

**ODYSSEY RESOURCES LIMITED**

**CONDENSED INTERIM FINANCIAL STATEMENTS**

**3<sup>rd</sup> Quarter ended September 30, 2015**

In United States dollars

**UNAUDITED**

# Odyssey Resources Limited

## Condensed Interim Statements of Financial Position

<i>(unaudited, in US dollars)</i>	September 30, 2015	December 31, 2014
	\$	\$
<b>ASSETS</b>		
Current		
Cash	600,802	857,340
Sales taxes receivable	7,938	8,319
Receivable from a related party (Note 5)	8,986	-
Prepaid expenses	937	9,876
	<b>618,663</b>	875,535
Non-current		
Marketable securities (Note 3)	36,405	35,049
<b>TOTAL ASSETS</b>	<b>655,068</b>	910,584
<b>LIABILITIES</b>		
Current		
Accounts payable and accrued liabilities	6,162	11,531
<b>TOTAL LIABILITIES</b>	<b>6,162</b>	11,531
<b>SHAREHOLDERS' EQUITY</b>		
Share capital	15,022,596	15,022,596
Contributed surplus	2,257,387	2,257,387
Deficit	(16,542,808)	(16,402,219)
Cumulative translation adjustment	(88,269)	21,289
<b>TOTAL EQUITY</b>	<b>648,906</b>	899,053
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>655,068</b>	910,584

Potential Acquisition of Mineral Assets (Note 7)

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

On behalf of the Board,

/s/ James Crombie  
James Crombie, Director

/s/ Carmelo Marrelli  
Carmelo Marrelli, Director

# Odyssey Resources Limited

## Condensed Interim Statements of Comprehensive Loss

<i>(unaudited, in US dollars)</i>	3 <sup>rd</sup> quarter ended September 30,		Nine-months ended September 30,	
	2015	2014	2015	2014
	\$	\$	\$	\$
<b>Expenses and other items</b>				
Management and administration (Note 4)	42,525	30,919	137,503	150,900
Business development	13,458	-	13,458	-
Fair value adjustment of marketable securities	15,572	2,716	(6,297)	20,613
Interest income	(1,030)	(2,687)	(4,075)	(8,487)
<b>Net loss for the period</b>	<b>(70,525)</b>	<b>(30,948)</b>	<b>(140,589)</b>	<b>(163,026)</b>
Other comprehensive loss				
Item that will be subsequently reclassified to income				
Foreign currency translation adjustment	(46,307)	(50,362)	(109,558)	(57,849)
<b>Comprehensive loss for the period</b>	<b>(116,832)</b>	<b>(81,310)</b>	<b>(250,147)</b>	<b>(220,875)</b>
Basic and diluted loss per share	(0.00)	(0.00)	(0.00)	(0.00)
Weighted average number of shares - basic and diluted	36,231,486	36,231,486	36,231,486	36,231,486

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

## Odyssey Resources Limited

### Condensed Interim Statements of Shareholders' Equity

<i>(unaudited, in US dollars)</i>	Number of issued and outstanding common shares	Share capital	Contributed surplus	Deficit	Cumulative translation adjustment	Shareholders' equity
		\$	\$	\$	\$	\$
Balance at December 31, 2014	36,231,486	15,022,596	2,257,387	(16,402,219)	21,289	899,053
Net loss for the period	-	-	-	(140,589)	-	(140,589)
Other comprehensive income						
Foreign currency translation adjustment	-	-	-	-	(109,558)	(109,558)
<b>Balance at September 30, 2015</b>	<b>36,231,486</b>	<b>15,022,596</b>	<b>2,257,387</b>	<b>(16,542,808)</b>	<b>(88,269)</b>	<b>648,906</b>
Balance at December 31, 2013	36,231,486	15,022,596	2,257,387	(16,193,007)	112,182	1,199,158
Net loss for the period	-	-	-	(163,026)	-	(163,026)
Other comprehensive income						
Foreign currency translation adjustment	-	-	-	-	(57,849)	(57,849)
<b>Balance at September 30, 2014</b>	<b>36,231,486</b>	<b>15,022,596</b>	<b>2,257,387</b>	<b>(16,356,033)</b>	<b>54,333</b>	<b>978,283</b>

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

# Odyssey Resources Limited

## Condensed Interim Statements of Cash Flows

<i>(unaudited, in US dollars)</i>	Nine-months ended September 30,	
	2015	2014
	\$	\$
<b>OPERATING ACTIVITIES</b>		
Net loss for the period	(140,589)	(163,026)
Adjustment		
Fair value adjustment of marketable securities	(6,297)	20,613
Changes in working capital items		
Sales taxes receivable	(748)	562
Receivable from a related party	(9,518)	-
Prepaid expenses	8,101	8,498
Accounts payable and accrued liabilities	(4,091)	1,579
	(153,142)	(131,774)
Effect of exchange rate changes on cash held in foreign currencies	(103,396)	(54,674)
Net change in cash	(256,538)	(186,448)
Cash, beginning of period	857,340	1,121,842
<b>Cash, end of period</b>	<b>600,802</b>	<b>935,394</b>
Finance income received included in operating activities	4,510	8,620

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

# Odyssey Resources Limited

## Notes to Condensed Interim Financial Statements

September 30, 2015 (Unaudited - in US dollars)

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### 1. NATURE OF OPERATIONS

Odyssey Resources Limited ("Odyssey" or the "Company") is primarily engaged in the acquisition and exploration of mineral properties. To date, the Company has not earned significant revenues and is considered to be in the exploration stage. At September 30, 2015, the Company does not hold an interest in any mineral properties and during the nine months ended September 30, 2015, the Company did not carry out any exploration programs. The Company continues to assess new properties and seeks to acquire an interest in mineral properties if the Company believes they have merit and if it has adequate financial resources to do so. On September 28, 2015, the Company announced that it has entered into a non-binding letter of intent for the acquisition of certain mineral assets located in Peru (Note 7). All amounts in these condensed interim financial statements are expressed in United States dollars unless otherwise indicated. Odyssey's common shares are listed on the NEX trading board of the TSX Venture Exchange ("TSXV"). The Company's common shares trade under the symbol 'ODX.H'. Dundee Corporation holds approximately 31.4% of the issued common shares of Odyssey.

The Board of Directors approved and authorized for issuance these unaudited condensed interim financial statements on November 12, 2015.

### 2. STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION

These unaudited condensed interim financial statements have been prepared in accordance with IAS 34, *Interim Financial Reporting* and follow the same accounting policies as the Company's most recent annual financial statements. These unaudited condensed interim financial statements do not contain all of the information and disclosures required for annual financial statements, and should be read in conjunction with the Company's annual audited financial statements for the years ended December 31, 2014 and 2013 which have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

### 3. MARKETABLE SECURITIES

At September 30, 2015 and December 31, 2014, the Company owned 3,000,000 shares of Ariana Resources plc, a London-based mineral exploration company. These shares are recorded at fair value using the last bid price and fair value adjustments are reported in profit or loss.

# Odyssey Resources Limited

Notes to Condensed Interim Financial Statements

September 30, 2015 (Unaudited - in US dollars)

## 4. MANAGEMENT AND ADMINISTRATION EXPENSES

	3 <sup>rd</sup> quarter ended September 30,		Nine-months ended September 30,	
	2015	2014	2015	2014
	\$	\$	\$	\$
Employee benefits	8,043	6,697	22,618	18,914
Administrative and consultants	21,435	14,582	58,632	51,513
Office	10,537	9,542	31,479	39,595
Investor relations and travel	467	199	1,916	1,627
Professional fees	-	(3,281)	11,667	29,306
Reporting issuer costs	2,405	3,388	11,810	10,192
Gain on foreign exchange	(362)	(208)	(619)	(247)
	42,525	30,919	137,503	150,900

## 5. RELATED PARTY TRANSACTIONS

During the 3<sup>rd</sup> quarter and the nine-months ended September 30, 2015, the Company paid or accrued administration expenses of \$19,457 and \$54,554, respectively to Reunion Gold Corporation, a related party by virtue of common directors and management (\$21,102 and \$66,421, respectively during the 3<sup>rd</sup> quarter and the nine-months ended September 30, 2014). On September 30, 2015, the Company had an amount receivable of \$8,986 from Reunion Gold Corporation (nil at December 31, 2014). Unless otherwise stated, none of the transactions provided for special terms and conditions and no guarantees were given or received. Outstanding balances are usually settled in cash.

### Remuneration of directors and key management of the Company

The remuneration awarded to directors and to senior key management, including the Executive Chairman, the Chief Executive Officer and the Chief Financial Officer, is as follows:

	3 <sup>rd</sup> quarter ended September 30,		Nine-months ended September 30,	
	2015	2014	2015	2014
	\$	\$	\$	\$
Employee benefits	8,043	6,697	22,618	18,914
Consulting fees	5,729	955	14,640	5,664
	13,772	7,652	37,258	24,578

## 6. SEGMENTED INFORMATION

The Company has one reportable operating segment being the acquisition and exploration of mineral properties. At September 30, 2015 and December 31, 2014, the Company did not have an interest in any mineral properties.

# Odyssey Resources Limited

Notes to Condensed Interim Financial Statements

September 30, 2015 (Unaudited - in US dollars)

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## 7. POTENTIAL ACQUISITION OF MINERAL ASSETS

On September 28, 2015, the Company announced that it has entered into a non-binding letter of intent with Green Mountain Inc (“**Green Mountain**”), an arms’ length private company, pursuant to which Odyssey would acquire Green Mountain and its interest in the Ishihuinca Gold Tailings Project, located in Southern Peru (the “**Ishihuinca Project**”). As consideration for the acquisition, the shareholders of Green Mountain were to receive, in exchange for each one share of Green Mountain, ten (10) common shares of Odyssey. On October 27, 2015, the Company announced that it had called a shareholders’ meeting to be held on November 27, 2015 to seek approval of a ten for one share consolidation. If the share consolidation is approved and if the proposed acquisition is subsequently completed, the shareholders of Green Mountain would receive one common share for each share they own. The structure of the proposed transaction will be determined by Odyssey and Green Mountain following a review of all relevant tax, corporate and securities law considerations. If the transaction is completed, the shareholders of Green Mountain will hold approximately 87% of the total issued and outstanding common shares of Odyssey (not taking into account securities that may be issued under a financing) and it will constitute a reverse take-over of Odyssey under the policies of the TSXV.

The proposed transaction is subject to Odyssey completing a financing (the “**Financing**”), raising a minimum of US\$7.5 million on terms and conditions to be mutually agreed by both parties and is subject to the parties satisfying various conditions including completion of due diligence, execution of a definitive agreement, Odyssey having received a title opinion and a National Instrument 43-101 technical report in respect of the Ishihuinca Project, and receipt of all required regulatory, stock exchange and shareholder approvals and consents. Green Mountain has agreed to deal exclusively with Odyssey in respect of the proposed transaction until the earliest of (i) the date Odyssey indicates that it does not want to proceed following its due diligence, (ii) the entering into of a definitive agreement, and (iii) November 14, 2015. This provision of the letter of intent is binding.

The Ishihuinca Project is located in the Province of Caraveli, Department of Arequipa, Peru, approximately 780 kilometers by road southeast of Lima. The Ishihuinca Project consists of a gold processing facility, tailings from the previous mining operations, and nearby mining concessions covering 1061 hectares. The Ishihuinca mine and processing plant operated from 1979 to 2012 through a subsidiary of Buenaventura Mining Company. In June 2013, the Ishihuinca Project was sold to Compania Minera Corire S.A.C., a private Peruvian company (“**Corire**”). In 2014, LAI Corp S.A.C. (“**LAI**”), a wholly owned Peruvian subsidiary of Green Mountain, concluded an agreement to purchase all the shares of Corire for US\$3.13 million (US\$280,000 paid to date) plus the assumption of the responsibility for Corire’s residual debt to Buenaventura of US\$1.75 million (plus interest). Buenaventura has accepted an offer from LAI to settle Corire’s residual debt for US\$1 million. Upon completion of the proposed transaction, Odyssey will complete the purchase payments to the Corire shareholders and pay the outstanding US\$1 million to Buenaventura.