



Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 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 March 31, 2015 and December 31, 2014 and the unaudited condensed interim consolidated statements of comprehensive loss, change in equity and cash flows for the three months ended March 31, 2015 and 2014. The Corporation's independent auditors have not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the March 31, 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	March 31, 2015	December 31, 2014
ASSETS			
Current assets:			
Cash		\$ 4,455,060	\$ 2,802,939
Trade and other receivables		44,942	92,320
Prepaid expenses		6,429	22,771
Assets held for sale	3	-	4,307,333
		4,506,431	7,225,363
Non-current assets:			
Due from Kameron Collieries ULC	3	2,569,360	-
TOTAL ASSETS		\$ 7,075,791	\$ 7,225,363
LIABILITIES & EQUITY			
Current liabilities:			
Trade and other payables		\$ 455,733	\$ 121,125
TOTAL LIABILITIES		455,733	121,125
SHAREHOLDERS' EQUITY			
Share capital	5	\$ 26,261,193	\$ 26,501,350
Contributed surplus		17,641,350	17,584,433
Deficit		(37,282,485)	(36,981,545)
TOTAL EQUITY		\$ 6,620,058	\$ 7,104,238
TOTAL LIABILITIES AND EQUITY		\$ 7,075,791	\$ 7,225,363

Contingent liability (Note 4)

Subsequent events (Note 6)

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)

	For the three months ended March 31,	
	2015	2014
Royalty revenue	\$ 34,994	\$ -
Corporate and administration	384,580	179,966
Exploration expenses	24,119	21,231
Foreign exchange gain	(3,505)	(846)
Operating expenses	(405,194)	(200,351)
Finance income	8,763	593
Finance expense	-	(1,849)
Net finance income (expense)	8,763	(1,256)
Reversal of impairment loss	60,497	-
Total comprehensive loss	\$ (300,940)	\$ (201,607)
Basic and diluted loss per share	\$ (0.01)	\$ (0.00)
Basic and diluted weighted average number of shares outstanding	59,680,742	49,256,240

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)	\$ 20,170,961
Total comprehensive loss for the period:					
Net loss		-	-	(201,607)	(201,607)
Balance at March 31, 2014	49,256,240	\$ 24,178,166	\$ 17,337,960	\$ (22,786,054)	\$ 19,969,354
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		-	-	(300,940)	(300,940)
Share-based compensation			56,917		56,917
Normal course issued bid purchase of common shares (Note 5)	(1,190,000)	(240,157)	-	-	(240,157)
Balance at March 31, 2015	58,752,248	\$ 26,261,193	\$ 17,641,350	\$ (37,282,485)	\$ 6,620,058

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)

	For the three months ended	
	March 31,	
	2015	2014
Cash flows from operating activities:		
Net loss	\$ (300,940)	\$ (201,607)
Item not involving cash:		
Stock-based compensation	56,917	-
Reversal of impairment previously recognized	(60,497)	-
Net finance expense	(8,763)	1,256
Change in non-cash working capital	196,798	61,228
Cash flows from operating activities	\$ (116,485)	\$ (139,123)
Cash flows from financing activities:		
Purchase of common shares for cancellation	(240,157)	-
Interest paid	-	(1,849)
Cash flows from financing activities	\$ (240,157)	\$ (1,849)
Cash flows from investing activities:		
Received from Kameron Collieries ULC	2,000,000	-
Interest received	8,763	593
Cash flows from investing activities	\$ 2,008,763	\$ 593
Increase (decrease) in cash	\$ 1,652,121	\$ (140,379)
Cash, beginning of period	2,802,939	336,127
Cash, end of period	\$ 4,455,060	\$ 195,748

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

MORIEN RESOURCES CORP.

Notes to Condensed Interim Consolidated Financial Statements

(Canadian dollars)

For the three months ended March 31, 2015 and 2014

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 March 31, 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.

The condensed interim consolidated financial statements were authorized for issue by the Board of Directors on May 27, 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)

MORIEN RESOURCES CORP.

Notes to Condensed Interim Consolidated Financial Statements

(Canadian dollars)

For the three months ended March 31, 2015 and 2014

3. Assets held for sale (continued)

On March 31, 2015, the Corporation revalued the remaining \$3.5 million cash consideration owed to the Corporation, resulting in an impairment reversal of \$60,497. 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 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. The resultant amounts have been discounted at an average rate of 0.5%.

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. 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 in the period up to 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 first quarter of 2015, the Corporation purchased for cancellation 1,190,000 shares at a total cost of \$240,157, or \$0.20 per share.

6. Subsequent event

In April 2015, the Corporation purchased 56,000 of the Corporation's shares under the NCIB at a cost of \$12,008, which were cancelled May 1, 2015. In May 2015, the Corporation purchased 444,500 shares under the NCIB at a cost of \$100,663 which will be cancelled June 1, 2015.