APPIA ENERGY CORP.

CONDENSED INTERIM FINANCIAL STATEMENTS

For the three and nine months ended June 30, 2015
(Unaudited)
(Expressed in Canadian $)

APPIA ENERGY CORP.
(the "Company")
NOTICE OF NO AUDITOR REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3(3) (a), if an auditor has not performed a review of the condensed 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 financial statements of the Company have been prepared by, and are the responsibility of, the Company's management. The Company's independent auditor has not performed a review of these financial statements.

DATED this 26th day of August, 2015.

APPIA ENERGY CORP.

Per: *(signed) "Tom Drivas"*
Name: Tom Drivas
Title: Chief Executive Officer

Per: *(signed) "Michael D'Amico"*
Name: Michael D'Amico
Title: Chief Financial Officer

Appia Energy Corp.

Condensed Interim Statements of Financial Position

(Expressed in Cdn $)

Unaudited

As at	**June 30 2015 $**	September 30 2014 $
Assets		
Current		
Cash and cash equivalents (note 4)	**684,760**	814,270
Accounts receivable	**1,881**	1,838
Prepaid expenses	**11,560**	13,842
Total current assets	**698,201**	829,950
Exploration and evaluation assets (note 5)		
Acquisition costs	**779,980**	770,889
Deferred exploration expenditures	**5,518,847**	5,482,317
Total assets	**6,997,028**	7,083,156
Liabilities		
Current		
Accounts payable & accruals (note 8)	**537,892**	485,056
Deferred income tax	**520,533**	520,533
Total liabilities	**1,058,425**	1,005,589
Contingencies and commitments (note 11)		
Nature of operations and going concern (note 1)		
Shareholders' equity		
Share capital (note 6(a))	**7,835,123**	7,835,123
Contributed surplus (note 7)	**2,413,538**	2,404,433
Deficit	**(4,310,059)**	(4,161,989)
Total shareholders' equity	**5,938,602**	6,077,567
Total liabilities and shareholders' equity	**6,997,028**	7,083,156

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

APPROVED ON BEHALF OF THE BOARD ON AUGUST 26, 2015.

"Signed"
Anastasios (Tom) Drivas

"Signed"
Nick Bontis

Appia Energy Corp.

Condensed Interim Statements of Changes in Equity

(Expressed in Cdn $)

Unaudited

	Share Capital $	Contributed Surplus $	Deficit $	Total $
At September 30, 2013	7,835,123	2,290,188	(3,863,209)	6,262,102
Net loss and comprehensive loss for the period	-	-	(288,536)	(288,536)
Share-based compensation	-	109,484	-	109,484
At June 30, 2014	7,835,123	2,399,672	(4,151,745)	6,083,050
Net loss and comprehensive loss for the period	-	-	(10,244)	(10,244)
Share-based compensation	-	4,761	-	4,761
At September 30, 2014	7,835,123	2,404,433	(4,161,989)	6,077,567
Net loss and comprehensive loss for the period	-	-	(148,070)	(148,070)
Share-based compensation	-	9,105	-	9,105
At June 30, 2015	7,835,123	2,413,538	(4,310,059)	5,938,602

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

Appia Energy Corp.

Condensed Interim Statements of Loss, and Comprehensive Loss

(Expressed in Cdn $)

Unaudited

	For the three months ended June 30		For the nine months ended June 30	
	2015	2014	**2015**	2014
	$	$	**$**	$
Expenses				
Professional fees	**8,567**	17,625	**25,653**	46,209
Management fees and salaries	**24,600**	38,613	**83,250**	91,488
Office and general	**7,330**	3,723	**20,549**	23,286
Shareholder communication	**3,136**	18,830	**15,749**	26,844
Share-based compensation	**-**	52,428	**9,105**	109,484
Loss for the period before the following	**(43,633)**	(131,219)	**(154,307)**	(297,311)
Interest income	**1,766**	2,610	**6,236**	8,775
Net loss for the period	**(41,867)**	(128,609)	**(148,070)**	(288,536)
Deferred income tax recovery (expense)	**-**	-	**-**	-
Net loss and comprehensive loss	**(41,867)**	(128,609)	**(148,070)**	(288,536)
Weighted average number of shares outstanding	**41,616,078**	41,616,078	**41,616,078**	41,616,078
Basic and diluted loss per share	**$ (0.00)**	$ (0.00)	**$ (0.00)**	$ (0.01)

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

Appia Energy Corp.
Condensed Interim Statements of Cash Flows
(Expressed in Cdn $)
Unaudited

	For the nine months ended June 30	
	2015	2014
	$	$
Operating activities		
Net loss for the period	**(148,070)**	(288,536)
Items not affecting cash:		
Share-based compensation	**9,105**	109,484
	(138,965)	(179,052)
Net change in non-cash working capital		
Accounts receivable	**(43)**	1,644
Prepaid expenses	**2,282**	2,697
Accounts payable and accrued liabilities	**52,837**	31,517
Net cash used in operating activities	**(83,889)**	(143,194)
Investing activities		
Exploration and evaluation assets acquisition costs	**(9,091)**	(1,796)
Deferred exploration and evaluation expenditures	**(36,530)**	(83,867)
Net cash used in investing activities	**(45,621)**	(85,663)
Change in cash and cash equivalents	**(129,510)**	(228,857)
Cash and cash equivalents, beginning of period	**814,270**	1,062,894
Cash and cash equivalents, end of period	**684,760**	834,037

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

1. Nature of operations and going concern

Appia Energy Corp. (“Appia” or "the Company") is a listed public Company incorporated in Canada, has interests in resource properties and is in the process of determining whether its properties contain resources that are economically recoverable. The registered office and location of corporate records is Suite 1220, 20 Toronto Street, Toronto, Ontario.

The accompanying unaudited condensed interim financial statements (“Financial Statements”) of the Company have been prepared by, and are the responsibility of, the Company’s management. The Company’s independent auditor has not performed a review of these Financial Statements.

These Financial Statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. As at June 30, 2015 the Company had no sources of operating cash flows. The Company will therefore require additional funding which, if not raised, would result in the curtailment of activities and project delays. The Company had working capital of $160,308 as at June 30, 2015, and has incurred losses since inception, resulting in an accumulated deficit of $4,310,059 as at June 30, 2015. The Company’s ability to continue as a going concern is uncertain and is dependent upon its ability to continue to raise adequate financing. There can be no assurance that the Company will be successful in this regard, and therefore, there is doubt regarding the Company’s ability to continue as a going concern and the use of accounting principles applicable to a going concern. These financial statements do not reflect adjustments that would be necessary if the going concern assumption were not appropriate. If the going concern assumption is not appropriate for these financial statements, then adjustments to the carrying values of the assets and liabilities, the expenses and the balance sheet classifications, which could be material, would be necessary.

The recoverability of expenditures on its resource properties and related deferred exploration expenditures is dependent upon the existence of resources that are economically recoverable, confirmation of the Company's ownership interests in the claims, the ability of the Company to obtain necessary financing to complete the exploration and the development of the properties, and upon future profitable production or proceeds from the disposition of the properties.

2. Basis of preparation and statement of compliance with IAS 34

These Financial Statements form part of the period covered by the Company’s International Financial Reporting Standards (“IFRS”) annual financial statements. These Financial Statements have been prepared in accordance with IAS 34- *Interim Financial Reporting* and on the basis of IFRS standards and interpretations expected to be effective as at the Company’s IFRS annual reporting date, September 30, 2015.

These Financial Statements may not contain all the disclosures required by IFRS for annual financial statements and should be read in conjunction with the Company’s audited annual financial statements for the year ended September 30, 2015 prepared in accordance with International Accounting Standards as issued by the International Accounting Standards Board (“IASB”) and interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”) in effect as of September 30, 2015.

In the opinion of management, all adjustments considered necessary for fair presentation have been included in these Financial Statements. The interim results for the nine months ended June 30, 2015, may not be indicative of the results for the year ending September 30, 2015.

3. Summary of significant accounting policies

Readers should refer to the September 30, 2014 annual financial statements for the accounting policies used in the preparation of these Financial Statements. The IASB continues to amend and add to current IFRS standards and interpretations with several projects underway. Accordingly, the accounting policies adopted by the Company for the Company's IFRS annual financial statements will be determined as at September 30, 2015. In the event that accounting policies adopted at September 30, 2015 differ materially from the accounting policies used in the preparation of these Financial Statements, these Financial Statements will be restated to retrospectively account for the application of those policies adopted at September 30, 2015.

The accounting policies have been applied consistently to all periods presented in these Financial Statements unless otherwise indicated.

4. Cash and cash equivalents

Cash and cash equivalents consists of cash and investments in Canadian Chartered Bank demand money market funds.

5. Exploration and evaluation assets

Acquisition costs

	Ontario Elliot Lake $	**Saskatchewan** $	**Total** $
Balance, September 30, 2013	597,593	171,500	769,093
Total additions for the period	-	1,796	1,796
Balance, September 30, 2014	597,593	173,296	770,889
Total additions for the period	5,000	4,091	9,091
Balance, June 30, 2015	602,593	177,387	779,980

Deferred exploration expenditures

	Ontario Elliot Lake **$**	**Saskatchewan** **$**	**Total** **$**
Balance, September 30, 2013	5,267,550	127,504	5,395,054
Additions:			
Contract labour	33,166	68,651	101,817
Other	14,972	12,978	27,950
Total additions for the period	48,138	81,629	129,767
Refund re fees paid in lieu of work	-	(42,504)	(42,504)
Balance, September 30, 2014	5,315,688	166,629	5,482,317
Additions:			
Contract labour	-	15,326	15,326
Other	16,088	5,116	21,204
Balance, June 30, 2015	5,331,776	187,071	5,518,847

Ontario, Elliot Lake

On November 1, 2007, the Company acquired a 100% interest in 61 mining claims known as the Elliot Lake property located in Beange, Bolger, Bouck, Buckles, Gunterman and Joubin Townships, Sault Ste. Marie Mining Division in the Province of Ontario from Canada Enerco Corp. ("CEC"), a company controlled by the President, CEO and Director of the Company. CEC retains the right to a 1% Uranium Production Payment Royalty and a 1% Net Smelter Returns Royalty on any precious or base metals payable provided uranium is greater than US$130 per pound.

Appia holds over 13,008 hectares (32,143 acres) encompassing five mineralized zones in the Elliot Lake area of northern Ontario. The zones are called Teasdale, Banana Lake, Canuc, Bouck Lake and Buckles Lake. Since the inception of mining, the Elliot Lake area has produced over 300 M lbs of U_3O_8 and is the only mining camp in Canada with significant historical commercial REE production.

Saskatchewan, Athabasca Basin

During fiscal 2011, the Company participated in staking 26,657 hectares (65,869 acres) of uranium and rare earth prospects in Saskatchewan at a cost of $128,323, in fiscal 2013, 71,740 hectares (177,270 acres) at a cost of $43,177, in fiscal 2014, 3,481 hectares (8,602 acres) at a cost of $1,796 and in fiscal 2015, 5,565 hectares at cost of $4,092. In March, 2015, 5,306 hectares (13,111 acres) of claims in the Alces Lake area of Saskatchewan lapsed.

In May, 2015, the Company acquired, by staking, approximately 5,130 hectares (12,676 acres) of prospective properties in Saskatchewan for a total cost of $3,502 and claims totaling 5,128 hectares (12,671 acres) were allowed to lapse.

The Company now holds an interest in a total of 41,260 hectares (101,955 acres) in Saskatchewan, including a 100% interest in 33,570 hectares (82,953 acres) primarily in the Athabasca Basin as well as a 90% interest in 1,518 hectares (3,751 acres) and a 100% interest in 6,172 hectares (15,251 acres) in the Alces Lake area.

6. Share capital

(a) Common shares

The Company is authorized to issue an unlimited number of no par value common shares. The number of common shares issued as at September 30, 2014 and June 30, 2015 is 41,616,078 with a share capital value of $7,835,123.

(b) Common share purchase options

The Company has created a stock option plan for the benefit of directors, officers and consultants. The total number of shares which may be reserved and set aside for issuance to eligible persons may not exceed 10% of the issued and outstanding common shares.

As at June 30, 2015, 2,600,000 common shares were reserved for the exercise of stock options granted under the Company's stock option plan (the "Plan").

The following table provides the details of changes in the number of issued common share purchase options during the period:

	Options	**Weighted-average exercise price**
	#	$
Balance September 30, 2013	2,600,000	1.25
Granted	400,000	1.25
Expired	(400,000)	1.25
Outstanding at September 30, 2014 and June 30, 2015	2,600,000	1.25
Exercisable at September 30, 2014 and June 30, 2015	2,600,000	1.25

On July 30, 2014, 400,000 options held by a former Director at an exercise price of $1.25 per share expired unexercised and effective March 25, 2014, the Company issued 400,000 options to a Director of the Company exercisable at $1.25 per share until March 25, 2019.

Number of stock options	Number exercisable	Remaining contractual life	Exercise price per share	Expiry date
1,000,000	1,000,000	7.6 months	$1.25	February 17, 2016
400,000	400,000	18.8 months	$1.25	January 23, 2017
400,000	400,000	19.0 months	$1.25	February 1, 2017
400,000	400,000	33.3 months	$1.25	April 9, 2018
400,000	400,000	44.8 months	$1.25	March 25, 2019
2,600,000	2,600,000			

The weighted average fair value of all the options granted and outstanding is $0.77 per option, each contract fair value having been estimated at the date of grant using the Black-Scholes pricing model with the following assumptions: risk-free weighted-average interest rate is 1.63-1.98%, expected dividend yield of nil, expected volatility of 84.97%-141% and expected life term is 60 months. Under this method of calculation, the Company recorded $9,105 as stock based compensation for the nine months ended June 30, 2015, being the fair value of the options vested during the period.

7. Contributed surplus

A summary of changes in contributed surplus is as follows:

	Amount
	$
Balance, September 30, 2013	2,290,188
Share-based compensation	114,245
Balance, September 30, 2014	2,404,433
Share-based compensation	9,105
Balance, June 30, 2015	2,413,538

The number of common shares outstanding on June 30, 2015 was 41,616,078. Taking into account outstanding share purchase options, the fully diluted number of common shares that could have been outstanding on June 30, 2015 was 44,216,078.

8. Related party transactions

During the three and nine months ended June 30, 2015, the Company incurred related party expenses of $23,600 and $79,300 (2014 – $41,613 and $100,488). These expenses related to management fees paid or payable to key management personnel; Tom Drivas, Chief Executive Officer, Frank van de Water, Chief Operating Officer and Michael D'Amico, Chief Financial Officer, and office administration services paid to Romios Gold Resources Inc., a company with a number of common directors and officers. The amount charged for office administration services is included under office and general expenses.

At June 30, 2015, $463,306 (2014 - $403,306) of accumulated related party expenditures is due and outstanding to Tom Drivas and is included under accounts payable and accrued liabilities.

Share-based compensation to key management and directors for the three and nine months ended June 30, 2015 was $nil and $9,105 (2014 - $52,428 and $109,484) respectively.

During the three months ended June 30, 2015, the Company incurred expenses of $4,000 (2014 – $5,500) and $13,500 for the nine months ended June 30, 2015 (2014 – $14,500) related to directors' fees to independent directors. At June 30, 2015, $23,000 (2014 - $8,500) was due and payable.

Key management personnel were not paid post-retirement benefits, termination benefits, or other long-term benefits during the nine months ended June 30, 2015 and 2014.

During the three and nine months ended June 30, 2015, the Company incurred expenses of $363 and $2,225 (2014 - $4,778 and $8,579) for legal fees to a law firm related to a director of the Company, William R. Johnstone. At June 30, 2015 $410 (2014 – $6,401) was due and payable to this related party.

As disclosed in Note 5(a) of the financial statements, the Company's major exploration property was acquired from a related party.

9. Financial instruments and risk management

Categories of financial assets and liabilities

Under IFRS, financial instruments are classified into one of the following five categories: Fair value through profit and loss ("FVTPL"), held to maturity investments, loans and receivables, available-for-sale financial assets and other financial liabilities. The carrying values of the Company's financial instruments, including those held for sale are classified into the following categories:

	June 30 2015 $	September 30 2014 $
FVTPL (1)	**684,760**	814,270
Receivables (2)	**1,881**	1,838
Other financial liabilities (3)	**6,928**	4,820

(1) Includes cash, committed cash and short-term investments.
(2) Includes accounts receivable related to HST tax refunds.
(3) Includes accounts payable.

Financial Instruments

The carrying amounts for the Company's financial instruments approximate their fair values because of the short-term nature of these items.

(i) Cash and cash equivalents and cash and cash equivalents held for future exploration are designated as FVTPL financial assets and are recorded at market value. The interest on deposits is insignificant.

(ii) HST receivable is designated as loans and receivables and is recorded at cost.
(iii) Accounts payable is designated as other financial liabilities and is recorded at cost.

Risks arising from financial instruments and risk management

The Company's activities expose it to a variety of financial risks: market risk (including interest rate risk and price risk), credit risk and liquidity risk. The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company.

The Company uses various methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate and other price risks.

Carrying value of exploration and evaluation assets

The Company regularly reviews the carrying value of its properties for impairment to determine whether the carrying amount of these assets will be recoverable from future cash flows. Assumptions underlying the cash flow estimates include the forecasted prices for uranium and rare earth elements, planned production levels, and operating, capital, exploration and reclamation costs, which are subject to risks and uncertainties. Management has determined that there is no impairment of carrying value on its Ontario and Saskatchewan properties.

(a) Market risk

(i) Price risk

Commodity price risk

Commodity price risk is the risk of financial loss resulting from movements in the price of the Company's commodity inputs and outputs. The Company is exposed to commodity price risk arising from the fluctuation of the value of the metals for which it is exploring. The Company does not manage commodity price risk through the use of derivative instruments.

Sensitivity

Anticipated changes in the value of uranium and rare earth elements would not, in management's opinion, change the recognized value of any of the Company's financial instruments.

(ii) Cash flow fair value interest rate risk

The Company does not have interest-bearing borrowings for which general rate fluctuations apply. The Company is exposed to interest rate risk to the extent of the balance of the bank accounts.

(b) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the group. Credit risk arises from cash and deposits with banks and financial institutions as well as credit exposures to outstanding receivables.

The Company has no concentration of credit risk. The carrying amounts of financial assets recorded in the financial statements are adjusted for any impairment and represent the Company's maximum exposure to credit risk.

(c) Liquidity risk

Prudent liquidity risk management implies maintaining at all times sufficient cash, liquid investments and committed credit facilities to meet the Company's commitments as they arise. The Company manages liquidity risk by maintaining adequate cash reserves and by continuously monitoring forecast and actual cash flows. The Company is currently assessing all options to address its liquidity issues. It is not possible to determine with any certainty the success and adequacy of these initiatives.

10. Capital management

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 capital of the Company consists of capital stock and contributed surplus.

The properties in which the Company currently has an interest are in the exploration stage; as such the Company is dependent on external financing to fund its activities. In order to carry out the planned exploration and pay for administrative costs, the Company will spend its existing working capital and intends to raise additional amounts as needed. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

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 June 30, 2015. The Company is not subject to externally imposed capital requirements.