

New World Gold Corporation

Consolidated Financial Statements
for the Nine Months Ended September 30, 2014
(Unaudited)

New World Gold Corporation

Table Of Contents

	Page No.
Financial Statements - Consolidated	
Balance Sheet	3
Statement of Income	4
Statement of Changes In Stockholders' Equity	5
Statement of Cash Flows	6
Notes To Financial Statements	7 - 10

New World Gold Corporation
Balance Sheet
As of September 30, 2014
(unaudited)

	Consolidated 9 Months Ended September 30, 2013	Consolidated 3 Months Ended March 31, 2014	Consolidated 6 Months Ended June 30, 2014	Consolidated 9 Months Ended Sept 30, 2014	Consolidated 12 Months Ended Dec 31, 2013
ASSETS					
Current Assets					
Checking/Savings	101,745.36	79,544.61	72,750.33	82,902.76	67,980.32
Total Checking/Savings	101,745.36	79,544.61	72,750.33	82,902.76	67,980.32
Accounts Receivable	250,000.00	250,000.00	250,000.00	470,000.00	350,000.00
Inventory	1,025,816.31	1,420,243.90	1,670,484.65	1,777,807.37	1,144,297.76
Other Current Assets	0.00	0.00	0.00	0.00	0.00
Total Current Assets	1,377,561.67	1,749,788.51	1,993,234.98	2,330,710.13	1,562,278.08
Fixed Assets					
Gold Mine Leases / Land	1,133,035.00	1,303,006.87	1,303,006.87	1,303,006.87	1,133,035.00
Plant, Machinery & Equipment	4,544,994.87	4,614,494.87	5,024,743.56	5,359,185.96	4,614,494.87
Construction/Mining Improvements	1,329,575.37	2,642,173.48	2,952,715.24	3,459,083.22	2,284,758.56
Depreciation	(819,931.15)	(996,429.15)	(1,134,511.15)	(1,141,222.15)	(991,429.15)
Other Fixed Assets	11,177.94	11,177.94	1,177.94	0.00	11,177.94
Total Fixed Assets	6,198,852.03	7,574,424.01	8,147,132.46	8,980,053.90	7,052,037.22
Other Assets					
Investment in Subsidiaries	2,068,224.47	2,351,164.87	2,369,164.87	2,511,664.87	1,932,114.87
Credits	10,121.10	17,465.25	27,493.15	27,493.15	83,279.68
Total Other Assets	2,078,345.57	2,368,630.12	2,396,658.02	2,539,158.02	2,015,394.55
TOTAL ASSETS	9,654,759.27	11,692,842.64	12,537,025.46	13,849,922.05	10,629,709.85
LIABILITIES & EQUITY					
Liabilities					
Current Liabilities					
Accrued Payables	209,674.15	54,941.11	62,474.75	49,171.80	119,674.15
Taxes Payable	5,269.00	4,697.29	4,956.00	4,540.00	5,498.00
Total Current Liabilities	214,943.15	59,638.40	67,430.75	53,711.80	125,172.15
Long Term Liabilities					
Officer Loans	0.00	0.00	0.00	0.00	0.00
Notes Payable	3,389,160.88	4,124,145.10	4,153,772.62	4,422,458.62	3,797,586.79
Accrued Officer Compensation	556,250.00	643,750.00	687,500.00	731,250.00	600,000.00
Intercompany	0.00	0.00	0.00	0.00	0.00
Total Long Term Liabilities	3,945,410.88	4,767,895.10	4,841,272.62	5,153,708.62	4,397,586.79
Total Liabilities	4,160,354.03	4,827,533.50	4,908,703.37	5,207,420.42	4,522,758.94
Equity					
Preferred stock, par value \$.001, 50,000,000 shares authorized, 850,000 shares issued and outstanding as of September 30, 2014 and 50,000,000 shares authorized, 850,000 shares issued and outstanding as of December 31, 2013.	850.00	850.00	850.00	850.00	850.00
Common stock, par value \$.0001, 900,000,000 shares authorized, 775,516,915 shares issued and outstanding as of September 30, 2014 and 500,000,000 shares authorized, 450,016,915 shares issued and outstanding as of December 31 2013.	40,951.69	52,751.69	62,751.69	77,551.69	45,001.69
Additional Paid-In Capital	3,321,737.85	3,321,737.85	3,321,737.85	3,386,737.85	3,321,737.85
Adjustments to Equity/Asset Revaluation					
Retained Earnings	538,603.03	2,739,361.37	2,739,361.37	2,739,361.37	538,603.03
Net Income	1,592,262.67	750,608.23	1,503,621.18	2,438,000.72	2,200,758.34
Total Equity	5,494,405.24	6,865,309.14	7,628,322.09	8,642,501.63	6,106,950.91
TOTAL LIABILITIES & EQUITY	9,654,759.27	11,692,842.64	12,537,025.46	13,849,922.05	10,629,709.85

New World Gold Corporation
Profit Loss
January through September 2014 and 2013
(Unaudited)

	Consolidated 9 Months Ended September 13	Consolidated 3 Months Ended Mar 14	Consolidated 6 Months Ended June 14	Consolidated 9 Months Ended Sept 14	Consolidated 12 Months Ended Dec 13
Net Sales	5,907,327.90	2,488,516.89	4,990,196.26	7,671,561.53	8,241,330.56
Cost of Sales	2,325,615.97	941,662.16	2,046,451.39	2,953,672.08	3,300,923.59
Gross Profit	3,581,711.93	1,436,854.73	2,943,744.87	4,717,889.45	4,940,406.97
Ordinary Income/Expense					
Expense					
Accrued Officer Compensation	131,250.00	43,750.00	87,500.00	131,250.00	175,000.00
Wages & Salaries	657,971.59	214,624.23	457,968.40	706,154.16	886,697.59
Accrued Accounting Fees	0.00	0.00	0.00	0.00	0.00
Telecommunications	932.00	0.00	0.00	0.00	1,036.00
Office Expense/Supplies	3,728.89	1,554.15	2,713.40	4,049.40	5,369.63
Filing & Transfer Fees	6,550.40	2,055.00	3,080.00	5,160.00	8,095.40
Interest Expense	53,310.57	0.00	0.00	0.00	75,052.77
Legal	6,480.00	2,250.00	3,600.00	27,096.05	7,380.00
Professional Fees	44,478.90	15,003.00	29,819.15	47,346.48	61,536.01
Lab Services	14,019.24	7,986.10	16,110.29	24,721.94	19,345.85
Transportation	90,824.71	30,711.15	63,582.35	111,682.86	117,827.20
Financing Expense	25,702.19	29,290.77	56,446.17	73,785.25	34,841.82
Utilities	0.00	1,211.10	2,169.10	2,169.10	784.00
Investor Relations	0.00	0.00	0.00	4,779.55	0.00
Travel & Entertainment	7,376.76	1,387.15	6,192.15	6,192.15	11,465.76
Internet and Website Development	0.00	0.00	0.00	22,701.94	0.00
Maintenance	40,422.99	18,428.13	40,090.28	64,405.08	55,775.20
Materials & Mining Supplies	843,356.04	312,620.62	658,929.30	1,034,989.67	1,209,847.28
Other Expenses	61,594.99	4,447.10	10,074.10	10,815.10	67,914.12
Website/Advertising	1,450.00	928.00	1,849.00	2,590.00	1,680.00
Total Expense	1,989,449.27	686,246.50	1,440,123.69	2,279,888.73	2,739,648.64
Other Income/Expense					
Write offs	0.00	0.00	0.00	0.00	0.00
Total Expense	1,989,449.27	686,246.50	1,440,123.69	2,279,888.73	2,739,648.64
Net Ordinary Income	1,592,262.67	750,608.23	1,503,621.18	2,438,000.72	2,200,758.34
Net Income	1,592,262.67	750,608.23	1,503,621.18	2,438,000.72	2,200,758.34

NEW WORLD GOLD CORPORATION
STATEMENT OF STOCKHOLDERS EQUITY (DEFICIT)
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2014
(Unaudited)

	Common Stock		Preferred Stock		Paid-in Capital	Cumulative Deficit	Adjustments To Equity	Profit (Loss)	Total Equity
	Shares	Amount	Shares	Amount					
Balance, December 31, 2013 (unaudited)	450,016,915	\$ 45,002	850,000	\$ 850	\$ 3,321,738	\$ (1,300,061)	\$	\$ 4,039,422	\$ 6,106,951
Shares issued from debt conversions	297,500,000	29,750							29,750
Shares issued for services and investment	28,000,000	2,800							2,800
Adjustments					65,000				65,000
Net Profit (Loss)		-	-					2,438,001	2,438,001
Balance, September 30, 2014 (unaudited)	<u>775,516,915</u>	<u>\$ 77,552</u>	<u>850,000</u>	<u>\$ 850</u>	<u>\$ 3,386,738</u>	<u>\$ (1,300,061)</u>	<u>\$ 0</u>	<u>\$ 6,477,423</u>	<u>\$ 8,642,502</u>

New World Gold Corporation Statement of Cash Flows

January through
September 2014 and 2013
(Unaudited)

	<u>Jan-Sept 2014</u>	<u>Jan-Sept 2013</u>
OPERATING ACTIVITIES		
Net Income	2,438,000.72	378,163.96
Adjustments to reconcile Net Income to net cash provided by operations:		
Accounts payable	71,460.35	(922.56)
Accrued Officer Compensation	131,250.00	43,750.00
Accounts Receivable	100,000.00	0.00
Inventory	(633,509.61)	558,768.83
Gold Mine Leases / Land	(169,971.87)	0.00
Construction/Mining Improvements	(1,174,324.66)	(88,213.16)
Plant, Machinery, Equipment	(410,248.69)	(441,356.42)
Depreciation	149,793.00	132,556.00
From Note Holders	345,145.58	(114,595.10)
Investment in Subsidiary	(897,672.38)	(470,500.00)
Other Adjustments	0.00	14,445.70
Net cash provided by Operating Activities	<u>(50,077.56)</u>	<u>12,097.25</u>
INVESTING ACTIVITIES		
Gold Mine Purchases/Leases	0.00	0.00
Net cash used by Investing Activities	<u>0.00</u>	<u>0.00</u>
FINANCING ACTIVITIES		
Investor Loans	0.00	0.00
Capital Stock	65,000.00	4,600.00
Net cash provided by Financing Activities	<u>65,000.00</u>	<u>4,600.00</u>
Net cash increase for period	14,922.44	16,697.25
Cash at beginning of period	67,980.32	98,675.55
Cash at end of period	<u>82,902.76</u>	<u>115,372.80</u>

NEW WORLD GOLD CORPORATION
NOTES TO FINANCIAL STATEMENTS
For the Nine Months Ended September 30, 2014
(Unaudited)

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND NATURE OF OPERATIONS

NATURE OF OPERATIONS

New World Gold Corporation is the operator of leased properties in which it plans to find mineral resources, specifically, gold. Development of the properties is through the contracting of companies as needed. The focus of the business is to develop and produce gold assets in South America (Ecuador and Peru) and the United States.

The Company was incorporated as Northwind Management, Inc. On January 21, 2000, it changed its name to TheComicStore.com, Inc.; on March 1, 2001 it changed its name to CMI Holdings Group, Inc.; on March 24, 2004 it changed its name to RFMR Acquisitions Corp, Inc.; and on November 7, 2006, it changed its name to Great Northern Oilsands, Inc. On June 5, 2008 it changed its name to New Asia Gold Corporation, and on May 8, 2009, changed its name to New World Gold Corporation.

On October 1, 2010, New World Gold Corporation entered into an agreement for the exchange of shares, whereby the Issuer acquired 54% controlling interest in Andes Gold Corporation, a Florida corporation, and Andes Gold Corporation acquired a 20.57% interest in New World Gold Corporation. As a result, Andes Gold Corporation became a majority-owned subsidiary of New World Gold Corporation. As of September 30, 2014, New World Gold Corporation holds the controlling interest in Andes Gold Corporation through preferred and common stock. Because of this controlling interest, the financial statements herein represent a consolidation of the financial statements of New World Gold Corporation and Andes Gold Corporation.

USE OF ESTIMATES

The Company prepares its financial statements in conformity with accounting principles generally accepted in the United States of America. These principles require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NEW WORLD GOLD CORPORATION

NOTES TO FINANCIAL STATEMENTS

For the Nine Months Ended September 30, 2014
(Unaudited)

INCOME TAXES

The Company accounts for income taxes using the asset and liability method. The differences between the financial statement and tax bases of assets and liabilities are determined annually. Deferred income tax assets and liabilities are computed for those differences that have future tax consequences using the currently enacted tax laws and rates that apply to the period in which they are expected to affect taxable income. Valuation allowances are established, if necessary, to reduce deferred tax asset accounts to the amounts that will more likely than not be realized. Income tax expense is the current tax payable or refundable for the period, plus or minus the net change in the deferred tax asset and liability accounts.

NET INCOME PER SHARE DATA

Net income per common share for the nine months ended September 30, 2014 is computed based on the weighted average common stock and dilutive common stock equivalents outstanding during the year as defined by Statement of Financial Accounting Standards, No. 128, "Earnings per Share".

FAIR VALUE OF FINANCIAL INSTRUMENTS

The carrying amounts of the Company's financial instruments, including accounts receivable and payable, notes receivable and payable and accrued liabilities approximate fair value due to the relatively short period to maturity for these instruments.

NEW ACCOUNTING PRONOUNCEMENTS

None that is applicable through September 30, 2014 to company operations.

ISSUANCE OF SHARES FOR SERVICES

Valuation of shares for services and other acquired assets were based on the fair market value of services received. For the nine months ended September 30, 2014, 15,000,000 restricted shares of common stock were issued for services to the Company.

COMPREHENSIVE INCOME

The Company adopted Statement of Financial Accounting Standard No. 130, "Comprehensive Income" ("SFAS No. 130") which is effective for annual periods ending after December 15, 1997. As provided by SFAS No. 130, reclassification adjustments to prior year amounts are reported in a separate statement of comprehensive income along with current year components of comprehensive income.

NEW WORLD GOLD CORPORATION
NOTES TO FINANCIAL STATEMENTS
For the Nine Months Ended September 30, 2014
(Unaudited)

NOTE 2 - BASIS OF PRESENTATION AND CONSIDERATIONS RELATED TO CONTINUED EXISTENCE

The Company's financial statements have been presented on the basis that it is a going concern, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business.

The Company's management intends to raise additional operating funds through equity and/or debt offerings. However, there can be no assurance management will be successful in its endeavors. Ultimately, the Company will need to sustain profitable operations in order to continue as a going concern.

NOTE 3 - RELATED PARTY TRANSACTIONS

During the nine months ended September 30, 2014, some stockholders advanced the Company funds for capital improvements. The Company has also loaned working capital and funds for capital expenditures to its subsidiary, Andes Gold Corporation.

NOTE 4 - NON-CASH TRANSACTIONS

No non-cash investing and financing activities occurred during the period from January 1, 2013 through September 30, 2014.

NOTE 5 - GOING CONCERN

As reflected in the accompanying consolidated financial statements, the Company has had previous net losses from the development and startup of its operations and first became profitable in 2011, and has continuously remained so through September 30, 2014. Although the Company is profitable, the ability of the Company to continue as a going concern is dependent on the Company's ability to remain so over time. The financial statements do not include any adjustments that might be necessary if the Company is unable to continue as a going concern.

The Company anticipates raising additional working capital through the issuance of debt and equity securities in order to further expand its business. Management believes that actions presently being undertaken to obtain additional funding provide the Company with the opportunity to continue to operate as a going concern.

NEW WORLD GOLD CORPORATION
NOTES TO FINANCIAL STATEMENTS
For the Nine Months Ended September 30, 2014
(Unaudited)

NOTE 6 – MANAGEMENT DISCUSSION OF OPERATIONS

The Company had a very good nine (9) month for the period ending September 30, 2014. During this period the Company increased revenues and profits.

The Company continues to produce its own reserves as well as milling ore on a contractual basis for independent miners. The company will continue to increase its proven developed reserves through acquisition of new reserves and development of existing probable reserves.

Operating costs and revenues are difficult to predict and there can be no assurances that revenue will continue to exceed operating costs in the foreseeable future. For this reason and other factors, the company may find it necessary to raise additional capital to maintain its position in the projects and/or fund further expansion.