

ALMO CAPITAL CORP.
Interim report for the Quarter Ended April 30, 2016

Reported on June 29, 2016
Management Discussion and Analysis

General

The following discussion on performance, financial condition, and prospects should be read in conjunction with the audited financial statements and notes thereto for the year ended October 31, 2015. The Company's financial statements are prepared in accordance with Canadian Generally Accepted Accounting Principles. The Company's reporting currency is Canadian dollars, unless otherwise indicated. The date of the Management Discussion and Analysis is April 30, 2016.

Additional information on the Company is available on SEDAR at www.sedar.com

Description of Business

Almo Capital Corp. (herein "the Company") was incorporated under the Companies Act of the Province of British Columbia on April 16, 1999. Pursuant to CDNX (TSX Venture Exchange) Policy Number 2.4 the Company was established as a Capital Pool Company and the shares started trading on the CDNX under the symbol APT on July 20, 2000. For its qualifying transaction the Company acquired Property #1, D.D. Mineral Property containing nickel, cobalt, copper, platinum, palladium and gold in the Cariboo Mining Division on December 16, 2003, and completed its requirements on April 30, 2006 by spending at least \$240,582. on exploration of the D.D. Mineral Property. The Company continues to own the D.D. Mineral Property in the Cariboo Mining Division. The Company is engaged in the acquisition, exploration and development of mineral properties in British Columbia, and in all, the Company owns or partly owns three mineral properties. The other properties are in the New Westminster Mining Division of British Columbia, and the Kamloops Mining Division of British Columbia.

The Company is a reporting issuer in the province of British Columbia and its shares trade on the TSX Venture Exchange under the symbol "APT." The Company is on the lookout for other properties of interest to Almo Capital Corp. in the Province of British Columbia and in other jurisdictions.

Subsequent to April 30, 2016, the Company completed several financings as well as an option and joint venture agreement. Please refer to the subsequent events section later in the management discussion and analysis for complete details.

Selected Annual Information

	October 31, 2015	October 31, 2014	October 31, 2013
Net Sales or Revenue	-	-	-
General and admin. expenses	54,336	86,188	124,057
Other items	301,571	(5)	64,370
Net Loss	355,907	86,183	188,427
Net loss per share basic and fully diluted	0.07	0.02	0.04
Total assets	996,660	\$ 1,300,204	1,307,241

The above data has been prepared in accordance with International Financial Reporting Standards.

Summary of Quarterly Results

	Apr 2016	Jan 2016	Oct 2015	July 2015	April 2015	Jan 2015	Oct 2014	July 2014	April 2014
General / Admin Expense	12,821	5,833	11,669	9,185	21,649	11,833	63,837	(2,826)	12,188
Other items			(301,571)						
Income (loss)	(12,821)	(5,833)	(313,240)	(9,185)	(21,649)	(11,833)	(63,837)	2,827	(12,186)
Net Profit (loss) / share	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.04)	(0.00)	(0.00)
Total Assets	994,399	996,537	996,660	1,300,731	1,307,795	1,300,110	1,300,204	1,325,414	1,338,692

For each of the above periods, the Company had no revenue from the Company's mineral properties.

General and Administrative Expenses

	Notes	Three Months Ended April 30,		Six Months Ended April 30,	
		2016	2015	2016	2015
Operating expenses					
Accounting and audit		550	550	1,650	550
Administrative services	5	3,450	-	3,450	-
Amortization		56	73	116	185
Office expense		446	1,809	979	2,543
Legal fees		-	2,866	3,632	3,625
Regulatory and filing fees		8,319	9,254	8,827	11,106
Salaries and wages		-	7,097	-	15,473
Net and Comprehensive Loss		\$ 12,821	\$ 21,649	\$ 18,654	\$ 33,482

The expenses incurred by the Company are typical of junior exploration companies that do not have established mineral reserves. Expenses are not incurred evenly over the quarters as a result of non-recurring activities or events.

Related Party Transactions

As at April 30, 2016, the Company owes its former President \$ 1,709 (October 31, 2015, \$ 2,155) for cash advances, and miscellaneous administrative expenditures paid on behalf of the Company. This amount is unsecured, non-interest bearing and due on demand.

The Company incurred administrative fees totalling \$3,450 for the three and six months ended April 30, 2016 (Three and six months ended April 30, 2015 - \$Nil and \$Nil) of which \$1,750 remains payable as at April 30, 2016 (October 31, 2015 - \$Nil).

The transactions have occurred in the normal course of operations and, in management's opinion, have been undertaken under the same terms and conditions as transactions with unrelated parties.

Proposed Transactions

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. During fiscal 2016, shareholders holding 4.4 million (approximately 82%) of the issued and outstanding common shares of the Company executed a share purchase and sale agreement whereby 2.2 million (Approximately 41%) of these common shares will be purchased by an individual and a private company owned by him. These conditions indicate the existence of material uncertainties that cast significant doubt that the Company will be able to continue on a going concern basis. 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.

Private Corporations Financing Almo Capital Corp.

From the inception of Almo Capital Corp. Silcum Resource Ltd. and Precious Metals Corp are the main companies, which have come up to financially, support, and obtain capital for the sole benefit of Almo Capital Corp. These private companies are raising funds to support Almo Capital Corp. in furthering its exploration objectives.

Liquidity and Capital Resources

Working capital deficiency on April 30, 2016 was \$19,849 (October 31, 2015 - \$8,020) that is the total current assets minus the current liabilities to the Company. However, future operations, acquisitions and exploration will require additional capital, which the Company anticipates, could come from private placements and public offerings of the Company's shares, or the issuing of new shares of the Company.

	January 31, 2016	October 31, 2015
Working capital deficiency	\$ 19,849	\$ 8,020
Accumulated deficit	\$ 1,476,761	\$ 1,458,107

Future Accounting Pronouncements

Certain new standards, interpretations, amendments and improvements to existing standards were issued by the IASB or IFRIC that are mandatory for accounting periods beginning on or after January 1, 2016. Updates which are not applicable or are not consequential to the Company have been excluded thereof. The following have not yet been adopted by the Company and are being evaluated to determine their impact:

- IFRS 9: New standard that replaces IAS 39 for classification and measurement, effective for annual periods beginning on or after January 1, 2018
- IFRS 16: New standard that replaces IAS 17 with a new approach to lease accounting that requires a lessee to recognize assets and liabilities for the rights and obligations created by leases, effective for annual periods beginning on or after January 1, 2019

Exploration Expenditures

The Company incurred no exploration expenditures during the three and six months ended April 30, 2016. The Company incurred a total of \$Nil and \$4,531 in exploration expenditures for the three and six month periods ended April 30, 2015.

Mining Properties Owned by Almo Capital Corp.

Property 1: The D.D. Mineral Property

The D.D. Mineral Property is located in the Cariboo Mining Division in British Columbia. As of October 31, 2015, Almo Capital Corp. has spent \$244,670. At October 31, 2015, the Company wrote off \$130,801 of these costs, resulting in a remaining carrying value of \$113,870. This includes the diamond drilling of five holes in Target area "I". This completes the option agreement to earn 50.01% of the D.D. Mineral Property from a private company, and completes the terms of the qualifying transaction. Company has already spent a total of **\$113,870** to January 31, 2016

On September 22, the Company announced that it had entered into an agreement to acquire the remaining interest in its DD Property and the Nickel-Cobalt Property for nominal consideration. Pursuant to an agreement among the Company, Precious Metals Corp. ("**PMC**") and Silcum Resources Ltd. ("**SRL**"), the Company acquired PMC's 49.99% interest in the DD Property.

PMC and SRL have further agreed to terminate any royalty agreements held by any persons relating to the DD Property and the Nickel-Cobalt Property, including the pre-existing 3% net smelter return royalties detailed in the Company's public disclosure record. For the acquisition of the respective interests and the termination of the royalty agreements relating to the properties, the Company has agreed to pay the nominal consideration of \$10.00 to PMC and SRL. Ram Vallabh, the President, director and control person of the Company, is also the President, director and a control person of PMC and SRL.

The D.D. Mineral Property consists of nickel, copper, cobalt, platinum, palladium and rhodium mineralization in an elongate belt of ultramafic intrusions more than four kilometers long and in the additional option for six kilometers. Almo Capital Corp. conducted 238 meters of trenching across mineralization in Target Areas "I", "II", "III" and "VII" and collected 238 one meter chip samples. These anomalous areas have never been drilled, but samples show the presence of economic minerals. Similarly, in the north - south direction, there are at least three anomalous target areas. This can be seen

on the map of the airborne survey total magnetic values, page 13 in the Summary Report on the D.D. Platinum Palladium Base and Precious Metal Mineral Property, of March 19, 2003.

The Company drilled 629 meters of NQ core in five diamond drill holes, in Target Area "T" (For diamond drill holes number four and five, the rock samples are in a secure location and have not yet been submitted for assaying. They will be assayed in due time). See the results in the annual report dated February 15, 2006. The assays resulting from the drilling program revealed the following average values:

0.0657 % Ni, 0.0253 % V, 0.0071 % Co, 0.0127 % Cu, 0.0023 % Pt, 0.0026 % Pd, 0.0005 % Au

All the above data was obtained under the supervision of a P. Geo. of the province of British Columbia, and diamond drilling was conducted under the supervision of a P. Geo. in an area of 180 x 132 meters with an estimated mineralized thickness of 80 meters with the thickness open to depth. This represents approximately 5.7 million tons of rock in a very small area of the property.

Reference is made to the Company's 43-101 Technical report filed in the 2003 for a discussion of previous Exploration work consisting of trenching, I.P. survey and drilling conducted on the DD mineral property.

In the 2011, the Company conducted an extensive rock and soil sampling program starting on September 6 to September 16, 2011 with a view to find higher values of GOLD, SILVER, COPPER, NICKEL, PLATINUM AND PALLADIUM and thereby enhancing the shareholders' value. The Company has further explored, investigated and resampled sites with high values of gold, silver, copper, nickel, platinum, palladium and all the economic minerals.

The Company collected 13 rock samples and 128 soil samples from the property. Petrologic examination of the sulphide mineralization showed that grains of chalcopyrite encapsulate grains of pyrrhotite and pentlandite. 128 'B' horizon soil samples were collected. These samples were collected in the vicinity of sites with high values of gold, silver, copper, nickel, platinum, palladium and all the economic minerals to determine the direction and continuity of mineralized rock.

In 2014, the Company conducted an extensive rock and soil sampling program starting on May 16-May 23 2014 with a view to find higher values of GOLD, SILVER, COPPER, NICKEL, PLATINUM AND PALLADIUM. The Company collected 10 rock samples and 80 soil samples from the property. Petrologic examination of the sulphide mineralization showed that grains of chalcopyrite encapsulate grains of pyrrhotite and pentlandite. 80 'B' horizon soil samples were collected. The soil is bright rusty red in color with rounded to angular fragments of ankerite carbonate altered ultramafic rock and it is apparent to have been derived from the underlying bedrock.

It is the general policy of the Company to make it possible for shareholders to obtain information regarding the Company at the www.sedar.com or www.almocapitalcorp.com website on a timely basis.

Property 2: The Moore Property

Almo Capital Corp. has acquired a 100% equity position in the Moore Property. The Moore Property presently consists of the original Moore Property, with additional claims acquired at different periods of time. It presently has an area of approximately 995 hectares. The property has good access by road, and a nearby town has all living facilities available. In this property, there is a deposit of copper, gold, and silver. . A total of \$877,171 has been spent to January 31, 2016 on the Moore Property.

The Company completed first phase of drilling program on Moore Property by drilling 33 drill holes in the year 2010. The Company has been aggressively involved in developing this property and a complete

interpretive report 43-101 technical has been prepared and filed with SEDAR and is available on www.sedar.com and *our website at www.almocapitalcorp.com*.

The Company set out to confirm the documentation of the original historic mineralized zone - the EBL deposit. In 2006, they initiated induced polarization (IP) and resistivity surveys which encountered a strong response over much of the 2 km by 2 km survey area. Based on this work, the Company conducted a drilling program from 2008-2010 totaling 6540.75 meters in 33 diamond drill holes. Results corroborated the original historic findings that a significant mineralized zone or zones exist on the Moore property.

Noteworthy results from the Company's drill program include DDH-08-04 which intersected 177.63 meters (from 47.77 to 225.6 meters depth) of 0.2% copper with a sub-interval of 10.75 meters (from 59.65-70.4) of 0.63% copper. A 6 meter sub-interval (from 59.65 to 65.65) assayed 0.9% copper and contained 4 meters of 10.5 g/t of silver and 2 meters of 0.5 g/t gold. Near the bottom of DDH-10-04A, and 18.29-meter intersection (from 195.07-213.36) graded 0.4% copper. Drilling indicates significant mineralization is open to depth below 200 meters.

As at October 31, 2015, a total of \$877,170 has been spent on exploration on the Moore Property. This includes the cost of a 2006/2007 induced polarization survey.

A 1.3 million dollar exploration program, consisting of IP geophysical surveying and 5000 meters of diamond drilling, is recommended for the Moore property. Approximately 4500 meters of drilling should be focused on an EBL deposit area where previous drilling (DDH-08-04) yielded significant intersections and remains open to depth. Two holes totaling 500 meters are recommended to test the possible volcanogenic massive sulphides found at the McLellan showing.

Sixteen holes averaging 250 meters in length and one 500 meters in length are recommended in on IP Anomalous zone A and B, specifically in the area of previous drilled holes DDH 08-04 and DDH-10-4A that intersected significant mineralization which is open to depth.

Drilling should be conducted on 100-meter centers about the two holes, drilled east and west from the same setup. Holes should be drilled at an inclination of 70 degrees. One vertical hole between the hole 04 and 04A should be drilled to 500 meters to show how mineralization and grades vary with depth and give a better idea of its ultimate size potential.

The 2006 IP geophysical lines should be extended east at least 1 km to cover the area of the massive sulphide McLellan zone and Hole 74-6 that contained over 4 meters of massive iron and copper sulphide mineralization. An extension of IP to the north of Anomaly A and B is warranted if topography permits. Line extension include at least two 3km east-west lines to the north of Line 2100N and 1 km extensions to all lines from 900 to 2100N, for a total of 14 km of IP line. Two holes should be drilled in the McLellan and historical Hole 74-6 massive sulphide vicinity. Records of this hole indicate 4 meters of copper bearing massive sulphides, but no assays were published.

Actual drill sites will depend upon local terrain, since local topography is rugged and boggy. It is also recommended that NSM and B&B showing areas, that may represent volcanogenic massive sulphides on the Moore property, receive on-site geological assessment towards their development as secondary targets.

See the 43-101 report on the Moore Property posted on www.sedar.com on August 5, 2012 for additional information. Or visit our website at www.almocapitalcorp.com

Property 3: The “Nickel – Cobalt – Magnesium – Gold Property”

The Company’s initial interest in the “Nickel - Cobalt - Magnesium - Gold Property” was acquired by the Company on March 23, 2007 for cash and other consideration. On September 22, the Company announced it entered into an agreement to acquire the remaining 48% interest in the property. See “Results of Operations.” Nickel - Cobalt - Magnesium - Gold Property” has been abandoned due to its weak potential and financial constraints and wishes to continue on its two main projects Moore and DD Mineral properties.

It is the general policy of the Company to make it possible for shareholders to obtain information regarding the company at the www.sedar.com or www.almocapitalcorp.com website on a timely basis.

Subsequent Events

Subsequent to April 30, 2016, the following occurred:

- (i) On May 4, 2016, the Company closed a non-brokered private placement for 1,000,000 units at a price of \$0.075 per unit for gross proceeds of \$75,000. Each unit is comprised of one common share and one common share purchase warrant. Each warrant is exercisable for a period of two years at a price of \$0.15. The transaction is considered a related party transaction as the units were issued to 1062954 B.C. Ltd., an insider of the Company.
- (ii) On May 13, 2016, the Company closed a non-brokered private placement for 200,000 units at a price of \$0.075 per unit for gross proceeds of \$15,000. Each unit is comprised of one common share and one common share purchase warrant. Each warrant is exercisable for a period of two years at a price of \$0.15.
- (iii) On June 10, 2016, the Company closed a brokered private placement for 1,976,000 units at a price of \$0.075 per unit for gross proceeds of \$148,200. Each unit is comprised of one common share and one common share purchase warrant. Each warrant is exercisable for a period of two years at a price of \$0.15. The Company paid finders fees totalling \$6,830.
- (iv) On June 16, 2016, the Company entered into an option and joint venture agreement with privately-held Golden Tiger Minerals Inc. The Company has been granted an option to acquire up to an 80% interest in the Medicine Springs property in Elko County, Nevada.

Almo has the option to acquire a minimum 50% interest and a maximum 80% interest in the Leasehold Rights subject to a 3% net smelter royalty in favour of Messrs. Duerr and Sutherland and a 0.5% net smelter royalty in favour of Nevada Eagle Resources, LLC, a subsidiary of Newmont Mining Corporation.

To acquire the minimum interest Almo has to (a) pay US\$150,000 to Golden Tiger, US\$50,000 of which was paid upon execution of the Agreement and US\$50,000 which is due on or before the first and second anniversaries of the Agreement; (b) issue 600,000 shares to Golden Tiger, 200,000 shares to be issued within 5 days of the date of Exchange approval and a further 200,000 shares on or before the first and second anniversary of the Agreement; and (c) make expenditures of US\$600,000 on the Medicine Springs Property, US\$100,000 of which is to be incurred on or before the first anniversary of the Agreement and US\$500,000 on or before the second anniversary of the Agreement.

To acquire the maximum interest, Almo has to have earned the minimum interest and Almo has to (a) pay an additional US\$150,000 to Golden Tiger, US\$50,000 of which is due on or before the third, fourth and fifth anniversaries of the Agreement; (b) issue an additional 400,000 shares to Golden Tiger, 200,000 shares to be issued on or before the third and fourth anniversary of the Agreement; and (c) make expenditures of an additional US\$1,650,000 on the Medicine Springs Property, US\$500,000 of which is to be incurred on or before the third and fourth anniversary of the Agreement and US\$650,000 on or before the fifth anniversary of the Agreement.

Investor Relations Activities

There was no investor relations activity during the year. Regular news releases related to the Company affairs are sent to www.sedar.com /Canada Newswire where shareholders can have access to the up-to-date news releases after following the links to Almo Capital Corp. Up-to-date news of the Company may be obtained by registering Almo Capital Corp's shares with Computershare: Suite 510 Burrard Street, 3rd Floor, and Vancouver B.C. or www.computershare.com.

Disclosure of outstanding share data:

- | | |
|---|--------------------------|
| • Share capital authorized: | 40,000,000 common shares |
| • Share capital issued as of October 31, 2015 | 5,356,410 common shares |
| • Share capital issued as of April 30, 2016 | 5,356,410 common shares |
| • Share capital issued as of June 29, 2016 | 8,532,410 common shares |

The Company has a total of 3,176,000 share purchase warrants outstanding as of June 29, 2016, exercisable at \$0.15 per share purchase warrant.

Risk and Uncertainties

The company is in the mineral exploration and development business and as such is exposed to a number of risks and uncertainties that are not uncommon to other companies in similar businesses. The industry is capital intensive and subject to fluctuations in metal prices, market sentiment, foreign exchange and interest rates. There is no certainty that properties which the Company has described as assets on its balance sheet will be realized at the amounts recorded.

The only sources of future funds for further exploration programs or if such exploration programs are successful for the development of economic ore bodies and commencement of commercial production thereon, which are presently available to the Company are the sale of equity capital or the offering of the Company of an interest in its properties to be earned by another party carrying out further exploration or development. Although the Company was very successful in accessing the equity market during the past year, there is no certainty or assurance that such sources of financing will be available on acceptable terms, if at all. Management at this time has no reason to expect that this capability will diminish in the near future.

Critical Accounting Estimates

Critical accounting estimates used in the preparation of the financial statements. These estimates involve considerable judgment and are, or could be, affected by significant factors that are out of the Company's control. The Company's recorded value of the Company's mineral properties is in all cases, based on historical costs that are to be recovered in the future. The Company's recoverability evaluation is based on market conditions of minerals, underlying mineral resources associated with the properties and future costs that may be required for ultimate realization through mining operations or by sale or by joint venture. The Company is in an industry that is exposed to a number of risks and uncertainties, including exploration risk, development risk, commodity price risk, operating risk, ownership and political risk, funding and currency risk as well as environmental risk and risks arising out of the traditional territories of Native Indian Bands. The Company's financial statements have been prepared with these risks in mind. All of the assumptions set out herein are potentially subject to significant change and out of the Company's control. These changes are not determinable at this time.

Additional Information

Updated additional information relating to the Company is available at the Sedar website: www.sedar.com. Shareholders should go to Almo Capital Corp.'s company profile for updated information. Shareholders are encouraged to register their shares with the Company. Shareholders who register their shares in their name will be entitled to receive up to date news releases as and when they are released.

This report includes certain "forward looking statements" with respect to its anticipated future results and activities. Without limitation, statements regarding potential mineralization and resources, exploration results, and future plans and objectives of the Company are forward-looking statements that involve various risks. Actual results could differ materially from those projected as a result of the following factors, among others: risks inherent in mineral exploration; risks associated with development, construction and mining operations; the uncertainty of future profitability and uncertainty of access to additional capital. The information provided herein with respect to the Company's properties and activities should be read in reference to the technical reports and other relevant disclosure documents prepared by or on behalf of the Company, which may be viewed by interested parties at www.sedar.com.