

**ALMO CAPITAL CORP.**  
**Interim report for the Quarter Ended July 31, 2015**

Reported on September 28, 2015  
**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 period ended July 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 September 28, 2015.

Additional information on the Company is available on SEDAR at [www.sedar.com](http://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 July 31, 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 has 5,356,410 issued and outstanding common shares. The Company has only one class of shares and the shares has been continuously trading on the TSX Venture Exchange from the year 2003.

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.

**MINING PROPERTIES OWNED BY ALMO CAPITAL CORP.**

PROPERTY #1, THE D.D. PROPERTY – Nickel, cobalt, copper, platinum, palladium, gold – see page number 6.

PROPERTY #2, THE MOORE PROPERTY – Copper, gold, silver, lead, zinc see page number 7.

PROPERTY #3, THE "NICKEL – COBALT – MAGNESIUM – GOLD PROPERTY" – Nickel, cobalt, Magnesium, gold – see page number 8.

PLEASE SEE THE DESCRIPTIONS OF THESE PROPERTIES IN THE MINERAL PROPERTY UPDATE SECTION BELOW in page number 6 to page number 9.

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.

### **Selected Quarterly Information**

	July 31, 2015	October 31, 2014
Net Sales or Revenue	-	5
General and admin. expenses	9,185	86,188
Other items	-	-
Loss	\$(9,185)	(86,183)
Net profit / (loss) per share basic and fully diluted	(0.00)	(0.02)
Total assets	\$1,300,731	1,300,204

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

### **Results of Operations**

The Company has no income producing properties or mines and consequently has no operating income or cash flow from its mineral properties. Exploration expenditures are capitalized as incurred until and unless it is determined that the property is to be abandoned. At that time, all capitalized costs of the property are written off to operations in the current period.

The Company currently has three projects that comprise its mineral properties. 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. In addition, the Company acquired PMC’s and SRL’s 48% joint interest in the Nickel-Cobalt 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 Company owns a 100% interest in its Moore Property.

#### **(1) D.D. Mineral Property**

The Company was required to complete a minimum of \$200,000 in mineral exploration expenditures to satisfy the qualifying transaction requirements of the Company on the TSX Venture Exchange. As against \$200,000, the Company has already spent a total of **\$244,670** to July 31, 2015, and fulfilled the requirements of the qualifying transaction as required by TSX Venture Exchange. The Company may spend further funds on exploration of D.D. Mineral Property and the total amount spent will increase.

(2) **Moore Property**

The Company had a commitment to spend \$50,000. This commitment was met during year 2007. During the period from June 8, 2010 till October 31, 2014 \$ 875,398 has been spent on Drilling operation. A total of \$877,832 has been spent to July 31, 2015 on the Moore Property. This includes the cost of a 2006/2007 induced polarization survey.

(3) **“Nickel – Cobalt - Magnesium - Gold Property”**

According to the terms of the agreement, in order to keep the property, the Company was required to spend a minimum of \$50,000 on exploration of the property on or before March 22, 2012. A total of \$170,111 has been spent to July 31, 2015 on the “Nickel – Cobalt - Magnesium - Gold Property”.

The Company is in the process of exploring its mineral properties and has not yet determined whether these properties contain mineral reserves that are economically recoverable.

**Summary of Quarterly Results**

	July 2015	April 2015	Jan 2015	Oct 2014	July 2014	April 2014	Jan 2014	Oct 2013	July 2013
General / Admin Expense	9,185	21,649	11,833	63,837	(2,826)	12,188	12,990	124,057	22,010
Other items								(64,370)	
Income (loss)	(9,185)	(21,649)	(11,833)	(63,837)	2,827	(12,186)	(12,987)	(188,427)	(22,010)
Net Profit (loss) / share	(0.00)	(0.00)	(0.00)	(0.04)	(0.00)	(0.00)	(0.00)	(0.04)	(0.01)
Total Assets	1,300,731	1,307,795	1,300,110	1,300,204	1,325,414	1,338,692	1,338,692	1,307,241	1,684,544

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

**General and Administrative Expenses**

**Operating costs and expenses**

For the quarter ending  
July 31, 2015      July 31, 2014

Accounting & audit	550	(3,764)
Amortization	68	105
Automobile	413	2,132
Bank charges	81	59
Wages	5,793	0
Office and miscellaneous	570	1,858
Legal fee		(4,595)
Telephone and utilities		805
Trust and filing fees		574
<b>Net income/(loss) before other items</b>		<b>2,826</b>

Interest income	1
<b>Net income/(loss) for the period</b>	<b>2,827</b>

### **Related Party Transactions**

As at July 31, 2015, the Company owes its President \$1,687 for cash advances, and miscellaneous administrative expenditures paid on behalf of the Company. This amount is unsecured, non-interest bearing and due on demand. As disclosed elsewhere in this Management Discussion and Analysis, the Company has announced that it has entered into an agreement to acquire the remaining property interests in two of its mineral properties for nominal consideration. See “Results of Operations.”

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

### **Proposed Transactions**

Other than the acquisition of the remaining interests in two of the Company’s three mineral properties, the Company does not presently foresee any transactions relating to the Company’s mineral properties.

### **Private Corporations Financing Almo Capital Corp.**

From the inception of the Company, SRL and PMC are the main companies, which have come up to financially, support, and obtain capital for the sole benefit of the Company. These private companies are raising funds to support Company in furthering its exploration objectives.

### **Liquidity and Capital Resources**

Working Capital on July 31, 2015 was \$ 1,033 that is the total liquid assets minus the 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.

	July 31, 2015	October 31, 2014
Working capital	\$1,033	\$(8,023)
<b>Deficit</b>	<b>\$ 1,145,503</b>	<b>\$ 1,102,200</b>

The Company owns or operates three properties as follows: Please see the section Results of Operations on page 1.

- (1) The D.D. mineral property - No scheduled payments and no work commitment.
- (2) The Moore Property - \$5,000 upon signing the agreement (already paid) and \$50,000 spent on exploration over the four years thereafter (\$ 877,832 already spent to date).
- (3) The “Nickel-Cobalt-Magnesium -Gold Property” – \$5,000 upon signing the agreement (\$100 already paid) and \$50,000 to be spent on exploration over the five years from March 23, 2007 to March 23, 2012, including the cost of acquisition. The Company has already spent \$170,111 on “Nickel - Cobalt - Magnesium - Gold Property”.

## **ACCOUNTING POLICIES**

### Future Accounting Pronouncements

#### International Financial Reporting Standards (“IFRS”)

IFRS employs a conceptual framework that is similar to GAAP; however significant differences exist in certain matters of recognition, measurement and disclosure. The adoption of IFRS has not changed the Company’s cash flows, Balance Sheets, and Statements of Comprehensive Loss as set out below.

### **Exploration Expenditures**

Exploration during year 2005 consisted of two programs of trenching on Target Areas “I”, “II”, “III” and “VII” on the D.D. Mineral Property and diamond drilling of Target Area “I” has temporarily stopped. See “Mineral Property Update” below for further details of exploration activities.

## **MINERAL PROPERTY UPDATE**

We enclose the details of our assets of mineral properties, which we control our own completely.

### **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, 2014, Almo Capital Corp. has spent \$242,898. This includes the diamond drilling of five holes in Target area “I”. This completed the option agreement to earn 50.01% of the D.D. Mineral Property from a private company, and completed the terms of the qualifying transaction. On September 22, the Company announced that it had entered into an agreement to acquire the remaining interest in the DD Property and the Nickel-Cobalt Property for nominal consideration. PMC and SRL have further agreed to terminate any royalty agreements held by any persons relating to the DD Property, including the pre-existing 3% net smelter return royalties. 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. See “Results of Operations”.

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 “I” (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](http://www.sedar.com) or [www.almocapitalcorp.com](http://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.

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](http://www.sedar.com) and *our website at [www.almocapitalcorp.com](http://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 totalling 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 July 31, 2015, a total of \$877,832 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 metres of diamond drilling, is recommended for the Moore property. Approximately 4500 metres 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 metres are recommended to test the possible volcanogenic massive sulphides found at the McLellan showing.

Sixteen holes averaging 250 metres 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-metre centres 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 metres 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 metres 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 metres 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](http://www.sedar.com) on August 5, 2012 for additional information. Or visit our website at [www.almocapitalcorp.com](http://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."

This property covers a total area of 1,261 hectares and consists of seven mineral claims in two parts, with five claims in the north and three claims in the south. The “Nickel - Cobalt -Magnesium - Gold Property” has good access by road, and a nearby town has good living facilities.

According to the terms of the agreement, in order to keep the property, the Company was required to spend a minimum of \$50,000 on exploration of the property on or before March 22, 2012. In October 2008, the Company commenced exploration work on the property consisting of soil and rock sampling and assaying.

The geological soil and rock sampling was conducted on the property to find the major elements in the property which show anomalous behavior. A total of 24 soil samples and 10 rock samples were geochemically analyzed for Gold, Copper, Nickel, Cobalt, Magnesium, Chromium, Manganese, and Zinc etc.

Geochemical results shows the Gold values up to 107.9 ppb, Copper values up to 58.8ppm, Zinc values up to 115ppm, Nickel values up to 2373ppm, Cobalt values up to 107.2ppm, Manganese values up to 1805ppm, Chromium values up to 1681ppm, and Magnesium values up to 22.23%.

During October- November 2010, the Company conducted geological soil and rock sampling on “Nickel - Cobalt - Magnesium - Gold Property” to find source of Gold, Nickel in the property. A total of 17 soil samples and 18 rock samples were collected from South Group and 9 soil samples and 5 rock samples were collected from North Group. These samples will be geochemically analyzed for Gold, Copper, Nickel, Cobalt, Magnesium, Chromium, Manganese, and Zinc etc. The Company had spent additional \$12,065.02 by October 31, 2010. Event number of geological work done on North group mineral claims is 4807461 and Event number of geological work done on South group mineral claims is 4807455.

During September 2011, the Company again conducted geological soil and rock sampling on “Nickel - Cobalt - Magnesium - Gold Property” and. A total of 20 soil samples and 23 rock samples were collected from South Group and 14 soil samples and 4 rock samples were collected from North Group. These samples will be geochemically analyzed for Gold, Copper, Nickel, Cobalt, Magnesium, Chromium, Manganese, and Zinc etc. Almo Capital Corp has spent additional \$14,378.48 by October 31, 2011. Company has recorded the work.

During November 2014, the Company conducted geological soil and rock sampling on “Nickel - Cobalt - Magnesium - Gold Property” rock and soil samples were collected from North Group and south group claims. These samples are analyzed for Gold, Copper, Nickel, Cobalt, Magnesium, Chromium, Manganese, and Zinc etc. Company spent additional \$5,037 on this project, has recorded the work, and planned to do more geological and geophysical work in the year 2015. As at July 31, 2015, the Company has spent \$ 170,111 on “Nickel - Cobalt - Magnesium - Gold Property”.

### **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](http://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, 3<sup>rd</sup> Floor, Vancouver B.C. or [www.computershare.com](http://www.computershare.com).

## Disclosure of outstanding Share Data

Share capital authorized	40,000,000 common shares
Share capital issued as of July 31, 2015	5,356,410 common shares

### **Company does not have any Stock option plan**

### **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 successful in accessing capital 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](http://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](http://www.sedar.com).*