

HARVEST GOLD CORPORATION
(An Exploration Stage Company)
Condensed Consolidated Financial Statements
For The Three Months Ended June 30, 2015
(Unaudited)
(Expressed in Canadian Dollars)

NOTICE TO READER

In accordance with National Instrument 51-102 of the Canadian Securities Administrators, Harvest Gold Corporation (the "Company") discloses that its auditors have not reviewed the unaudited interim financial statements.

The unaudited condensed consolidated interim financial statements of the Company for the three months ended June 30, 2015 ("Financial Statements") have been prepared by management. The Financial Statements should be read in conjunction with the Company's audited financial statements for the year ended March 31, 2014, which are available at the SEDAR website at www.sedar.com. The Financial Statements are stated in Canadian dollars, unless other indicated, and are prepared in accordance with International Financial Reporting Standards ("IFRS").

Harvest Gold Corporation
(An Exploration Stage Company)
Condensed Consolidated Interim Statements of Financial Position
(Expressed in Canadian Dollars)
(Unaudited)

	Notes	June 30, 2015	March 31, 2015 (Audited)
ASSETS			
Current assets			
Cash		\$ 36,008	\$ 61,626
Marketable securities	3	788	788
Receivables	4	2,863	1,738
		39,659	64,152
Reclamation bond	6	11,944	21,859
Exploration and evaluation assets	5	660,072	660,072
TOTAL ASSETS		\$ 711,675	\$ 746,083
LIABILITIES			
Current liabilities			
Trade payables and accrued liabilities	7,8	\$ 82,289	\$ 93,090
TOTAL LIABILITIES		82,289	93,090
SHAREHOLDERS' EQUITY			
Share capital	9	10,476,249	10,476,249
Share-based payment reserve	9	1,329,398	1,329,398
Investment revaluation reserve		142	142
Deficit		(11,176,403)	(11,152,796)
TOTAL SHAREHOLDERS' EQUITY		629,386	652,993
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		\$ 711,675	\$ 746,083

Nature and continuance of operations (Note 1)

Harvest Gold Corporation
(An Exploration Stage Company)
Condensed Consolidated Interim Statements of Comprehensive Loss
(Expressed in Canadian Dollars)
(Unaudited)

	Notes	Three months ended	
		June 30, 2015	June 30, 2014
Expenses			
Consulting		\$ 84	\$ 303
Management fees	8	12,000	-
Office and miscellaneous		1,053	1,516
Professional fees	8	4,575	-
Shareholder communications		2,075	-
Transfer agent, filing fees and shareholder relations		3,820	2,365
		(23,607)	(4,183)
Other items			
Foreign currency loss		-	(375)
Impairment of marketable securities	4	-	(36)
		-	(412)
Comprehensive loss for the period		\$ (23,607)	\$ (3,772)
Net income (loss) per share – basic and diluted	8	\$ (0.00)	\$ (0.00)

Harvest Gold Corporation
(An Exploration Stage Company)
Consolidated Interim Statement of Changes in Equity
(Expressed in Canadian Dollars)
(Unaudited)

	Notes	Share capital		Share-based payment reserves	Investment revaluation reserve	Deficit	Total
		Number of shares	Amount				
Balance at March 31, 2014		8,111,325	\$ 10,476,249	\$ 1,329,398	\$ -	\$ (11,205,143)	\$ 600,504
Comprehensive loss:							
Loss for the period		-	-	-	-	(3,772)	(3,772)
Balance at June 30, 2014		8,111,325	10,476,249	1,329,398	-	(11,208,915)	596,732
Balance at March 31, 2015		8,111,325	\$ 10,476,249	\$ 1,329,398	\$ 142	\$ (11,152,796)	\$ 652,993
Comprehensive loss:							
Loss for the period		-	-	-	-	(23,607)	(23,607)
Balance at March 31, 2015		8,111,325	\$ 10,476,249	\$ 1,329,398	\$ 142	\$ (11,176,403)	\$ 629,386

See accompanying notes to the condensed consolidated interim financial statements

Harvest Gold Corporation
(An Exploration Stage Company)
Condensed Consolidated Interim Statements of Cash Flows
(Expressed in Canadian Dollars)
(Unaudited)

	Three months ended	
	June 30, 2015	June 30, 2014
Operating activities		
Loss for the period	\$ (23,607)	\$ (3,772)
Adjustment for:		
Gain of marketable securities	-	(36)
Changes in non-cash working capital items:		
Receivables	(1,125)	504
Prepays	-	1,300
Trade payables and accrued liabilities	(10,801)	6,575
Due to related parties	-	99
Net cash flows provided by (used in) operating activities	(35,533)	4,670
Investing activities		
Expenditures on mineral properties	-	(8,355)
Refund of reclamation bond	9,915	-
Net cash flows provided by (used in) investing activities	9,915	(8,355)
Decrease in cash	(25,618)	(3,685)
Cash, beginning of period	61,626	107,609
Cash, end of period	\$ 36,008	\$ 103,924

Non-cash transactions (Note 13)

1. NATURE AND CONTINUANCE OF OPERATIONS

Harvest Gold Corporation (the "Company") was incorporated on June 28, 2005, under the laws of the province of British Columbia, Canada, and its principal activity is the acquisition and exploration of mineral properties in North America. The Company is a Tier 2 Mining Issuer listed and trading on the TSX Venture Exchange ("TSX-V").

The head office, principal address, records office and registered address of the Company are located at 750 West Pender Street, Suite 804, Vancouver, British Columbia, Canada, V6C 2T7.

These condensed consolidated financial statements have been prepared on the assumption that the Company and its subsidiaries will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. Different bases of measurement may be appropriate if the Company is not expected to continue operations for the foreseeable future. As at June 30, 2015, the Company had not advanced its properties to commercial production and is not able to finance day to day activities through operations, raising significant doubt about its ability to continue as a going concern. The Company's continuation as a going concern is dependent upon the successful results from its mineral property exploration activities and its ability to attain profitable operations and generate funds there from and/or raise equity capital or borrowings sufficient to meet current and future obligations. Management intends to finance operating costs over the next twelve months with loans from directors and companies controlled by directors and or private placement of common shares.

2. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PRESENTATION

These unaudited condensed consolidated financial statements were approved and authorized for issue on August 31, 2015 by the directors of the Company.

Statement of compliance

These unaudited condensed consolidated interim financial statements, including comparatives, have been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting" ("IAS 34") using accounting policies consistent with the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and interpretations of the IFRS Interpretations Committee.

These unaudited condensed consolidated interim financial statements do not include all of the information required of a full annual financial report and is intended to provide users with an update in relation to events and transactions that are significant to an understanding of the changes in financial position and performance of the Company since the end of the last annual reporting period. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Company for the year ended March 31, 2015.

Harvest Gold Corporation
(An Exploration Stage Company)
Notes to the Condensed Consolidated Interim Financial Statements
(Expressed in Canadian Dollars)
(Unaudited)
Three months ended June 30, 2015

3. MARKETABLE SECURITIES

At June 30, 2015 and March 31, 2015 marketable securities consisted of the following:

		June 30, 2015		
		Shares	Fair value	Original cost
Company:				
Grandview Gold Inc.		50,000	\$ 500	\$ 23,500
Gunpoint Exploration Ltd.		1,800	288	9,180
		51,800	\$ 788	\$ 32,680

		March 31, 2015		
		Shares	Fair value	Original cost
Company:				
Grandview Gold Inc.		50,000	\$ 500	\$ 23,500
Gunpoint Exploration Ltd.		1,800	288	9,180
		51,800	\$ 788	\$ 32,680

During the three months ended June 30, 2015, the Company recognized a gain of \$Nil (June 30, 2014 – loss of \$36) on its marketable securities, which are classified as available-for-sale.

4. RECEIVABLES

The Company's receivables consist of GST receivable due from the Government of Canada.

Harvest Gold Corporation
(An Exploration Stage Company)
Notes to the Condensed Consolidated Interim Financial Statements
(Expressed in Canadian Dollars)
(Unaudited)
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5. EXPLORATION AND EVALUATION ASSETS

	Rosebud Gold Mine		RW Claims		Total
Acquisition:					
Balance, March 31, 2014	\$ 585,263	\$	-	\$	585,263
Acquisition costs – cash	62,795		-		62,795
Balance, March 31, 2015 and June 30, 2015	648,058		-		648,058
Exploration:					
Balance, March 31, 2014	-		18,278		23,797
Claim fees	10,790		-		10,790
Licenses and fees	(370)		-		(370)
Storage rental	1,596		-		1,596
Option payments	-		(18,278)		(18,278)
Balance, March 31, 2015	12,016		-		12,016
Total, March 31, 2015 and June 30, 2015	\$ 660,074	\$	-	\$	660,074

Rosebud Gold Mine Property, Nevada, USA

On November 16, 2006, the Company signed a letter of intent to acquire a 100% interest in certain mining claims comprising the Rosebud Gold Mine Property located in Nevada, USA. As consideration, the Company paid US\$320,000 (CDN \$350,104) and issued 60,000 common shares, at a fair value of \$81,000.

Upon earning a 100% interest, on December 15, 2011, the Company is obligated on an annual basis to pay an advance royalty payment of US\$50,000 until the property is placed into production and is to be recovered from any actual future mineral production royalty payments. During the year ended March 31, 2015, the Company paid CDN \$62,795 (March 31, 2014 – CDN \$53,139) in advance royalties on the Rosebud Gold Mine Property.

The Rosebud Gold Mine Property is subject to a 3% Net Smelter Royalty (“NSR”), which the Company has the option to purchase 1.5% of the NSR for \$2,250,000.

During the year ended March 31, 2014, the Company had no planned exploration program for the Rosebud Gold Mine Property and recognized an impairment of \$1,728,970.

5. EXPLORATION AND EVALUATION ASSETS

RW Claims, Nevada, USA

On November 19, 2010, the Company staked certain mining claims comprising the RW Claims located in Eureka County, Nevada.

On January 1, 2012, the Company entered into a mining lease and option to purchase agreement with Kinetic Gold (US) Inc. (“Kinetic”), whereby Kinetic agreed to lease the RW Claims for a period of 5 years. On September 5, 2013 there was an amendment to the Mining Lease and Option to Purchase the RW Claims extending the period to 6 years as follows:

Date	Payment
Upon execution of the agreement	US\$10,000 (CDN\$9,991 received)
On or before January 1, 2013	US\$15,000 (CDN\$15,000 received)
On or before January 1, 2014	US\$5,000 (CDN\$5,519 received)
On or before January 1, 2015	US\$20,000 (CDN\$22,754 received)
On or before January 1, 2016	
On or before January 1, 2017	
On or before January 1, 2018	

At the end of the amended term to 6 years, Kinetic will have paid the Company \$140,000 (the “Purchase Price”) to acquire a 100% interest in the RW Claims. Alternatively, Kinetic has the option, at any time during the 5 year term, to purchase a 100% interest in the RW Claims by paying the Company the Purchase Price.

Kinetic will also pay a 2% NSR to the Company from the production or sale of minerals from the RW Claims.

Hunt Property

By an option agreement effective June 28, 2005, the Company acquired a 40% interest in certain claims comprising the Hunt Property located in Manitoba, Canada. During the year ended March 31, 2013, management decided not to carry on any further exploration work on the Hunt Property and, accordingly wrote the property off to operations.

During the year ended March 31, 2015, the Company sold its 40% interest in the Hunt Property to VMS Ventures Inc. (“VMS”) for consideration of \$140,457, payable as to settlement of its related party debt in the amount of \$90,307 and cash of \$50,150 (received). VMS will issue to the Company 100,000 common shares upon the earliest to occur of the completion by VMS of a Preliminary Economic Assessment, Pre-Feasibility Study or a Feasibility Study. VMS will issue a further 100,000 common shares upon commencement of commercial production from a portion of the mineral claims.

6. RECLAMATION BOND

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As at June 30, 2015, the Company had a reclamation bond issued with the Nevada Division of Minerals in the amount of US\$11,633 (CDN - \$11,944) (March 31, 2015 – CDN\$21,859) to guarantee reclamation of the environment of the Rosebud Gold Mine Property.

7. TRADE PAYABLES AND ACCRUED LIABILITIES

	June 30, 2015	March 31, 2015
Trade payables (Note 9)	\$ 38,789	\$ 49,590
Accrued liabilities (Note 9)	43,500	43,500
	\$ 82,289	\$ 93,090

8. RELATED PARTY TRANSACTIONS

a. Contractual commitments with related parties

- i. On January 1, 2008, and as amended on September 1, 2009, the Company entered into a management agreement with an officer and director to fulfil the role as Chief Executive Officer for a period of 5 years for a monthly rate of \$4,000 per month. Effective April 1, 2013 no further fees, until further notice, will be accrued under this agreement. On January 1, 2015, the Company renewed this contract and commenced monthly fees.
- ii. On August 1, 2012, the Company entered into an employee agreement with an officer and director to fulfil the role of Chief Operating Officer for a period of 12 months for a monthly rate of \$4,000 per month. Effective April 1, 2013 no further fees, until further notice, will be accrued under this agreement. Effective July 29, 2014 the Chief Operating Officer resigned along with the director position held.

b. Transactions with related parties

During the three months ended June 30, 2015, the Company paid \$1,500 (June 30, 2014 - \$Nil) of professional fees and accrued \$12,000 (June 30, 2014 - \$Nil) of management fees to companies controlled by officers and directors of the Company.

As of June 30, 2015, included in trade payables and accrued liabilities was \$58,483 (March 31, 2015 - \$50,083), owing for fees owing to certain officers and directors of the Company (Note 7).

These amounts are non-interest bearing, unsecured and have no fixed terms of repayment.

c. Transactions with key management personnel

	Three months ended	
	June 30, 2015	June 30, 2014
Management and professional fees	\$ 13,500	\$ -

9. SHARE CAPITAL

Authorized share capital

Unlimited number of common shares without par value.

Issued share capital

At June 30, 2015 there were 8,111,325 issued and fully paid common shares (March 31, 2015 – 8,111,325).

Loss per share

The calculation of basic and diluted loss per share for the three months ended June 30, 2015 was based on the loss attributable to common shareholders of \$23,607 (2014 - \$3,772) and the weighted average number of common shares outstanding of 8,111,325 (2014 – 8,111,325).

Stock options

The Company has adopted an incentive stock option plan, which provides that the Board of Directors of the Company may from time to time, in its discretion, and in accordance with the TSX-V requirements, grant to directors, officers, employees and technical consultants to the Company, non-transferable stock options to purchase common shares, provided that the number of common shares reserved for issuance will not exceed 10% of the Company's issued and outstanding common shares. Such options will be exercisable for a period of up to 5 years from the date of grant. Options may be exercised no later than 90 days following cessation of the optionee's position with the Company or 30 days following cessation of an optionee conducting investor relations activities' position. Vesting periods are determined by the Board of Directors.

The changes in options during the three months ended June 30, 2015 and the year ended March 31, 2015 are as follows:

	Year ended March 31, 2015		Year ended March 31, 2015	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Options outstanding, beginning of year	205,433	\$ 1.32	227,933	\$ 1.32
Options cancelled / expired	(91,433)	1.50	(22,500)	1.20
Options outstanding, end of year	114,000	\$ 1.20	205,433	\$ 1.32

Details of options outstanding as at June 30, 2015 are as follows:

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Number of options outstanding and exercisable	Exercise Price	Expiry Date
114,000	\$1.20	January 26, 2016

9. SHARE CAPITAL (cont'd)

Warrants

The changes in warrants during the three months ended June 30, 2015 and the year ended March 31, 2015 are as follows:

	Year ended March 31, 2015		Year ended March 31, 2015	
	Number of warrants	Weighted average exercise price	Number of warrants	Weighted average exercise price
Warrants outstanding, beginning of year	1,130,000	\$ 0.10	1,130,000	\$ 0.10
Warrants outstanding, end of year	1,130,000	\$ 0.10	1,130,000	\$ 0.10

Details of warrants outstanding as at June 30, 2015 are as follows:

Number of Warrants	Exercise Price	Expiry Date
1,130,000	\$0.10	August 14, 2015 (subsequently expired)

Share-based payment reserve

The share-based payment reserve records items recognized as stock-based compensation expense and other share-based payments until such time that the stock options or warrants are exercised, at which time the corresponding amount will be transferred to share capital.

Investment revaluation reserve

The investment revaluation reserve records unrealized gains and losses arising on available-for-sale financial assets, except for impairment losses and foreign exchange gains and losses.

10. FINANCIAL RISK AND CAPITAL MANAGEMENT

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment

policies, counterparty limits, and controlling and reporting structures. 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 that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its cash held in bank accounts. The majority of cash is deposited in bank accounts held with a major bank in Canada. As most of the Company's cash is held by one bank there is a concentration of credit risk. This risk is managed by using major banks that are high credit quality financial institutions as determined by rating agencies. The Company's secondary exposure to risk is on its GST receivable. This risk is minimal as receivables consist of refundable government general sales taxes.

10. FINANCIAL RISK AND CAPITAL MANAGEMENT (cont'd)

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 has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. The Company ensures that there are sufficient funds to meet its short-term business requirements, taking into account its anticipated cash flows from operations and its holdings of cash.

Historically, the Company's sole source of funding has been the issuance of equity securities for cash, primarily through private placements. The Company's access to financing is always uncertain. There can be no assurance of continued access to significant equity funding.

Foreign exchange risk

Foreign exchange risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. The Company is exposed to currency risks as it incurs expenditures that are denominated in the United States dollar while its functional currency is the Canadian dollar. The Company does not hedge its exposure to fluctuations in foreign exchange rates. The majority of cash is held in Canadian dollars. As a result, the Company's exposure to foreign currency risk is minimal.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As at March 31, 2015, the Company did not have any cash equivalents or interest bearing debt and is not subject to interest rate risk.

Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor and creditor confidence and to sustain future development of the business. The capital structure of the Company consists of equity and cash.

There were no changes in the Company's approach to capital management during the year.

The Company is not subject to any externally imposed capital requirements.

Classification of financial instruments

Financial assets included in the consolidated statement of financial position are as follows:

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(Expressed in Canadian Dollars)
(Unaudited)
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	March 31, 2015	March 31, 2015
Cash	\$ 36,008	\$ 61,626
Marketable securities	788	788
	\$ 36,796	\$ 62,414

10. FINANCIAL RISK AND CAPITAL MANAGEMENT (cont'd)

Classification of financial instruments (cont'd)

Financial liabilities included in the consolidated statement of financial position are as follows:

	June 30, 2015	March 31, 2015
Non-derivative financial liabilities:		
Trade payables	\$ 38,789	\$ 49,590

11. SEGMENTED INFORMATION

Operating segments

The Company operates in a single reportable operating segment – the acquisition, exploration and development of mineral properties.

Geographic segments

	June 30, 2015	March 31, 2015
Total assets		
Canada	\$ 35,431	\$ 63,730
United States	676,244	682,353
	\$ 711,675	\$ 746,083
Exploration and evaluation assets		
United States	\$ 660,072	\$ 660,072

12. NON-CASH TRANSACTIONS

There were no non-cash transactions during the three months ended June 30, 2015 and 2014.