**SPEARMINT RESOURCES INC.**

CONDENSED INTERIM FINANCIAL STATEMENTS

Unaudited – Prepared by Management

(Expressed in Canadian Dollars)

April 30, 2014

## NOTICE OF NO AUDITOR REVIEW

The unaudited condensed interim financial statements, and accompanying notes thereto, for the periods ended April 30, 2014 and 2013 have not been reviewed by the Company’s external auditor.

**SPEARMINT RESOURCES INC.**
CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian dollars)

| **ASSETS** | April 30 2014 (Unaudited) | January 31, 2014 |
|---|---|---|
| **Current assets** | | |
| Cash and cash equivalents - Note 4 | $ 10,196 | $ 41,634 |
| Receivables - Note 5 | 11,425 | 577 |
| Prepaid expenses | 458 | 140 |
| **Total current assets** | 22,079 | 42,351 |
| **Non-current assets** | | |
| Exploration and evaluation assets – Note 6 | 211,382 | 206,751 |
| **Total assets** | $ 233,461 | $ 249,102 |
| **LIABILITIES** | | |
| **Current liabilities** | | |
| Accounts payable and accrued liabilities - Notes 7 and 10 | $ 104,821 | $ 43,394 |
| **Total current liabilities** | 104,821 | 43,394 |
| **SHAREHOLDERS' EQUITY** | | |
| Share capital - Note 8 | 637,760 | 634,260 |
| Reserves | 59,447 | 59,447 |
| Accumulated deficit | (568,567) | (487,999) |
| **Total shareholders' equity** | 128,640 | 205,708 |
| **Total liabilities and shareholders' equity** | $ 233,461 | $ 249,102 |

Nature and Continuance of Operations – Note 1
Subsequent Events – Note 13

APPROVED BY THE DIRECTORS:

| *"James Nelson"* | Director | *"Conrad Clemiss"* | Director |
|---|---|---|---|
| James Nelson | | Conrad Clemiss | |

The accompanying notes form an integral part of these condensed interim financial statements.

**SPEARMINT RESOURCES INC.**
CONDENSED INTERIM STATEMENTS OF COMPREHENSIVE LOSS
Unaudited – Prepared by Management
(Expressed in Canadian dollars)

| | Three months ended April 30, 2014 | 2013 |
|---|---|---|
| **Operating expenses** | | |
| Consulting fees | $ 45,000 | $ - |
| Depreciation expense | - | 17 |
| Office and miscellaneous | 7,422 | 10,885 |
| Professional fees | 14,027 | 10,555 |
| Shareholder relations | 681 | 729 |
| Transfer agent and filing fees | 12,090 | 6,660 |
| Travel and promotion | 1,369 | - |
| **Operating expenses** | (80,589) | (28,846) |
| Interest income | 21 | 143 |
| **Net loss and comprehensive loss for the period** | $ (80,568) | $ (28,703) |
| Loss per share - basic and diluted - Note 9 | $ (0.00) | $ (0.00) |
| Weighted average number of shares outstanding - basic and diluted - Note 9 | 42,241,573 | 41,988,765 |

**SPEARMINT RESOURCES INC.**
CONDENSED INTERIM STATEMENTS OF CASH FLOWS
Unaudited – Prepared by Management
(Expressed in Canadian dollars)

| | Three months ended April 30, 2014 | 2013 |
|---|---|---|
| **Operating Activities** | | |
| Loss for the period | $ (80,568) | $ (28,703) |
| Adjustments for non-cash item: | | |
| Depreciation expense | - | 17 |
| Changes in non-cash working capital items: | | |
| Receivables | (10,848) | 3,771 |
| Prepaid expenses | (318) | 1,992 |
| Accounts payable and accrued liabilities | 61,427 | 1,089 |
| **Cash used in operating activities** | (30,307) | (21,834) |
| **Investing Activities** | | |
| Exploration and evaluation assets | (1,131) | - |
| **Cash used in investing activities** | (1,131) | - |
| Decrease in cash and cash equivalents during the period | (31,438) | (21,834) |
| Cash and cash equivalents, beginning of the period | 41,634 | 97,904 |
| **Cash and cash equivalents, end of the period - Note 4** | $ 10,196 | $ 76,070 |

Supplemental Disclosure with Respect to Cash Flows (Note 12)

The accompanying notes form an integral part of these condensed interim financial statements.

**SPEARMINT RESOURCES INC.**
CONDENSED INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
Unaudited – Prepared by Management
(Expressed in Canadian dollars)

| | Share Capital | | | | |
|---|---|---|---|---|---|
| | **No. of shares** | **Amount** | **Reserves** | **Accumulated deficit** | **Total** |
| **Balance, January 31, 2013** | 41,000,000 | $ 595,260 | $ 40,821 | $ (370,100) | $ 265,981 |
| For exploration and evaluation assets | 1,000,000 | 39,000 | - | - | 39,000 |
| Loss for the period | - | - | - | (28,703) | (28,703) |
| **Balance, April 30, 2013** | 42,000,000 | 634,260 | 40,821 | (398,803) | 276,278 |
| Stock options issued | - | - | 18,626 | - | 18,626 |
| Loss for the period | - | - | - | (89,196) | (89,196) |
| **Balance, January 31, 2014** | 42,000,000 | 634,260 | 59,447 | (487,999) | 205,708 |
| For exploration and evaluation assets | 250,000 | 3,500 | - | - | 3,500 |
| Loss for the period | - | - | - | (80,568) | (80,568) |
| **Balance, April 30, 2014** | 42,250,000 | $ 637,760 | $ 59,447 | $ (568,567) | $ 128,640 |

## 1. NATURE AND CONTINUANCE OF OPERATIONS

Spearmint Resources Inc. (the "Company") was incorporated under the Business Corporations Act of British Columbia, Canada on September 23, 2009. The Company is an exploration stage public company and is listed on the TSX Venture Exchange under the symbol "SRJ.V". The Company's principal business activities include acquiring and exploring exploration and evaluation assets. At April 30, 2014, the Company has exploration and evaluation assets located in Canada. During the three months ended April 30, 2014, the Company split its share capital, stock options and share purchase warrants on a one pre-split for five post-split basis. These condensed interim financial statements reflect the share split.

The Company's head office and principal business address is located at 1470 – 701 West Georgia Street, Vancouver, British Columbia, V7Y 1C6. The Company's registered and records office is located at 900-885 West Georgia Street, Vancouver, British Columbia, V6C 3H1.

These condensed interim financial statements have been prepared on a going concern basis, which contemplates continuity of normal business activities and the realization of assets and discharge of liabilities in the normal course of business. At April 30, 2014, the Company had not yet achieved profitable operations and has an accumulated deficit of $568,567 since its inception and has a working capital deficiency of $82,742. The Company expects to incur further losses in the development of its business, all of which cast substantial doubt on the Company's ability to continue as a going concern. The Company will require additional financing in order to conduct its future work programs on exploration and evaluation assets, meet its ongoing levels of corporate overhead and discharge its liabilities as they come due. While the Company has been successful in securing financings in the past, there is no assurance that it will be able to do so in the future. Accordingly, these condensed interim financial statements do not give effect to adjustments, if any, that would be necessary should the Company be unable to continue as a going concern. If the going concern assumption was not used then the adjustments required to report the Company's assets and liabilities on a liquidation basis could be material to these condensed interim financial statements.

## 2. BASIS OF PREPARATION

These condensed interim financial statements of the Company have been prepared in accordance with International Accounting Standard 34 *Interim Financial Reporting* ("IAS34") as issued by the International Accounting Standards Board ("IASB"). Therefore, these condensed interim financial statements do not include all of the information required for full annual financial statements, and should be read in conjunction with the Company's most recently issued audited financial statements for the year ended January 31, 2014, which includes information necessary or useful to understanding the Company's business and financial statement presentation. In particular, the Company's significant accounting policies, use of judgements and estimates were presented in Note 2 and Note 3 of these audited financial statements, and have been consistently applied in the preparation of these condensed interim financial statements.

These condensed interim financial statements were authorized for issue by the Board of Directors on June 20, 2014.

## 3. CHANGES IN ACCOUNTING POLICIES

a) Accounting standards, interpretations and amendments adopted

As of February 1, 2014, the Company adopted the new and amended IFRS pronouncements in accordance with transitional provisions outlined in the respective standards. The Company has adopted the following new standards without any significant effect on its condensed interim financial statements. The nature and impact of these new standards is described below:

*IAS 32 – Financial Instruments: Presentation ("IAS 32")*

The IASB amended IAS 32, "Financial Instruments: Presentation" to clarify certain aspects because of diversity in application of the requirements on offsetting, focused on four main areas:

- the meaning of 'currently has a legally enforceable right of set-off';
- the application of simultaneous realization and settlement;
- the offsetting of collateral amounts; and
- the unit of account for applying the offsetting requirements.

IAS 32 had no impact on the Company's condensed interim financial statements.

*IAS 36 – Impairment of Assets ("IAS 36")*

The amendments to IAS 36 restrict the requirement to disclose the recoverable amount of an asset or CGU to periods in which an impairment loss has been recognized or reversed. The amendments also expand and clarify the disclosure requirements applicable when an asset or CGU's recoverable amount has been determined on the basis of fair value less cost of disposal. IAS 36 had no impact on the Company's condensed interim financial statements.

*IFRIC 21 – Levies ("IFRIC 21")*

An interpretation of IAS 37 – Provisions, Contingent Liabilities and Contingent Assets ("IAS 37"), on the accounting for levies imposed by governments. IAS 37 sets out criteria for the recognition of a liability, one of which is the requirement for the entity to have a present obligation as a result of a past event ("obligating event"). IFRIC 21 clarifies that the obligating event that gives rise to a liability to pay a levy is the activity described in the relevant legislation that triggers the payment of the levy. IFRIC 21 had no impact on the Company's condensed interim financial statements.

## 3. CHANGES IN ACCOUNTING POLICIES (continued)

b) Accounting standards issued but not yet effective

The Company has reviewed new and revised accounting pronouncements that have been issued but are not yet effective. The Company has not 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")*

In November 2009, the IASB issued IFRS 9 Financial Instruments as the first step in its project to replace IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 retains but simplifies the mixed measurement model and establishes two primary measurement categories for financial assets: amortized cost and fair value. The basis of classification depends on an entity's business model and the contractual cash flow of the financial asset. Classification is made at the time the financial asset is initially recognized, namely when the entity becomes a party to the contractual provisions of the instrument.

IFRS 9 amends some of the requirements of IFRS 7 Financial Instruments: Disclosures, including added disclosures about investments in equity instruments measured at fair value in other comprehensive income, and guidance on financial liabilities and derecognition of financial instruments. The amended standard is effective for annual periods beginning on or after January 1, 2018.

## 4. CASH AND CASH EQUIVALENTS

The Company's cash and cash equivalents are denominated in Canadian dollars and include the following components:

| | April 30, 2014 | January 31, 2014 |
|---|---|---|
| Cash at bank and in hand | $ 10,196 | $ 6,248 |
| Short-term deposits | - | 35,386 |
| Cash and cash equivalents | $ 10,196 | $ 41,634 |

(Expressed in Canadian Dollars)

## 5. RECEIVABLES

The Company's receivables comprise of goods and services tax ("GST") receivable due from Canadian government taxation authorities and amounts owing from the TSX Venture Exchange for overpayment of filing fees.

| | April 30, 2014 | January 31, 2014 |
|---|---|---|
| GST recoverable | $ 4,327 | $ 577 |
| Accounts receivable | 7,098 | - |
| Total receivables | $ 11,425 | $ 577 |

All amounts are short-term and the net carrying value of receivables is considered a reasonable approximation of fair value. The Company anticipates full recovery of these amounts and therefore no impairment has been recorded against receivables. The Company's receivables are all considered current and are not past due or impaired. The Company does not possess any collateral related to these assets.

## 6. EXPLORATION AND EVALUATION ASSETS

| | BC Otter Property | BC Sheslay Property | Total |
|---|---|---|---|
| Balance, January 31, 2013 | $ 182,165 | $ - | $ 182,165 |
| Acquisition costs | | | |
| Common shares | 39,000 | - | 39,000 |
| BC mining exploration tax credits | (14,414) | - | (14,414) |
| Balance, January 31, 2014 | 206,751 | - | 206,751 |
| Acquisition costs | | | |
| Staking costs | - | 1,131 | 1,131 |
| Common shares | 3,500 | - | 3,500 |
| Balance, April 30, 2014 | $ 210,251 | $ 1,131 | $ 211,382 |

(Expressed in Canadian Dollars)

## 6. EXPLORATION AND EVALUATION ASSETS (continued)

Otter Property, British Columbia

On October 11, 2011, the Company entered into an option agreement (the "Agreement") with an arm's length party (the "Vendor") whereby the Company was granted an option to acquire a 100% interest in and to twelve mineral claims known as the Otter Property (the "Otter Property") located in the Similkameen Mining Division in the Princeton Area of British Columbia.

On January 9, 2013, the Company amended the Agreement with the Vendor. The Vendor agreed to amend the Agreement regarding the work commitments due to be spent on the prospect.

On February 3, 2014, the Company further amended the option agreement and the amendment dated January 9, 2013 with the Vendor. The Vendor has agreed to amend the Agreement regarding the work commitments due to be spent on the prospect and share issuances required to be made in order to exercise the Option. The Company is now required to incur exploration costs and issue common shares as follows:

| | Cash | Exploration Costs | Common Shares |
|---|---|---|---|
| Upon execution of the Agreement (paid) | $ 25,000 | $ - | - |
| Upon closing date (cash paid and shares issued at a value of $20,000) | 15,000 | - | 1,000,000 |
| On or before February 3, 2013 (issued at a value of $39,000) | - | - | 1,000,000 |
| On or before February 3, 2014 (incurred) | - | 116,000 | - |
| On or before February 3, 2014 (issued at a value of $3,500) | - | - | 250,000 |
| On or before February 3, 2015 | - | 84,000 | 750,000 |
| On or before February 3, 2016 | - | 300,000 | 1,000,000 |
| On or before February 3, 2017 | - | 500,000 | - |
| On or before February 3, 2018 | - | 1,000,000 | - |
| | $ 40,000 | $ 2,000,000 | 4,000,000 |

Upon satisfaction of the payments, share issuances and work commitments above, the Option will be deemed to be exercised and a 100% undivided interest in the Otter Property will be transferred to the Company, free and clear of all encumbrances, subject to a 2% net smelter return royalty (the "**NSR**") in favour of the Optionor with respect to production of all precious metals from the Property. The NSR will be payable following commencement of commercial production on the Otter Property. The Company may buy-back 1% of the NSR in consideration for payment of $1,000,000 to the Optionor.

During the year ended January 31, 2013, the Company paid a finders' fee of $6,000 in connection with this transaction.

As at April 30, 2014, the Company has spent a total of $116,165 in exploration expenditures on the Otter Property.

(Expressed in Canadian Dollars)

## 6. EXPLORATION AND EVALUATION ASSETS (continued)

Sheslay Property, British Columbia

During the three months ended April 30, 2014, the Company acquired a 100% interest in certain mineral claims in British Columbia for staking costs of $1,131.

## 7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities recognized in the statements of financial position can be analyzed as follows:

| | April 30, 2014 | January 31, 2014 |
|---|---|---|
| Trade payables | $ 103,321 | $ 33,394 |
| Accrued liabilities | 1,500 | 10,000 |
| Total payables | $ 104,821 | $ 43,394 |

All amounts are short-term. The carrying value of trade payables and accrued liabilities is considered a reasonable approximation of fair value.

## 8. SHARE CAPITAL AND RESERVES

**Authorized:** Unlimited common shares, without par value

**Escrow Shares**

During the three months ended April 30, 2014, 1,500,000 common shares were released from escrow. As at April 30, 2014, 3,000,000 (January 31, 2014: 4,500,000) common shares were held in escrow. The remaining shares will be released in amounts of 1,500,000 shares on August 7, 2014 and every six months thereafter.

**Share purchase warrants**

The following is a summary of changes in share purchase warrants from January 31, 2013 to April 30, 2014:

| | Number of Warrants | Weighted Average Exercise Price |
|---|---|---|
| Balance, January 31, 2013, January 31, 2014 and April 30, 2014 | 20,000,000 | $0.02 |

As of April 30, 2014, the Company had 20,000,000 share purchase warrants outstanding. Each warrant entitles the holder the right to purchase one common share at a price of $0.02 per common share until February 3, 2017.

(Expressed in Canadian Dollars)

## 8. SHARE CAPITAL AND RESERVES (continued)

### Share-based payments

The Company has a stock option plan whereby the maximum number of shares reserved for issue under the plan shall not exceed 10% of the outstanding common shares of the Company, as at the date of grant. The maximum number of common shares reserved for issue to any one person under the plan cannot exceed 5% of the issued and outstanding number of common shares at the date of grant and the maximum number of common shares reserved for issue to a consultant or a person engaged in investor relations activities cannot exceed 2% of the issued and outstanding number of common shares at the date of grant. The exercise price of each option granted under the plan may not be less than the Discounted Market Price (as that term is defined in the policies of the TSX). Options may be granted for a maximum term of ten years from the date of grant.

The following is a summary of changes in share purchase options from January 31, 2013 to April 30, 2014:

| | Number of Options | Weighted Average Exercise Price |
|---|---|---|
| Balance, January 31, 2013 | 2,000,000 | $0.05 |
| Granted | 2,200,000 | $0.05 |
| Forfeited | (400,000) | $0.05 |
| Balance, January 31, 2014 and April 30, 2014 | 3,800,000 | $0.05 |

As of April 30, 2014, 3,800,000 share purchase options were outstanding and exercisable entitling the holders thereof the right to purchase one common share of the Company for each option held as follows:

| Number | Exercise Price | Expiry Date |
|---|---|---|
| 1,600,000 | $0.05 | April 30, 2015 |
| 2,200,000 | $0.05 | October 8, 2018 |
| 3,800,000 | | |

(Expressed in Canadian Dollars)

## 9. LOSS PER SHARE

The calculation of basic and diluted loss per share was based on the following data:

| | Three months ended April 30, 2014 | Three months ended April 30, 2013 |
|---|---|---|
| Net Loss | $ 80,568 | $ 28,703 |
| Weighted average number of common shares for the purpose of basic and diluted loss per share | 42,241,573 | 41,988,765 |

The basic loss per share is computed by dividing net loss by the weighted average number of common shares outstanding during the year. The diluted loss per share reflects the potential dilution of common share equivalents, such as stock options and share purchase warrants, in the weighted average number of common shares outstanding during the period, if dilutive. All of the stock options and share purchase warrants currently issued (see Note 8) were anti-dilutive for the three months ended April 30, 2014 and 2013.

The loss per share for the three months ended April 30, 2014 was $0.00 (three months ended April 30, 2013: $0.00).

## 10. RELATED PARTY TRANSACTIONS

*Key management personnel compensation*

Key management of the Company are directors and officers of the Company. There was no key management remuneration during the three months ended April 30, 2014 and 2013.

*Related party balances*

At April 30, 2014, accounts payable and accrued liabilities includes $15,526 (January 31, 2014: $15,402) payable to a director and an officer of the Company and to public companies with common directors for unpaid fees. These amounts are unsecured, non-interest bearing and payable on demand.

## 11. SEGMENTAL REPORTING

The Company operates in one business segment, being the acquisition and exploration of mineral properties located in Canada.

## 12. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

Investing and financing activities that do not have a direct impact on cash flows are excluded from the statement of cash flows. The following transactions were excluded from the statements of cash flows:

During the three months ended April 30, 2014:

i. The Company issued 250,000 common shares valued at $3,500 pursuant to the Otter Property option agreement.

During the three months ended April 30, 2013:

i. The Company issued 1,000,000 common shares valued at $39,000 pursuant to the Otter Property option agreement.

## 13. SUBSEQUENT EVENTS

Subsequent to April 30, 2014, the following occurred:

a) The Company issued 975,000 common shares for share purchase warrants exercised at $0.02 per share.

b) The Company decided not to proceed with the letter of intent to acquire a 50% interest in a payment processing technology for use in the retail marijuana industry.

c) The Company granted 50,000 stock options to a private company controlled by a director of the Company, pursuant to its 10% Rolling Stock Option Plan. The options have an exercise price of $0.05 per share and expire on June 4, 2019.