Volt Energy Corp.

Condensed Interim Consolidated Financial Statements

Three Month Period Ended

March 31, 2017

(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 unaudited condensed 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 interim financial statements.

Volt Energy Corp.

(formerly Abenteuer Resources Corp.)

Condensed Interim Consolidated Statements of Financial Position

(Expressed in Canadian Dollars)

(Unaudited)

	March 31, 2017	December 31, 2016
	($)	**($)**
ASSETS		
Current assets		
Cash	399,677	130,222
Prepaid expenses	44,844	2,482
Accounts receivable and other receivables (Note 3)	49,336	58,442
	493,857	191,146
Reclamation deposits (Note 4)	33,058	33,058
Oil properties (Note 5)	396,567	412,970
	923,482	637,174
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable and accrued liabilities (Note 6)	67,750	113,592
Decommissioning obligations (Note 7)	122,981	122,404
	190,731	235,996
Shareholders' equity		
Share capital (Note 9)	3,273,750	2,819,649
Reserves (Note 9)	360,306	360,306
Deficit	(2,901,305)	(2,778,777)
	732,751	401,178
	923,482	637,174

Nature of Operations and Liquidity Risk (Note 1)
Subsequent Events (Note 14)

These condesned interim consolidated financial statements were authorized for issue by the Board of Directors on May 12, 2017. They were signed on the Board's behalf by:

"David Parry"

David Parry - Director

"J. Lewis Dillman"

J. Lewis Dillman - Director

Volt Energy Corp.

(formerly Abenteuer Resources Corp.)
Condensed Interim Consolidated Statements of Loss and Comprehensive Loss
(Expressed in Canadian Dollars)
(Unaudited)

	Three Month Period Ended March 31, 2017 ($)	Three Month Period Ended March 31, 2016 ($)
REVENUE		
Oil sales	80,791	39,798
Royalties and freehold mineral tax	(13,464)	(3,646)
	67,327	36,152
EXPENSES		
General and administrative (Note 11)	60,680	42,149
Operating expenses (Note 11)	46,732	39,340
	107,412	81,489
OTHER ITEMS		
Finance expense	(577)	(496)
Loss on debt settlement	(81,866)	-
	(82,443)	(496)
Net loss and comprehensive loss for the period	(122,528)	(45,833)
Basic and diluted loss per common share	(0.01)	(0.00)
Weighted average common shares outstanding:		
Basic	20,521,942	18,278,266
Diluted	20,521,942	18,278,266

Volt Energy Corp.

(formerly Abenteuer Resources Corp.)
Condensed Interim Consolidated Statement of Changes in Shareholders`Equity
(Expressed in Canadian Dollars)
(Unaudited)

	Share capital		Reserves				
	Number of Shares	Amount	Option	Warrant	Total	Deficit	Total
		($)	($)	($)	($)	($)	($)
Balance at December 31, 2015	18,278,266	2,819,649	333,776	26,530	360,306	(2,681,521)	498,434
Net loss and comprehensive loss for the period	-	-	-	-	-	(45,833)	(45,833)
Balance at March 31, 2016	18,278,266	2,819,649	333,776	26,530	360,306	(2,727,354)	452,601
Net loss and comprehensive loss for the period	-	-	-	-	-	(51,423)	(51,423)
Balance at December 31, 2016	18,278,266	2,819,649	333,776	26,530	360,306	(2,778,777)	401,178
Share issuance - private placement	6,000,000	300,000	-	-	-	-	300,000
Shares issuance - debt settlement	963,133	154,101	-	-	-	-	154,101
Net loss and comprehensive loss for the period	-	-	-	-	-	(122,528)	(122,528)
Balance at March 31, 2017	25,241,399	3,273,750	333,776	26,530	360,306	(2,901,305)	732,751

See accompanying notes to the condensed interim consolidated financial statements

Volt Energy Corp.

(formerly Abenteuer Resources Corp.)

Condensed Interim Consolidated Statements of Cash Flows

(Expressed in Canadian Dollars)
(Unaudited)

	Three Month Period Ended March 31, 2017	Three Month Period Ended March 31, 2016
	($)	**($)**
CASH PROVIDED BY (USED IN)		
OPERATING ACTIVITIES		
Net loss for the period	(122,528)	(45,833)
Items not affecting cash:		
Accretion	577	496
Depletion	16,403	14,796
Loss on debt settlement	81,866	-
Changes in non-cash working capital items:		
Receivables	9,106	9,726
Prepaids	(42,362)	(12,536)
Accounts payable and accrued liabilities	26,393	29,524
	(30,545)	(3,827)
FINANCING ACTIVITIES		
Common shares issued for cash	300,000	-
	300,000	-
Change in cash during the period	269,455	(3,827)
Cash - beginning of period	130,222	152,896
Cash - end of period	399,677	149,069

Supplemental Cash Flow Information (Note 13)

(Expressed in Canadian dollars)

1. Nature of Operations and Liquidity Risk

Volt Energy 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 changed its name from Abenteuer Resource Corp. to Volt Energy Corp. on April 27, 2017. The Company's registered office is Suite 414 – 837 West Hastings Street, Vancouver, BC, Canada, V6C 3N6. 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 "VOLT".

The Company operates in a cyclical industry where levels of cash flow have historically been correlated to market prices for oil. The Company had working capital of $426,107, accumulated deficit of $2,901,305 and losses of $122,528 as at and for the three month period ended March 31, 2017.

2. Basis of Preparation

These condensed interim consolidated 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 condensed interim consolidated financial statements are based on IFRS effective for the period ended December 31, 2016, as issued and outstanding as of April 13, 2017, the date the Board of Directors approved the annual audited financial statements. The condensed interim consolidated financial statements should be read in conjunction with the Company's annual consolidated financial statements for the year ended December 31, 2016.

3. Accounts Receivable and Other Receivables

	March 31, 2017	December 31, 2016
	($)	($)
GST receivable	2,482	1,208
Trade receivables	46,854	35,605
	49,336	36,813

4. Reclamation Deposits

The Company has a reclamation bond having a value of $33,508 ($20,000 Well and $13,058 Battery) that is held by the Saskatchewan Industry and Resources in the event that well King 03-27-004-07 W2 becomes orphaned. The bond earns interest at a rate of 1.95% per annum.

(Expressed in Canadian dollars)

5. Oil Properties

The Company has working interests in six wells in southeastern Saskatchewan at Kingsford. All of the wells are horizontal wells (HZ), with the exception of Well #1.

Well #		Working Interest (%)	Net Revenue Interest (%)
1	King 141/08-13-004-07 W2M	45.90	39.02
2	King 91/06 HZ 1D08-13-1D06-18-04-06 W2M	13.00	13.00
3	King 92/07 HZ 2C5-18-1D7-13-04-07 W2M	45.90	39.02
4	King 4D8-14/2A11-13-004-07 W2	10.50	8.93
5	King 03-27-004-07 W2	100.00	84.50
6	Steelman 191/07-18-004-06W2	13.00	13.00

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generate cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. The Company reviews each CGU for indicators of possible impairment at the end of each reporting period. During the three month period ended March 31, 2017, the Company has not identified any impairment indicators.

(Expressed in Canadian dollars)

5. Oil Properties (continued)

2017	Well #1	Well #2	Well #3	Well #4	Well #5	Well #6	Total
	($)	($)	($)	($)	($)	($)	($)
Cost:							
At December 31, 2016	395,239	83,806	729,680	345,210	509,858	248,780	2,312,573
Decommissioning change in estimate	-	-	-	-	-	-	-
At March 31, 2017	395,239	83,806	729,680	345,210	509,858	248,780	2,312,573
Depletion:							
At December 31, 2016	(270,191)	(62,979)	(475,831)	(251,468)	(377,843)	(128,211)	(1,566,523)
Charge for the period	(2,166)	(332)	-	(3,137)	(3,037)	(7,731)	(16,402)
At March 31, 2017	(272,357)	(63,311)	(475,831)	(254,605)	(380,880)	(135,942)	(1,582,926)
Impairment:							
At December 31, 2016	(66,585)	(12,646)	(253,849)	-	-	-	(333,080)
Charge for the period	-	-	-	-	-	-	-
At March 31, 2017	(66,585)	(12,646)	(253,849)	-	-	-	(333,080)
Net book value:							
At December 31, 2016	58,464	8,181	-	93,742	132,015	120,569	412,970
At March 31, 2017	**56,297**	**7,849**	**-**	**90,605**	**128,978**	**112,838**	**396,567**

2016	Well #1	Well #2	Well #3	Well #4	Well #5	Well #6	Total
	($)	($)	($)	($)	($)	($)	($)
Cost:							
At December 31, 2015	391,794	82,959	729,680	346,184	508,592	249,378	2,308,497
Decommissioning change in estimate	3,446	847	-	(974)	1,356	(598)	4,076
At December 31, 2016	395,240	83,806	729,680	345,210	509,858	248,780	2,312,573
Depletion:							
At December 31, 2015	(264,508)	(60,784)	(475,831)	(242,151)	(366,748)	(100,337)	(1,510,359)
Charge for the period	(5,683)	(2,195)	-	(9,317)	(11,095)	(27,874)	(56,164)
At December 31, 2016	(270,191)	(62,979)	(475,831)	(251,468)	(377,843)	(128,211)	(1,566,523)
Impairment:							
At December 31, 2015	(103,978)	-	(253,849)	-	-	-	(357,827)
Charge for the period	37,393	(12,646)	-	-	-	-	24,747
At December 31, 2016	(66,585)	(12,646)	(253,849)	-	-	-	(333,080)
Net book value:							
At December 31, 2015	23,308	22,175	-	104,033	141,754	149,041	440,311
At December 31, 2016	**58,464**	**8,181**	**-**	**93,742**	**132,015**	**120,569**	**412,970**

(Expressed in Canadian dollars)

6. Accounts Payables and Accrued Liabilities

	March 31, 2017	December 31, 2016
	($)	($)
Trade payables	45,958	17,547
Related party payables	7,292	70,545
Accrued liabilities	14,500	25,500
	67,750	113,592

7. Decommissioning Obligations

	March 31, 2017	December 31, 2016
	($)	($)
Balance, beginning	122,404	112,734
Change in estimate	-	7,814
Accretion expense	577	1,856
Balance, end	122,981	122,404

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 2.2% (December 31, 2016 – 2.2%). The estimated total future undiscounted cash flows to settle the asset retirement obligations are $166,300 (December 31, 2016 - $166,300) and are expected to be incurred over a period of approximately 24 years.

8. Related Party Transactions

The Company incurred the following transactions with directors and companies that are controlled or significantly influenced by Directors of the Company during the three month periods ended March 31, 2017 and 2016.

	2017	2016
	($)	($)
Director fees accrued to two independent directors of the Company	6,000	6,000
Mineral royalties paid or accrued to the Chief Executive Officer ("CEO") of the Company.	402	235
	6,402	6,235

(Expressed in Canadian dollars)

8. Related Party Transactions (continued)

Key management compensation

	2017	2016
	($)	**($)**
Management and director fees paid or accrued to the CEO or a corporation controlled by the CEO of the Company	3,000	3,000
Professional and director fees paid or accrued to the Chief Financial Officer ("CFO") a corporation controlled by the CFO of the Company	12,000	9,000
	15,000	12,000

a) As at March 31, 2017, a total of $2,032 (December 31, 2016 - $11,806) was included in accounts payable and accrued liabilities as owing to the CEO of the Company and a corporation controlled by the CEO for mineral royalties, director fees and reimbursable expenses.

b) As at March 31, 2017, a total of $1,630 (December 31, 2016 - $11,580) was included in accounts payable and accrued liabilities as owing to the CFO of the Company for director fees.

c) As at March 31, 2017, a total of $3,630 (December 31, 2016 - $47,159) was included in accounts payable and accrued liabilities as owing to two directors of the Company for director fees.

9. 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.

<u>Three month period ended March 31, 2017</u>

The Company issued 6,000,000 common shares at $0.05 per share pursuant to a non-brokered private placement for gross proceeds of $300,000.

The Company issued 963,133 common shares with a fair value of $154,101 as consideration for the settlement of $72,235 in related party debt. Accordingly, a loss on debt settlement of $81,866 was recorded.

<u>Year ended December 31, 2016</u>

There were no common shares issued.

9. Share Capital (continued)

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.

There were no changes in stock options during the three month period ended March 31, 2017.

As at March 31, 2017, there are 620,000 incentive stock options outstanding and exercisable at an exercise price of $0.10 per share until April 7, 2019.

10. Financial Risk Management

The Company is exposed in varying degrees to a variety of financial instrument related risks. 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 accounts receivable and 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.

10. Financial Risk Management (continued)

The Company's financial liabilities consist of accounts payable and accrued liabilities, all of which are due within 12 months.

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.

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 not have a material impact on the Company's net loss.

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 had no hedging contracts in place as at or during the three month period ended March 31, 2017. The Company's earnings and its ability to raise 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.

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 the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust its capital structure, the Company may attempt to issue new shares, issue debt and acquire or dispose of assets.

(Expressed in Canadian dollars)

10. Financial Risk Management (continued)

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

There have been no changes to the Company's approach to capital management during the three month period ended March 31, 2017.

Classification of financial instruments

Financial assets included in the statement of financial position are cash, short term investments, a reclamation bond, and accounts receivable. Financial liabilities included in the statement of financial position are accounts payable and accrued liabilities. The fair value of the Company's financial assets and liabilities approximates the carrying amount due to their short term to maturity.

11. Expense by Nature

General and administrative expense for the three month periods ended March 31, 2017 and 2016 are comprised of the following:

	2017	**2016**
	($)	**($)**
Office rent	-	462
Director fees	12,000	12,000
Professional and consulting fees	27,964	16,476
Transfer and filing fees	12,519	4,002
Administrative and other	8,197	9,209
	60,680	42,149

Operating expense for the three month periods ended March 31, 2017 and 2016 are comprised of the following:

	2017	**2016**
	($)	**($)**
Consulting and labour	7,022	3,600
Depletion (Note 5)	7,798	14,796
Power	7,103	7,485
Trucking	8,406	5,043
Supplies and other	16,403	8,416
	46,732	39,340

(Expressed in Canadian dollars)

12. Segmented Information

The Company operates in a single reportable operating segment – the acquisition, production, exploration and development of oil properties. The Company operates in one geographic segment located in Canada.

13. Supplemental Cash Flow Information

	2017	**2016**
	($)	**($)**
Non-cash investing and financing activities:		
Common shares issued to settle accounts payable owing to related parties	154,101	-
Interest paid during the period	-	-
Income taxes paid during the period	-	-

14. Subsequent Events

Subsequent to March 31, 2017, the Company:

a) changed its name from Abenteuer Resources Corp. to Volt Energy Corp.

b) acquired a 100% interest in the Temiskaming and Fabre Cobalt - Silver property in exchange for 2,650,000 common shares of the Company. The shares are subject to a voluntary pooling whereby 50% will be released four months after the date of issuance and the remaining 50% will be released nine months after the date of issuance.