**NEW DESTINY MINING CORP.**

**Condensed Interim Financial Statements**

**(Unaudited – Prepared by Management)**

**(Expressed In Canadian Dollars)**

**Six Months Ended**

**December 31, 2014 and 2013**

## 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 financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed consolidated interim financial statements have been prepared by and are the responsibility of management.

The Company's independent auditor has not performed a review of these unaudited condensed interim financial statements in accordance with the standards established by the Canadian Institute of Chartered Accountants for a review of condensed interim financial statements by an entity's auditor.

**NEW DESTINY MINING CORP.**
*(An Exploration Stage Company)*
**Condensed Interim Statements of Financial Position**
(Expressed in Canadian Dollars)

| | Note | December 31, 2014 (Unaudited) | June 30, 2014 (Audited) |
|---|---|---|---|
| | | $ | $ |
| ASSETS | | | |
| CURRENT | | | |
| Cash | | 23,300 | 891 |
| Receivables | | 2,470 | 6,677 |
| Prepaid expenses | | 40,085 | - |
| Total current assets | | 65,855 | 7,568 |
| Exploration and evaluation assets | 4 | 121,684 | 16,628 |
| Total assets | | 187,539 | 24,196 |
| LIABILITIES | | | |
| CURRENT | | | |
| Accounts payable and accrued liabilities | | 8,256 | 49,368 |
| Due to related parties | 5 | 37,266 | 47,348 |
| Total liabilities | | 45,522 | 96,716 |
| EQUITY (DEFICIT) | | | |
| Share capital | 6 | 1,913,350 | 1,698,740 |
| Equity reserve | 6 | 512,515 | 345,099 |
| Deficit | | (2,283,848) | (2,116,359) |
| Total equity (deficit) | | 142,017 | (72,520) |
| Total liabilities and equity (deficit) | | 187,539 | 24,196 |

NATURE OF BUSINESS AND CONTINUING OPERATIONS (Note 1)
SUBSEQUENT EVENTS (Note 8)

Approved and authorized for issuance on February 27, 2015 and signed on behalf of the Board:

*"Greg Olesen"*
Greg Olesen, Director

*"Rob Birmingham"*
Rob Birmingham, Director

**NEW DESTINY MINING CORP.**
*(An Exploration Stage Company)*
**Condensed Interim Statements of Comprehensive Loss**
(Unaudited)
(Expressed in Canadian Dollars)

| | Note | For the Three Months Ended December 31, 2014 | 2013 | For the Six Months Ended December 31, 2014 | 2013 |
|---|---|---|---|---|---|
| | | $ | $ | $ | $ |
| EXPENSES | | | | | |
| Consulting (recovery) | 5 | 22,250 | (2,000) | 42,250 | 25,048 |
| General exploration | | - | - | - | - |
| Management fees | 5 | 26,000 | - | 44,000 | 15,000 |
| Office and miscellaneous | | 1,802 | 52 | 3,843 | 2,289 |
| Professional Fees | 5 | 18,651 | 11,035 | 33,651 | 34,171 |
| Property investigation | | - | 10,425 | - | 10,859 |
| Rent | | 2,547 | - | 6,705 | - |
| Share-based payments | 5 and 6 | - | 30,521 | 20,056 | 30,521 |
| Transfer agent and filing fees | | 4,329 | 2,101 | 8,014 | 6,079 |
| Travel and promotion | | 4,193 | 5,769 | 8,970 | 13,327 |
| Total expenses | | 79,772 | 57,903 | 167,489 | 137,294 |
| Net loss and comprehensive loss | | (79,772) | (57,903) | (167,489) | (137,294) |
| LOSS PER SHARE (basic and diluted) | | (0.00) | (0.00) | (0.00) | (0.01) |
| WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING | | 37,452,423 | 27,521,640 | 35,208,857 | 24,152,075 |

**NEW DESTINY MINING CORP.**
*(An Exploration Stage Company)*
**Condensed Interim Statements of Changes in Equity (Deficit)**
(Unaudited)
(Expressed in Canadian Dollars)

| | | | Equity Reserves | | | | |
|---|---|---|---|---|---|---|---|
| | **Number of Shares** | **Share Capital** | **Share-based Payments** | **Warrants** | **Subtotal** | **Deficit** | **Total** |
| | | $ | $ | $ | $ | $ | $ |
| Balance, June 30, 2013 | 17,521,640 | 1,490,382 | 176,765 | 52,853 | 229,618 | (1,827,762) | (107,762) |
| Shares issued pursuant to private placement | 10,000,000 | 100,000 | - | - | - | - | 100,000 |
| Share issuance costs | - | (15,280) | - | - | - | - | (15,280) |
| Share based payments | - | - | 30,521 | - | 30,521 | - | 30,521 |
| Comprehensive loss | - | - | - | - | - | (137,294) | (137,294) |
| **Balance, December 31, 2013** | **27,521,640** | **1,575,102** | **207,286** | **52,853** | **260,139** | **(1,965,056)** | **(129,815)** |
| Shares issued pursuant to private placement | 4,248,000 | 127,440 | - | 84,960 | 84,960 | - | 212,400 |
| Share issuance costs | - | (3,802) | - | - | - | - | (3,802) |
| Share-based payments | - | - | - | - | - | - | - |
| Comprehensive loss | - | - | - | - | - | (151,303) | (151,303) |
| **Balance, June 30, 2014** | 31,769,640 | 1,698,740 | 207,286 | 137,813 | 345,099 | (2,116,359) | (72,520) |
| Shares issued pursuant to private placement | 7,368,000 | 221,040 | - | 147,360 | 147,360 | - | 368,400 |
| Share issuance costs | - | (6,430) | - | - | - | - | (6,430) |
| Share based payments | - | - | 20,056 | - | 20,056 | - | 20,056 |
| Comprehensive loss | - | - | - | - | - | (167,489) | (167,489) |
| **Balance, December 31, 2014** | **39,137,640** | **1,913,350** | **227,342** | **285,173** | **512,515** | **(2,283,848)** | **142,017** |

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

**NEW DESTINY MINING CORP.**
*(An Exploration Stage Company)*
**Condensed Interim Statements of Cash Flows**
(Unaudited)
(Expressed in Canadian Dollars)

| | Note | For the Six Months Ended December 31, 2014 | 2013 |
|---|---|---|---|
| | | **$** | $ |
| CASH PROVIDED BY (USED IN): | | | |
| OPERATING ACTIVITIES | | | |
| Net loss for the period | | (167,489) | (137,294) |
| Items not involving cash | | | |
| Share-based payments | | 20,056 | 30,521 |
| | | (147,433) | (106,773) |
| Changes in non-cash working capital items: | | | |
| Receivables | | 4,207 | 8,096 |
| Prepaid expenses | | (40,085) | 16,250 |
| Accounts payable and accrued liabilities | | (41,112) | (10,744) |
| Cash used in operating activities | | (224,423) | (93,171) |
| FINANCING ACTIVITIES | | | |
| Advances from (repayments to) related parties | | (10,082) | 7,152 |
| Proceeds from shares issued for cash, net of issuance costs | | 361,970 | 84,720 |
| Cash provided by financing activities | | 351,888 | 91,872 |
| INVESTING ACTIVITY | | | |
| Exploration and evaluation assets | | (105,056) | - |
| Cash used in investing activities | | (105,056) | - |
| CHANGE IN CASH DURING THE PERIOD | | 22,409 | (1,299) |
| CASH, BEGINNING OF PERIOD | | 891 | 1,552 |
| CASH, END OF PERIOD | | 23,300 | 253 |
| SUPPLEMENTAL INFORMATION | | | |
| Interest paid | | - | - |
| Income taxes paid | | - | - |

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

## 1. NATURE OF BUSINESS AND CONTINUING OPERATIONS

New Destiny Mining Corp. (the "Company") was incorporated on September 9, 2009 under the Business Corporations Act of British Columbia. The Company is an exploration stage company currently focused on the exploration of mineral property interests located in Canada and Nicaragua. The address of the Company's corporate office and its principal place of business is 1330 – 1075 West Georgia Street, Vancouver, BC, V6E 3C9.

As at December 31, 2014, the Company had not yet determined whether its exploration and evaluation assets contain mineral reserves that are economically recoverable. The operations of the Company will require various licences and permits from various governmental authorities which are or may be granted subject to various conditions and may be subject to renewal from time to time. There can be no assurance that the Company will be able comply with such conditions and obtain or retain all necessary licences and permits that may be required to carry out exploration, development, and mining operations at its projects.

These condensed interim financial statements have been prepared on a going concern basis, which presume the realization of assets and discharge of liabilities in the normal course of business for the foreseeable future. The Company's ability to continue as a going concern is dependent upon achieving profitable operations and/or obtaining additional financing. The Company has sustained losses from operations, and has an ongoing requirement for capital investment to explore its exploration and evaluation assets. Based on its current plans, budgeted expenditures, and cash requirements, the Company does not haves sufficient cash to finance its current plans for at least 12 months from the date of approval of the December 31, 2014 condensed interim financial statements. The Company expects that it will need to raise substantial additional capital to accomplish its business plan over the next several years. The Company expects to seek additional financing through equity financing. There can be no assurance as to the availability or terms upon which such financing might be available.

Although these condensed interim financial statements have been prepared using International Financial Reporting Standards applicable to a going concern, the above noted material uncertainties raise significant doubt regarding the Company's ability to continue as a going concern. These condensed interim financial statements do not include any adjustments to the amounts and classification of assets and liabilities that might be necessary should the Company be unable to continue in business. These adjustments could be material.

## 2. STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION

a) Statement of compliance

These condensed interim 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 International Accounting Standard ("IAS") 34, *"Interim Financial Reporting".* The condensed interim financial statements have been prepared on the basis of accounting policies and methods of computation consistent with those applied in and should be read in conjunction with the annual financial statements for the year ended June 30, 2014, which have been prepared in accordance with IFRS as issued by the IASB.

b) Basis of presentation

The condensed interim financial statements have been prepared on a historical cost basis except for financial instruments classified as available-for-sale or fair value through profit and loss, which are stated at their fair value. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information. All amounts are expressed in Canadian dollars unless otherwise stated.

(Expressed in Canadian dollars)

## 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**Accounting standards issued but not yet effective**

Certain new standards, interpretations and amendments to existing standards have been issued by the IASB or IFRIC that are mandatory for accounting periods noted below. Some updates that are not applicable or are not consequential to the Company may have been excluded from the list below.

*IFRS 9 Financial Instruments*

IFRS 9 Financial Instruments is part of the IASB's wider project to replace IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 retains but simplifies the mixed measurement model and establishes two primary measurement categories for financial assets: amortized cost and fair value. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. The standard is effective for annual periods beginning on or after January 1, 2018. The Company is in the process of evaluating the impact of the new standard.

## 4. EXPLORATION AND EVALUATION ASSETS

a) Fuente De Oro Project, Nicaragua

In April 2014, the Company entered into a non-binding letter of intent (the “LOI”) with Central America Mining Corp. (“CAM”) with respect to their Fuente De Oro property (“Property”) in Libertad district of Nicaragua, which is owned by CAM’s 99.99%-owned subsidiary Central America Mining Corporation S.A. (“CAMC”).

In June 2014, the Company entered into an option agreement with CAM, which superseded the LOI to acquire an 80% interest in and to the issued and outstanding shares of CAMC.SA, and therefore indirectly acquire an 80% interest in the Property.

On November 12, 2014, the Company, CAM and CAMC entered into an amended and restated option agreement which superseded the June 2014 option agreement to acquire 100% interest in the Property. Considerations to earn an initial 80% interest are as follows:

| Date | Cash payment | Share issuance | Property expenditures |
|---|---|---|---|
| | US $ | | US $ |
| On signing of the LOI (paid) | 15,000 | - | - |
| Within 5 days of TSX-V Acceptance Date (paid, shares were issued in January 2015) | 60,000 | 2,000,000 | - |
| One year and a day from the Acceptance Date | 100,000 | 1,500,000 | 50,000 |
| Two years from the Acceptance Date | 150,000 | 400,000 | 150,000 |
| Three years from the Acceptance Date | - | - | 200,000 |
| | 325,000 | 3,900,000 | 400,000 |

Title will be transferred to the Company upon earning the 80% interest. To earn the additional 20% interest, consideration is to make a one time payment of US$225,000.

(Expressed in Canadian dollars)

## 4. EXPLORATION AND EVALUATION ASSETS *(continued)*

The option agreement was approved by the TSX Venture Exchange on December 29, 2014.

In connection with entering the option agreement above, the Company agreed to pay a cash finder's fee of $17,500.

| | Fuente De Oro Project Nicaragua |
|---|---|
| | $ |
| **Balance, June 30, 2014** | 16,628 |
| **Cash Acquisition** | 79,296 |
| **Exploration costs** | |
| Assay | 570 |
| Concession fee | 11,272 |
| Geological consulting | 4,200 |
| Technical report | 8,203 |
| Travel | 1,515 |
| Total exploration costs for the period | 25,760 |
| **Balance, December 31, 2014** | **121,684** |

## 5. RELATED PARTY TRANSACTIONS AND BALANCES

Key management personnel compensation:

| For the period ended December 31, | 2014 | 2013 |
|---|---|---|
| Former President [(a)] | $ 29,000 | $ 15,000 |
| President and CEO[(b)] | 20,000 | - |
| Chief Financial Officer [(c)] | 25,000 | 20,000 |
| Share-based compensation [(d)] | 12,893 | 22,382 |
| | $ 86,893 | $ 57,382 |

Transactions with other related parties:

| For the period ended December 31, | 2014 | 2013 |
|---|---|---|
| Consulting fees charged to a company with common director | $ - | $ (12,000) |

[(a)] Management and consulting fees paid/accrued to a company controlled by the former President.
[(b)] Management fees paid/accrued to the President and CEO.
[(c)] Accounting fees paid/accrued to the CFO.
[(d)] Share-based compensation to directors and officers.

(Expressed in Canadian dollars)

As at December 31, 2014, $37,266 (June 30, 2014 - $47,348) was owed to the CEO, CFO, and company controlled by the former President. The amounts due are non-interest bearing, unsecured, and due on demand.

All of the above transactions have been in the normal course of operations and have been valued at the amount of consideration established and agreed upon by the related parties.

## 6. SHARE CAPITAL

a) Share Capital

Authorized: Unlimited number of common shares without par value.

On October 31, 2014 the Company closed a non-brokered private placement and issued 5,168,000 units at a price of $0.05 per unit for gross proceeds of $258,400. Each unit consisted of one common share and one share purchase warrant. Each share purchase warrant is exercisable at a price of $0.08 for two years. The warrants were allocated a value of $103,360 determined using the residual method.

On August 12, 2014, the Company closed a private placement of 2,200,000 units at a price of $0.05 per unit for gross proceeds of $110,000. Each unit consisted of one common share and one share purchase warrant. Each share purchase warrant is exercisable to acquire one common share at a price of $0.08 per share for two years. The warrants were allocated a value of $44,000 determined using the residual method.

b) Stock options

On August 3, 2010, the Company implemented a stock option plan pursuant to which stock options may be granted to directors, officers, employees and consultants of the Company to a maximum of 10% of the issued and outstanding common shares of the Company. The exercise price of each stock option will be equal to the market price at the date of grant but can be discounted as permissible by TSX Venture Exchange policy. Stock options are exercisable over periods up to ten years and vesting periods can be imposed at the discretion by the Board of Directors.

The following table summarizes the continuity of stock options:

| | Number of warrants | Weighted average exercise price |
|---|---|---|
| Options outstanding, June 30, 2014 | 1,800,000 | $ 0.07 |
| Granted | 700,000 | 0.05 |
| Options outstanding, December 31, 2014 | 2,500,000 | $0.06 |

In July 2014, the Company granted stock options to its directors, officers and consultants for the purchase of up to 700,000 common shares at a price of $0.05 per share for a period of 5 years expiring July 23, 2019.

The Company uses the fair value method for determining share-based payment charges for all options granted during the periods. The fair value of options granted during the period ended December 31, 2014 was $20,056 (2013 - $Nil), determined using the Black-Scholes option pricing model based on the following weighted average assumptions:

(Expressed in Canadian dollars)

## 6. SHARE CAPITAL *(continued)*

b) Stock options *(continued)*

| | **Period Ended December 31, 2014** | **Period Ended December 31, 2013** |
|---|---|---|
| Risk-free interest rate | 1.47% | N/A |
| Expected life of options | 5 years | N/A |
| Annualized volatility | 100% | N/A |
| Dividend yield | 0.0% | N/A |
| Exercise price | $0.05 | N/A |
| Fair value per share | $0.03 | N/A |

Details of stock options outstanding and exercisable as at December 31, 2014 are as follows:

| Options Outstanding and Exercisable | Exercise price | Remaining contractual life (years) | Expiry date |
|---|---|---|---|
| 300,000 | $ 0.17 | 2.18 | March 4, 2017 |
| 1,500,000 | 0.05 | 3.80 | October 17, 2018 |
| 700,000 | 0.05 | 4.56 | July 23, 2019 |
| 1,800,000 | $ 0.06 | 3.82 | |

c) Warrants

The following table summarizes the continuity of share purchase warrants:

| | Number of warrants | Weighted average exercise price |
|---|---|---|
| Warrants outstanding, June 30, 2014 | 4,248,000 | $ 0.10 |
| Issued | 7,368,000 | 0.08 |
| Warrants outstanding, December 31, 2014 | 11,616,000 | $ 0.09 |

The following table summarizes the share purchase warrants outstanding and exercisable as at December 31, 2014:

| Warrants outstanding | Exercise price | Remaining contractual life (years) | Expiry date |
|---|---|---|---|
| 4,248,000 | $0.10 | 0.27 | April 7, 2015 |
| 2,200,000 | $0.08 | 1.62 | August 12, 2016 |
| 5,168,000 | $0.08 | 1.84 | October 31, 2016 |
| 11,616,000 | $0.09 | 1.22 | |

## 7. MANAGEMENT OF CAPITAL

The Company considers its capital structure to include share capital, equity reserve and deficit. The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the sourcing and exploration of its exploration and evaluation assets. The Company does not have any externally imposed capital requirements to which it is subject.

As at December 31, 2014, the Company had capital resources consisting mainly of cash and amounts receivable. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue common shares or dispose of assets.

There was no change to Company's capital management approach during the period ended December 31, 2014.

## 8. FINANCIAL INSTRUMENTS AND RISKS

The Company is exposed to varying degrees to a variety of financial instrument related risks. The Board approves and monitors the risk management processes. The type of risk exposure and the way in which such exposure is managed is provided as follows:

*Credit Risk*

Credit risk is the risk of potential loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its liquid financial assets including cash. The Company limits the exposure to credit risk by only investing its cash with high-credit quality financial institutions.

*Liquidity Risk*

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company currently settles its financial obligations out of cash. The ability to do this relies on the Company raising equity financing in a timely manner and by maintaining sufficient cash in excess of anticipated needs. At December 31, 2014, the Company had working capital of $20,333.

*Foreign Exchange Risk*

The Company currently does not have significant foreign exchange risk as all of its transactions are in Canadian dollars.

*Interest Rate Risk*

The Company is not exposed to significant interest rate risk.

*Commodity Price Risk*

The Company's ability to raise capital to fund exploration activities is subject to risks associated with fluctuations in the market price of mineral resources. The Company closely monitors commodity prices to determine the appropriate course of actions to be taken.

## 8. FINANCIAL INSTRUMENTS AND RISKS*(continued)*

*Fair Value Measurements*

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly, and
- Level 3 – Inputs that are not based on observable market date.

The fair value of cash is determined based on “Level 1” inputs, which consist of quoted prices in active markets for identical assets. As at December 31, 2014, the Company believes that the carrying values of accounts payable approximates its fair value because of their nature and relatively short maturity dates or durations.

Financial instruments measured at fair value on a recurring basis were presented on the Company’s financial position as of December 31, 2014 as follows:

| | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| Cash | $ 23,300 | $ - | $ - | $ 23,300 |

## 9. SUBSEQUENT EVENT

a) In January 2015, the Company issued 2,000,000 common shares in connection with the property option agreement. See note 4 for detail.