EPM MINING VENTURES INC.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
For the Three Months Ended March 31, 2015 and 2014
(Unaudited)

May 21, 2015

MANAGEMENT'S RESPONSIBILITY FOR CONSOLIDATED FINANCIAL STATEMENTS

The accompanying unaudited condensed interim consolidated financial statements (the “Interim Financial Statements”) of EPM Mining Ventures Inc. (“EPM”) are the responsibility of the Board of Directors and management of EPM. These Interim Financial Statements have been prepared by management, on behalf of the Board of Directors, in accordance with International Financial Reporting Standards (“IFRS”) applicable to interim financial statements including International Accounting Standard 34 Interim Financial Reporting. These Interim Financial Statements do not include all of the disclosures required for annual financial statements and therefore should be read in conjunction with EPM’s audited consolidated financial statements and notes thereto for the year ended December 31, 2014. Management acknowledges responsibility for the preparation and presentation of the Interim Financial Statements, including responsibility for significant accounting judgments and estimates and the choice of accounting principles and methods that are appropriate to EPM’s circumstances. In the opinion of management, the Interim Financial Statements have been prepared within acceptable limits of materiality and are consistent with IFRS appropriate in the circumstances.

Management has established processes that are in place to provide it sufficient knowledge to support management representations that it has exercised reasonable diligence that: (i) the Interim Financial Statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of, and for the periods presented by, the Interim Financial Statements; and (ii) the Interim Financial Statements fairly present in all material respects the financial condition, results of operations and cash flows of EPM, as of the date of, and for the period presented by, the Interim Financial Statements.

The Board of Directors is responsible for reviewing and approving the Interim Financial Statements and for ensuring that management fulfills its financial reporting responsibilities. An Audit Committee assists the Board of Directors in fulfilling this responsibility. The Audit Committee meets with management to review the internal controls over the financial reporting process, the Interim Financial Statements and the auditors’ report. The Audit Committee also reviews EPM’s Management Discussion and Analysis to ensure that the financial information reported therein is consistent with the information presented in the Interim Financial Statements. The Audit Committee reports its findings to the Board of Directors for its consideration in approving the Interim Financial Statements for issuance to the shareholders.

Management recognizes its responsibility for conducting EPM’s affairs in compliance with established financial standards, and applicable laws and regulations, and for maintaining proper standards of conduct for its activities.

EPM Mining Ventures Inc.
Condensed Interim Consolidated Statements of Financial Position
(Unaudited and Expressed in US Dollars)

As at	March 31, 2015	December 31, 2014
ASSETS		
Current		
Cash and cash equivalents	$ 464,879	$ 802,594
Receivables	5,164	40,801
Prepaid expenses	123,682	51,963
	593,725	895,358
Non-current		
Property, plant and equipment	201,441	219,462
Interest in mineral properties (Note 5)	42,057,203	41,939,262
Investment in associate	6,098,020	6,100,401
	$ 48,950,389	**$ 49,154,483**
LIABILITIES		
Current		
Trade and other payables	$ 295,104	$ 216,852
	295,104	216,852
Non-current		
Interest payable (Note 6)	324,890	233,958
Financial liabilities, net (Note 6)	3,351,181	3,307,365
Provisions	225,701	234,888
	4,196,876	3,993,063
SHAREHOLDERS' EQUITY		
Voting common shares (Note 7)	50,355,674	50,355,674
Non-voting common shares (Note 7)	906,574	906,574
Share purchase warrants (Note 7)	74,918	74,918
Contributed surplus	5,875,874	5,830,517
Accumulated deficit	(12,291,693)	(11,586,888)
Accumulated and other comprehensive loss	(167,834)	(419,375)
	44,753,513	45,161,420
	$ 48,950,389	**$ 49,154,483**

Nature of Operations and Going Concern (Note 1)

Subsequent Events (Note 12)

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

EPM Mining Ventures Inc.
Condensed Interim Consolidated Statements of Loss and Comprehensive Loss
(Unaudited and Expressed in US Dollars)

		For the three months ended March 31, 2015		For the three months ended March 31, 2014
EXPENSES				
General and administrative	$	176,683	$	228,133
Depreciation		2,343		3,561
Investor relations		10,269		21,240
Professional fees		61,007		121,530
Share-based compensation		37,730		73,104
		(288,032)		(447,568)
OTHER ITEMS				
Interest income		24		53
Finance expenses (Note 8)		(134,744)		-
Net loss of equity method investee attributable to owners of EPM		(152)		-
Foreign exchange loss		(281,901)		(4,602)
Net loss for the period	$	(704,805)	$	(452,117)
OTHER COMPREHENSIVE (LOSS) / INCOME				
Foreign currency translation adjustment		251,541		(25,291)
Comprehensive loss for the period	$	(453,264)	$	(477,408)
Basic and diluted loss per share (Note 9)	$	(0.01)	$	nil
Weighted average number of shares outstanding		111,933,942		106,899,217

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

EPM Mining Ventures Inc.
Condensed Interim Consolidated Statements of Changes in Equity
(Unaudited and Expressed in US Dollars)

	Voting common	Non-voting common	Share purchase warrants	Contributed surplus	Accumulated deficit	Accumulated other comprehensive income (loss)	Total shareholders' equity
Balance as at January 1, 2015	**$ 50,355,674**	**$ 906,574**	**$ 74,918**	**$ 5,830,517**	**$ (11,586,888)**	**$ (419,375)**	**$ 45,161,420**
Foreign currency translation adjustment	-	-	-	-	-	251,541	251,541
Net loss for the three months ended March 31, 2015	-	-	-	-	(704,805)	-	(704,805)
Total comprehensive loss for the period	**-**	**-**	**-**	**-**	**(704,805)**	**251,541**	**(453,264)**
Share-based compensation	-	-	-	45,357	-	-	45,357
Balance as at March 31, 2015	**$ 50,355,674**	**$ 906,574**	**$ 74,918**	**$ 5,875,874**	**$ (12,291,693)**	**$ (167,834)**	**$ 44,753,513**
Balance as at January 1, 2014	**$ 49,420,471**	**$ 1,601,611**	**$ -**	**$ 5,319,048**	**$ (8,323,534)**	**$ (546,309)**	**$ 47,471,287**
Foreign currency translation adjustment	-	-	-	-	-	(25,291)	(25,291)
Net loss for the three months ended March 31, 2014	-	-	-	-	(452,117)	-	(452,117)
Total comprehensive loss for the period	**-**	**-**	**-**	**-**	**(452,117)**	**(25,291)**	**(477,408)**
Share-based compensation	-	-	-	90,571	-	-	90,571
Share conversions from non-voting to voting	(10,186,291)	10,186,291	-	-	-	-	-
Balance as at March 31, 2014	**$ 39,234,180**	**$ 11,787,902**	**$ -**	**$ 5,409,619**	**$ (8,775,651)**	**$ (571,600)**	**$ 47,084,450**

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

EPM Mining Ventures Inc.
Condensed Interim Consolidated Statements of Cash Flows
(Unaudited and Expressed in US Dollars)

	Three Months Ended	
	March 31, 2015	**March 31, 2014**
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss for the period	$ (704,805)	$ (452,117)
Adjustments for:		
Depreciation and amortization	2,343	3,561
Share-based compensation	37,730	73,104
Finance expense (Note 8)	134,744	-
Net loss of equity method investee	152	-
Interest income	(24)	(53)
Unrealized foreign exchange loss	320,932	-
Changes in working capital:		
Receivables	32,542	15,655
Prepaid expenses	(38,186)	(24,332)
Trade and other payables	40,726	92,272
	(173,846)	(291,910)
CASH FLOWS FROM INVESTING ACTIVITIES		
Increase in restricted cash	-	(51)
Additions to mineral properties	(123,687)	(266,028)
Interest received	24	53
	(123,663)	(266,026)
Net change in cash and cash equivalents	(297,509)	(557,936)
Effect of exchange rate changes in foreign cash	(40,206)	(9,961)
Cash and cash equivalents, beginning of period	802,594	765,168
Cash and cash equivalents, end of period	$ 464,879	$ 197,271

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

1. Nature of Operations and Going Concern

EPM Mining Ventures Inc. ("EPM") is a public company listed on the TSX Venture Exchange, and its common shares trade under the ticker symbol "EPK." EPM's common shares also trade on the OTCQX International under the ticker symbol "EPKMF." EPM is domiciled in Yukon Territory, Canada, and the address of its registered office is 200 – 204 Lambert Street, Whitehorse, Yukon Territory, Y1A 3T2.

EPM, together with its subsidiaries (the "Company"), operates an exploration-stage entity focused on the construction and operation of a major sulphate of potash ("SOP") project on Sevier Lake playa in southwestern Utah (the "Sevier Playa Project"). The Company is engaged in exploration, drilling, engineering, permitting, and financing activities on its Sevier Playa Project with the objective of providing a feasibility study and reserve estimates in accordance with the standards of Canadian National Instrument 43-101, Standards of Disclosure for Mineral Projects. The Company completed a Preliminary Feasibility Study ("PFS") on the Sevier Playa Project in November 2013; but although a PFS has been completed, no claim for mineral reserves has been made at this time pending additional testing planned during the Sevier Playa Project's feasibility study phase.

These Interim Financial Statements are prepared using International Financial Reporting Standards ("IFRS") that are applicable to a going concern that assume the Company will be able to continue to operate for the foreseeable future, realize its assets, and settle its liabilities in the normal course of operations. The use of these principles may ultimately be inappropriate since there is substantial doubt about the Company's ability to continue as a going concern. Substantial doubt may exist given its history of losses, accumulated deficit, limited operating history in the fertilizer sector, and dependence upon future financing. The Company's future is currently dependent upon its ability to obtain sufficient cash from external financing and related parties in order to fund its liabilities, ongoing permitting and feasibility study work and ultimate project development and construction. Management continues to diligently pursue financing alternatives in connection with the evaluation and development of its Sevier Playa Project. Although the Company has been successful in raising funds in prior reporting periods, there can be no assurance that the steps management is taking, and will continue to take, will be successful in future reporting periods. If the going concern basis were not appropriate, material adjustments may be necessary in the carrying amounts and/or classification of assets and liabilities and these losses reported in these Interim Financial Statements.

2. Basis of preparation

These Interim Financial Statements have been prepared in accordance with IFRS applicable to interim financial statements including International Accounting Standard 34 'Interim Financial Reporting' ("IAS 34") as issued by the International Accounting Standards Board (the "IASB"), and were approved by the Board of Directors on May 21, 2015. These Interim Financial Statements should be read in conjunction with the audited consolidated financial statements for the year ended December 31, 2014, which have also been prepared in accordance with IFRS.

These Interim Financial Statements include the accounts of EPM and its wholly-owned subsidiary, Peak Minerals Canada Limited ("Peak Minerals Canada"). Peak Minerals Canada's accounts include those of its wholly-owned U.S. subsidiary, Peak Minerals Inc. ("Peak Minerals"). All intercompany accounts and transactions have been eliminated on consolidation. All amounts, unless specifically indicated otherwise, are presented in United States ("US") dollars.

These Interim Financial Statements have been prepared under the historical cost convention, except in the case of fair value of certain items.

3. Summary of significant accounting policies

These Interim Financial Statements have been prepared using the same accounting policies and methods of application as those disclosed in Note 2 to the Company's audited consolidated financial statements for the year ended December 31, 2014.

New Standards and Interpretations Not Yet Adopted

The following standard is effective for annual periods beginning after January 1, 2014, and has not yet been applied in preparing these Interim Financial Statements:

In July 2014, the IASB issued the final version of IFRS 9, Financial Instruments, bringing together the classification and measurement, impairment and hedge accounting phases of the IASB's 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. IFRS 9 also amends some of the requirements of IFRS 7, Financial Instruments: Disclosures, including added disclosures about investments in equity instruments measured at fair value in other comprehensive income, and guidance on financial liabilities and derecognition of financial instruments. This standard becomes effective for annual periods beginning on or after January 1, 2018, and management does not currently anticipate the early adoption of the standard.

4. Critical accounting estimates and judgments

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

In preparing these Interim Financial Statements, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the audited consolidated financial statements for the year ended December 31, 2014.

(Unaudited and Expressed in US Dollars)

5. Interest in mineral properties

The interest in mineral properties balance consists of:

	Acquisition costs	Planning and design	Field operations and expenses	Legal costs and environmental obligations	Technical reports and permitting activities	Total
As at January 1, 2015						
Cost	$ 22,480,628	$ 654,167	$ 9,022,229	$ 1,150,588	$ 8,631,650	$ 41,939,262
Accumulated amortization and impairment	-	-	-	-	-	-
Net book amount	**22,480,628**	**654,167**	**9,022,229**	**1,150,588**	**8,631,650**	**41,939,262**
Three months ended March 31, 2015						
Opening net book amount	22,480,628	654,167	9,022,229	1,150,588	8,631,650	41,939,262
Additions	-	450	134,787	8,478	3,622	147,337
Exchange differences	(29,396)	-	-	-	-	(29,396)
Closing net book amount	**22,451,232**	**654,617**	**9,157,016**	**1,159,066**	**8,635,272**	**42,057,203**
As at March 31, 2015						
Cost	22,451,232	654,617	9,157,016	1,159,066	8,635,272	42,057,203
Accumulated amortization and impairment	-	-	-	-	-	-
Net book amount	**$ 22,451,232**	**$ 654,617**	**$ 9,157,016**	**$ 1,159,066**	**$ 8,635,272**	**$ 42,057,203**

(Unaudited and Expressed in US Dollars)

6. Financial liabilities

The financial liabilities balance consists of:

	Carrying amount		Fair value	
	March 31, 2015	December 31, 2014	March 31, 2015	December 31, 2014
Borrowings	$ 3,200,000	$ 3,200,000	$ 2,472,170	$ 3,197,194
Repurchase obligation	151,181	107,365	101,726	126,454
Total financial liabilities	**$ 3,351,181**	**$ 3,307,365**	**$ 2,573,896**	**$ 3,323,648**

On May 2, 2014, the Company entered into a credit agreement with Extract Advisors, an unrelated party and affiliate of Extract Capital LP (together "Extract"), for a $2,500,000 loan ("Extract Loan"). In addition, the Company entered into a credit agreement with certain directors of the Company (the "Financing Directors") for a $700,000 loan ("Director Loan" and collectively with the Extract Loan, the "Financing"). The Financing is being used by the Company to fund operations and project-related activities for the Sevier Playa Project.

The Extract Loan has a term of 60 months, with 95% of the outstanding principal and interest coming due on May 2, 2016, and bears interest at a variable rate equal to the US$ 12-month LIBOR plus 650 basis points ("bps") per annum calculated on the outstanding principal on a 360-day/year basis. At the Company's option, it may elect to defer monthly interest at a rate of US$ 12-month LIBOR plus 850 bps. LIBOR has a minimum of 200 bps for the purposes of the interest rate calculation.

The Extract Loan requires mandatory repayment if the Company closes one or more debt or equity financings exceeding $100,000. The loan is also subject to mandatory repayment if the Company disposes of any secured assets outside the ordinary course of business. However, Extract agreed to waive the mandatory repayment covenant with respect to the initial equity investment by EMR Capital Resources Fund 1, LP of C$10,354,839 (see Note 12) in an amendment to the original credit agreement, effective March 30, 2015.

Additionally, the Company issued to the Extract lenders 1,500,000 common shares and 750,000 common share purchase warrants (the "Extract Warrants"). The Extract Warrants have an exercise price of C$0.36 per share and are exercisable until May 2, 2019. The Company also provided the Extract lenders with a production fee of $1.70/tonne of production of SOP. The production fee may be repurchased at any time by the Company for a lump-sum payment equal to: (a) $250,000 if the Extract Loan is repaid in full on or before six months from the closing date; (b) $750,000 if the Extract Loan is repaid after six months and on or before 12 months from the closing date; (c) $1,000,000 if the Extract Loan is repaid after 12 months and on or before 18 months from the closing date; and (d) $1,500,000 if the Extract Loan is repaid after 18 months from the closing date of the Extract Loan. The production fee may be repurchased at any time, so management plans to repurchase the production fee just prior to the start of commercial production. The Company anticipates repaying the Extract loan 18 months from the closing date and is therefore accreting the production fee liability to equal $1,500,000 at the start of commercial production.

(Unaudited and Expressed in US Dollars)

The Director Loan has a term of 24 months, maturing on May 2, 2016. Interest accrues monthly in arrears and is computed on a monthly basis at US$ 1-month LIBOR plus 175 bps ("Director's Rate") plus 850 bps per annum of the outstanding loan amount calculated on a 360-day/year basis. The Director's Rate has a minimum of 200 bps for calculation of the interest rate. Additionally, the Company issued the Financing Directors an aggregate of 1,050,000 common share purchase warrants (the "Director Warrants"). The Director Warrants have an exercise price of C$0.36 per share and are exercisable until May 2, 2016.

The Director Loan requires mandatory repayment if the Company closes one or more debt or equity financings or disposes of any secured assets outside the ordinary course of business.

Under the terms of the Financing, the Company provided a perfected senior security interest in substantially all of the Company's assets.

The fair value of the borrowings component was calculated using a discounted cash flows analysis with a discount rate of 62.5% and is within level 3 of the fair value hierarchy. The fair value of the repurchase obligation for the production fee arrangement was calculated using a discounted cash flows analysis with a discount rate of 62.5% and is within level 3 of the fair value hierarchy. The equity components of the Financing were recognized as the difference between the proceeds received from the Financing and the fair value of the liability component. Transaction costs of $359,182 were allocated to the liability and equity components in proportion to their initial carrying amounts.

The table below analyzes the Company's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in this table are the contractual undiscounted cash flows based on the loans being held to maturity.

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total
As at March 31, 2015					
Borrowings	$ -	$ 3,075,000	$ 125,000	$ -	$ 3,200,000
Interest Payable	-	731,937	29,470	-	761,407
Total	**-**	**3,806,937**	**154,470**	**-**	**3,961,407**

Interest payable assumes interest is capitalized under the terms of the Extract Loan and Director Loan and will be repayable at the maturity of the Financing. Under these terms, interest under both the Extract Loan and Director Loan was calculated using an annual interest rate of 10.5%, which includes the LIBOR floor.

(Unaudited and Expressed in US Dollars)

7. Share capital

(a) ***Authorized*** –

Unlimited voting common shares without par value.
Unlimited non-voting common shares without par value.
Unlimited preference shares without par value.

(b) ***Voting and non-voting common shares*** –

	Number of shares issued		Share capital	
	Voting common	Non-voting common	Voting common	Non-voting common
Balance as at January 1, 2015 and March 31, 2015	**111,933,942**	**2,791,947**	**$ 50,355,674**	**$ 906,574**

Balance as at January 1, 2014	**108,293,457**	**4,932,432**	**$ 49,420,471**	**$ 1,601,611**
Repurchase of voting shares in exchange for non-voting shares	(31,370,400)	31,370,400	(10,186,291)	10,186,291
Balance as at March 31, 2014	**76,923,057**	**36,302,832**	**$ 39,234,180**	**$ 11,787,902**

On March 27, 2014, the Company entered into share repurchase agreements with certain holders of common shares to purchase common shares from these holders in exchange for non-voting common shares. Lance D'Ambrosio, the Chief Executive Officer and a director of the Company, and Jeff Gentry, a director of the Company, participated in the transaction. Mr. D'Ambrosio agreed to sell 12,174,673 common shares for cancellation in return for 12,174,673 non-voting common shares, and Mr. Gentry agreed to sell 7,150,490 common shares for cancellation in return for 7,150,490 non-voting common shares. See Note 10 below for more details on this related-party transaction.

(c) ***Share purchase warrants –***

A summary of the Company's share purchase warrants outstanding as at March 31, 2015 is presented as follows:

	Weighted average remaining contractual life (yrs)	Number of share purchase warrants	Weighted average exercise price (C$)
Financing warrants	2.339	1,800,000	$ 0.36
Share purchase warrants outstanding, end of period	**2.339**	**1,800,000**	**$ 0.36**

(Unaudited and Expressed in US Dollars)

(d) ***Share purchase options –***

The Company has a stock option plan (the "Option Plan") whereby the Board may grant to directors, officers, employees or consultants of the Company options to acquire common shares. The Board, or the Compensation Committee under direction of the Board, has the authority to determine the limits, restrictions and conditions of share option grants, and to make all decisions and interpretations relating to the Option Plan. The Option Plan was reapproved by shareholders at a special meeting of shareholders held on June 23, 2014, and the maximum number of shares that may be reserved for issuance shall not exceed 10% of the outstanding shares of the Company at the time of grant. Furthermore, the maximum number of shares that may be reserved for issuance to any one Optionee shall not exceed 5% of the outstanding shares of the Company at the time of grant, excepting consultants and investor relations persons which shall not exceed 2% of the outstanding shares of the Company.

The term of any share option granted may not exceed five years and the exercise price may not be lower than the closing price, less any discounts from the closing price allowed by the TSX Venture Exchange, of the Company's shares on the last trading day immediately preceding the date of grant. Vesting conditions vary based on the circumstances of the option grant.

A continuity summary of share options for the three months ended March 31, 2015 and March 31, 2014 is presented as follows:

	March 31, 2015		March 31, 2014	
	Number of options	Weighted average exercise price (C$)	Number of options	Weighted average exercise price (C$)
Balance, beginning of period	**7,676,632**	**$ 0.61**	**4,832,758**	**$ 0.78**
Granted	-	-	-	-
Balance, end of period	**7,676,632**	**$ 0.61**	**4,832,758**	**$ 0.78**
Exercisable share purchase options	**5,639,361**	**$ 0.66**	**2,283,218**	**$ 0.93**

(Unaudited and Expressed in US Dollars)

A summary of the Company's share options outstanding as at March 31, 2015 is presented as follows:

Exercise price per share (C$)	Weighted average remaining contractual life (yrs)	Number of share purchase options		Weighted average exercise price (C$)
< $0.50	**3.584**	5,736,811	$	0.40
$0.51 - $1.50	**1.322**	1,414,821	$	1.04
$1.51 - $2.00	**1.405**	525,000	$	1.81
Share purchase options outstanding, end of period	**3.018**	**7,676,632**	**$**	**0.61**

Share based compensation for the three months ended March 31, 2015 was $45,357 (three months ended March 31, 2014 – $90,571), of which $37,730 (three months March 31, 2014 - $73,104) was expensed in the consolidated statement of loss and $7,627 (three months ended March 31, 2014 - $17,467) was capitalized in mineral properties. The offsetting credit was recorded as contributed surplus.

8. Finance expense

Finance expenses for the period were as follows:

	Three months ended			
		March 31, 2015		**March 31, 2014**
Interest expense	$	90,929	$	-
Accretion		43,815		-
Total finance expenses	**$**	**134,744**	**$**	**-**

9. Loss per share

Basic loss per share is calculated by dividing the loss attributable to shareholders of the Company by the weighted average number of common shares outstanding during the period. The Company's loss per share for the three months ended March 31, 2015 was $0.01 (three months ended March 31, 2014 – $nil), and was based on the loss attributable to common shareholders of $704,805 (three months ended March 31, 2014 – $452,117), and the weighted average number of common shares outstanding of 111,933,942 (three months ended March 31, 2014 – 106,899,217). The effect of the following securities was not included in the diluted loss per share calculation since these are antidilutive:

(Unaudited and Expressed in US Dollars)

As at	March 31, 2015	March 31, 2014
Number of share purchase warrants	1,800,000	-
Number of share purchase options	7,676,632	4,832,758
	9,476,632	**4,832,758**

10. Related party transactions

The Company's related parties include the Company's subsidiaries, associates, executive and non-executive directors, senior officers (Chief Executive Officer and Chief Financial Officer), and entities controlled or jointly-controlled by Company directors or senior officers.

(a) On April 18, 2011, Peak Minerals entered into an agreement with Emerald Peak Minerals, LLC ("Emerald Peak"), whereby both parties agreed to commit the acreage associated with the Emerald Peak state leases to development and operation by Peak Minerals (the "Emerald Peak Agreement"). Emerald Peak is controlled by two directors of EPM and Peak Minerals owns a 40% interest in Emerald Peak. Emerald Peak will make no payments for the development of these state leases and will receive no net revenues from the production from these state leases – all revenues and costs incurred under the Emerald Peak Agreement will be for the benefit of Peak Minerals. The contract commits Peak Minerals to pay Emerald Peak the greater of $40,000 per year or a 7.5% overriding royalty on all potash production allocated to the state leases and stipulates that Peak Minerals will be the designated unit operator upon the approval of a unitization agreement between Emerald Peak, Peak Minerals, LUMA Minerals, LLC – an unaffiliated third party and a Delaware limited liability company ("LUMA"), the U.S. Bureau of Land Management ("BLM") and the State Institutional Trust Lands Administrations ("SITLA").

During the three months ended March 31, 2015 and March 31, 2014, the Company made no payments to Emerald Peak in conjunction with the Emerald Peak Agreement. No accounts payable or receivable between the parties existed as at March 31, 2015 or March 31, 2014.

(b) During the three months ended March 31, 2014, the Company reported several transactions with Black Horse Resources, Inc. ("Black Horse"), a related party controlled by two directors of EPM, whereby Black Horse reimbursed Peak Minerals for shared administrative services and a sublease agreement. The sublease agreement expired on July 31, 2014; therefore, the Company didn't have any transactions with Black Horse during the three months ended March 31, 2015. Transactions between the parties during the three month period ended March 31, 2014 totaled $2,108 and no accounts payable or receivable between the parties existed as at March 31, 2015 or March 31, 2014.

(c) During the three months ended March 31, 2015 and March 31, 2014, compensation paid or payable to senior officers and directors was as follows:

(Unaudited and Expressed in US Dollars)

		Three months ended		
		March 31, 2015		**March 31, 2014**
Short-term salaries and benefits	$	71,194	$	99,844
Share-based compensation		32,697		63,860
Total key management compensation	**$**	**103,891**	**$**	**163,704**

(d) On March 27, 2014, Lance D'Ambrosio, the Chief Executive Officer and a director of the Company, agreed to sell 12,174,673 common shares for cancellation in return for 12,174,673 non-voting common shares, and Jeff Gentry, a director of the Company, agreed to sell 7,150,490 common shares for cancellation in return for 7,150,490 non-voting common shares. Both Mr. D'Ambrosio and Mr. Gentry abstained from voting at the meeting of the Board of Directors held to approve the transaction.

(e) Lance D'Ambrosio, the Chief Executive Officer and a director of the Company, Daniel Basse, a director of the Company, and Theodore Botts, a director of the Company, participated in the Director Loan. The Financing Directors abstained from voting at the meeting of the Board of Directors held to approve the Financing. Of the $700,000 gross proceeds from the Director Loan, the Company recorded $46,405, net of tax effects of $19,888, as a capital contribution from the directors, as the fair values of the liability and equity components were less than the net proceeds received.

11. Commitments and contingencies

(a) In July 2011, Peak Minerals entered into a Cooperative Development Agreement with LUMA to develop the additional Federal Leases on the Sevier Playa Project that the Company did not control (the "LUMA Agreement"). LUMA won these leases as part of the competitive bidding process by the BLM when the Company was not permitted to lease more than 96,000 acres, pursuant to federal law.

Under the LUMA Agreement, both parties will commit the acreage to development and operation by the Company. LUMA will make no payments for the development of its acreage and will receive no net revenues from the production from its acreage – all revenues and costs will be for the benefit of the Company. The contract commits the Company to pay LUMA a 1.25% overriding royalty on all production from, or allocated to, the LUMA leases. The contract also grants LUMA the right, in addition to the overriding royalty, to elect either: (i) a cash-only payment of $2,000,000; or (ii) the number of shares in the Company equal in value to $1,000,000, plus $1,000,000 cash at closing. The closing is conditioned upon and subject to: (a) all necessary approvals of the shareholders and governing boards of Peak Minerals and/or EPM; (b) all necessary approvals of United States and Canadian governmental authorities, including securities and exchange and environmental regulatory bodies, BLM and SITLA; and (c) all applicable stock exchange rules, regulations and approvals.

(Unaudited and Expressed in US Dollars)

The LUMA Agreement added approximately 22,012 acres of additional leases to the lands controlled by the Company, bringing the Sevier Playa Project land package total to approximately 124,223 acres.

On June 27, 2012, but effective as of June 15, 2012, the Company executed a 12-month extension of the LUMA Agreement. On June 5, 2013, but effective June 15, 2013, the Company executed a second 12-month extension of the LUMA Agreement, thereby extending its term from July 15, 2013 to July 15, 2014. On June 13, 2014, but effective June 15, 2014, the Company executed a third 12-month extension of the LUMA Agreement, thereby extending its term from July 15, 2014 to July 15, 2015.

(b) The Company agreed to lease office space located at 2150 South 1300 East, Suite 350, Salt Lake City, UT 84106, commencing on August 1, 2011 and expiring on July 31, 2014. In June 2014, the Company amended this agreement to move from its then-current location and to lease neighboring office space located at 2180 South 1300 East, Suite 200, Salt Lake City, UT 84106, commencing August 1, 2014 and expiring July 31, 2015. These have been accounted for as operating leases within the Interim Financial Statements.

The future minimum lease payments under operating leases are as follows:

Minimum lease payments as at		**March 31, 2015**		**March 31, 2014**
Not later than 1 year	$	20,380	$	32,427
Later than 1 year but less than five years		-		-
	$	**20,380**	**$**	**32,427**

12. Subsequent events

(a) Private Placement with EMR

On May 12, 2015, the Company announced that it had successfully completed a financing commitment to provide the Company not less than C$85 million or one-third of project equity in three tranches based upon achievement of certain milestones. On that date, the Company entered into an agreement (the “Subscription Agreement”) with EMR Capital Resources Fund 1, LP (“EMR”) pursuant to which EPM will issue to EMR 34,516,129 units (the “Units”) at C$0.30 per Unit for gross proceeds of C$10,354,839, with each Unit being composed of one common share of EPM and one common share purchase warrant (a “Warrant”) for an aggregate of 34,516,129 common shares and 34,516,129 Warrants (together, the “Offering”). Each Warrant will entitle the holder to subscribe for one common share at a price of C$0.4243 per common share for a period of 24 months following the closing of the Offering. However, subject to the achievement of certain milestones, EMR will be deemed to irrevocably exercise the Warrants into 34,516,129 common shares at a price of C$0.4243 per common share for gross proceeds of C$14,645,194.

Upon closing of the Offering and pursuant to the terms of the Subscription Agreement, EMR and EPM will enter into a relationship agreement (the "Relationship Agreement") which will provide for certain rights, obligations and responsibilities of the parties over the term of the Relationship agreement and in respect of the Sevier Playa Project. The term of the Relationship Agreement will be for a period of five years from the date of the closing of the Offering, providing EMR maintains an equity and voting interest in EPM of at least 15% during such time. Under the terms of the Relationship Agreement, EPM agreed to grant certain rights to EMR including, among other things: (i) a preemptive right to maintain its pro rata interest in EPM; (ii) the right to designate a number of individuals (such number based on EMR's proportionate ownership of common shares) to be nominated by EPM for election as directors of EPM; and (iii) customary information rights.

EMR concurrently agreed: (i) to certain standstill restrictions for a period running until September 2, 2016; (ii) not to transfer any securities of EPM, except in certain limited circumstances, for a period of 24 months from the closing date; and (iii) to provide an additional investment in the Sevier Playa Project or EPM at either the project level or in common shares of not less than $60 million or up to one-third of project equity following the achievement of certain milestones.

EPM was advised on the transaction by Headwaters|MB ("Headwaters") and has agreed to pay to Headwaters, in connection with the Offering, a success fee equal to 4% of the value of the Offering (such fee being C$414,194) plus reasonable expenses. EPM has also agreed to pay to Headwaters a success fee of 4% upon the exercise of Warrants by EMR (such fee being C$585,808) and the exercise by EMR of the Investment Right (such fee being not less than approximately C$2,400,000). However, EPM and Headwaters have agreed that, should EPM retain Headwaters to assist with project financing in respect of the Project, the success fee on the Investment Right will be reduced from 4.0% to 2.0%. Payments to Headwaters will be made in accordance with the rules and policies of the TSX Venture Exchange, and subject to the applicable regulatory approvals.