Morien
Resources Corp.

Condensed Interim Consolidated Financial Statements

For the three and six months ended June 30, 2015 and 2014

(Canadian dollars)
(Unaudited)

Prepared by Management – See Notice to Reader

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 condensed interim consolidated financial statements, they must be accompanied by a notice to this effect. These unaudited condensed interim consolidated financial statements have been prepared by management of the Corporation. Management have compiled the unaudited condensed interim consolidated statements of financial position of Morien Resources Corp. as at June 30, 2015 and December 31, 2014 and the unaudited condensed interim consolidated statements of comprehensive loss, change in equity and cash flows for the three and six months ended June 30, 2015 and 2014. The Corporation's independent auditors have not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the June 30, 2015 and 2014 condensed interim consolidated financial statements. Readers are cautioned that these statements may not be appropriate for their intended purposes.

MORIEN RESOURCES CORP.

Condensed Interim Consolidated Statements of Financial Position

(Canadian dollars)

	Notes	June 30, 2015	December 31, 2014
ASSETS			
Current assets:			
Cash		**$ 3,394,251**	$ 2,802,939
Trade and other receivables		**1,223**	92,320
Prepaid expenses		**5,975**	22,771
Assets held for sale	**3**	**-**	4,307,333
		3,401,449	7,225,363
Non-current assets:			
Due from Kameron Collieries ULC	**3**	**2,573,672**	-
TOTAL ASSETS		**$ 5,975,121**	$ 7,225,363
LIABILITIES & EQUITY			
Current liabilities:			
Trade and other payables		**$ 123,015**	$ 121,125
TOTAL LIABILITIES		**123,015**	121,125
SHAREHOLDERS' EQUITY			
Share capital	**6**	**$ 25,797,517**	$ 26,501,350
Contributed surplus		**17,666,647**	17,584,433
Deficit		**(37,612,058)**	(36,981,545)
TOTAL EQUITY		**$ 5,852,106**	$ 7,104,238
TOTAL LIABILITIES AND EQUITY		**$ 5,975,121**	$ 7,225,363

Contingent liability (Note 4)

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

MORIEN RESOURCES CORP.

Condensed Interim Consolidated Statements of Comprehensive Loss

(Canadian dollars)

	Notes	For the three months ended June 30, 2015	2014	For the six months ended June 30, 2015	2014
Royalty revenue		**$ -**	$ 79,162	**$ 34,994**	$ 79,162
Corporate and administration expenses		**326,706**	206,645	**711,286**	376,611
Exploration expenses		**16,331**	5,809	**40,450**	19,088
Foreign exchange (gain) loss		**924**	1,540	**(2,581)**	694
Operating expenses		**343,961**	213,994	**749,155**	396,393
Finance income		**10,076**	2,436	**18,839**	3,029
Finance expense		**-**	(1,871)	**-**	(3,720)
Net finance (expense) income		**10,076**	565	**18,839**	(691)
Gain on the sale of exploration and evaluation assets	**5**	**-**	674,165	**-**	674,165
Reversal of impairment loss		**4,312**	-	**64,809**	-
Total comprehensive (loss) income		**$ (329,573)**	$ 539,898	**$ (630,513)**	$ 356,243
Basic and diluted income (loss) per share		**$ (0.01)**	$ 0.01	**$ (0.01)**	$ 0.01
Basic and diluted weighted average number of shares outstanding		**58,518,675**	53,145,962	**59,226,529**	53,169,942

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

MORIEN RESOURCES CORP.

Condensed Interim Consolidated Statements of Changes in Equity

(Canadian dollars)

	Number of shares	Share capital	Contributed surplus	Deficit	Total
Balance at January 1, 2014	49,256,240	$ 24,178,166	$ 17,337,960	$ (22,584,447)	$ 18,931,679
Total comprehensive income for the period:					
Net income		-	-	356,243	356,243
Balance at June 30, 2014	49,256,240	$ 24,178,166	$ 17,337,960	$ (22,228,204)	$ 19,287,922
Balance at January 1, 2015	**59,942,248**	**$ 26,501,350**	**$ 17,584,433**	**$ (36,981,545)**	**$ 7,104,238**
Total comprehensive loss for the period:					
Net loss		**-**	**-**	**(630,513)**	**(630,513)**
Share-based compensation	**-**	**-**	**82,214**	**-**	**82,214**
Cancellation of shares on execution of sunset clause (Note 6)	**(6,010)**	**-**	**-**	**-**	**-**
Buyback under share restructuring (Note 6)	**(274,624)**	**(92,802)**	**-**	**-**	**(92,802)**
Normal course issuer bid purchase of common shares (Note 6)	**(2,679,500)**	**(611,031)**	**-**	**-**	**(611,031)**
Balance at June 30, 2015	**56,982,114**	**$ 25,797,517**	**$ 17,666,647**	**$ (37,612,058)**	**$ 5,852,106**

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

MORIEN RESOURCES CORP.

Condensed Interim Consolidated Statements of Cash Flows

(Canadian dollars)

	Notes	For the six months ended June 30, 2015	2014
Cash flows from operating activities:			
Net (loss) income		**$ (630,513)**	$ 356,243
Item not involving cash:			
Stock-based compensation		**82,214**	-
Reversal of impairment previously recognized		**(64,809)**	-
Gain on the sale of explroation and evaluation assets	**5**	**-**	(674,165)
Net finance expense		**(18,839)**	691
Change in non-cash working capital		**(91,747)**	(71,786)
Cash flows from operating activities		**$ (723,694)**	$ (389,017)
Cash flows from financing activities:			
Purchase of common shares for cancellation		**(703,833)**	-
Interest paid		**-**	(3,720)
Cash flows from financing activities		**$ (703,833)**	$ (3,720)
Cash flows from investing activities:			
Received from Kameron Collieries ULC		**2,000,000**	-
Proceeds from the sale of exploration and evaluation assets, net	**5**	**-**	977,226
Interest received		**18,839**	3,029
Cash flows from investing activities		**$ 2,018,839**	$ 980,255
Increase (decrease) in cash		**$ 591,312**	$ 587,518
Cash, beginning of period		**2,802,939**	336,127
Cash, end of period		**$ 3,394,251**	$ 923,645

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

(Canadian dollars)

1. Nature of operations

Morien Resources Corporation ("Morien" or the "Corporation"), a corporation domiciled in Canada, was formed when Advanced Primary Minerals Corporation ("APM") amalgamated with Erdene Resources Inc. ("ERI") on November 9, 2012 pursuant to a statutory plan of arrangement under the provisions of the *Canada Business Corporations Act*. The address of the Corporation's registered office is 99 Wyse Road, Suite 1480, Dartmouth, Nova Scotia, B3A 4S5. The condensed interim consolidated financial statements of the Corporation as at June 30, 2015 and 2014 comprise the Corporation and its subsidiaries 6531954 Canada Limited ("6531954") and Advanced Primary Minerals USA Corp ("APMUSA"). The principal business of the Corporation is the identification, purchase, exploration and development of mineral properties.

2. Statement of compliance

These condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") applicable to the preparation of interim financial statements, including IAS 34, Interim Financial Reporting ("IAS 34"). They do not include all the disclosures that would otherwise be required in a complete set of financial statements and should be read in conjunction with the Corporation's 2014 audited annual consolidated financial statements which have been prepared in accordance with IFRS as issued by the International Accounting Standards Board ("IASB")

The policies applied in these condensed interim consolidated financial statements are consistent with the policies disclosed in Notes 3 and 4 of the consolidated financial statements for the year ended December 31, 2014.

These condensed interim consolidated financial statements were authorized for issue by the Board of Directors on August 25, 2015.

3. Due from Kameron Collieries ULC

January 7, 2015, the Corporation signed a definitive agreement with Kameron Collieries ULC ("Kameron") to sell the Corporation's 25% working interest in the Donkin Coal Project ("Donkin Project") in Cape Breton, Nova Scotia. Pursuant to the agreement, Kameron agreed to pay Morien aggregate cash consideration of $5.5 million; $2.0 million on closing, $2.0 million on or before the earlier of the sale of first domestic coal and the 2nd anniversary of closing, and $1.5 million on or before the earlier of the first export sale of coal and the 3rd anniversary of closing. Morien is also entitled to a gross production royalty of 2% on the first 500,000 tonnes of coal sales per calendar quarter and 4% on tonnage above 500,000.

The transaction closed on February 27, 2015 and the Corporation received its first cash payment of $2.0 million. Kameron is now the 100% owner and operator of the Donkin Project. Details of the transaction are as follows:

Fair value of cash consideration	$	4,508,863
Costs to sell		(201,530)
Assets held for sale at December 31, 2014	$	4,307,333
Book value of assets		(18,540,130)
Impairment recognized in 2014	$	(14,232,797)

(Canadian dollars)

3. Due from Kameron Collieries ULC (continued)

On June 30, 2015, the Corporation revalued the remaining $3.5 million cash consideration owed to the Corporation, resulting in an impairment reversal totaling $64,809 for the six months ended June 30, 2015. In management's view, the collection of these future amounts is highly dependent on the development of the Donkin Project and the mine proceeding towards commercial production. Management have assessed the probability of collection of the two remaining outstanding payments and applied a probability weighting to the analysis. Management has assigned a probability of collection of 70% to the first future payment and 80% to the second future payment, unchanged from December 31, 2014. The resultant amounts have been discounted at an average rate of 0.49% to arrive at a book value for the Kameron receivable of $2,573,672 at June 30, 2015.

The estimate of the recoverable amounts from the sale, and the amount recorded as impairment, are subject to significant judgment and uncertainty. As the future amounts to be received by the Corporation are highly dependent on the development and operation of the project, they may be higher or lower than initially estimated. Changes in these estimates will be recorded in future periods as these uncertainties are resolved and the actual cash payments are received. These amounts may differ materially from the amounts initially estimated.

4. Contingent liability

In connection with the sale of the Corporation's 25% interest in the Donkin Coal Project, the Corporation gave an indemnification to Kameron Collieries ULC with respect to certain possible litigation matters related to the Donkin Coal Project and other related matters. No such claims or litigation have been initiated and the financial amount of potential claims cannot be reasonably estimated, although it is possible that such claims could be material. The Corporation has concluded that it is not probable that liability will result from these matters or from the indemnity and therefore no amount has been accrued in the financial statements.

5. Sale of exploration and evaluation assets

On April 11, 2014, the Corporation entered into agreements ("Agreements") with Vulcan Materials Company ("Vulcan") and the Municipality of the District of Guysborough for the development of the Black Point Project in Guysborough County, Nova Scotia. Under the terms of the Agreements, Vulcan assumed Morien's interest in the Black Point Project and became manager and operator of the project in exchange for milestone amounts payable to Morien totaling $1,800,000 and a royalty stream payable on all material sold from the project over the life of the mine. The first payment of $1,000,000 was received on signing and transfer of interest to Vulcan in 2014. The second milestone amount payable to Morien of $800,000 is due upon the approval and receipt of all environmental permitting necessary for the mining and shipping of aggregate from the Project. A decision on the application for environmental permitting is anticipated in Q1 2016 and with a decision to grant the necessary permits, the $800,000 milestone payment would be recorded as a gain on the sale of Black Point. Details of the recorded sale in 2014 are as follows:

Cash on closing	$	1,000,000
Book value of assets		(303,061)
Costs to sell		(22,774)
Gain on sale of Black Point	$	674,165

6. Share capital

- Under the terms of a normal course issuer bid ("NCIB"), Morien may acquire up to 1,198,000 shares in a 30 day period, up to a maximum of 4,995,300 shares before January 22, 2016, representing approximately 10% of the public float of Morien prior to commencement of the NCIB. Such purchases will be made through the facilities of the TSX Venture Exchange. In the six months ended June 30, 2015, the Corporation purchased for cancellation 2,679,500 shares at a total cost of $611,031, including transaction costs.
- Effective June 15, 2015, the Corporation purchased 274,624 shares from small and odd-lot shareholders via a share restructuring whereby shareholders owing less than 1,000 shares were bought out. Full details of the mechanics of the purchase are outlined in the Corporation's May 7, 2015 press release. The total cost to repurchase the 274,624 shares was $92,802, including transaction costs.
- On April 17, 2015, the Corporation acted on a sunset clause related to an arrangement dated October 15, 2002 between 2016507 Ontario Ltd., 2016964 Ontario Limited and Highwood Resources Ltd., a predecessor company to Morien Resources Corp. By acting on the sunset clause, 6,010 common shares being held under a depository agreement were cancelled.