Unaudited
 (Expressed in Canadian Dollars)

| | Three Months Ended April 30, 2015 | Three Months Ended April 30, 2014 | Six Months Ended April 30, 2015 | Six Months Ended April 30, 2014 |
|---|---|---|---------------------------------------|---------------------------------------|
| | \$ | \$ | \$ | \$ |
| Operating costs and expenses | | | | |
| Accounting and audit | 550 | 1,100 | 550 | - |
| Amortization | 73 | 93 | 185 | 192 |
| Automobile | 550 | 398 | 596 | 1,527 |
| Bank charges | 122 | 62 | 197 | 155 |
| Legal fee | 2,866 | 431 | 3,625 | 9,918 |
| Meals, entertainment and travel | 7 | 7 | 7 | 7 |
| Salaries & wages | 7,097 | 0 | 15,473 | 0 |
| Office and miscellaneous | 708 | 1,493 | 717 | 3,156 |
| Telephone and utilities | 422 | 587 | 1,026 | 587 |
| Trust and filing fees | 9,254 | 8,017 | 11,106 | 8,852 |
| Loss before other item | (21,649) | (12,188) | (33,482) | (25,177) |
| Interest income | - | 2 | - | 4 |
| Net loss and comprehensive loss for the period | (21,649) | (12,186) | (33,482) | (25,173) |
| Weighted average number of common shares outstanding | 5,356,410 | 5,356,410 | 5,356,410 | 5,356,410 |
| Basic and diluted loss per share | \$ 0.00 | \$ 0.00 | \$ 0.00 | \$ 0.00 |

See accompanying notes to the condensed interim financial statements

ALMO CAPITAL CORP.

Condensed Interim Statements of Cash Flows
 Unaudited
 (Expressed in Canadian dollars)

| | Six Months Ended April 30, 2015 | Six Months Ended April 30, 2014 |
|--|--|--|
| | \$ | \$ |
| Cash provided by (used for): | | |
| Operating activities | | |
| Net loss for the period | (33,482) | (25,173) |
| Adjustment for items not involving cash: | | |
| Amortization | 185 | 192 |
| | (33,297) | (24,981) |
| Changes in non-cash operating capital: | | |
| Amounts receivable | (892) | 6,078 |
| Accounts payable and accrued liabilities | (11,228) | (14,451) |
| Due to related parties | (185) | (211) |
| | (12,305) | (33,565) |
| Investing activities | | |
| Redemption of term deposit | - | - |
| Exploration and evaluation assets | (4,531) | (26,240) |
| | (4,531) | (59,805) |
| Financing activity | | |
| Increase in loan payable | 52,485 | 53,000 |
| Increase (decrease) in cash | 2,352 | (6,805) |
| Cash, beginning of the period | 9,785 | 15,812 |
| Cash, end of the period | 12,137 | 9,007 |

Supplementary disclosure:

During the three month period ended April 30, 2015, the company received \$0 (2014 - \$0) in interest and accrued \$0 (2014 - \$Nil) in exploration and evaluation expenditures in accounts payable.

See accompanying notes to condensed interim financial statements

ALMO CAPITAL CORP.

Condensed Interim Statements of Changes in Equity
Unaudited
(Expressed in Canadian dollars)

| | Number of shares | Share capital | Reserve – Equity-settled employee benefits | Deficit | Total Equity |
|-------------------------|-------------------------|----------------------|---|----------------|-------------------------|
| | | \$ | \$ | \$ | \$ |
| November 1, 2013 | 5,356,410 | 1,389,307 | 171,133 | (1,016,017) | 544,423 |
| Loss for the six months | - | - | - | (25,173) | (25,173) |
| April 30, 2014 | 5,356,410 | 1,389,307 | 171,133 | (1,041,190) | 519.250 |
| | | | | | |
| November 1, 2014 | 5,356,410 | 1,389,307 | 171,133 | (1,102,200) | 458,240 |
| Loss for the six months | - | - | - | (33,482) | (33,482) |
| April 30, 2015 | 5,356,410 | 1,389,307 | 171,133 | (1,135,682) | 424,758 |

See accompanying notes to condensed interim financial statements

ALMO CAPITAL CORP.

Notes to the Condensed Interim Financial Statements
(Expressed in Canadian dollars) - Unaudited
six months ended April 30, 2015

1) NATURE AND CONTINUANCE OF OPERATIONS

The Company was incorporated under the Business Corporations Act (British Columbia) and its principal business activity is the acquisition and exploration of resource properties. At the date of these financial statements, the Company has not been able to identify a known body of commercial grade ore on any of its properties and the ability of the Company to realize the costs it has incurred to date on these properties is dependent upon the Company being able to identify a commercial ore body, to finance its exploration and development costs and to resolve any environmental, regulatory, or other constraints which may hinder the successful development of the property. These activities are conducted primarily in British Columbia, Canada.

These financial statements have been prepared assuming the Company will continue on a going-concern basis, or that it will continue to realize its assets and meet its obligations in the normal course of business. The Company has incurred losses since inception and has an accumulated operating deficit of \$1,135,682 at April 30, 2015 (October 31, 2014 - \$1,102,200). The ability of the Company to continue as a going-concern depends upon its ability to develop profitable operations and to continue to raise adequate equity and/or debt financing to fund its exploration and administrative expenses. These financial statements contain no adjustments which would likely become necessary should the Company become unable to continue as a going concern.

There can be no assurance that the Company will be able to continue to raise funds, in which case the Company may be unable to meet its obligations. Should the Company be unable to realize on its assets and discharge its liabilities in the normal course of business, the net realizable value of its assets may be materially less than the amounts recorded on the balance sheets.

Management plans to continue to pursue equity and debt financing to support operations. Management believes this plan will be sufficient to meet the Company's liabilities and commitments as they become payable over the next twelve months. There can be no assurance that management's plan will be successful. Failure to maintain the support of creditors and obtain additional external equity financing will cause the Company to curtail operations and the Company's ability to continue as a going concern will be impaired. The outcome of these matters cannot be predicted at this time.

2) SIGNIFICANT ACCOUNTING POLICIES

a) Basis of presentation

These condensed interim financial statements have been prepared in accordance with IAS 34, Interim Financial Reporting ("IAS 34"), as issued by the International Accounting Standards Board, and its interpretations. Accordingly, these condensed interim financial statements do not include all of the information and footnotes required by International Financial Reporting Standards ("IFRS") for complete financial statements for year end reporting purposes. Results for the period ended April 30, 2015, are not necessarily indicative of future results.

These condensed interim financial statements have been prepared on a historical cost basis except for financial instruments classified as available-for-sale, which are stated at their fair value. In addition these consolidated interim financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

The accounting policies set out below have been applied consistently to all periods presented in preparing the opening balance sheet at November 1, 2010 (note 8) for purposes of transition to IFRS. The accounting policies have been applied consistently by the Company.

2) SIGNIFICANT ACCOUNTING POLICIES (continued)

b) Use of judgements and estimates

The preparation of financial statements requires management to make estimates that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the condensed interim financial statements and the reported amounts of revenues and expenses during the reporting period. Revisions to accounting estimates are recognized in the period in which the estimate is revised and the revision affects both current and future periods.

Significant areas requiring the use of estimates and assumptions relate to the review of asset carrying values and determination of impairment charges of assets and the valuation of deferred income taxes. Actual results could differ from those estimates.

c) Exploration and evaluation assets

Once a license to explore an area has been secured, expenditures on exploration and evaluation assets are capitalized and classified as a non-current asset.

Exploration expenditures relate to the initial search for deposits with economic potential and to detailed assessments of deposits or other projects that have been identified as having economic potential.

All capitalized exploration and evaluation expenditures are monitored for indications of impairment. Where a potential impairment is indicated, assessments are performed for each area of interest, as described in note 2(d). To the extent that exploration expenditures are not expected to be recovered, they are charged to the statement of comprehensive loss.

Once an economically viable reserve has been determined for an area and the decision to proceed with development has been approved, exploration and evaluation assets attributable to that area are first tested for impairment and then reclassified to construction in progress within property, plant and equipment.

Subsequent recovery of the resulting carrying value depends on successful development or sale of the undeveloped project. If a project does not prove viable, all irrecoverable costs associated with the project net of any impairment provisions are written off.

d) Impairment

At each reporting period, management reviews all assets for indicators of impairment. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction. In assessing value in use, the estimated future cash flows are discounted to their present value. If the recoverable amount of the asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in the profit or loss for that period. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash generating unit to which that asset belongs.

Past impairments are also considered at each reporting period and where there is an indication that an impairment loss may have decreased, the recoverable amount is calculated as outlined above to determine the extent of the recovery. If the recoverable amount of the asset is more than its carrying amount, the carrying amount of the asset is increased to its recoverable amount and the impairment loss is reversed in the profit or loss for that period. The increased carrying amount due to reversal will not be more than what the depreciated historical cost would have been if the impairment had not been recognized.

2) SIGNIFICANT ACCOUNTING POLICIES (continued)

e) Income taxes

The Company uses the balance sheet method of accounting for income taxes. Under the balance sheet method, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. Deferred income tax assets also result from unused loss carry forwards, resource related pools and other deductions. A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

f) Share capital

The Company records proceeds from share issuances net of issue costs and any tax effects. Common shares issued for consideration other than cash, are valued based on their market value at the date the agreement to issue shares was concluded.

g) Financial instruments

The Company's financial assets and financial liabilities are classified as follows:

- Cash and term deposit are designated as "fair value through profit and loss" and are measured at fair value.
- Amounts receivable are classified as "loans and receivables" and are measured at amortized cost.
- Accounts payable and accrued liabilities, due to related parties and loan payable are classified as "other financial liabilities" and are measured at amortized cost. At April 30, 2015 the recorded amounts approximate fair value.

Financial assets

The Company classifies its financial assets in the following categories: fair value through profit or loss, loans and receivables, and available-for-sale. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of financial assets at recognition.

i. Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are initially recognized at fair value with changes in fair value recorded through income. Cash and term deposits, are included in this category of financial assets.

ii. Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are classified as current assets or non-current assets based on their maturity date. Loans and receivables are carried at amortized cost less any impairment. Loans and receivables comprise trade and other receivables.

iii. Available-for-sale financial assets

Available-for-sale (AFS) financial assets are non-derivatives that are either designated as available-for-sale or not classified in any of the other financial asset categories. Changes in the fair value of AFS financial assets are recognized as other comprehensive income and classified as a component of equity.

Management assesses the carrying value of AFS financial assets at each reporting period and any impairment charges are also recognized in profit or loss. When financial assets classified as available-for-sale are sold, the accumulated fair value adjustments recognized in other comprehensive income are included in profit or loss.

2) SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial liabilities

The Company's financial liabilities are classified as other financial liabilities.

Other financial liabilities are non-derivatives and are recognized initially at fair value, net of transaction costs incurred and are subsequently stated at amortized cost. Any difference between the amounts originally received, net of transaction costs, and the redemption value is recognized in the statement of comprehensive loss over the period to maturity using the effective interest method.

Other financial liabilities are classified as current or non-current based on their maturity date.

h) Share-based payments

The Company's Stock Option Plan allows employees and consultants to acquire shares of the Company. Share-based payments to employees are measured at the fair value of the instruments issued and amortized over the vesting periods. Share-based payments to non-employees are measured at the fair value of the goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. The fair value of the share-based payment is measured using the Black-Scholes option pricing model. The fair value of the share-based payment is recognized as an expense with a corresponding increase in the equity-settled employee benefits reserve. Consideration received on the exercise of stock options is recorded as share capital and the related reserve amount is transferred to share capital.

i) Equipment

Assets are measured at historical cost less accumulated amortization and impairment losses. Amortization is charged on the declining balance basis over the useful lives of these assets. Residual values, amortization methods and useful economic lives are reviewed and adjusted if appropriate, at each reporting date.

Amortization is recognized using the declining balance method at the following annual rates:

| | |
|------------|-----|
| Automobile | 30% |
| Equipment | 20% |

Equipment that is withdrawn from use, or has no reasonable prospect of being recovered through use or sale, is regularly identified and written off. Subsequent expenditures relating to an item of equipment are capitalized when it is probable that future economic benefits from the use of the assets will be increased. All other subsequent expenditures are recognized as repairs and maintenance.

j) Loss per share

Basic loss per share is calculated by dividing the loss available to common shareholders by the weighted average number of common shares outstanding in the period. Diluted loss per share is calculated by the treasury stock method. Under the treasury stock method, the weighted average number of common shares outstanding for the calculation of diluted loss per share assumes that the proceeds to be received on the exercise of dilutive share options and warrants are used to repurchase common shares at the average market price during the period. Where the effects of including all outstanding options and warrants would be anti-dilutive, no dilution is calculated and the diluted loss per share is presented as the same as basic loss per share.

3) EXPLORATION AND EVALUATION ASSETS

Title Disclaimer

As at April 30, 2015, all of the Company's mineral properties are located in British Columbia, Canada. Title to mining properties involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of many mining properties. The Company has investigated title to all of its minerals properties and, to the best of its knowledge, all of its properties are in good standing.

| | November 1, 2013 | Net Additions (/Recoveries) | October 31, 2014 | Net Additions | April 30, 2015 |
|--|---------------------|-----------------------------------|---------------------|------------------|-------------------|
| | \$ | \$ | \$ | \$ | \$ |
| BRITISH COLUMBIA | | | | | |
| DD Property | | | | | |
| Acquisition | 8,870 | | 8,870 | - | 8,870 |
| Assays and IP survey | 41,683 | | 41,683 | - | 41,683 |
| Consulting | 64,135 | | 64,135 | - | 64,135 |
| Geologist | 188,535 | 3,171 | 191,706 | 1,290 | 192,996 |
| Field expenses | 57,504 | | 57,504 | - | 57,504 |
| Property costs written off | (121,000) | | (121,000) | | (121,000) |
| | 239,727 | 3,171 | 242,898 | 1,290 | 244,188 |
| Moore Property | | | | | |
| Acquisition | 5,985 | | 5,985 | - | 5,985 |
| Assays and IP survey | 33,599 | 1,081 | 34,680 | - | 34,680 |
| Consulting | 21,505 | | 21,505 | - | 21,505 |
| Geologist | 195,155 | 3,171 | 198,326 | 1,290 | 199,616 |
| Field expenses | 2,062 | | 2,062 | 661 | 2,723 |
| Drilling | 612,840 | | 612,840 | - | 612,840 |
| | 871,146 | 4,252 | 875,398 | 1,951 | 877,349 |
| Nickel Cobalt Property | | | | | |
| Acquisition | 3,573 | | 3,573 | - | 3,573 |
| Consulting | 4,429 | | 4,429 | - | 4,429 |
| Geologist | 154,335 | 3,171 | 157,506 | 1,289 | 158,795 |
| Field expenses | 2,627 | | 2,627 | - | 2,627 |
| Drilling | 203 | | 203 | - | 203 |
| | 165,167 | 3,171 | 168,338 | 1,289 | 169,627 |
| Total exploration and evaluation assets | 1,276,040 | 10,594 | 1,286,634 | 4,530 | 1,291,164 |

DD Property

By an agreement dated April 30, 2003 (amended August 25, 2003 and September 5, 2003) the Company acquired a 50.01% interest (subject to a 3% Net Smelter Returns ("NSR") royalty) in 17 mineral claims located in the Cariboo Mining Division, for consideration of:

- \$1.01 cash on approval of the agreement by the TSX Venture Exchange (paid); and
- Incurring exploration expenditures totaling \$200,000 on or before April 30, 2006 (incurred)

Moore Property

By an agreement dated September 10, 2004, the Company had an option to acquire a 100% interest in 34 mineral claims located in the Kamloops Mining Division. In order to earn its 100% interest in this property the Company was required to pay \$5,000 and incur \$50,000 in exploration expenditures over four years from the agreement date (incurred). In 2007, the Company satisfied all conditions of the option agreement and currently has a 100% interest in this property.

3) EXPLORATION AND EVALUATION ASSETS (continued)

Nickel Cobalt Property

By an agreement dated March 25, 2007, the Company had acquired a 52% interest in 8 mineral claims comprising 1,429 hectares located in the New Westminster Mining Division, British Columbia. These claims are subject to a 3% NSR royalty. This property interest was acquired for \$5,000, of which \$100 has been paid and the balance remains payable.

4) SHARE CAPITAL

- a) The authorized share capital of the Company consists of 40,000,000 common shares without par value.

| | 6 Months Ended April 30, 2015 | | Year Ended October 31, 2014 | |
|-----------------|----------------------------------|-----------|--------------------------------|-----------|
| | Number of Shares | \$ | Number of Shares | \$ |
| Opening balance | 5,356,410 | 1,389,307 | 5,356,410 | 1,389,307 |
| Ending balance | 5,356,410 | 1,389,307 | 5,356,410 | 1,389,307 |

- b) Share purchase options

The Company adopted an incentive stock option plan (“the Plan”) which provides that the number of shares issuable under the plan may not exceed 535,641. Options granted under the Plan may have a maximum term of 5 years. The exercise price of options granted under the Plan may not be less than the discounted market price of the shares on grant date, or such other price as may be agreed to by the Company and accepted by the TSX Venture Exchange.

The continuity of share purchase options for the 6 month period ended April 30, 2015 and year ended October 31, 2014 is as follows:

| | 6 Months Ended April 30, 2015 | | Year Ended October 31, 2014 | |
|--|----------------------------------|---------------------------------------|--------------------------------|---------------------------------------|
| | Number of Options | Weighted Average Exercise Price | Number of Options | Weighted Average Exercise Price |
| Balance at the beginning of the period | - | \$ - | 284,253 | \$ 0.29 |
| Granted | - | - | - | - |
| Expired | - | - | (284,253) | - |
| Outstanding, end of the period | - | - | - | - |
| Exercisable, end of the period | - | - | - | - |

5) RELATED PARTY TRANSACTIONS

All transactions with related parties have occurred in the normal course of operations and management represents that they have occurred on a basis consistent with those involving unrelated parties, and accordingly that they are measured at fair value.

As at April 30, 2015, the Company owes its President \$ 1,744 (October 31, 2014, \$ 1,930) for cash advances, and miscellaneous administrative expenditures paid on behalf of the Company. This amount is unsecured, non-interest bearing and due on demand.

6) EQUIPMENT

| | Automobile | Equipment | Total |
|-------------------------------------|---------------|--------------|---------------|
| | \$ | \$ | \$ |
| Cost | | | |
| Balance, November 1, 2013 | 13,427 | 2,685 | 16,112 |
| Additions | - | - | - |
| Balance, October 31, 2014 | 13,427 | 2,685 | 16,112 |
| Additions | - | - | - |
| Balance as at April 30, 2015 | 13,427 | 2,685 | 16,112 |
| Accumulated depreciation | | | |
| Balance, November 1, 2013 | 12,668 | 1,656 | 14,324 |
| Depreciation | 171 | 126 | 297 |
| Balance, October 31, 2014 | 12,839 | 1,782 | 14,621 |
| Depreciation | 99 | 277 | 376 |
| Balance, April 30, 2015 | 12,938 | 2,059 | 14,997 |
| Net book value | | | |
| Balance, November 1, 2013 | 759 | 839 | 1,598 |
| Balance, October 31, 2014 | 588 | 849 | 1,437 |
| Balance, January 31, 2015 | 489 | 626 | 1,115 |

7) LOAN PAYABLE

The loan payable is due to the President of the Company and private companies controlled by him. The amount payable consists of the following amounts and related repayment terms:

| | April 30, 2015 \$ | October 31, 2014 \$ |
|--|-------------------------|---------------------------|
| Loan payable has no interest and is unsecured. | 874,157 | 821,672 |