

ETHOS GOLD CORP.
CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2015 AND 2014
(Stated in Canadian dollars)
(Unaudited)

NOTICE TO READER

These condensed interim financial statements have been prepared by the management of Ethos Gold Corp. and have not been reviewed by the auditors of Ethos Gold Corp.

ETHOS GOLD CORP.
Condensed Interim Statements of Financial Position
(Stated in Canadian Dollars)
(Unaudited)

	Note	June 30, 2015	December 31, 2014
Assets			
Current assets:			
Cash and cash equivalents		\$ 7,875,496	\$ 8,046,537
Amounts receivable		4,769	6,991
Prepaid expenses		10,400	19,996
		7,890,665	8,073,524
Mineral interests	3	1	1
Equipment	4	17,881	20,949
		\$ 7,908,547	\$ 8,094,474
Liabilities and Shareholders' Equity			
Current liabilities:			
Accounts payable and accrued liabilities		\$ 16,683	\$ 29,652
Due to related parties	6	2,400	2,800
		19,083	32,452
Shareholders' Equity			
Share capital	5	22,441,603	22,441,603
Share option reserve		2,165,189	2,162,121
Share warrant reserve		3,065,932	3,065,932
Deficit		(19,783,260)	(19,607,634)
		7,889,464	8,062,022
		\$ 7,908,547	\$ 8,094,474

Approved by the Board of Directors and authorized for issue on August 24, 2015.

 "Darren Devine" Director

 "Gary Freeman" Director

See accompanying notes to the condensed interim financial statements.

ETHOS GOLD CORP.**Condensed Interim Statements of Loss and Comprehensive Loss****(Stated in Canadian Dollars)****(Unaudited)**

		Three months ended June 30,		Six months ended June 30,	
	Note	2015	2014	2015	2014
Expenses					
Amortization of equipment		\$ 1,534	\$ 1,534	\$ 3,068	\$ 3,068
Bank charges		500	730	889	1,147
Consulting	6	55,176	55,942	105,626	104,673
Listing and filing fees		10,852	14,127	18,058	28,688
Office and administrative		18,359	27,763	46,419	63,640
Professional fees		13,960	12,896	18,505	16,548
Rent		3,750	13,278	15,078	27,816
Share-based compensation		1,002	-	3,068	20,900
Travel and expenses		307	6,883	2,304	13,670
Loss before the undernoted		(105,440)	(133,153)	(213,015)	(280,150)
Other income (expenses)					
Interest income		18,480	24,687	38,415	49,296
Foreign exchange gain		(1,026)	(42)	(1,026)	792
Net loss and comprehensive loss for the period		\$ (87,986)	\$ (108,508)	\$ (175,626)	\$ (230,062)
Basic and diluted loss per share		\$ (0.00)	\$ (0.00)	\$ (0.00)	\$ (0.01)
Weighted average number of shares outstanding		43,458,911	43,458,911	43,458,911	43,458,911

See accompanying notes to the condensed interim financial statements.

ETHOS GOLD CORP.**Condensed Interim Statements of Changes in Equity****(Stated in Canadian Dollars)****(Unaudited)**

	Share Capital		Share Reserves		Deficit	Total
	Number of Shares	Amount	Share Option Reserve	Share Warrant Reserve		
Balance, December 31, 2013	43,458,911	\$ 22,441,603	\$ 2,133,793	\$ 3,065,932	\$ (19,180,798)	\$ 8,460,530
Share-based compensation	-	-	20,900	-	-	20,900
Net loss for the period	-	-	-	-	(230,062)	(230,062)
Balance, June 30, 2014	43,458,911	22,441,603	2,154,693	3,065,932	(19,410,860)	8,251,368
Share-based compensation	-	-	7,428	-	-	7,428
Net loss for the period	-	-	-	-	(196,774)	(196,774)
Balance, December 31, 2014	43,458,911	22,441,603	2,162,121	3,065,932	(19,607,634)	8,062,022
Share-based compensation	-	-	3,068	-	-	3,068
Net loss for the period	-	-	-	-	(175,626)	(175,626)
Balance, June 30, 2015	43,458,911	\$ 22,441,603	\$ 2,165,189	\$ 3,065,932	\$ (19,783,260)	\$ 7,889,464

See accompanying notes to the condensed interim financial statements.

ETHOS GOLD CORP.
Condensed Interim Statements of Cash Flows
(Stated in Canadian Dollars)
(Unaudited)

	Six months ended June 30,	
	2015	2014
Operating activities		
Net loss for the period	\$ (175,626)	\$ (230,062)
Item not affecting cash:		
Amortization of equipment	3,068	3,068
Share-based compensation	3,068	20,900
	(169,490)	(206,094)
Changes in non-cash working capital components		
Amounts receivable	2,222	8,081
Prepaid expenses	9,596	13,059
Accounts payable and accrued liabilities	(12,969)	(11,281)
Due to related parties	(400)	2,800.00
Cash used in operating activities	(171,041)	(193,435)
Decrease in cash and cash equivalents	(171,041)	(193,435)
Cash and cash equivalents, beginning of period	8,046,537	8,405,049
Cash and cash equivalents, end of period	\$ 7,875,496	\$ 8,211,614
Cash and cash equivalents consisted of		
Cash on deposit with a Canadian Senior Bank	\$ 7,835,352	\$ 8,171,386
Term deposits and Guaranteed investment certificates issued by a Canadian Senior Bank	40,144	40,228
	\$ 7,875,496	\$ 8,211,614

Supplemental Cash Flow Information (note 7)

See accompanying notes to the condensed interim financial statements

ETHOS GOLD CORP.

Notes to the Condensed Interim Financial Statements

For the Three and Six Months Ended June 30, 2015 and 2014

(Stated in Canadian Dollars)

(Unaudited)

1. NATURE OF OPERATIONS

Ethos Gold Corp. (the “Company”) was incorporated on March 12, 2007 under the British Columbia Business Corporations Act. In 2009, it began trading on the TSX Venture Exchange (“TSX-V”) as a Tier 2 company under the symbol ECC. Its registered office is located at 800 – 789 West Pender Street, Vancouver, BC, V6C 1H2. The Company’s principal business activities are the identification, exploration and development of economically viable mineral properties.

Due to the significant decline in commodity values for both precious and base metals, since 2013 the Company has not undertaken any exploration activities on its mineral properties in order to preserve cash. However, the Company has been reviewing opportunities to acquire an interest in assets or a business outside of the mineral exploration sector with a view to creating shareholder value. The Company’s operations during the six months ended June 30, 2015 were primarily directed towards the abovementioned search for an acquisition outside of the mineral resource exploration sector.

These condensed interim financial statements have been prepared on the basis that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. The Company has sufficient resources at this time to locate and explore a mineral property or properties with sufficient potential for further development. Should the Company succeed in identifying and exploring one or more mineral properties, it may need to obtain additional financing through the issuance of debt or equity. There is a risk that additional financing may not be available on a timely basis or on terms acceptable to the Company to complete the successful development of these properties.

2. BASIS OF PREPARATION

(a) Statement of compliance

These condensed interim financial statements, including the comparative statements, have been prepared in accordance with International Accounting Standards (“IAS”) 34, *Interim Financial Reporting* using the same accounting policies and methods as were used for the Company’s financial statements and the notes thereto for the year ended December 31, 2014 (“Annual Financial Statements”). These financial statements should be read in conjunction with the Annual Financial Statements.

(b) Changes in accounting standards not yet adopted

IFRS 9 *Financial Instruments* (“IFRS 9”): This standard replaces the current IAS 39 *Financial Instruments Recognition and Measurement*. The standard introduces new requirements for classifying and measuring financial assets and liabilities. The effective implementation date of IFRS 9 is January 1, 2018. The Company is currently evaluating the impact on the financial statements.

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Notes to the Condensed Interim Financial Statements

For the Three and Six Months Ended June 30, 2015 and 2014

(Stated in Canadian Dollars)

(Unaudited)

3. MINERAL INTERESTS

		Yukon Canada		Total
Acquisition Costs				
Balance, December 31, 2013	\$	1	\$	1
Additions		-		-
Write-off		-		-
Balance, December 31, 2014 and June 30, 2015	\$	1	\$	1

During the year ended December 31, 2012, the Company staked 44 mineral property claims near the Betty property in the White Gold area, west-central Yukon. These claims are 100% owned by the Company and will remain in good standing for five years to 2018 with no further expenditures required.

The Company's exploration activities in the Yukon Territory are subject to various federal, provincial and state laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company conducts its operations so as to protect public health and the environment, and believes its operations are materially in compliance with all applicable laws and regulations. The Company makes, and expects to make in the future, expenditures to comply with such laws and regulations, including any reclamation at its mineral properties, on a continuous basis.

4. EQUIPMENT

		Computer Equipment		Office Equipment		Total
Cost						
Balance, December 31, 2013	\$	20,815	\$	31,558	\$	52,373
Additions		-		-		-
Balance, December 31, 2014 and June 30, 2015	\$	20,815	\$	31,558	\$	52,373
Accumulated amortization						
Balance, December 31, 2013	\$	11,909	\$	13,380	\$	25,289
Amortization		2,671		3,464		6,135
Balance, December 31, 2014	\$	14,580	\$	16,844	\$	31,424
Amortization		1,336		1,732		3,068
Balance, June 30, 2015	\$	15,916	\$	18,576	\$	34,492
Net book value						
December 31, 2014	\$	6,235	\$	14,714	\$	20,949
June 30, 2015	\$	4,899	\$	12,982	\$	17,881

ETHOS GOLD CORP.

Notes to the Condensed Interim Financial Statements

For the Three and Six Months Ended June 30, 2015 and 2014

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(Unaudited)

5. SHARE CAPITAL

(a) Authorized

Unlimited number of common shares without par value
Unlimited number of preferred shares without par value

(b) Common shares – Issued and outstanding

At June 30, 2015 and December 31, 2014, the Company had 43,458,911 common shares issued and outstanding.

(c) Share purchase options

Share purchase options are granted at an exercise price equal to the estimated fair value of the Company's common shares on the date of the grant.

On June 22, 2010, the Company implemented a new Share Option Plan ("Plan") for the benefit of directors, employees and consultants of the Company. The Plan provides that the directors of the Company may grant options to purchase common shares on terms that the directors may determine. The maximum aggregate number of common shares that may be reserved for issuance under the Plan is 10% of the issued and outstanding common shares of the Company at the time of grant. At June 30, 2015, 2,898,570 share purchase options were outstanding.

The continuity of incentive stock options issued and outstanding is as follows:

	June 30, 2015		December 31, 2014	
	Number of Share Options	Weighted Average Exercise Price	Number of Share Options	Weighted Average Exercise Price
Outstanding, beginning of period	3,303,570	\$0.47	3,453,570	\$0.47
Granted	-	-	100,000	\$0.20
Expired	(105,000)	(\$0.42)	(100,000)	\$0.25
Forfeited	(300,000)	\$0.43	(150,000)	\$0.36
Outstanding, end of period	2,898,570	\$0.47	3,303,570	\$0.47

The following weighted-average grant date assumptions were used in the Black-Scholes model in valuing share purchase options granted during the year ended December 31, 2014 to an officer: weighted average grant-date fair value: \$0.11; weighted average share price: \$0.19; weighted average exercise price: \$0.20; risk-free interest rate: 1.46%; expected volatility: 70.72%; expected years of option life: 5; expected dividends: \$nil. Volatility is based on the Company's historical share price volatility. No options were granted during the six months ended June 30, 2015 and 2014.

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Notes to the Condensed Interim Financial Statements

For the Three and Six Months Ended June 30, 2015 and 2014

(Stated in Canadian Dollars)

(Unaudited)

5. SHARE CAPITAL (continued)

As at June 30, 2015, the following share purchase options were outstanding and exercisable:

Expiry date	Outstanding Options	Weighted Average Exercise Price	Weighted Average Remaining contractual life (in years)	Exercisable Options	Weighted Average Exercise Price
Sep 22, 2015	588,570	\$0.42	0.23	588,570	\$0.42
Jun 22, 2016*	250,000	\$0.83	0.98	250,000	\$0.83
Dec 19, 2016**	560,000	\$0.69	1.47	560,000	\$0.69
May 16, 2018	1,400,000	\$0.36	2.88	1,400,000	\$0.36
August 2, 2019	100,000	\$0.20	4.09	75,000	\$0.20
	2,898,570	\$0.47	1.95	2,873,570	\$0.47

*Subsequent to June 30, 2015 these options were cancelled.

**Subsequent to June 30, 2015 150,000 of these options were cancelled.

6. RELATED PARTY TRANSACTIONS

The Company entered into the following transactions with related parties during the six months ended June 30, 2015 and 2014:

- The Company paid \$84,410 (2014 - \$94,200) in consulting fees to private companies controlled by certain directors and officers of the Company.
- As at June 30, 2015, \$2,400 (December 31, 2014 - \$2,800) was due to related parties. These amounts are non-interest bearing and are payable on demand.

Key management personnel compensation:

Key management personnel comprises directors and executive officers. The following compensation was paid to key management personnel:

	For the six months ended June 30,	
	2015	2014
Consulting fees	\$ 84,410	\$ 94,200
Directors fees	23,040	26,400
Share-based compensation	3,068	20,900
	\$ 110,518	\$ 141,500

7. SUPPLEMENTAL CASH FLOW INFORMATION

	For the six months ended June 30,	
	2015	2014
Interest received	\$ 38,415	\$ 49,296

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Notes to the Condensed Interim Financial Statements

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(Unaudited)

8. EVENTS AFTER THE REPORTING PERIOD

Except as disclosed elsewhere in these condensed interim financial statements the following event occurred after the reporting period:

- (a) Subsequent to June 30, 2015, the Company granted 750,000 incentive stock options to its directors and officers. Each option grants the holder the right to purchase one common share of the Company at an exercise price of \$0.15 per common share until July 29, 2020. The incentive stock options do not have any vesting provisions.