PORTEX MINERALS INC.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

THREE MONTHS ENDED DECEMBER 31, 2015

(Expressed In Canadian Dollars Except As Otherwise Indicated)

(UNAUDITED)

NOTICE TO READER

The accompanying unaudited condensed interim consolidated financial statements of Portex Minerals Inc. (the "Company") have been prepared by and are the responsibility of management. The unaudited condensed interim consolidated financial statements have not been reviewed by the Company's auditors.

PORTEX MINERALS INC.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Expressed In Canadian Dollars Except As Otherwise Indicated)
(Unaudited)

	December 31, 2015	September 30, 2015
ASSETS		
Current assets		
Cash and cash equivalents	**$ -**	$ 121,068
Amounts receivable and prepaid expenses (Note 4)	**43,800**	45,488
Total assets	**$ 43,800**	$ 166,556
DEFICIENCY AND LIABILITIES		
Current liabilities		
Amounts payable and other liabilities (Notes 6 and 11)	**$ 2,234,094**	$ 2,204,800
Promissory note (Note 7)	**25,000**	25,000
Total current liabilities	**2,259,094**	2,229,800
Deficiency		
Capital stock (Note 8)	**10,842,639**	10,842,639
Reserves	**836,789**	836,789
Accumulated deficit	**(13,894,722)**	(13,742,672)
Total deficiency	**(2,215,294)**	(2,063,244)
Total deficiency and liabilities	**$ 43,800**	$ 166,556

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

Nature of Operations and Going Concern (Note 1)
Contingency (Note 15)

Approved on Behalf of the Board:

"Matthew Bassett"
Matthew Bassett, Director

"Christopher Bilz "
Christopher Bilz, Director

PORTEX MINERALS INC.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(Expressed In Canadian Dollars Except As Otherwise Indicated)
(Unaudited)

Three Months Ended December 31,		**2015**		**2014**
Expenses				
General and administrative (Note 12)	**$**	**135,317**	$	76,262
Mineral property exploration expense (Note 5)		**-**		2,058
Foreign exchange (gain) loss		**2,885**		1,218
Interest expense (Notes 7 and 11)		**13,848**		315
Total expenses		**(152,050)**		(79,853)
Loss on investment in Global Resource Investment Trust		**-**		(591,076)
Net loss and comprehensive loss from continuing operations		**(152,050)**		(670,929)
Net loss from discontinued operations (Note 3)		**-**		(65,805)
Net loss and comprehensive loss	**$**	**(152,050)**	$	(736,734)
Basic and diluted loss per share - continuing operations (Note 13)	**$**	**(0.00)**	$	(0.00)
Basic and diluted loss per share - discontinued operations (Note 13)	**$**	**(0.00)**	$	(0.00)
Weighted average number of shares outstanding (Note 13)		**206,419,302**		204,984,302

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

PORTEX MINERALS INC.
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' DEFICIENCY
(Expressed In Canadian Dollars Except As Otherwise Indicated)
(Unaudited)

			Reserves							
		Capital Stock (Note 8)		**Contributed Surplus**		**Warrants Reserve**		**Accumulated Deficit**		**Total**
Balance, September 30, 2014	**$**	**10,767,223**	**$**	**788,555**	**$**	**-**	**$**	**(11,222,469)**	**$**	**333,309**
Net loss for the period		-		-		-		(736,734)		(736,734)
Balance, December 31, 2014	**$**	**10,767,223**	**$**	**788,555**	**$**	**-**	**$**	**(11,959,203)**	**$**	**(403,425)**
Balance, September 30, 2015	**$**	**10,842,639**	**$**	**788,555**	**$**	**48,234**	**$**	**(13,742,672)**	**$**	**(2,063,244)**
Net loss for the period		-		-		-		(152,050)		(152,050)
Balance, December 31, 2015	**$**	**10,842,639**	**$**	**788,555**	**$**	**48,234**	**$**	**(13,894,722)**	**$**	**(2,215,294)**

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

PORTEX MINERALS INC.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed In Canadian Dollars Except As Otherwise Indicated)
(Unaudited)

Three Months Ended December 31,	2015	2014
Cash (Used in) Provided by:		
Operating Activities		
Net loss from continuing operations	$ (152,050)	$ (670,929)
Unrealized foreign exchange loss	-	9,256
Unrealized loss in investment in Global Resources Investment Trust	-	480,770
Loss on sale of investment in Global Resources Investment Trust	-	110,306
Net change in non-cash working capital:		
Decrease in amounts receivable and prepaid expenses	1,688	2,272
Increase in amounts payable and other liabilities	69,294	26,946
	(81,068)	(41,379)
Investing Activities		
Net proceeds from sale of investment in Global Resources Investment Trust	-	52,008
Cash invested in discontinued operations from continuing operations	-	(46,824)
	-	5,184
Net Change in Cash and Cash Equivalents for Continuing Operations	(81,068)	(36,195)
Cash and Cash Equivalents, Beginning of the Period for Continuing Operations	121,068	65,295
Cash and Cash Equivalents, End of the Period for Continuing Operations	$ 40,000	$ 29,100
Cash used in operating activities for discontinued operations (Note 3)	$ -	$ (44,052)
Cash provided by financing activities for discontinued operations (Note 3)	-	46,824
Net Change in Cash and Cash Equivalents for Discontinued Operations	-	2,772
Cash and Cash Equivalents, Beginning of the Period for Discontinued Operations	-	9,765
Cash and Cash Equivalents, End of the Period for Discontinued Operations	$ -	$ 12,537

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

1. NATURE OF OPERATIONS AND GOING CONCERN

Portex Minerals Inc. ("Portex" or the "Company") is a Canadian company incorporated pursuant to the Ontario Business Corporations Act on September 25, 2006. The Company's principal operations used to involve exploring for precious and base metals. In July 2015, the Company sold its subsidiaries in Portugal and Spain and plans to change its business strategy and exit the mining business which has been classified as discontinued operations in these unaudited condensed interim consolidated financial statements for the three months ended December 31, 2015 and 2014. The head office of the Company is 199 Bay Street, Suite 2901, Toronto, Ontario, M5L 1G1.

On June 25, 2015, the Company entered into a binding Letter of Intent (the "LOI") to acquire Walker Norris Capital Partners III d/b/a Direct Metals Recycling ("DMR"). DMR is an Atlanta, Georgia based company involved in the procurement of Platinum Grade Metals ("PGM") through the processing of catalytic converters. Under the LOI terms, Portex is acquiring all of the issued and outstanding shares in the common stock (the "DMR Shares") for an aggregate purchase price of US$4.8 million payable by issuance of 48,000,000 post-consolidation common shares of Portex at a deemed price of US$0.10 per post-consolidation common share (the "Acquisition"). On January 27, 2016, the Company renewed the LOI with DMR with no change to the terms and conditions.

In addition to customary conditions respecting sponsorship, regulatory and shareholder approvals and due diligence, the Acquisition is subject to and conditional upon:

1. the completion of an equity financing for not less than US$750,000;
2. a line of credit in the amount of US$1.5 million (not conditional for closing of the Acquisition);
3. the assumption by the Company of certain DMR liabilities, subject to due diligence by Portex and approval by all the current owners and lender; and
4. key employees of DMR entering into employment agreements.

Portex and DMR will negotiate a formal definitive agreement in good faith (the "Definitive Agreement"). The formal Definitive Agreement will contain covenants, representations, warranties, conditions, indemnities and provisions customary for transactions of the nature of a qualifying transaction in accordance with TSX Venture Exchange requirements. The Acquisition will be in the form of a reverse takeover.

In conjunction with the Acquisition, the Company also intends to change its name to Direct Metals Recycling Ltd., or any name to be decided by the board of directors of the Company, and to consolidate its issued share capital on the basis of ten (10) old common shares (the "Old Portex Shares") for each one (1) new common share (a "New Portex Share"). As of the date hereof, the Company has 206,419,302 Old Portex Shares issued and outstanding. After giving effect to the proposed consolidation, the Company will have approximately 20,641,930 New Portex Shares issued and outstanding. However, the exact number of New Portex Shares will vary as no fractional shares shall be issued as a result of the consolidation and the number of additional Old Portex Shares issued to debtholders at the effective time of the consolidation. If any fractional share would otherwise result from the consolidation, such fractional share shall be rounded up to the nearest whole share.

1. NATURE OF OPERATIONS AND GOING CONCERN (CONTINUED)

Going concern

These unaudited condensed interim consolidated financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assume that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations as they come due. The Company has incurred a loss for the three months ended December 31, 2015 of $152,050 (three months ended December 31, 2014 - $736,734), has a working capital deficiency at December 31, 2015 of $2,215,294 (September 30, 2015 - $2,063,244), and has not earned any revenue since the Company’s emergence from protection pursuant to the Companies' Creditors Arrangement Act in July 2009. These circumstances cast significant doubt as to the Company's ability to continue as a going concern and, accordingly, the ultimate use of accounting principles applicable to a going concern. The Company’s ability to continue as a going concern is dependent upon its obtaining additional financing. The Company continues to evaluate various options in order to address its financing needs. There can be no assurance that the Company's financing activities will be successful or sufficient.

These unaudited condensed interim consolidated financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and financial position classifications that would be necessary if the Company were unable to realize its assets and settle its liabilities as a going concern in the normal course of operations. Such adjustments could be material.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

The Company applies International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations issued by the IFRS Interpretations Committee ("IFRIC"). These unaudited condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting. Accordingly, they do not include all of the information required for full annual financial statements required by IFRS as issued by the IASB and interpretations issued by the IFRIC.

The policies applied in these unaudited condensed interim consolidated financial statements are based on IFRS issued and outstanding as of February 29, 2016, the date the Board of Directors approved the statements. The same accounting policies and methods of computation are followed in these unaudited condensed interim consolidated financial statements as compared with the most recent annual consolidated financial statements as at and for the year ended September 30, 2015. Any subsequent changes to IFRS that are given effect in the Company's annual consolidated financial statements for the year ended September 30, 2016 could result in restatement of these unaudited condensed interim consolidated financial statements.

New accounting standards and interpretations

IFRS 9 – Financial Instruments (“IFRS 9”) was issued by the IASB in October 2010 and will replace IAS 39 – Financial Instruments: Recognition and Measurement (“IAS 39”). IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward unchanged to IFRS 9. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. IFRS 9 is effective for annual periods beginning on or after January 1, 2018. Earlier adoption is permitted.

(Expressed In Canadian Dollars Except As Otherwise Indicated)

3. DISCONTINUED OPERATIONS

On July 17, 2015, the Company completed the sale of the shares of its subsidiaries, Strategic Resource Acquisition Empreendimentos Mineiros Unipessoal Lda ("SRAEM") and Redcorp Empreendimentos Mineiros Unipessoal, Lda. ("REM") in Portugal (collectively "Subsidiaries in Portugal") for total cash consideration of $7,500 and on July 31, 2015, the Company completed the sale of the shares of its subsidiary, GoldQuest Mining (Spain) Corp. ("GoldQuest Spain") for total cash consideration of $60,000.

The following tables present summarized financial information related to discontinued operations in Subsidiaries in Portugal and GoldQuest Spain.

Unaudited condensed interim consolidated statements of loss and comprehensive loss for the discontinued operations for the three months ended December 31, 2014:

	Subsidiaries in Portugal	GoldQuest Spain	Total
Expenses			
General and administrative	$ 669	$ 2,794	$ 3,463
Depreciation	611	746	1,357
Mineral property exploration expense (Note 5)	31,017	43,367	74,384
Foreign exchange gain	(4,939)	(8,460)	(13,399)
Total loss from discontinued operations	$ 27,358	$ 38,447	$ 65,805

Unaudited condensed interim consolidated statements of cash flows for the discontinued operations for the three months ended December 31, 2014:

	Subsidiaries in Portugal	GoldQuest Spain	Total
Cash used in operating activities	$ (25,247)	$ (18,805)	$ (44,052)
Cash provided by financing activities	29,088	17,736	46,824
Net change in cash and cash equivalents for discontinued operations	3,841	(1,069)	2,772
Cash and cash equivalents at beginning of the period for discontinued operations	8,696	1,069	9,765
Cash and cash equivalents at end of the period for discontinued operations	$ 12,537	$ -	$ 12,537

(Expressed In Canadian Dollars Except As Otherwise Indicated)

4. AMOUNTS RECEIVABLE AND PREPAID EXPENSES

	As at December 31, 2015	As at September 30, 2015
Current		
Sales tax receivable - (Canada)	**$ 38,406**	$ 37,625
Prepaid expenses and other	**5,394**	7,863
	$ 43,800	$ 45,488

5. MINERAL PROPERTIES

Mineral property exploration expense

Three Months Ended December 31,	2015	2014
Portugal - discontinued operation	**$ -**	$ 31,017
Spain - discontinued operation	**-**	43,367
Spain - continuing operation	**-**	2,058
	$ -	$ 76,442

On July 17, 2015, the Company completed the sale of its Subsidiaries in Portugal and on July 31, 2015, the Company completed the sale of GoldQuest Spain. The Company plans to change its business strategy and exit the mining business.

Portugal

During the year ended September 30, 2015, the Company sold its mineral properties in Portugal.

Spain

During the year ended September 30, 2015, the Company sold its mineral properties in Spain.

Northern Ireland and Ireland

On November 15, 2013, the Company acquired all of the shares of Metallum in exchange for 100,000,002 issued Portex common shares (note 8(i)). Metallum owned 24 exploration licences of which 8 were in Northern Ireland and 16 were in the Republic of Ireland. The aggregate licence area was approximately 215,000 hectares.

On October 30, 2014, the Department of Northern Ireland caused all existing mineral exploration licences held by the Company's wholly-owned subsidiary, Metallum, to terminate effective October 31, 2014. In addition, it rejected Metallum's applications for renewal of certain licences. Metallum no longer has any mineral exploration licences in Northern Ireland.

(Expressed In Canadian Dollars Except As Otherwise Indicated)

5. MINERAL PROPERTIES (CONTINUED)

Northern Ireland and Ireland (continued)

At September 30, 2014, Metallum owned 16 exploration licenses in Ireland. Metallum has not commenced any work on these licenses as a result of its financial condition. Metallum did not renew the 16 exploration licences when they expired during the first half of 2015.

The Company wrote off all of the mineral properties in Northern Ireland and Ireland in the amount of $5,042,997 during the year ended September 30, 2014.

6. AMOUNTS PAYABLE AND OTHER LIABILITIES

	As at December 31, 2015	As at September 30, 2015
Falling due within the year		
Trade payables	**$ 1,308,877**	$ 1,240,224
Accrued liabilities	**965,217**	964,576
	$ 2,274,094	$ 2,204,800

7. PROMISSORY NOTE

On March 25, 2014, the Company issued a promissory note with a principal amount of $25,000 at an annualized rate of the prime rate plus 2% to the former Chief Executive Officer ("CEO") of the Company. The promissory note is repayable on demand. During the three months ended December 31, 2015, the Company accrued an interest expense of $315 at 5% annualized rate on the promissory note (three months ended December 31, 2014 - $315).

(Expressed In Canadian Dollars Except As Otherwise Indicated)

8. CAPITAL STOCK

(a) Authorized - Unlimited number of common shares
Unlimited number of Class A shares

(b) Issued

	Number of Shares	Amount
Balance - September 30, 2014 and December 31, 2014	**204,984,302**	**$ 10,767,223**
Balance - September 30, 2015 and December 31, 2015	**206,419,302**	**$ 10,842,639**

9. WARRANTS AND BROKER WARRANTS

The following table reflects the continuity of warrants for the periods presented:

	Number of Warrants	Exercise Price
Balance, September 30, 2014 and December 31, 2014	**-**	**$ -**
Balance, September 30, 2015 and December 31, 2015	**1,435,000**	**$ 0.10**

The warrants outstanding as at December 31, 2015 are as follows:

Number of Warrants	Exercise Price	Grant Date Fair Value	Expiry date
1,435,000	**$ 0.10**	**$ 48,234**	**September 30, 2017**

The following table reflects the continuity of broker warrants for the periods presented:

	Number of Broker Warrants	Exercise Price
Balance, September 30, 2014 and December 31, 2014	**-**	**$ -**
Balance, September 30, 2015 and December 31, 2015	**143,500**	**$ 0.50**

The broker warrants outstanding as at December 31, 2015 are as follows:

Number of Broker Warrants	Exercise Price	Grant Date Fair Value	Expiry date
143,500	**$ 0.50**	**$ 16**	**September 30, 2017**

(Expressed In Canadian Dollars Except As Otherwise Indicated)

10. STOCK OPTIONS

On February 23, 2011, the Company's stock option plan (the "Plan") was established and approved by shareholders on March 30, 2011. The Company may grant to directors, officers, employees and key consultants options to purchase common shares of the Company. The aggregate number of common shares reserved for issuance under the Plan is limited to a maximum of 10% of the number of common shares of the Company issued and outstanding. The exercise price of options issued may not be less than the market price of the common shares of the Company at the time the option is granted. Vesting provisions vary according to the terms of the individual option grants and all options granted must have a term of ten years or less.

The following table reflects the continuity of stock options for the periods presented:

	Number of Stock Options	Exercise Price
Balance, September 30, 2014, December 31, 2014, September 30, 2015 and December 31, 2015	**1,525,000**	**$ 0.135**

The stock options outstanding as at December 31, 2015 are as follows:

Number of Stock Options	Number of Stock Options Exercisable	Exercise Price	Grant Date Fair Value	Weighted Average Remaining Contractual Life	Expiry Date
1,525,000	1,525,000	$ 0.135	$ 131,150	0.25 years	March 30, 2016

11. RELATED PARTY TRANSACTIONS

Related parties include the Board of Directors, close family members and enterprises that are controlled by these individuals as well as certain persons performing similar functions. The amounts due to related parties are unsecured, non-interest bearing and due on demand.

(a) The Company entered into the following transactions with related parties:

Three Months Ended December 31,	**Notes**	**2015 $**	**2014 $**
Marrelli Support Services Inc. ("MSSI")	(i)	**9,561**	9,376
DSA Corporate Services Inc. ("DSA")	(ii)	**4,568**	-
Chieftain Metals Inc. ("Chieftain")	(iii)	**-**	2,175
Bassett Financial Corporation ("Bassett")	(iv)	**89,448**	-

(Expressed In Canadian Dollars Except As Otherwise Indicated)

11. RELATED PARTY TRANSACTIONS (CONTINUED)

(a) The Company entered into the following transactions with related parties (continued):

(i) The Chief Financial Officer ("CFO") of the Company is an associate of MSSI and the former CFO is the president of MSSI. Fees relate to accounting services and CFO services provided by MSSI. These costs are reflected in general and administrative expenses in the unaudited condensed interim consolidated statements of loss and comprehensive loss. As at December 31, 2015, MSSI was owed $133,961 (September 30, 2015 - $129,157) and the amount was included in amounts payable and other liabilities.

(ii) The former CFO of the Company is the secretary of DSA, a firm providing corporate secretarial services to the Company. As at December 31, 2015, DSA was owed $19,246 (September 30, 2015 - $14,679) and the amount was included in amounts payable and other liabilities.

(iii) The former Chairman and director of the Company is also the CEO of Chieftain and the Company pays rent on a monthly basis to Chieftain. These costs are reflected in general and administrative in the unaudited condensed interim consolidated statements of loss and comprehensive loss. As at December 31, 2015, Chieftain was owed $68,354 (September 30, 2015 - $65,354) and the amount was included in amounts payable and other liabilities.

(iv) During the three months ended December 31, 2015, the Company was charged $49,448 by Bassett for consulting fees which has been included in professional fees and consulting fees in the unaudited condensed interim consolidated statements of loss and comprehensive loss. Bassett is controlled by one of the directors of the Company. As at December 31, 2015, Bassett was owed $267,500 plus accrued interest of $23,260 (September 30, 2015 - $282,500 and accrued interest of $9,727) and the amount was included in amounts payable and other liabilities.

(v) See Note 7 for a promissory note issued to the former CEO of the Company.

(b) Remuneration of directors and key management personnel included in general and administrative expense of the Company was as follows:

Three Months Ended December 31,	**2015** **$**	**2014** **$**
Salary cost and benefits and director fees	-	44,499

As at December 31, 2015, directors and key management personnel of the Company were owed a total of $420,226 (September 30, 2015 - $420,226) and the amount was included in amounts payable and other liabilities. In addition, as at December 31, 2015, the former CEO of the Company was owed $25,000 (September 30, 2015 - $25,000) for the promissory note plus accrued interest of $2,212 (September 30, 2015 - $1,897).

(Expressed In Canadian Dollars Except As Otherwise Indicated)

12. GENERAL AND ADMINISTRATIVE

Three Months Ended December 31,	2015	2014
Salary costs and benefits	**$ -**	$ 46,642
Professional fees	**30,108**	9,672
Investor relations and shareholder information	**6,918**	8,524
Office management, administration and other	**3,948**	8,971
Consulting fees	**94,343**	2,453
	$ 135,317	$ 76,262

13. LOSS PER SHARE

The calculation of basic and diluted loss per share for the continuing operations for the three months ended December 31, 2015 was based on the loss for continuing operations attributable to common shareholders of $152,050 (three months ended December 31, 2014 - loss of $670,929) and the weighted average number of common shares outstanding of 206,419,302 (three months ended December 31, 2014 - 204,984,302). Diluted loss per share did not include the effect of 1,525,000 stock options, 1,435,000 warrants and 143,500 broker warrants (three months ended December 31, 2014 - 1,525,000 stock options, nil warrants and nil broker warrants) as they are anti-dilutive.

The calculation of basic and diluted loss per share for the discontinued operations for the three ended December 31, 2015 was based on the loss for discontinued operations attributable to common shareholders of $nil (three months ended December 31, 2014 - $65,805) and the weighted average number of common shares outstanding of 206,419,302 (three months ended December 31, 2014 - 204,984,302). Diluted loss per share did not include the effect of 1,525,000 stock options, 1,435,000 warrants and 143,500 broker warrants (three months ended December 31, 2014 - 1,525,000 stock options, nil warrants and nil broker warrants) as they are anti-dilutive.

(Expressed In Canadian Dollars Except As Otherwise Indicated)

14. FAIR VALUE MEASUREMENTS

The Company has no assets or liabilities measured at fair value on a recurring basis as at December 31, 2015.

(a) Assets and liabilities at carrying amount and estimated fair value:

As at	December 31, 2015		September 30, 2015	
	Carrying Amount	**Estimated Fair Value**	**Carrying Amount**	**Estimated Fair Value**
Financial assets				
Cash and cash equivalents	**$ -**	**$ -**	$ 121,068	$ 121,068
Financial liabilities				
Amounts payable and other liabilities	**$ 2,234,094**	**$ 2,234,094**	$ 2,204,800	$ 2,204,800
Promissory notes	**25,000**	**25,000**	25,000	25,000
	$ 2,259,094	**$ 2,259,094**	$ 2,229,800	$ 2,229,800

15. CONTINGENCY

Upon successful completion of an aggregate financing of $3,000,000, the Company will be obligated to pay a $50,000 transaction fee to an intermediary.