



Interim Condensed Consolidated Financial Statements
For the Three Months and Nine Months Ended
September 30, 2015 and 2014
(Unaudited)

VULCAN MINERALS INC.
September 30, 2015 and 2014

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Notice of No Auditor Review of Interim Financial Statements

Under National Instrument 51-102, “Continuous Disclosure Obligations”, 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 Corporation’s external auditors have not performed a review of these financial statements.

VULCAN MINERALS INC.
Condensed Consolidated Balance Sheets
(Unaudited)
As at

(in Canadian dollars)	September 30 2015	December 31 2014
	\$	\$
Assets		
Current assets		
Cash and cash equivalents	2,305,063	2,747,212
Accounts receivable	8,321	16,753
Government grant receivable (Note 4)	-	85,000
Prepaid expenses	-	16,866
Deposits	9,000	9,000
Inventory	109,224	109,224
	2,431,608	2,984,055
Deposits	301,000	286,000
Investments	14,733	169,347
Exploration and evaluation assets (Note 5)	3,235,235	4,213,864
Equipment	65,451	81,293
Total Assets	6,048,027	7,734,559
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	35,598	85,149
Total Liabilities	35,598	85,149
Equity		
Shareholders' equity	5,587,753	7,181,849
Non-controlling interest	424,676	467,561
	6,012,429	7,649,410
Total Liabilities and Equity	6,048,027	7,734,559
Nature of operations (Note 1)		
Contingencies (Note 9)		
Subsequent event (Note 10)		
Approved on Behalf of the Board of Directors		
<u>Patrick J. Laracy</u>	Director	
<u>Rex Gibbons</u>	Director	

See accompanying notes to the consolidated financial statements

VULCAN MINERALS INC.
Condensed Consolidated Statements of Loss
(Unaudited)

(in Canadian dollars)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2015	2014	2015	2014
	\$	\$	\$	\$
Income (Expenses)				
Interest income	3,705	8,425	14,647	29,946
Write-off- exploration and evaluation assets	(6,250)	-	(1,002,981)	(278,466)
General and administrative	(107,680)	(155,803)	(475,842)	(548,114)
Share-based compensation	-	(4,811)	(4,964)	(24,394)
Depreciation	(6,104)	(8,615)	(18,192)	(25,847)
Net loss	(116,329)	(160,804)	(1,487,332)	(846,875)
Net loss attributable to:				
Common shareholders	(109,690)	(151,788)	(1,444,447)	(797,839)
Non-controlling interest	(6,639)	(9,016)	(42,885)	(49,036)
	(116,329)	(160,804)	(1,487,332)	(846,875)
Net loss per share - basic and diluted	\$ (0.002)	\$ (0.002)	\$ (0.025)	\$ (0.014)
Weighted-average number of common shares outstanding - basic and diluted	58,526,129	58,526,129	58,526,129	58,526,129

Condensed Consolidated Statements of Comprehensive Loss (unaudited)

(in Canadian dollars)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2015	2014	2015	2014
	\$	\$	\$	\$
Net loss	(116,329)	(160,804)	(1,487,332)	(846,875)
Other comprehensive income (loss):				
Change in unrealized gain on available-for-sale financial assets, (net of tax)	(37,845)	(48,964)	(154,613)	148,644
Comprehensive income (loss)	(154,174)	(209,768)	(1,641,945)	(698,231)
Comprehensive income (loss) attributable to:				
Common shareholders	(147,535)	(200,752)	(1,599,060)	(649,195)
Non-controlling interest	(6,639)	(9,016)	(42,885)	(49,036)
	(154,174)	(209,768)	(1,641,945)	(698,231)

See accompanying notes to the consolidated financial statements

VULCAN MINERALS INC.
Condensed Consolidated Statements of Changes in Equity
(Unaudited)

(in Canadian dollars)

	Share Capital	Contributed Surplus	Warrants	Accumulated Other Comprehensive Loss	Deficit	Total Shareholders' Equity	Non-Controlling Interest	Total Equity
	\$	\$	\$	\$	\$	\$	\$	\$
Balance, December 31, 2013	19,106,940	2,901,147	-	(67,598)	(13,711,770)	8,228,719	411,169	8,639,888
Net loss and comprehensive loss								
January 1, 2014 - September 30, 2014	-	-	-	148,644	(797,839)	(649,195)	(49,036)	(698,231)
Share-based compensation	-	24,394	-	-	-	24,394	-	24,394
Share issuance costs	(3,300)	-	-	-	-	(3,300)	-	(3,300)
Transfer to non-controlling interest on acquisition of shares in subsidiary	-	(126,361)	-	-	-	(126,361)	126,361	-
Balance September 30, 2014	19,103,640	2,799,180	-	81,046	(14,509,609)	7,474,257	488,494	7,962,751
Net loss and comprehensive loss								
October 1, 2014 - December 31, 2014	-	-	-	22,242	(317,902)	(295,660)	(20,933)	(316,593)
Share-based compensation	-	3,252	-	-	-	3,252	-	3,252
Balance December 31, 2014	19,103,640	2,802,432	-	103,288	(14,827,511)	7,181,849	467,561	7,649,410
Net loss and comprehensive loss								
January 1, 2015 - September 30, 2015	-	-	-	(154,613)	(1,444,447)	(1,599,060)	(42,885)	(1,641,945)
Share-based compensation	-	4,964	-	-	-	4,964	-	4,964
Balance September 30, 2015	19,103,640	2,807,396	-	(51,325)	(16,271,958)	5,587,753	424,676	6,012,429

See accompanying notes to the consolidated financial statements

VULCAN MINERALS INC.
Condensed Consolidated Statements of Cash Flows
(Unaudited)
Nine Months Ended September 30

(in Canadian dollars)	2015	2014
	\$	\$
Operating Activities		
Interest receipts	14,647	29,946
Operating payments	(478,069)	(551,413)
	(463,422)	(521,467)
Financing Activities		
Share issuance costs	-	(3,300)
	-	(3,300)
Investing Activities		
Acquisition computer equipment	(2,350)	-
Exploration and evaluation assets (Note 5)	(24,352)	(414,875)
Deposit- mineral exploration and evaluation assets	(15,000)	-
Accounts payable- exploration and evaluation assets	(22,025)	-
Harmonized sales tax receivable re exploration and evaluation assets	-	(49,024)
Refund of deposits	-	15,000
Government grant (Notes 4 and 5)	85,000	-
	21,273	(448,899)
Cash (outflow)	(442,149)	(973,666)
Cash and cash equivalents, beginning of period	2,747,212	3,853,156
Cash and cash equivalents, end of period	2,305,063	2,879,490
Cash and cash equivalents are comprised of:		
Deposits with bank	2,305,063	2,879,490

See accompanying notes to the consolidated financial statements

VULCAN MINERALS INC.

Notes to the Condensed Consolidated Financial Statements

(Unaudited)

September 30, 2015 and 2014

1. NATURE OF OPERATIONS AND CORPORATE INFORMATION

Vulcan Minerals Inc. is engaged in the evaluation, acquisition and exploration of mineral and petroleum and natural gas properties in Newfoundland and Labrador. The Company plans to ultimately develop the properties as joint ventures, bring them into production, option or lease properties to third parties, or sell the properties outright. The Company has not determined whether these properties contain reserves that are economically recoverable and the Company is considered to be in the exploration stage.

The Company is a publicly traded company, incorporated under the laws of the Province of Alberta, Canada. Its head office address is 333 Duckworth Street, St. John's, NL A1C 1G9.

2. BASIS OF PRESENTATION

These unaudited interim condensed consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB") applicable to the preparation of interim financial statements, including IAS 34, Interim Financial Reporting. The accounting policies used in preparing these unaudited interim condensed consolidated financial statements are consistent with those used in the preparation of the Company's annual financial statements. These unaudited interim condensed consolidated financial statements should be read in conjunction with the annual financial statements for the year ended December 31, 2014.

These consolidated financial statements have been prepared on an historical cost basis, except for investments which are measured at fair value.

These consolidated financial statements were approved and authorized for issuance by the Board of Directors on November 26, 2015.

Basis of consolidation

The consolidated financial statements include the accounts of the Company and the entity controlled by the Company (subsidiary). The Company's subsidiary is Red Moon Potash Inc. in which the Company has a 65% interest. Control is achieved by having each of: power over the investee via existing rights that give the company the current ability to direct the relevant activities of the investee; exposure, or rights, to variable returns from involvement with the investee; and the ability for the company to use its power over the investee to affect the amount of the company's returns. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. All significant intercompany transactions and balances have been eliminated.

Non-controlling interest in the net assets of Red Moon Potash Inc. are identified separately from the Company's equity. The non-controlling interest consists of the non-controlling interest's portion of net assets, income (loss), and other comprehensive income (loss).

VULCAN MINERALS INC.
Notes to the Condensed Consolidated Financial Statements
(Unaudited)
September 30, 2015 and 2014

3. NEW AND AMENED ACCOUNTING STANDARDS

New and amended standards adopted by the Company

The following standard has been adopted by the Company for the period beginning on January 1, 2015:

IAS 24, “*Related Party Transactions*” was amended to revise the definition of related party to include an entity that provides key management personnel services to the reporting entity or its parent and to clarify the related party disclosure requirements. This amendment is effective for fiscal years beginning on or after July 1, 2014.

Standards and amendments not yet effective and not yet applied

IAS 16, “*Property, plant and equipment*” and IAS 38 “*Intangible assets*” were amended to clarify acceptable methods of depreciation and amortization. The amendments are effective for fiscal years beginning on or after January 1, 2016.

IFRS 11, “*Joint arrangements*” was amended to provide additional guidance on accounting for the acquisition of an interest in a joint operation. The amendment is effective for fiscal years beginning on or after January 1, 2016.

IFRS 9, “*Financial instruments*” was issued to replace IAS 39, providing guidance on the classification, measurement and disclosure of financial instruments and introducing a new hedge accounting model. The standard is effective for fiscal years beginning on or after January 1, 2018.

The Company is reviewing the standards and amendments, to determine the potential impact, if any, on its financial statements.

4. GOVERNMENT GRANT RECEIVABLE

Under the terms of a contribution agreement with the Department of Natural Resources of the Government of Newfoundland and Labrador, signed in August, 2014, and a Memorandum of Agreement signed in February 2015 (increasing the eligible amount of the grant under the August 2014 contribution agreement), the Company received \$100,000 in May 2015 as a government contribution in respect of eligible costs of the 2014 exploration program. The Company recorded the estimated amount of the government grant receivable of \$85,000 at December 31, 2014, with a corresponding amount recorded as a reduction of mineral and exploration assets. The additional contribution amount of \$15,000 has been recorded as a reduction of mineral exploration and evaluation assets in the nine months ended September 30, 2015.

VULCAN MINERALS INC.

Notes to the Condensed Consolidated Financial Statements

(Unaudited)

September 30, 2015 and 2014

5. EXPLORATION AND EVALUATION ASSETS

The Company has 12 mineral licenses (December 31, 2014- 10) which consist of 1,022 claims (December 31, 2014 – 1,371 claims), which are active and in good standing with the Department of Natural Resources in the Province of Newfoundland and Labrador. The Company also holds nil mineral permits (December 31, 2014- 10) in the Province of Alberta. These licenses and permits are in the exploration and evaluation stage. The Company holds a database of geological and geophysical data at September 30, 2015 and December 31, 2014. A summary of the exploration and evaluation assets is as follows:

	September 30, 2015			December 31, 2014		
	Balance, Beginning of Period	Additions (Writedowns/ Dispositions)	Balance, End of Period	Balance, Beginning of Year	Additions (Dispositions, net)	Balance, End of Year
	\$	\$	\$	\$	\$	\$
Mineral properties						
Property acquisition costs	66,750	27,565	94,315	66,750	-	66,750
Exploration costs	1,310,664	(9,463)	1,301,201	867,904	442,760	1,310,664
Geological and geophysical data	2,836,450	(996,731)	1,839,719	3,155,029	(318,579)	2,836,450
	4,213,864	(978,629)	3,235,235	4,089,683	124,181	4,213,864

Current period additions to mineral exploration and evaluation assets have been reduced by the government grant of \$15,000 (2014- \$100,000).

The Company holds a database of geological and geophysical data. In 2015 and 2014, the Company regrouped certain of its mineral licenses at license renewal dates, and as result, surrendered a portion of the lands associated with the licenses. The Company recorded a provision for write-down to the geological and geophysical data in 2015 in the amount of \$966,731 (December 31, 2014- \$318,579) which was in proportion to the land surrendered as compared to the total area covered by the geological and geophysical data.

6. SHARE-BASED COMPENSATION

The Company has a stock option plan under which directors, officers, management, consultants and employees of the Company and its subsidiaries are eligible to receive stock options. The aggregate number of shares to be issued upon exercise of all options granted under the plan shall not exceed 10% of the issued shares of the Company at the time of granting the options. The maximum number of common shares optioned to any one optionee shall not exceed 5% of outstanding common shares of the Company. Options granted under the plan generally have a term of five years but may not exceed five years and vest at terms to be determined by the directors at the time of grant. The exercise price of each option is determined by the directors at the time of grant but shall not be less than the price

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permitted by the policy or policies of the stock exchange(s) on which the Company's common shares are then listed.

A summary of the status of the Company's stock option plan is as follows:

	September 30, 2015		December 31, 2014	
	Number of Options	Weighted- Average Exercise Price	Number of Options	Weighted- Average Exercise Price
		\$		\$
Outstanding, beginning of period	4,603,345	0.17	5,401,288	0.22
Granted	-	-	-	-
Expired	(978,345)	0.44	(547,943)	0.32
Forfeited	(175,000)	0.10	(250,000)	0.10
Outstanding, end of period	3,450,000	0.10	4,603,345	0.17
Exercisable, end of period	3,450,000	0.10	3,697,095	0.15

The weighted average remaining contractual life of outstanding options is 2.34 years (December 31, 2014 – 2.56 years). The weighted average remaining contractual life of exercisable options is 2.34 years (December 31, 2014 – 2.43 years).

VULCAN MINERALS INC.

Notes to the Condensed Consolidated Financial Statements

(Unaudited)

September 30, 2015 and 2014

7. GENERAL AND ADMINISTRATIVE EXPENSES

	Three months ended September 30, 2015	Three months ended September 30, 2014	Nine months ended September 30, 2015	Nine months Ended September 30, 2014
	\$	\$	\$	\$
Management, salaries, contract fees and benefits	65,846	88,933	239,570	296,723
Office and administrative	23,625	28,026	88,383	93,604
Directors' fees	-	-	32,500	32,500
Transfer agent and professional fees	15,425	24,167	100,717	82,923
Conferences, travel and accommodation	2,784	14,677	14,672	42,364
	107,680	155,803	475,842	548,114

Compensation for key management personnel, which includes the President and Chief Executive Officer, Chief Financial Officer and directors, is as follows:

	Three months ended September 30, 2015	Three months ended September 30, 2014	Nine months ended September 30, 2015	Nine months ended September 30, 2014
	\$	\$	\$	\$
Management fees, salaries and benefits	61,200	61,040	186,748	189,135
Directors' fees	-	-	32,500	32,500
	61,200	61,040	219,248	221,635

8. RELATED PARTY TRANSACTIONS

	Three months ended September 30, 2015	Three months ended September 30, 2014	Nine months ended September 30, 2015	Nine months ended September 30, 2014
	\$	\$	\$	\$
Rent paid to a corporation which is controlled by the President of the Company	11,250	11,250	33,750	33,750

VULCAN MINERALS INC.

Notes to the Condensed Consolidated Financial Statements

(Unaudited)

September 30, 2015 and 2014

9. CONTINGENCIES

- a) In 2011, the Company was served with a Statement of Claim by Geophysical Service Incorporated wherein it is claimed that the Company, as a co-defendant with Investcan Energy Corporation, has committed a copyright infringement. The claim relates to an allegation that accessing offshore Labrador seismic data, which is released to the public by the Canada Newfoundland and Labrador Offshore Petroleum Board (CNLOPB) after the relevant statutory privilege-confidentiality period, is a breach of copyright. The Company is of the opinion that this claim is without basis or merit and no amounts have been recorded in the Company's accounts related to this claim. The Company is fully defending its interests.
- b) The Court in Alberta has granted leave to Geophysical Service Incorporated (GSI) to add the Company as a co-defendant in the ongoing action GSI has with NWest Energy Corp. regarding an alleged breach of an agreement between those parties. GSI has submitted a Statement of Claim and the Company has filed a Statement of Defence. The Company believes the claims against it are without basis or merit and no amounts have been recorded in the Company's accounts related to this claim. The Company is fully defending its interest.

10. SUBSEQUENT EVENT

The Company has subscribed for 4,000,000 units in subsidiary company, Red Moon Potash Inc., at \$0.05 per unit for total cash consideration of \$200,000. Each unit consists of one common share and one half of a common share purchase warrant, with one whole warrant entitling the holder to purchase one common share at \$0.10 per share for two years from date of closing of the private placement. The subsidiary company has received subscriptions for 4,800,000 units at \$.05 per unit and 250,000 flow-through units at \$0.06 per unit for total cash consideration of \$255,000. The Company's interest in the subsidiary company is expected to increase from 65% to 66.6% upon closing of the private placement.

CORPORATE INFORMATION

OFFICERS AND MANAGEMENT

Patrick J. Laracy
President and Chairman

Sharon M. Dunn
Chief Financial Officer and Corporate
Secretary

BOARD OF DIRECTORS

Patrick J. Laracy

Rex Gibbons

Philip E. Collins

William Koenig

EXCHANGE LISTING

TSX Venture – “VUL”

LEGAL COUNSEL

Morris McManus, Calgary, AB
Cox & Palmer, St. John’s, NL

REGISTRAR AND TRANSFER AGENT

Computershare Trust Company of Canada

AUDITORS

PricewaterhouseCoopers LLP

BANKERS

Scotiabank

ADDITIONAL INFORMATION

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