

CURLEW LAKE RESOURCES INC.

CONDENSED INTERIM FINANCIAL STATEMENTS

**FOR THE THREE MONTHS ENDED
APRIL 30, 2015**

**(Expressed in Canadian Dollars)
(Unaudited)**

NOTICE TO READER

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying condensed unaudited interim financial statements have been prepared by and are the responsibility of the management.

The Company's independent auditor has not performed a review of these amended and restated financial statements in accordance with the standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditor.

VANCOUVER, BC
June 15, 2015

CURLEW LAKE RESOURCES INC.
CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION
As at
(Expressed in Canadian dollars - unaudited)

	Note	April 30, 2015	January 31, 2015 (Audited)
ASSETS			
Current assets			
Cash		\$ 306	\$ 135
GST receivable		1,897	1,368
		2,203	1,503
Other assets			
Restricted cash	3	58,203	58,076
Exploration and evaluation assets	4	1,378	1,378
		59,581	59,454
TOTAL ASSETS		\$ 61,784	\$ 60,957
LIABILITIES			
Accounts payable and accrued liabilities	5 & 9	\$ 315,043	\$ 296,648
Reclamation obligation	6	70,300	70,300
TOTAL LIABILITES		385,343	366,948
SHAREHOLDERS' DEFICIENCY			
Share capital	7	15,850,083	15,850,083
Reserves	7	666,865	666,865
Deficit		(16,840,507)	(16,822,939)
TOTAL SHAREHOLDERS' DEFICIENCY		(323,559)	(305,991)
TOTAL LIABILITIES AND SHAREHOLDERS' DEFICIENCY		\$ 61,784	\$ 60,957

Nature of operations and going concern (Note 1)
Contingencies (Note 10)

See accompanying notes to the condensed interim financial statements

CURLEW LAKE RESOURCES INC.
CONDENSED INTERIM STATEMENTS OF COMPREHENSIVE LOSS
FOR THE THREE MONTHS ENDED APRIL 30,
(Expressed in Canadian dollars - unaudited)

	Note	2015	2014
EXPENSES			
Management fees		\$ 1,500	\$ 1,500
Office facilities and administrative		13,888	13,410
Professional fees and consulting		6,924	2,000
Shareholder communications		275	550
Transfer agent and filing fees		6,527	5,862
Travel and promotion		954	1,572
		<u>(30,068)</u>	<u>(24,894)</u>
OTHER ITEMS			
Gain on disposal of exploration and evaluation assets	4	12,500	-
		<u>12,500</u>	<u>-</u>
LOSS AND COMPREHENSIVE LOSS		\$ (17,568)	\$ (24,894)
Basic and diluted loss per share		\$ (0.00)	\$ (0.00)
Weighted average number of common shares outstanding		18,546,952	18,546,952

See accompanying notes to the condensed interim financial statements

CURLEW LAKE RESOURCES INC.

CONDENSED INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (DEFICIENCY)

THREE MONTHS ENDED APRIL 30, 2015 and 2014

(Expressed in Canadian dollars - unaudited)

	Share capital				
	Number of shares	Amount	Reserves	Deficit	Total
Balance at January 31, 2014	18,546,952	\$ 15,850,083	\$ 666,865	\$ (16,724,992)	\$ (208,044)
Comprehensive loss for the period	-	-	-	(24,894)	(24,894)
Balance at April 30, 2014	18,546,952	\$ 15,850,083	\$ 666,865	\$ (16,749,886)	\$ (232,938)
Balance at January 31, 2015	18,546,952	\$ 15,850,083	\$ 666,865	\$ (16,822,939)	\$ (305,991)
Comprehensive loss for the period	-	-	-	(17,568)	(17,568)
Balance at April 30, 2015	18,546,952	\$ 15,850,083	\$ 666,865	\$ (16,840,507)	\$ (323,559)

See accompanying notes to the condensed interim financial statements

CURLEW LAKE RESOURCES INC.
CONDENSED INTERIM STATEMENTS OF CASH FLOWS
FOR THE THREE MONTHS ENDED APRIL 30,
(Expressed in Canadian dollars - unaudited)

	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss for the period from continuing operations	\$ (17,568)	\$ (24,894)
Net change in non-cash working capital accounts:		
(Increase) /decrease in GST receivable	(529)	5,007
Increase in accounts payable and accrued liabilities	18,395	17,538
Net cash provided by (used in) operating activity	298	(2,349)
CASH FLOWS FROM INVESTING ACTIVITY		
Change in restricted cash	(127)	(141)
Net cash used in investing activity	(127)	(141)
Decrease in cash during period	171	(2,490)
Cash, beginning of period	135	2,909
Cash, end of period	\$ 306	\$ 419

See accompanying notes to the condensed interim financial statements

1. NATURE OF OPERATIONS AND GOING CONCERN

Curlew Lake Resources Inc. (the "Company" or "Curlew") was incorporated January 15, 1987, under the Company Act of British Columbia. The Company is in the business of the acquisition, exploration and development of oil and gas properties and mineral properties in Western Canada. The Company's corporate office and principal place of business is Suite 303, 595 Howe Street, Vancouver, British Columbia, Canada.

These condensed interim financial statements have been prepared on the basis of accounting principles applicable to a going concern, with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. The Company's ability to continue as a going concern is dependent on obtaining continued financial support, completing public equity financing or generating profitable production in the future. These condensed interim financial statements do not include any adjustments to the amounts and classification of assets and liabilities that might be necessary should the Company be unable to continue in business. The Company has a working capital deficiency and will require additional funding.

These material uncertainties may cast significant doubt as to the Company's ability to continue as a going concern.

2. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PREPARATION

The condensed interim financial statements were authorized for issuance on June 15, 2015 by the directors of the Company.

Statement of compliance

These condensed interim financial statements are prepared in accordance with International Accounting Standard ("IAS") 34 *Interim Financial Reporting* under International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board. These condensed interim financial statements do not contain all of the information required for full annual financial statements.

Basis of preparation

These financial statements have been prepared on an accrual basis except for cash flow information, and are based on historical costs, except for certain financial instruments classified as fair value through profit or loss and available for sale which are stated at their fair value. The financial statements are presented in Canadian dollars unless otherwise noted.

New accounting standards not yet adopted

The Company has reviewed new and revised accounting pronouncements that have been issued but are not yet effective. The Company has not yet early adopted any of these standards and is currently evaluating the impact, if any, that these standards might have on its financial statements.

- IFRS 9 Financial Instruments

IFRS 9 *Financial Instruments* replaces the current standard IAS 39 *Financial Instruments: Recognition and Measurement*, replacing the current classification and measurement criteria for financial assets and liabilities with only two classification categories: amortized cost and fair value. This standard has a tentative effective date of January 1, 2018.

3. RESTRICTED CASH

The Company has cash on deposit with the Alberta Energy Regulator (“AER”) under the AER’s Liability Management programs to cover potential liabilities relating to its wells. The required security deposit with the AER is determined based on a monthly licensee management rating assessment.

4. EXPLORATION AND EVALUATION ASSETS

MINERAL PROPERTIES

	Typhoon Claims
Balance, January 31, 2013	\$ 10,080
Write-down	(8,012)
Balance, January 31, 2014	\$ 2,068
Write-down	(690)
Balance, January 31, 2015 and April 30, 2015	\$ 1,378

Typhoon Claims, Clear Creek District, Yukon Territories

The Company holds a 100% interest in certain mineral claims in the Clear Creek District of the Yukon. The 100% working interest on certain claims is subject to a 4% net smelter return royalty (“NSR”). During fiscal 2015, the Company impaired the property by \$690 writing down the value to \$1,378, as it focuses its efforts on a specific region of the claims.

OIL AND GAS PROPERTIES

	Fairydell Oil Project	Total
Balance, January 31, 2013 and 2014	\$ -	\$ -
Additions	3,680	3,680
Write-down	(3,680)	(3,680)
Balance, January 31, 2015 and April 30, 2015	\$ -	\$ -

Fairydell Oil Project, Alberta, Canada (unproven)

The Company had acquired freehold and Alberta Crown Petroleum and Natural Gas rights in the Fairydell-Bon Accord area of central Alberta. The Company had a 75% interest in the project subject to a 2.5% gross overriding royalty (“GORR”) in nine and three-quarter sections. During fiscal 2014, the Company incurred costs to plug the two wells on the property. During fiscal 2015, the Company incurred rental/lease cost.

Minard Project, Saskatchewan, Canada (unproven)

The Company signed a Participation and Joint Operating Agreement in the Minard area of Saskatchewan. The property was written off during the year ended January 31, 2009. During the quarter just ended, the Company sold its rights to a property in Minard, Saskatchewan for \$12,500.

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	April 30, 2015	January 31, 2015
Accounts payable	\$ 265,471	\$ 253,963
Accrued liabilities	34,771	29,910
Amounts due to related parties (Note 9)	14,801	12,775
	\$ 315,043	\$ 296,648

6. RECLAMATION OBLIGATION

The Company has recorded a decommissioning provision in connection with estimated reclamation costs on the Company's Fairydell Oil Project sites. The obligation is recognized based on the estimated future reclamation costs. The Company had two wells in Alberta which have been determined uneconomic and costs have been incurred to plug these wells. Reclamation and remediation work is still required to bring the site back to its natural state.

7. SHARE CAPITAL AND RESERVES

Authorized: unlimited number of common shares with no par value

Warrants

Warrant transactions for the respective periods and the number of warrants outstanding are summarized as follows:

	Number of Warrants	Weighted Average Exercise Price
Balance, January 31, 2014	8,600,000	\$ 0.10
Warrants expired on November 22, 2014	(8,600,000)	(0.10)
Balance, January 31, 2015 and April 30, 2015	Nil	\$ Nil

There were no warrants outstanding and exercisable at April 30, 2015 and January 31, 2015.

Stock options

The Company follows the policies of the TSX Venture Exchange ("TSX-V") under which it is authorized to grant options to executive officers and directors, employees and consultants, enabling them to acquire up to 10% of the issued and outstanding common stock of the Company. The exercise price of each option equals the market price of the Company's stock as calculated on the date of grant. The options can be granted for a maximum term of 10 years. Vesting is determined by the Board of Directors.

There are no stock options outstanding and exercisable at April 30, 2015 and January 31, 2015.

8. FINANCIAL RISK MANAGEMENT

The Company is exposed to minimal financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

8. FINANCIAL RISK MANAGEMENT (continued)

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its cash held in bank accounts. The Company's cash is deposited in bank accounts held with a major bank in Canada and accordingly, there is a concentration of credit risk. This risk is managed by using a major bank that is a high credit quality financial institution as determined by rating agencies.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations as they become due. The Company's ability to continue as a going concern is dependent on management's ability to raise required funding through future equity issuances. The Company manages its liquidity risk by forecasting cash flows from operations and anticipating any investing and financing activities. Management and the Board of Directors are actively involved in the review, planning and approval of significant expenditures and commitments. The Company is exposed to liquidity risk.

Interest rate risk

The Company is not currently exposed to significant interest rate risk.

Capital Management

The Company includes equity, comprising of issued common shares, reserves and deficit, in the definition of capital.

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition, exploration and development of exploration and evaluation assets. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

The properties in which the Company currently has an interest are in the exploration stage; as such the Company is dependent upon external financings to fund activities. In order to carry out planned exploration and pay for administrative costs, the Company will spend its existing working capital and raise additional funds as needed.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management during the period ended April 30, 2015. The Company is not subject to externally-imposed capital requirements, with the exception of restricted cash posted as a deposit (Note 3).

Fair value

The fair value of the Company's financial assets and liabilities approximates the carrying amount.

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

The Company's only financial asset is cash with a fair value measured at Level 1 hierarchy

9. RELATED PARTY TRANSACTIONS

Included in accounts payable and accrued liabilities:

	April 30, 2015	January 31, 2015
Company controlled by the CEO of the Company	\$ 3,801	\$ 3,275
Company controlled by the CFO of the Company	11,000	9,500
	\$ 14,801	\$ 12,775

These transactions were in the normal course of operations and were measured at the exchange amount which represented the amount of consideration established and agreed to by the related parties.

During the quarter ended April 30, 2015, the Company paid or accrued management fees of \$1,500 to the CFO (2014- \$1,500), who is considered to be key management personnel.

10. CONTINGENCIES

From time to time, the Company is involved in various litigation matters arising in the ordinary course of its business. Management is of the opinion that disposition of any current matter will not have a material adverse impact on the Company's financial position, results of operations or the ability to carry on any of its business activities.

In a prior year disputes arose with joint venture participants who claimed the Company was in breach of agreements to explore certain properties in Alberta. The Company disputes these claims and believes them to be without merit. At the report date, it is indeterminable what the outcome of these disputes will be. Future costs and liability arising from these matters, if any, will be recorded to accrued liabilities in the period in which such amounts can be reliably determined.

11. SEGMENTED INFORMATION

The Company operates in one segment being the resource sector in Canada.