Abenteuer Resources Corp.

Interim Consolidated Financial Statements

June 30, 2013

(Expressed in Canadian Dollars)

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 unaudited interim consolidated 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 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.

Abenteuer Resources Corp.

Interim Consolidated Statement of Financial Position
(Expressed in Canadian Dollars - Unaudited)

	Notes		June 30, 2013		December 31, 2012
ASSETS					
Current assets					
Cash and cash equivalents		$	1,040,041	$	130,516
Short-term investments	3		-		1,004,542
Prepaids			16,895		11,482
Accounts receivable and other receivables	4		48,904		60,197
			1,105,840		1,206,737
Non-current assets					
Reclamation and other deposits	5		77,424		77,424
Oil properties	6		809,870		865,080
			887,294		942,504
		$	1,993,134	$	2,149,241
LIABILITIES AND SHAREHOLDERS' EQUITY					
Current liabilities					
Accounts payable and accrued liabilities	7	$	45,820	$	65,123
Non-current liabilities					
Decommissioning provisions	8		144,323		143,036
			190,143		208,159
Shareholders' equity					
Share capital	10		2,819,649		2,819,649
Reserves			322,304		322,304
Deficit			(1,338,962)		(1,200,871)
			1,802,991		1,941,082
		$	1,993,134	$	2,149,241

Approved by the Board of Directors:

"David Parry"

David Parry - Director

"J. Lewis Dillman"

J. Lewis Dillman - Director

See accompanying notes to the interim consolidated financial statements

Abenteuer Resources Corp.

Interim Consolidated Statement of Loss and Comprehensive Loss
(Expressed in Canadian Dollars - Unaudited)

	Notes	Three Month Period Ended June 30, 2013	Three Month Period Ended June 30, 2012	Six Month Period Ended June 30, 2013	Six Month Period Ended June 30, 2012
REVENUE					
Petroleum and natural gas sales		$ 98,036	$ 111,585	$ 233,136	$ 245,143
Royalties and freehold mineral tax		(13,114)	11,963	(31,771)	(7,835)
		84,922	123,548	201,365	237,308
EXPENSES					
Operating expenses	6,13	51,205	47,387	129,799	110,726
General and administrative	13	107,886	112,078	212,305	183,157
		159,091	159,465	342,104	293,883
OTHER ITEMS					
Other income		(1,249)	(4,537)	(2,648)	(9,348)
		(1,249)	(4,537)	(2,648)	(9,348)
Net loss and comprehensive loss for the period		$ (72,920)	$ (31,380)	$ (138,091)	$ (47,227)
Basic and diluted loss per common share		$ (0.00)	$ (0.00)	$ (0.01)	$ (0.00)
Weighted average common shares outstanding		18,278,266	18,278,266	18,278,266	18,278,266

See accompanying notes to the interim consolidated financial statements

Abenteuer Resources Corp.

Interim Consolidated Statement of Changes in Shareholders`Equity
(Expressed in Canadian Dollars - Unaudited)

		Share capital		Reserves				
	Notes	Number of Shares	Amount	Option	Warrant	Total	Deficit	Total
Balance at January 1, 2012		**18,278,266**	**2,819,649**	**$ 295,774**	**$ 26,530**	**$ 322,304**	**$ (1,050,204)**	**$ 2,091,749**
Loss for the period		-	-	-	-	-	(47,227)	(47,227)
Balance at June 30, 2012		**18,278,266**	**2,819,649**	**295,774**	**26,530**	**322,304**	**(1,097,431)**	**2,044,522**
Loss for the period		-	-	-	-	-	(103,440)	(103,440)
Balance at December 31, 2012		**18,278,266**	**2,819,649**	**295,774**	**26,530**	**322,304**	**(1,200,871)**	**1,941,082**
Loss for the period		-	-	-	-	-	(138,091)	(138,091)
Balance at June 30, 2013		**18,278,266**	**$ 2,819,649**	**$ 295,774**	**$ 26,530**	**$ 322,304**	**$ (1,338,962)**	**$ 1,802,991**

See accompanying notes to the interim consolidated financial statements

Abenteuer Resources Corp.

Interim Consolidated Statement of Cash Flows

(Expressed in Canadian Dollars - Unaudited)

	Three Month Period Ended June 30, 2013	Three Month Period Ended June 30, 2012	Six Month Period Ended June 30, 2013	Six Month Period Ended June 30, 2012
CASH PROVIDED BY (USED IN)				
OPERATING ACTIVITIES				
Loss for the period	$ (72,920)	$ (31,380)	$ (138,091)	$ (47,227)
Items not affecting cash:				
Depletion, accretion and amortization	22,692	27,035	56,497	53,507
Other income	(1,200)	(4,500)	(2,400)	(9,075)
Changes in non-cash working capital items:				
Increase (decrease) in prepayments	(1,243)	4,670	(5,413)	(8,653)
Increase (decrease) in receivables	(1,085)	(23,975)	11,293	2,940
Increase (decrease) in accounts payable	(6,031)	(31,628)	(19,303)	(34,880)
	(59,787)	(59,778)	(97,417)	(43,388)
INVESTING ACTIVITIES				
Redemption of short-term investment	5,000	-	5,000	-
Reclassification of short-term investment	1,001,942	1,015,504	1,001,942	1,015,504
	1,006,942	1,015,504	1,006,942	1,015,504
Change in cash and cash equivalents	947,155	955,726	909,525	972,116
Cash and cash equivalents - beginning	92,886	181,296	130,516	164,906
Cash and cash equivalents - end	$ 1,040,041	$ 1,137,022	$ 1,040,041	$ 1,137,022

(Expressed in Canadian dollars)

1. Nature and continuance of operations

Abenteuer Resource Corp. (the “Company”) was incorporated under the laws of the province of Alberta, Canada and was continued into the province of British Columbia in 2010. The Company’s registered office is Suite 1578 – 609 Granville Street, Vancouver, BC, Canada. The Company is engaged primarily in the exploration for, and the production of, petroleum reserves in Western Canada. The Company’s shares are traded on the TSX Venture Exchange (“TSX-V”) under the symbol “ABU”.

These interim consolidated financial statements have been prepared on the assumption that the Company and its subsidiaries will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations.

2. Basis of preparation

These condensed interim financial statements, including comparatives, have been prepared in accordance with International Accounts Standards (“IAS”) 34, “Condensed interim Financial Reporting” using accounting policies consistent with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and Interpretations issued by the International Financial Reporting Interpretations Committee (“IFRIC”).

The accounting policies applied in these interim consolidated financial statements are based on IFRS effective for the period ended June 30, 2013, as issued and outstanding as of August 27, 2013, the date the Board of Directors approved the statements. The interim consolidated financial statements should be read in conjunction with the Company’s annual consolidated financial statements for the year ended December 31, 2012.

3. Short-term investments

The Company has $995,000 (December 31, 2012 - $1,000,000) invested in a variable rate GIC, earning interest based on the Bank of Montreal’s prime rate less 1.75%, with a maturity date of August 21, 2013. As at June 30, 2013, the Company had accrued interest on the investment of $6,942. Additionally, due to the near term maturity date of the investment it has been reclassified as a cash equivalent as at June 30, 2013.

4. Accounts receivable and other receivables

	June 30, 2013 ($)	**December 31, 2012 ($)**
Value-added tax receivable	2,834	8,864
Trade receivables	46,070	51,333
	48,904	60,197

(Expressed in Canadian dollars)

5. Reclamation and other deposits

	June 30, 2013 ($)	December 31, 2012 ($)
Reclamation bond	32,506	32,506
Office rent deposit	44,918	44,918
	77,424	77,424

The Company has a reclamation bond having a value of $32,506 ($20,000 Well and $12,506 Battery) that is held by the Saskatchewan Industry and Resources in the event that well King 03-27-004-07 W2 becomes orphaned. The Company earns interest at a rate of 0.85% per annum on the reclamation bond.

6. Oil properties

[1] The Company has working interests ("WI") in five wells in south east Saskatchewan at Kingsford. Two of these are horizontal wells (HZ).

#	Well	WI %
1	King 141/08-13-004-07 W2M	45.90
2	King 91/06 HZ 1D08-13-1D06-18-04-06 W2M	13.00
3	King 92/07 HZ 2C5-18-1D7-13-04-07 W2M	45.90
4	King 4D8-14/2A11-13-004-07 W2	10.50
5	King 03-27-004-07 W2	100.00

During the year ended December 31, 2011, the Company executed a farm-out agreement with Admiralty Oils Ltd. ("Admiralty"), an arm's length private Saskatchewan oil company, to drill at least one test well on Section 27 of the West Kingsford pool in southeastern Saskatchewan.

Under the terms of the agreement, Admiralty can earn a 70-per-cent working interest in the well and farm-out lands, not including Well #5 above, by incurring 100 per cent of the drilling and well-completion costs, up to equipping and tie-in. The Company can elect to convert its 30-per-cent working interest into a 10 percent gross overriding royalty. Admiralty, as operator, was required to spud the first well prior to October 20, 2012. This deadline was not met and the Company granted Admiralty a six month extension in exchange for $25,000. On December 27, 2012 Admiralty announced that it had spudded a vertical well. Completion of the well was postponed due to weather related road bans in the area, but Admiralty has stated its intention to complete the well in the near term.

(Expressed in Canadian dollars)

6. **Oil properties** (continued)[1]

	Well #1 ($)	Well #2 ($)	Well #3 ($)	Well #4 ($)	Well #5 ($)	Total ($)
Cost:						
At December 31, 2012	401,122	83,134	741,680	350,469	526,956	2,103,361
Decommissioning change in estimate	-	-	-	-	-	-
At June 30, 2013	401,122	83,134	741,680	350,469	526,956	2,103,361
Depletion:						
At December 31, 2012	(242,615)	(49,104)	(448,758)	(208,112)	(289,692)	(1,238,281)
Charge for the period	(5,969)	(3,119)	(17,194)	(8,196)	(20,733)	(55,210)
At June 30, 2013	(248,584)	(52,223)	(465,952)	(216,308)	(310,425)	(1,293,491)
Net book value:						
At December 31, 2012	158,507	34,030	292,922	142,357	237,264	865,080
At June 30, 2013	**152,538**	**30,911**	**275,728**	**134,161**	**216,531**	**809,870**

	Well #1 ($)	Well #2 ($)	Well #3 ($)	Well #4 ($)	Well #5 ($)	Total ($)
Cost:						
At December 31, 2011	401,275	83,167	741,962	350,606	527,188	2,104,198
Decommissioning change in estimate	(153)	(33)	(282)	(137)	(232)	(837)
At December 31, 2012	401,122	83,134	741,680	350,469	526,956	2,103,361
Depletion:						
At December 31, 2011	(224,893)	(45,299)	(416,007)	(192,195)	(258,961)	(1,137,355)
Charge for the year	(17,722)	(3,805)	(32,751)	(15,917)	(30,731)	(100,926)
At December 31, 2012	(242,615)	(49,104)	(448,758)	(208,112)	(289,692)	(1,238,281)
Net book value:						
At December 31, 2011	176,382	37,868	325,955	158,411	268,227	966,843
At December 31, 2012	**158,507**	**34,030**	**292,922**	**142,357**	**237,264**	**865,080**

(Expressed in Canadian dollars)

7. Accounts payables and accrued liabilities

	June 30, 2013 ($)	December 31, 2012 ($)
Trade payables	23,820	27,445
Accrued liabilities	22,000	37,678
	45,820	65,123

8. Decommissioning provisions

	June 30, 2013 ($)	December 31, 2012 ($)
Balance, beginning	143,036	141,052
Change in estimate	-	(837)
Accretion expense	1,287	2,821
Balance, end	144,323	143,036

The Company's provision for restoration and environmental obligations consists of costs accrued based on the current best estimate of reclamation activities that will be required at the completion of petroleum extraction activities. The Company's provision for future site closure and reclamation costs is based on the level of known disturbance at the reporting date, known legal requirements and estimates prepared by a third party specialist. It is not currently possible to estimate the impact on operating results, if any, of future legislative or regulatory developments.

The Company has calculated the fair value of the asset retirement obligation using a risk free discount rate of 1.8% (December 31, 2012 – 1.8%). The estimated total future undiscounted cash flows to settle the asset retirement obligations are $195,620 (December 31, 2012 - $195,620) and are expected to be incurred over a period of approximately 24 years.

Refer to note 5.

9. Related party transactions

The Company incurred the following transactions with directors and companies that are controlled by directors of the Company.

	2013 ($)	2012 ($)
Director fees	12,000	12,000
Mineral royalties paid to a director of the Company	1,495	1,213
	13,495	13,213

Key management compensation

	2013 ($)	2012 ($)
Management fees paid to the CEO	12,000	15,000
Professional fees paid to the CFO	24,000	42,000
	36,000	57,000

(Expressed in Canadian dollars)

9. Related party transactions (continued)

As at June 30, 2013, a total of $810 (December 31, 2012 - $228) was owing to a director of the Company for mineral royalties on the #4 well. Additionally, $2,000 was owing for outstanding director fees.

10. Share capital

Authorized share capital
The Company's authorized share capital consists of an unlimited number of common shares without par value and an unlimited number of preference shares without par value.

Issued share capital
There are no preferred shares issued or outstanding. There were no common shares issued during the six month period ended June 30, 2013 or the year ended December 31, 2012.

Stock options

The Company has adopted a fixed incentive stock option plan, which provides that the Board of Directors of the Company may from time to time, in its discretion, and in accordance with the Exchange requirements, grant to directors, officers, employees and technical consultants to the Company, non-transferable stock options to purchase common shares, provided that the number of common shares reserved for issuance will not exceed 10% of the issued and outstanding common shares of the Company. Such options will be exercisable for a variable period from the date of grant. In connection with the foregoing, the number of common shares reserved for issuance to any one optionee will not exceed five percent (5%) of the issued and outstanding common shares and the number of common shares reserved for issuance to all technical consultants will not exceed two percent (2%) of the issued and outstanding common shares.

Options may be exercised no later than 90 days following cessation of the optionee's position with the Company. Options granted during 2011 vested fully on the grant date.

The following table summarizes the options outstanding as at June 30, 2013 and December 31, 2012:

Number of Options	Exercise Price	Expiry Date
1,150,000	$0.20	November 24, 2016

There were no changes in options during the six month period ended June 30, 2013 or the year ended December 31, 2012.

Share purchase warrants

There were no warrants issued or outstanding during the six month period ended June 30, 2013 or the year ended December 31, 2012.

11. Financial risk management

The Company is exposed in varying degrees to a variety of 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:

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 majority of cash is deposited in bank accounts held with major banks in Canada. As most of the Company's cash is held by two banks there is a concentration of credit risk. This risk is managed by using major banks that are high credit quality financial institutions as determined by rating agencies. The Company's secondary exposure to risk is on its other receivables. This risk is minimal as receivables consist primarily of petroleum sales to long standing customers with reputable credit history. The carrying amount of financial assets recorded in the financial statements represents the Company's maximum exposure to credit risk.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. The Company ensures that there are sufficient funds to meet its short-term business requirements, taking into account its anticipated cash flows from operations and its holdings of cash and cash equivalents.

Historically, the Company's main source of funding has been through revenue earned from its operating well interests and the issuance of equity securities for cash. The Company's access to financing in the public markets is always uncertain. There can be no assurance of continued access to significant equity funding.

The following is an analysis of the contractual maturities of the Company's non-derivative financial liabilities as at June 30, 2013:

	Within one year ($)	Between one and five years ($)	More than five years ($)
Accounts payables and accrued liabilities	45,820	-	-

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk on its short-term investments as they are exposed to interest rate fluctuations on renewal. A 1% change in market interest rates would have an impact on the Company's net loss of $9,950.

(Expressed in Canadian dollars)

11. Financial risk management (continued)

Foreign exchange risk

Foreign currency exchange rate risk is the risk that the fair value of assets and future cash flows will fluctuate as a result of changes in foreign currency exchange rates. However, the Company's functional currency is the Canadian dollar and the Company doesn't have any material assets or operations that are denominated in a foreign currency. Accordingly, the Company is not exposed to any material foreign exchange risk and has not hedged its limited exposure to currency fluctuations.

Commodity risk

Commodity price risk is the risk that the fair value of future cash flows will fluctuate as a result of changes in commodity prices. Commodity prices for petroleum and natural gas are impacted by world economic events that dictate the levels of supply and demand. The Company's earnings and its ability to raise capital to fund exploration or development activities is subject to risks associated with fluctuations in the market price of oil. The Company closely monitors commodity prices to determine the appropriate course of action to be taken. The Corporation had no hedging contracts in place as at or during the period ended June 30, 2013. A $10 change in the price of oil would give rise to a gain/loss of approximately $30,000.

Capital Management

The Company's policy is to maintain a strong capital base so as to maintain investor and creditor confidence and to sustain future development of the business. The capital structure of the Company consists of equity, comprising share capital, net of accumulated deficit.

The Company manages its capital requirements by maintaining a budgeting and forecasting process to determine whether equity funding is required.

The Company is not subject to any externally imposed capital requirements.

Classification of financial instruments

Financial assets included in the statement of financial position are as follows:

	June 30, 2013 ($)	**December 31, 2012 ($)**
Loans and receivables:		
Cash and cash equivalents	1,040,041	130,516
Short-term investments	-	1,004,542
Reclamation bond	32,506	32,506
Accounts receivable and other receivables	48,904	60,197
	1,121,451	1,227,761

(Expressed in Canadian dollars)

11. Financial risk management (continued)

Financial liabilities included in the statement of financial position are as follows:

	June 30, 2013 ($)	December 31, 2012 ($)
Accounts payable and accrued liabilities	45,820	65,123

Fair value

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

12. Segmented information

The Company operates in a single reportable operating segment – the acquisition, production, exploration and development of oil and gas properties. The Company operates in one geographic segment located in Canada, but considers its operating wells to be grouped into two cash generating units.

13. Expense by nature

General and administrative expense is comprised of the following:

	2013 ($)	2012 ($)
Office rent	49,952	20,030
Director fees	12,000	12,000
Management fees	12,000	15,500
Professional and consulting fees	72,294	85,573
Transfer and filing fees	10,671	11,822
Travel	20,896	11,164
Administrative and other	34,492	27,068
	212,305	183,157

Operating expense is comprised of the following:

	2013 ($)	2012 ($)
Contract labour	31,016	17,111
Depletion (Note 6)	55,210	52,096
Accretion of decommissioning provision (Note 8)	1,287	1,411
Power	10,790	10,040
Trucking	15,101	11,890
Supplies and other	16,395	18,178
	129,799	110,726