



MONETA PORCUPINE MINES INC.

Consolidated Financial Statements

For the three months ended March 31, 2015

**THESE FINANCIAL STATEMENTS HAVE BEEN PREPARED BY MANAGEMENT AND
HAVE NOT BEEN REVIEWED BY THE COMPANY'S AUDITOR**



MONETA PORCUPINE MINES INC.
Consolidated Statements of Financial Position

As at	Notes	(Unaudited) March 31, 2015 \$	(Audited) December 31, 2014 \$
Current assets			
Cash and equivalents		160,481	282,286
Prepaid expenses		21,073	17,930
Sales taxes recoverable		8,396	30,288
Interest receivable		501	2,749
Investments		-	-
Total current assets		190,451	333,253
Exploration and evaluation assets	3	1,887,282	1,852,746
		2,077,733	2,185,999
Current liabilities			
Accounts payable and accrued liabilities		148,349	152,431
Total current liabilities		148,349	152,431
Going concern	1		
Contingent liabilities	7		
Subsequent events	10		
Capital stock	4	44,192,549	44,192,549
Contributed surplus		3,606,463	3,605,764
Deficit		(45,869,628)	(45,764,745)
Total shareholders' equity		1,929,384	2,033,568
		2,077,733	2,185,999

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



MONETA PORCUPINE MINES INC.

Consolidated Statements of Changes In Shareholders' Equity

Notes	Capital Stock		Contributed Surplus	Other Accumulated Comprehensive		Shareholders' Equity
	Shares	\$		Deficit		
Balance as at December 31, 2014	193,642,382	44,192,549	3,605,764	-	(45,764,745)	2,033,568
Share based compensation on vested options			699			699
Earnings (loss) and comprehensive earnings (loss)					(104,883)	(104,883)
Balance as at March 31, 2015	193,642,382	44,192,549	3,606,463	-	(45,869,628)	1,929,384
Balance as at December 31, 2013	193,642,382	44,192,549	3,486,274	-	(43,219,136)	4,459,687
Share based compensation on vested options			14,515			14,515
Earnings (loss) and comprehensive earnings (loss)					(1,148,864)	(1,148,864)
Balance as at March 31, 2014	193,642,382	44,192,549	3,500,789	-	(44,368,000)	3,325,338

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



MONETA PORCUPINE MINES INC.

Consolidated Statements of Loss, Comprehensive Loss and Deficit

For the three months ended March 31,	Notes	2015 \$	2014 \$
Expenses			
Exploration and evaluation expenditures	3, 6	37,990	1,049,072
Share based compensation	4, 6	699	14,515
Wages and benefits	6	53,362	53,000
General & administration	6	19,301	38,336
Legal & audit		5,750	8,315
		117,102	1,163,238
Other items			
Other income		(9,981)	(9,309)
Unrealized loss on investments		-	(931)
Interest income		(2,238)	(4,134)
Loss before income taxes		104,883	1,148,864
Deferred taxes		-	-
Loss and comprehensive loss		104,883	1,148,864
Deficit - beginning of period		45,764,745	43,219,136
Deficit - end of period		45,869,628	44,368,000
Loss per share (basic and diluted)		\$0.00	\$0.01
Weighted average outstanding shares		193,642,382	193,615,834

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



MONETA PORCUPINE MINES INC.
Consolidated Statements of Cash Flows

For the three months ended March 31,	Notes	2015	2014
		\$	\$
Operating activities			
Loss and comprehensive loss		(104,883)	(1,148,864)
Add: non-cash items			
Unrealized loss on investments		-	(931)
Shared based compensation		699	14,515
Net change in non-cash working capital balances		16,915	(690,827)
Cash used in operating activities		(87,269)	(1,826,107)
Investing activities			
Evaluation and exploration assets	3	(34,536)	(16,622)
Cash used in investing activities		(34,536)	(16,622)
Net decrease in cash and equivalents			
		(121,805)	(1,842,729)
Cash and equivalents, beginning of period		282,286	3,361,056
Cash and equivalents, end of period		160,481	1,518,327

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



MONETA PORCUPINE MINES INC.

Notes to the Interim Consolidated Financial Statements
For the three months ended March 31, 2015

1. Nature of operations and going concern

Nature of operations

Moneta Porcupine Mines Inc. ("Moneta" or the "Company") is a public company listed on the Toronto Stock Exchange (**TSX: ME**) (**OTC: MPUCF**) (**XETRA: MOP**) and incorporated under the laws of the Province of Ontario on October 14, 1910. Moneta is a mineral resource exploration and development company actively exploring for gold on its land package in the Timmins Camp in Timmins, Ontario (Canada). The Company's registered office is 65 Third Avenue, Timmins, Ontario, P4N 1C2. Moneta, a former gold producer, is currently an exploration stage company and has no properties in current production and no production revenues at the present time.

Going concern

These consolidated financial statements, including comparatives, have been prepared using International Financial Reporting Standards ("IFRS") applicable to a going concern, which assumes continuity of operations and realization of assets and settlement of liabilities in the normal course of business for the foreseeable future, which is at least, but not limited to, one year from December 31, 2014. The Company is subject to risks and challenges similar to companies in a comparable stage of exploration and development. As a result of these risks, there is significant doubt as to the appropriateness of the going concern assumption. There is no assurance that the Company's funding initiatives will continue to be successful and these financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and statements of financial position classifications that would be necessary if the going concern assumption was inappropriate. These adjustments could be material. The Company will have to raise additional funds to advance its exploration and development efforts and, while it has been successful in doing so in the past, there can be no assurance that it will be able to do so in the future.

2. Significant accounting policies

Basis of presentation and statement of compliance

These consolidated financial statements were prepared in accordance with IFRS, as issued by the International Accounting Standards Board and applicable to the preparation of consolidated financial statements. The Company operates in one segment defined as the cash generating unit which is Canada. These financial statements were reviewed by the Audit Committee and approved by the Board of Directors on May 13, 2015.

Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis, except for financial instruments designated at fair value through profit and loss, which are stated at their fair value.

Basis of consolidation

These consolidated financial statements include the accounts of the Company and the assets, liabilities, revenues and expenses of its wholly-owned subsidiaries: Wounded Bull Resources Inc. and 508825 Ontario Ltd. The subsidiaries are inactive with limited operations.

Presentation and functional currency

The Company's presentation currency and functional currency is the Canadian Dollar.

Foreign currency translation

Monetary assets and liabilities denominated in a foreign currency are translated to Canadian dollars at exchange rates in effect at the balance sheet date and non-monetary assets and liabilities are translated at rates of exchange in effect when the assets were acquired or obligations incurred. Revenues and expenses are translated at rates in effect at the time of the transactions. Foreign exchange gains and losses are included in Consolidated Statements of Loss (Earnings) and Comprehensive Loss (Earnings), except for differences arising on the translation of available for sale equity instruments that are recorded in other accumulated comprehensive income.

The Company translates the assets and liabilities of its wholly-owned subsidiary, Wounded Bull Resources Inc., at the rate of exchange in effect at the reporting date. Income and expenses are translated at the rate of exchange prevailing



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at the date of the transaction. All resulting exchange differences are recognized in other comprehensive income and accumulated in a cumulative translation reserve under shareholders' equity.

Related party transactions

Related party transactions conducted in the normal course of operations are measured at the exchange value. The terms and conditions of the transactions with key management personnel and their related parties were no more favorable than those available, or which might reasonably be expected to be available, to similar transactions to non-related entities on an arm's length basis.

Financial instruments

Financial assets and financial liabilities are recognized when the Company becomes party to a contractual agreement.

Financial assets are initially measured at fair value and classified into one of the following specified categories: fair value through profit or loss ("FVTPL"), held-to-maturity ("HTM"), available-for-sale ("AFS") and loans and receivables. HTM instruments and loans and receivables are measured at amortized cost. AFS instruments are measured at fair value with unrealized gains and losses recognized in other comprehensive income. Instruments classified as FVTPL are measured at fair value with unrealized gains and losses recognized in the Consolidated Statement of Loss (Earnings) and Comprehensive Loss (Earnings) for the period.

Financial liabilities are classified as either financial liabilities at FVTPL or other financial liabilities. Financial liabilities classified as FVTPL are measured at fair value with unrealized gains and losses recognized in the Consolidated Statement of Loss (Earnings) and Comprehensive Loss (Earnings) for the period. Other financial liabilities, including borrowings, are initially measured at fair value and subsequently measured at amortized cost using the effective interest rate method.

Transaction costs directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities recorded at fair value through loss for the period are recognized immediately in the Consolidated Statement of Loss (Earnings) and Comprehensive Loss (Earnings) for the period.

Financial assets and financial liabilities are offset and reported on the Statement of Financial Position only if there is an enforceable legal right to offset the recognized amounts, and an intention to realize the asset and settle the liability simultaneously.

The fair value of financial instruments traded in active markets (such as FVTPL and AFS securities) is based on quoted market prices at the date of the Statement of Financial Position. The quoted market price used for financial assets held by the Company is the current bid price.

Equity instruments issued by the Company are recognized at the proceeds received, net of direct issuance costs.

Financial instruments recognized in the Statements of Financial Position include cash and equivalents, interest receivable, investments held for trading, and accounts payable and accrued liabilities. The respective accounting policies are described below.

Cash and equivalents

Cash and equivalents include money market instruments and short-term investments with maturities of 90 days or less held with Canadian financial institutions with a "AA" credit rating. Cash and equivalents are classified as held-for-trading and measured at fair value.



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Investments

Investments held for trading are recorded at fair value with the difference between fair value and cost being recorded as unrealized gain or loss in value of investments on the statement of loss (earnings) and comprehensive loss (earnings) and deficit. In the case of securities listed on stock exchanges, the fair value means the latest bid price. Investments available for sale are measured at fair value with changes in fair value reported in other comprehensive income until the financial asset is disposed of, or becomes impaired. Investments for which reliable quotations are not readily available are valued at their fair value using a valuation model and market inputs.

Accounts payable and accrued liabilities

Accounts payable and accrued liabilities are initially recognized at fair value and classified as other financial liabilities measured at amortized cost.

Exploration and evaluation assets

Acquisition costs related to exploration properties are capitalized as exploration and evaluation assets at fair value at the time of purchase. The acquisition costs are written off when an exploration and evaluation asset is disposed of through sale or abandonment.

Exploration and evaluation expenditures incurred on exploration properties are expensed until such time that a future economic benefit is more likely to be realized than not by the establishment of ore resources. Exploration and evaluation expenditures incurred subsequent to the establishment of commercially viable and technically feasible gold resources on a property are to be capitalized as Property, Plant and Equipment. Exploration and evaluation assets are not depreciated until the properties are in commercial production.

Impairment of long-lived assets

The Company reviews its long-lived assets within its cash generating units, consisting primarily of exploration and evaluation assets, at each reporting period end, for any indicators of impairment whenever events or changes in circumstances indicate that such carrying value may not be recoverable.

To determine whether a long-lived mining asset may be impaired, the recoverable amount is compared to the carrying value of the individual asset. If the carrying amount of an asset exceeds its estimated recoverable amount, the asset is written down and the impairment loss is recognized in the Consolidated Statements of Loss (Earnings) and Comprehensive Loss (Earnings). Where it is not possible to estimate the recoverable amount of a specific non-financial asset, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs.

A previously recognized impairment loss may be reversed only if there has been a change in the estimates used to determine the recoverable amount of the asset since the last impairment loss was recognized. If this is the case, the carrying amount of the asset is increased to its recoverable amount and is recognized in the Consolidated Statements of Loss (Earnings) and Comprehensive Loss (Earnings). The increased amount cannot exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset.

Flow-through shares

The Company will, from time to time, issue flow-through shares to finance a portion of its exploration programs. Pursuant to the terms of flow-through share agreements, the Company agrees to incur qualifying expenditures and renounce the tax deductions associated with these qualifying expenditures to the flow-through subscribers at an agreed upon date.

Flow-through shares are reported at issue price. If the flow-through shares are issued at a premium to the market price of non-flow through or hard dollar shares at the date of announcement, such premium or excess proceeds is reported as a temporary non-cash liability on the Consolidated Statements of Financial Position. The subsequent renunciation of such qualifying expenditures incurred by the Company in favor of the flow-through subscribers is reported as a reduction in the 'deferred premium on flow-through shares' liability on the Consolidated Statements of Financial Position and a corresponding reduction in deferred tax expense on the Consolidated Statements of Loss (Earnings) and Comprehensive Loss (Earnings).

Income taxes

Income taxes are calculated using the asset and liability method. Under this method, deferred income tax assets and liabilities are recognized for timing differences between the tax and accounting basis of assets and liabilities, and for the recognition of accumulated capital and non-capital losses, which in the opinion of management, are more likely than not to be realized before expiry.

Deferred tax assets and liabilities are presented as a non-current item and measured at the tax rates that are expected to be in effect in the period when the asset is expected to be realized or the liability is expected to be settled, based on tax rates that have been enacted or substantively enacted by the end of the reporting period.

The effect on deferred income tax assets and liabilities resulting from a change in enacted tax rates is included in income in the period in which the change is enacted or substantively enacted.

Other income recognition

The Company currently has no revenue from active mining operations. Royalty income is recognized in the period in which it is earned in accordance with the terms of the royalty agreement, with collection reasonably assured. Interest revenue is recognized in the period in which it is earned.

Other comprehensive loss (earnings)

Other comprehensive loss (earnings) is the change in net assets that results from transactions and events, not included in loss for the period and other than changes in the shareholders' equity. The Company's comprehensive loss (earnings), components of other comprehensive income, and cumulative translation adjustments on foreign currency gains or losses related to foreign operations, are presented in the Consolidated Statement of Loss (Earnings) and Comprehensive Loss (Earnings) and the Consolidated Statements of Changes in Shareholders' Equity.

Earnings (loss) per share

Basic earnings (loss) per share is computed by dividing earnings (loss) available to common shareholders by the weighted average number of common shares outstanding during the period. The computation of diluted earnings per share assumes the conversion, exercise or contingent issuance of securities only when such conversion, exercise or issuance would have a dilutive effect on earnings per share. In periods where the Company reports a comprehensive loss, the effect of potential issuances of shares under options and warrants would be anti-dilutive, and therefore, basic and diluted earnings (loss) per share are the same.

Recent accounting pronouncements

The Company is currently evaluating the impact on its consolidated financial statements of recent accounting pronouncements, as follows:

IFRS 9 Financial Instruments

IFRS 9, Financial Instruments was issued by the IASB and will 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 through profit or loss. IFRS 9 also replaces the models for measuring equity instruments. Such instruments are either recognized at fair value through profit or loss or at fair value through other comprehensive income (loss). The mandatory effective date of IFRS 9 is for annual years beginning on or after January 1, 2018.

IAS 32 Financial Instruments: Presentation

IAS 32 amendment provides clarification on the application of offsetting rules. The amendments are effective for the Company for the year ended December 31, 2015.

IAS 36 Impairment of Assets

On May 29, 2013, the IASB made amendments to the disclosure requirements of IAS 36, requiring disclosure, in certain instances, of the recoverable amount of an asset or cash generating unit, and the basis for the determination of fair value less costs of disposal, when an impairment loss is recognized or when an impairment

loss is subsequently reversed. These amendments will be effective for the Company for the year ended December 31, 2015.

IFRIC 21 Levies

IFRIC 21 sets out the accounting for an obligation to pay a levy that is not income tax. This interpretation addresses what the obligating event is that give rise to pay a levy and when a liability should be recognized. The standard will be effective for the Company for the year ended December 31, 2015.

Significant judgements, estimates and assumptions

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions about future events that affect the reported amounts of assets, 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. Significant areas requiring the use of management estimates include, but are not limited to, the determination of carrying value of exploration and evaluation assets, the valuation of share-based compensation transactions, the valuation of purchase warrants issued on financings, deferred income tax assets and liabilities, and accrued liabilities and contingencies. Estimates and assumptions are regularly evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates.

Provisions

A provision is recognized when the Company has a present obligation (legal or constructive) as a result of a past event, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and when a reliable estimate can be made of the amount of the obligation. If the Company is virtually certain that some or all of a provision will be reimbursed, for example under an insurance contract, such reimbursement is recognized as a separate asset. Provisions may be discounted using a current pre-tax rate that reflects the risks specific to the liability. The expense relating to any provision is presented in the Consolidated Statement of Loss (Earnings) and Comprehensive Loss (Earnings).

Exploration and evaluation expenditures

The application of the Company's accounting policy for exploration and evaluation expenditures requires judgment in determining whether it is likely that future economic benefits are likely either from future exploitation or sale of the project, or where exploration activities are not adequately advanced to support a gold resource assessment. The determination is an estimation process that requires varying degrees of uncertainty and these estimates directly impact the deferral of exploration and evaluation expenditures.

Decommissioning and restoration provision

The Company records the fair value of estimated costs of legal and constructive obligations required to restore operating locations in the period in which the obligation is incurred. The nature of these restoration activities includes dismantling and removing structures, rehabilitating mines and tailings dams, dismantling operating facilities, closure of plant and waste sites, and restoration, reclamation, and re-vegetation of affected areas.

The estimated fair value of a liability, and corresponding increase in the related property, is reported in the period in which it is incurred and when a reasonable estimate of fair value can be made. The fair value is the amount at which that liability could be settled in a current transaction between willing parties, that is, other than in a forced or liquidation transaction and, in the absence of observable market transactions, is determined as the present value of expected cash flows. The Company subsequently allocates the cost to expense using a systematic and rational method over its useful life, and records the accretion of the liability as a charge to the Consolidated Statements of Loss (Earnings), Comprehensive Loss (Earnings).

As the Company has not commenced construction and development of any mining operations it does not have any provisions for decommissioning or restoration costs.

Share based compensation transactions

Stock options

The fair value of stock options granted to directors, officers, and employees is measured at grant date using the Black-Scholes valuation model using assumptions for risk-free interest rates, dividend yields, volatility factors of the expected market price of the Company's common shares, expected forfeitures and expected life of the options. The fair value of this share-based payment is recognized as a charge to the Consolidated Statements of Loss (Earnings) and Comprehensive Loss (Earnings) with a corresponding credit to shareholders' equity on the Consolidated Statements of Financial Position.

The fair value of stock options, subject to a vesting schedule, is recognized using the accelerated method and is measured using Black Scholes and assumptions at the time of vesting. The applicable fair value of any stock options which are exercised are transferred from contributed surplus to capital stock. Management is required to estimate forfeitures, and revise its estimates of the number of stock options expected to vest each period. The impact of any revisions to management's estimate on forfeitures, if any, is recognized during the period.

Share-based payments to non-employees

Share-based payments granted to non-employees are measured at the fair value of the goods or services received. In the event the Company cannot reasonably estimate the fair value of goods or services received, the transaction is recorded at the estimated value of the underlying equity instrument, measured at the date the Company obtains the goods or the counterparty renders the service. Management is required to estimate forfeitures, and revise its estimates of the number of stock options expected to vest each period. The impact of any revisions to management's estimate on forfeitures, if any, is recognized during the period.

Purchase warrants and broker compensation options

Purchase warrants are classified as equity and measured at fair value on the date of issue using the Black-Scholes option pricing model. Broker compensation options are classified as issuance costs and a deduction from equity and measured at fair value on the date of issue using the Black-Scholes option pricing model. The fair value of the purchase warrants and broker compensation options are not subsequently revalued.

Contingencies

By their nature, contingencies will only be resolved when one or more future events occur or fail to occur. The assessment of contingencies inherently involves the exercise of significant judgment and estimates of the outcome of future events.

3. Exploration and evaluation assets

	For the three months ended March 31, 2015	For the year ended December 31, 2014
	\$	\$
Acquisition costs		
Balance, beginning of period	1,852,746	1,743,537
Acquisition costs	34,536	109,209
Balance, end of period	1,887,282	1,852,746



MONETA PORCUPINE MINES INC.

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Acquisition costs	Opening	Additions	Closing
	January 1, 2015		March 31, 2015
Golden Highway Project	1,667,576	3,551	1,671,127
North Tisdale	40,973	12,556	53,529
Kayorum	67,652	16,345	83,997
Nighthawk Lake	7,765	-	7,765
Denton Thorneloe and other	68,780	2,084	70,864
	1,852,746	34,536	1,887,282

There were no property disposals and no indications of impairment of exploration and evaluation assets during the three months ended March 31, 2015. Capitalized acquisition costs were \$1,887,282 at March 31, 2015 (December 31, 2014: \$1,852,746). Exploration and evaluation expenditures for the three months ended March 31, 2015 of \$37,990 (March 31, 2014: \$1,049,072) were charged to the Consolidated Statements of Loss (Earnings) and Comprehensive Loss (Earnings).

4. Capital stock

Authorized share capital

The Company is authorized to issue an unlimited number of Class A Preferred shares, Class B Preferred shares, Common shares, and Non-voting shares. Class A Preferred shares are entitled to preference as to the payment of dividends and distribution of the remaining property of the Company on dissolution over Class B Preferred shares, Common shares and Non-voting shares. Class B Preferred shares are entitled to preference as to the payment of dividends and distribution of the remaining property of the Company on dissolution over Common shares and Non-voting shares. The Non-voting shares shall rank equally with Common shares in all respects except that the holders are not entitled to vote at shareholder meetings.

Capital stock transactions during the period

There were no equity financings completed for the three months ended March 31, 2015 or 2014. See note 10 – subsequent events for recently completed private placement financing.

Stock options

The Company has established a stock option plan whereby the Board of Directors may grant options to directors, officers, employees, and consultants to acquire common shares of the Company. The maximum number of authorized but unissued shares available to be granted shall not exceed 10% of its issued and outstanding common shares. Options granted have a maximum term of five years and vest immediately or over time at the discretion of the Board.

The following table summarizes the outstanding stock options:

	Three months ended March 31, 2015		Year ended December 31, 2014	
	Weighted Average Exercise Price	No. of Options	Weighted Average Exercise Price	No. of Options
Outstanding, beginning of period	\$0.13	6,555,000	\$0.23	6,520,000
Transactions during the period:				
Granted ⁽¹⁾	-	-	0.08	4,270,000
Expired ⁽²⁾	0.11	(675,000)	0.23	(4,235,000)
Outstanding, end of period	\$0.14	5,880,000	\$0.13	6,555,000
Exercisable, end of period	\$0.14	5,771,664	\$0.14	6,042,474

⁽¹⁾ During 2014, the Company granted 4,270,000 stock options to directors, officers, or employees at an average exercise price of \$0.08. The estimated fair value of these options, subject to a three or five year term, and vesting

over a period of up to three years was \$102,740 using the Black Scholes valuation model and was charged as share based compensation. The underlying assumptions used in the estimation of fair value are, as follows: risk free rate 1.5%, remaining life: up to 5 years (based on option term), expected volatility 71% - 77%, expected dividend yield 0.00%, and forfeiture rate 0.00%.

- (2) During the period, a total of 675,000 (2014: 4,235,000) stock options at an average exercise price of \$0.11 (2014: \$0.23) expired unexercised.

Warrants and Compensation Options

			Three months ended March 31, 2015	Year ended December 31, 2014
	Exercise Price	Expiry Date	#	#
Outstanding, beginning of period:				
Broker compensation options ⁽¹⁾	\$0.30	March 2014	-	700,000
Broker compensation options ⁽¹⁾	\$0.28	June 2014	-	1,079,998
			-	1,779,998
Expired during the period:				
Broker compensation options ⁽²⁾	\$0.30	March 2014	-	(700,000)
Broker compensation options ⁽²⁾	\$0.30	June 2014	-	(1,079,998)
			-	(1,779,998)
			-	-
Outstanding, end of period:				
Broker compensation options	\$0.30	March 2014	-	-
Broker compensation options	\$0.28	June 2014	-	-
			-	-

- (1) In March 2012, upon completion of the \$3,000,000 private placement financing, broker compensation options were issued entitling Underwriters to purchase up to 700,000 common shares of the Company at a price of \$0.30 per common share until March 2014. In December 2012, upon completion of the \$8,067,277 private placement financing, broker compensation options were issued entitling Underwriters to purchase up to 1,079,998 common shares of the Company at a price of \$0.28 per common share until June 2014.
- (2) In March and June 2014, a total of 700,000 and 1,079,998 in broker compensation options expired unexercised.

5. Income taxes

The Company's effective tax rate, which differs from the combined federal and provincial statutory income tax rates for the three months ended March 31, 2015 (26.5%) and 2014 (26.5%), has been reconciled as follows:

	Three months ended March 31, 2015	Year ended December 31, 2014
	\$	\$
Income tax recovery at statutory rates	27,794	674,586
Increase (decrease) related to:		
Exploration and evaluation expenditures	(10,067)	(550,250)
Shared based compensation	(185)	(31,665)
Unrealized (gain) loss on investments held for trading	-	(123)
Other	14,198	60,064
	31,739	152,612
Valuation allowance	(31,739)	(152,612)
Deferred taxes (recovery)	-	-



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The Company's deferred tax assets and liabilities are comprised of the following:

	Three months ended March 31, 2015	Year ended December 31, 2014
	\$	\$
Deferred tax assets:		
Net operating loss carry forwards	1,524,000	1,524,000
Net capital loss carry forwards	527,000	527,000
Resource deductions	3,300,000	3,290,000
Other	196,000	151,000
	5,547,000	5,492,000
Less: Valuation allowance	(5,547,000)	(5,492,000)
	-	-

The Company has recorded a valuation allowance as the Company does not consider it more likely than not that the deferred tax assets will be realized in the foreseeable future. The Company has non-capital losses of \$5,751,000 (2014 - \$5,751,000) available for deduction against future taxable income, the balances of which will expire as follows:

	Three months ended March 31, 2015	Year ended December 31, 2014
	\$	\$
2015	241,000	241,000
2026	307,000	307,000
2027	317,000	317,000
2028	652,000	652,000
2029	618,000	618,000
2030	694,000	694,000
2031	671,000	671,000
2032	943,000	943,000
2033	732,000	732,000
2034	576,000	576,000
	5,751,000	5,751,000

The potential tax benefit of the above losses has not been recognized in these consolidated financial statements. The Company has approximately \$3,974,113 (2014 – \$3,974,113) in capital losses available to apply against future capital gains.

6. Related party transactions

The Company reported a salary of \$NIL (Q1 2014: \$NIL) to an officer and director for the three months ended March 31, 2015, for CFO services provided to the Company. The Company paid a salary of \$50,000 (Q1 2014: \$50,000) to an officer and director for the three months ended March 31, 2015 for CEO and other services provided to the Company under an ongoing employment agreement. The CEO's annual compensation was voluntarily reduced by 25% effective April 1, 2015 until market conditions improve. Directors' fees of \$NIL (Q1 2014: \$NIL) were expensed during the three months ended March 31, 2015 as directors agreed to waive cash fees until market conditions improve.

All related party transactions were completed in the normal course of business at the exchange amounts. There were no loans to Directors or Officers during the period (2014: \$NIL).



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7. Contingent liabilities

Order to file closure plan on Moneta Mine

The Company received written approval from the Ministry of Northern Development and Mines on March 17, 2015 that the Closure Plan for the historic Moneta Mine was accepted as filed during the period. There are no further financial or other obligations on the part of the Company going forward.

Civil lawsuits

Two parties that own the surface rights and occupied buildings on the site of the former Moneta Mine, filed suit in 2005 against the Company, directors of the Company at that time, and other third parties claiming damages related to the mine subsidence. One of these parties also brought a claim for compensation under the Ontario Mining Act which was dismissed by the Mining Commissioner in March 2008. The Company believes the claims have no merit and intends to defend such claims vigorously. Accordingly, no provision has been made in these consolidated financial statements for these claims.

8. Capital management

The Company manages capital, based on its cash and equivalents and ongoing working capital, with an objective of safeguarding the Company's ability to continue as a going concern, maximizing the funds invested into exploration and development activities, exploring and developing gold resources, and considering additional financings which minimize shareholder dilution. There were no changes in the Company's approach to capital management during the three months ended March 31, 2015. As at March 31, 2015, the Company has a net working capital balance of \$42,102 (December 31, 2014: \$180,822). See note 10 – subsequent events for recently completed private placement financing.

The Company's capital structure reflects a company focused on mineral exploration and financing both internal and external growth opportunities. The exploration for and development of mineral deposits involves significant risk which even a combination of careful evaluation, experience and knowledge may not adequately mitigate.

The Company manages capital in proportion to risk and manages the exploration and evaluation assets and capital structure based on economic conditions and prevailing gold commodity pricing and trends. The Company relies on equity financings to maintain adequate liquidity to support its ongoing exploration and development activities and ongoing working capital commitments.

9. Financial instruments and risk management

The Company's financial risk management goals are to ensure that the outcome of activities involving elements of risk are consistent with the company's objectives and risk tolerance, while maintaining an appropriate risk/reward balance and protecting the Company's consolidated balance sheet from events that have the potential to materially impair its financial strength. Balancing risk and reward is achieved through identifying risk appropriately, aligning risk with overall exploration and development strategy, diversifying risk, mitigation through preventive controls, and transferring risk to third parties.

Fair value

The carrying values for primary financial instruments, including cash and equivalents, sales taxes recoverable, interest receivable, and accounts payable and accrued liabilities approximate fair values due to their short-term maturities. The Company's exposure to potential loss from financial instruments relates primarily to its cash and equivalents held with Canadian financial institutions.

There have been no major or significant changes that have had an impact on the overall risk assessment of the Company during the period. The objectives and strategy for the exploration and evaluation asset portfolio remains unchanged.



MONETA PORCUPINE MINES INC.

Notes to the Interim Consolidated Financial Statements
For the three months ended March 31, 2015

The Company's exploration and development activities expose it to the following financial risks:

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

The Company's exposure to credit risk is concentrated in three specific areas: the credit risk on operating balances including sales taxes recoverable, interest receivable on short term deposits, and cash and equivalents held with Canadian financial institutions. The maximum exposure to credit risk is equal to the carrying values of these financial assets.

The aggregate gross credit risk exposure at March 31, 2015 was \$169,378 (December 31, 2014 - \$315,323), and was comprised of \$8,396 (December 31, 2014 - \$30,288) in harmonized sales taxes recoverable, \$501 (December 31, 2014 - \$2,749) in short term interest receivable, and \$160,481 (December 31, 2014 - \$282,286) in cash and equivalents held with Canadian financial institutions with an "AA" credit rating.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices, such as foreign currency exchange rates, commodity prices, interest rates and liquidity. A discussion of the Company's primary market risk exposures, and how those exposures are currently managed, follows:

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's financial assets and liabilities and operating costs are principally denominated in Canadian dollars. The Company has historically had insignificant operations in United States ("US") dollars. The Company has no US dollar hedging program due to its minimal exposure to financial gain or loss as a result of foreign exchange movements against the Canadian dollar.

Commodity price risk

Commodity prices, and in particular gold spot prices, fluctuate and are affected by factors outside of the Company's control. This risk is not applicable as the Company is not currently in commercial gold production. The current and expected future spot prices have a significant impact on the market sentiment for investment in mineral exploration companies and may impact the Company's ability to raise equity financing for its ongoing working capital requirements.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's interest rate risk is minimal as there are no outstanding loans or interest-bearing debts. The Company has not entered into any interest rate swaps or other active interest rate management programs at this time.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The purpose of liquidity management is to ensure that there will be sufficient cash to meet all financial commitments and working capital obligations as they become due. To manage cash flow requirements, the Company maintains principally all its assets in cash and equivalents.

Sensitivity analysis

The Company believes that the movements in investments that are reasonably possible over the next twelve-month period will not have a significant impact on the Company. The Company believes that its cash position and short term investments provide adequate liquidity to meet all of the Company's near-term obligations.

All financial instruments measured at fair value are categorized into one of three hierarchy levels based on the transparency of the inputs used to measure the fair values of assets and liabilities, as follows:



MONETA PORCUPINE MINES INC.

Notes to the Interim Consolidated Financial Statements
For the three months ended March 31, 2015

- Level 1 - inputs are unadjusted quoted prices of identical instruments in active markets;
- Level 2 - inputs other than quoted prices included in Level 1 that are observable for the comparable asset or liability, either directly or indirectly;
- Level 3 - one or more significant inputs used in a valuation technique are unobservable in determining fair values of the instruments.

The Corporation's cash and equivalents and investments are considered Level 1 in the hierarchy.

10. Subsequent events

On May 6, 2015, the Company announced the closing of a private placement for total gross proceeds of \$235,000. A total of 3,200,000 units were issued at a price of \$0.05 per unit comprised of one common share and one purchase warrant exercisable at \$0.07 for thirty six months for gross proceeds of \$160,000, and 1,250,000 flow-through units were issued at a price of \$0.06 per unit comprised of one common share issued on a flow-through basis and one purchase warrant exercisable at \$0.08 for thirty six months for gross proceeds of \$75,000. Insiders of the Company subscribed for 2,000,000 Units and 1,250,000 Flow-Through Units or 75% of the Placement. There were no finders' fees or commissions paid.



MONETA PORCUPINE MINES INC.

Management Discussion and Analysis

For the three months ended March 31, 2015



MONETA PORCUPINE MINES INC.
MANAGEMENT DISCUSSION AND ANALYSIS
For the three months ended March 31, 2015

This Management Discussion and Analysis (“**MD&A**”) provides a discussion and analysis of the financial condition and results of operations of Moneta Porcupine Mines Inc. (“**Moneta**” or the “**Company**”) to enable a reader to assess material changes in the financial condition and results of operations of the Company as at and for the three months ended March 31, 2015. This MD&A should be read in conjunction with the interim consolidated financial statements and notes thereto for the three months ended March 31, 2015. All amounts included in this MD&A are in Canadian Dollars.

The interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“**IFRS**”). This MD&A has an effective date of May 13, 2015, the date this MD&A was reviewed by the Audit Committee and approved by the Board of Directors.

Additional information related to the Company is available in Moneta’s Annual Information Form dated March 18, 2015 for the year ended December 31, 2014 (“**AIF**”). The AIF and other continuous disclosure documents, including the Company’s press releases and quarterly reports are available through its filings with the securities regulatory authorities in Canada at www.sedar.com and the Company’s website at www.monetaporcupine.com.

The MD&A is presented in the following sections:

Page 1	Forward-Looking/Safe Harbour Statement and Fair Disclosure Statement
Page 2	Outlook, Corporate Overview
Page 3	Results of Operations
Page 11	Financial Review Consolidated Operating Results, Consolidated Financial Position, Liquidity and Capital Resources
Page 10	Off-Balance Arrangements, Transactions with Related Parties
Page 11	Disclosure Controls and Procedures and Internal Controls over Financial Reporting, Critical Accounting Estimates
Page 13	Changes in Accounting Policies, Recent Accounting Pronouncements
Page 13	Financial Instruments and Other Instruments
Page 15	Contingent Liabilities, Outstanding Share Data, Subsequent Events

FORWARD-LOOKING/SAFE HARBOUR STATEMENT AND FAIR DISCLOSURE STATEMENT

This MD&A may contain certain forward looking statements concerning the future performance of Moneta’s business, its operations and its financial performance and condition, as well as management’s objectives, strategies, beliefs and intentions. These forward-looking statements are based on information currently available to the Company and the Company provides no assurance that actual results will meet management’s expectations. Forward-looking statements include estimates and statements that describe the Company’s future plans, objectives or goals, its ability to access capital, the speculative nature of mineral exploration and development, fluctuating commodity prices, competitive risks and reliance on key personnel, and include words to the effect that the Company or management expects a stated condition or result to occur. This list is not exhaustive of the factors that may affect any of the Company’s forward-looking statements. Statements relating to estimates of reserves and resources are also forward-looking statements as they involve risks and assumptions, including but not limited to assumptions with respect to future commodity prices and production economics, that the reserves and resources described exist in the quantities and grades estimated and are capable of economic extraction. Forward-looking statements may be identified by such terms as “believes”, “anticipates”, “expects”, “estimates”, “may”, “could”, “would”, “will”, or “plan”. All forward-looking information is inherently uncertain and subject to risks, uncertainties, and a variety of assumptions to address future events and conditions. These and other factors should be considered carefully and readers should not place undue reliance on the Company’s forward-looking statements. The Company does not undertake to update any forward-looking statement that may be made from time to time by the Company or on its behalf, except in accordance with applicable securities laws.



OUTLOOK

Recent evaluation of historic drill core assays and geology from within the 12-kilometre volcanic belt of the Destor Porcupine Fault Zone at *Golden Highway* has confirmed that these volcanics hold the best potential for high grade gold mineralization. Given their proximity to the existing NI 43-101 gold resource, the volcanics continue to be the top exploration focus when investor sentiment for the gold sector improves and the Company is able to refinance.

The Company's 4.3M ounce gold resource, coupled with exceptional Timmins infrastructure and low geo-political environment risk, has generated interest from numerous companies including other juniors, mid-tier and majors. The Board of Directors is considering earn-in or joint venture alternatives with significant partners to fund ongoing exploration at *Golden Highway* if the valuation is intrinsic or asset-based, not the current and severely depressed market capitalization.

The Company has continued its cost cutting measures to reduce the already industry-low operating expense rate. The May 6, 2015 private placement financing provided support to the working capital position of the Company with adequate cash on hand to fund the next 6-12 months of care and maintenance operations.

CORPORATE OVERVIEW

Moneta Porcupine Mines Inc. ("**Moneta**" or the "**Company**") is a mineral resource exploration and development company incorporated pursuant to the laws of the Province of Ontario on October 14, 1910. The Company is a former gold producer but has no properties currently in production and no production revenues at the present time.

Moneta is a "reporting issuer" in the Canadian provinces of Ontario, Alberta and Quebec. The Company's common shares trade on the Toronto Stock Exchange ("**TSX**") under the symbol ME, on the United States OTC market under the symbol MPUCF, and the Berlin Stock Exchange, the Xetra, and Frankfurt Stock Exchange under the symbol MOP.

Moneta has interests in 962 claim units each approximately 16 hectares in area (total area approximately 15,700 hectares) in the form of mining patents, leases and staked claims. The vast majority of the Company's landholdings are not subject to any royalty or encumbrances other than minor royalties to third party prospectors on a limited number of claims primarily outside the Golden Highway project.

Moneta holds a 100% interest in 5 core gold projects strategically located on or along the Destor Porcupine Fault Zone ("**Destor**"), one of the key mineralized structures in the Abitibi Greenstone belt in Ontario, with world class infrastructure including access roads, water, electricity, and mills. Most gold mineralization in the region is associated with the Destor, including significant resources and producing mines now operated by Porcupine Gold Mines (Goldcorp) and several others such as Lake Shore Gold, Primero Mining (formerly Brigus Gold), and St Andrew Goldfields. The Golden Highway Camp has experienced rapid advancement of large bulk tonnage gold resources by Moneta and others, reflecting the strong regional gold potential.

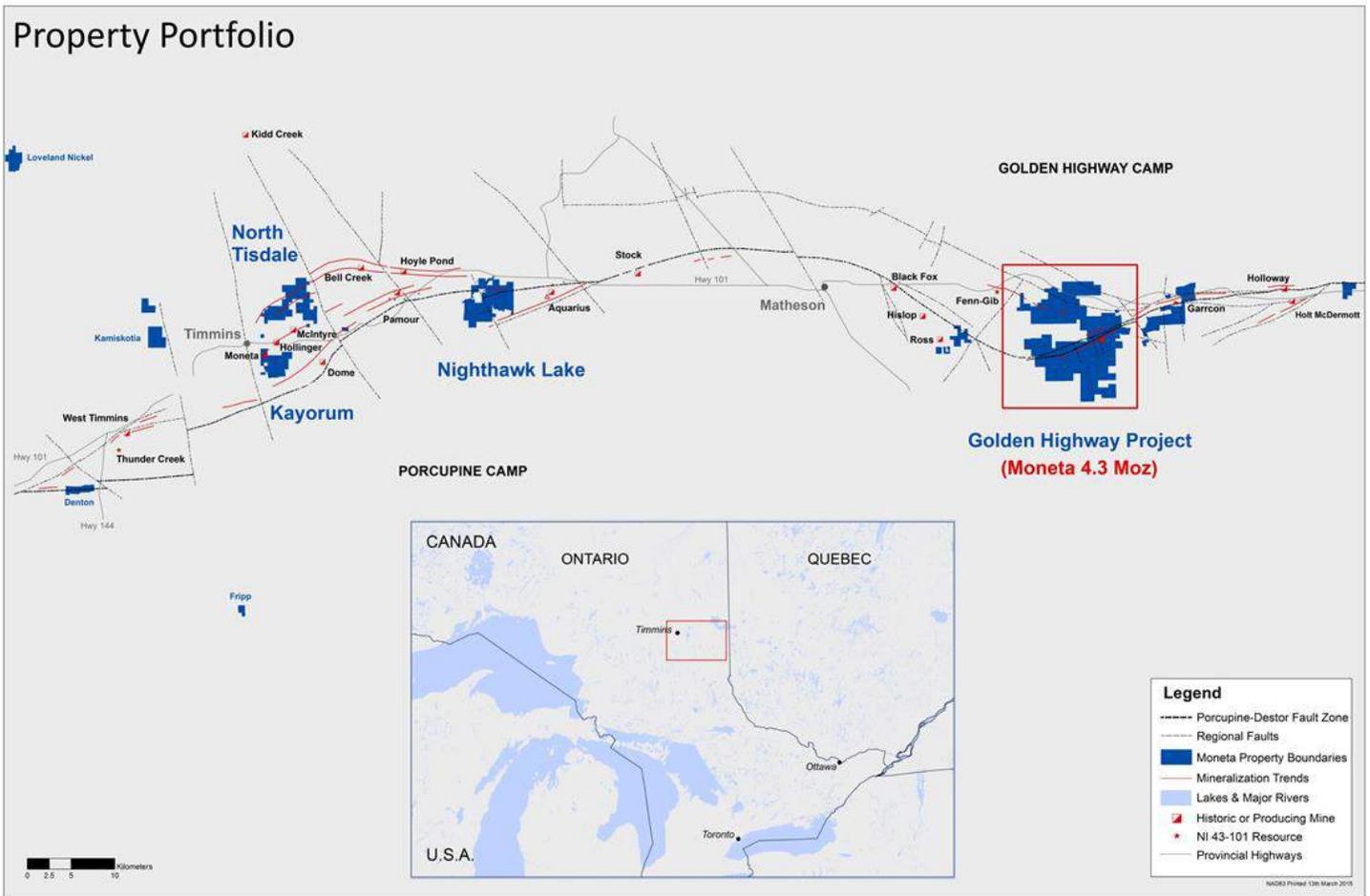


Figure I: Moneta's Key Gold Exploration Properties

Moneta's additional property interests include a base metal portfolio, with some properties containing nickel-copper and copper zones.

Moneta's land position for gold exploration is one of the best and largest in the world class Timmins Camp including a commanding position in the emerging Golden Highway Camp, with a significant **4.3 million ounce gold resource** (NI 43-101 - all categories, October 2012).

The Porcupine Camp and Golden Highway Camp (here collectively referred to as "**Timmins Camp**") is one of the most prolific gold-producing areas in the world with over 75 million ounces of gold produced primarily from some 26 mines, each of which generated more than 100,000 ounces.

The Company is leveraged to exploration, with very low overhead and fixed costs and one of the highest ratios of dollars raised to exploration dollars spent in the ground of any junior explorer. It is operated by a management team which maintains a low-cost Timmins-based exploration operation with its own field office, rolling stock and equipment, and proprietary drill core logging and storage facility (core shack).



RESULTS OF OPERATIONS

Golden Highway Project

Moneta's primary gold exploration and resource development focus is the *Golden Highway* centered in Michaud Township 100 km east of Timmins, Ontario along Highway 101, a major all-season route. Moneta has a 100% ownership interest in the largely contiguous land package of 689 claim units or approximately 11,000 hectares that contain a significant NI 43-101 4.3 million ounce (all categories) gold resource.

There was no drilling during the period as the Company moved to preserve cash given the protracted gold sector downturn. Exploration efforts continue on modeling and historic core review.

The encouraging drill results during 2014 confirm that the volcanic package along the Destor Porcupine Fault Zone, as it crosses the *Golden Highway*, holds significant potential for high grade gold mineralization adjacent to the existing NI 43-101 gold resource immediately to the south. Continued success in these volcanics has the potential to dramatically add to the overall *Golden Highway* project economics and further drilling is planned when treasury funding is available.

Modeling and NI 43-101 Resource Update

In-house modeling to update the internal resource continued during the period in preparation for an updated NI 43-101 resource estimate on Golden Highway when investor sentiment improves for the gold sector.

A Preliminary Economic Assessment ("PEA") was completed on the *Golden Highway* and reported by way of press release on November 1, 2012. Readers seeking additional details to those disclosed here are directed to the (combined) NI 43-101 Mineral Resource Estimate and Preliminary Economic Assessment report filed on SEDAR on December 11, 2012. The Net Present Value ("NPV") of the PEA would be higher using current key assumptions such as the 11% decline in the gold spot price (PEA: US\$1,350 / Current: US\$1,200) which is more than offset by a 22% improvement in the foreign exchange rate (PEA: US\$1.00 = C\$1.00 / Current: US\$1.00 = C\$0.82) and mining costs are primarily expected to be in Canadian dollars.

Examination of Historic Drill Core

The Company owns an extensive Timmins drill core farm with over 175+ km of historic drill core for all of the Company's projects, including virtually all historic and recent drilling on Golden Highway.

A detailed examination, initiated during 2014, continued during the period of approximately 50 historic drill holes from the *Golden Highway* in the expansive 12km x 2km volcanic corridor and associated fluid flow and gold deposition, with favorable volcanic flows intruded by felsic porphyries significantly affected by the deformation along the regional Destor.

The drill core review has confirmed the same geological structure for at least 50% of the volcanic corridor across the 12km strike of the Destor, as it crosses the property. The geological observations confirm the unexplored potential of Golden Highway and the importance of evaluating gaps in drilling between the currently known gold zones. Low-cost drilling campaigns (approximately 3-4 shallow holes) are planned within these 300-500m gaps along the 12km Destor strike length and will assess shallow resource expansion potential when treasury funding is available.

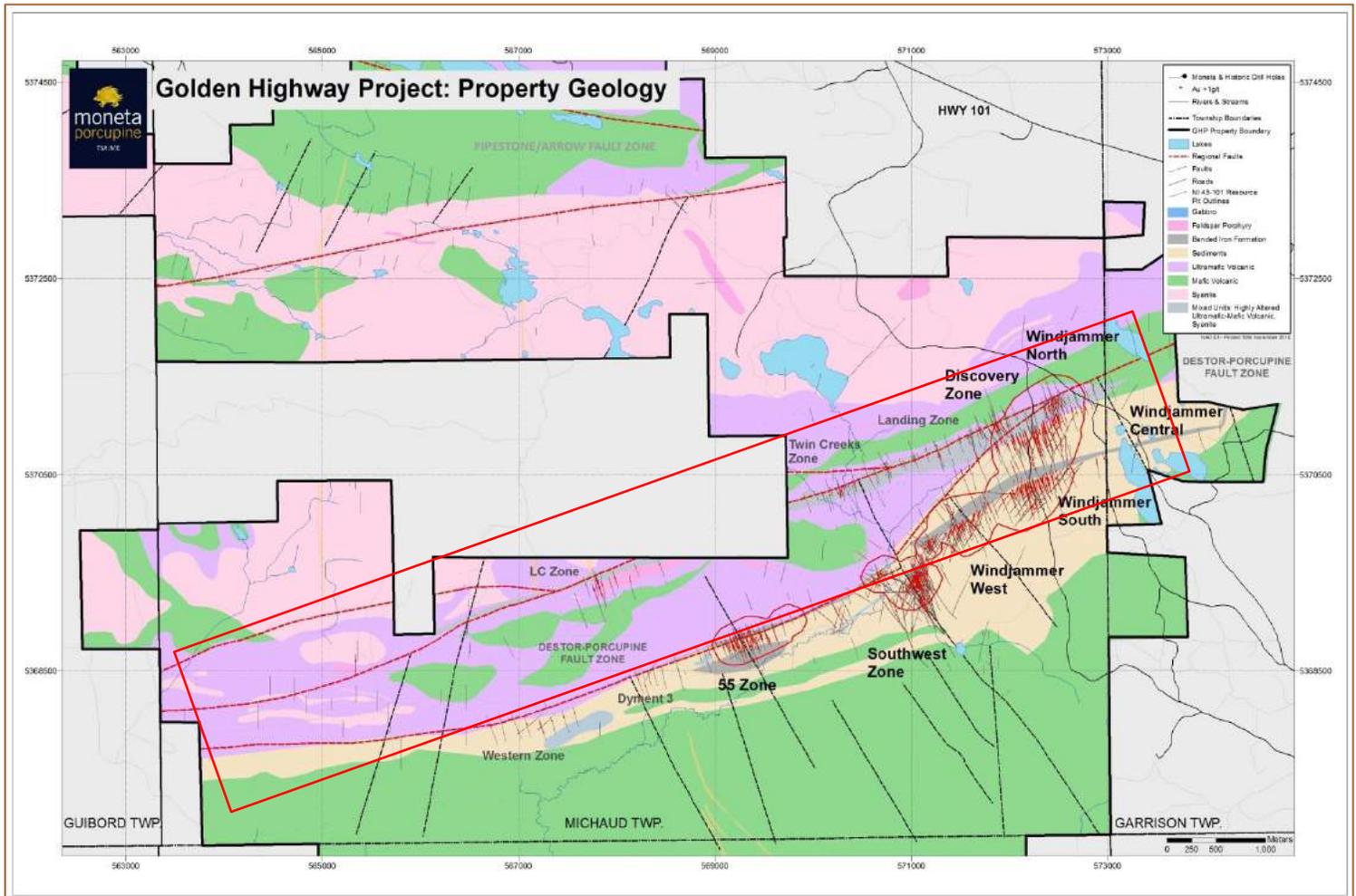


Figure II – Golden Highway with updated lithological units (rock types) within the Destor Corridor

Golden Highway - Eastern Corridor

Near-identical deformation styles, related alteration features, and gold endowments were observed within historic drill core along four kilometres of the Eastern Corridor from Windjammer North through Discovery Zone, Landing Zone and Twin Creeks Zone (Figure III).

The Company, limited only by a need to preserve cash in this gold sector downturn, successfully drill tested in 2014 only one of these numerous gaps in drilling, and discovered the new and significant Discovery Zone between the Windjammer North and Landing gold zones and, importantly, immediately adjacent to the NI 43-101 resource pit.

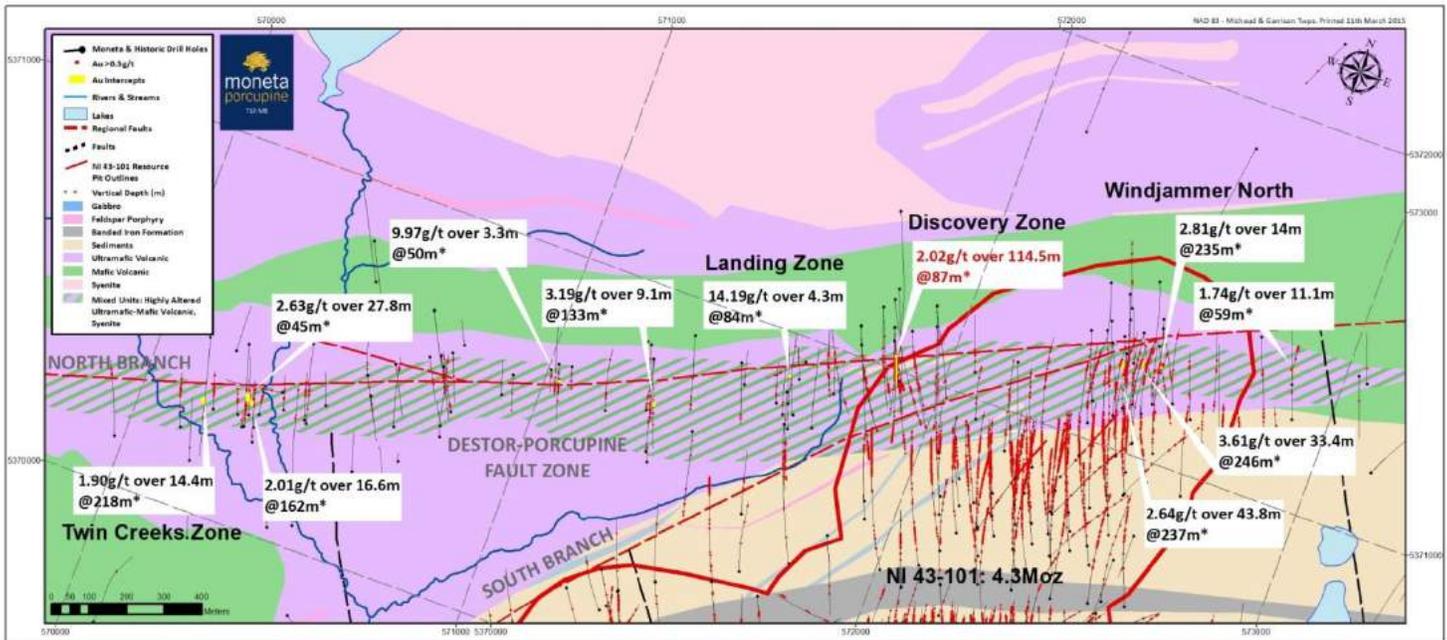


Figure III – Golden Highway: Eastern Corridor showing geology, path of the Destor, and highlighted historic intercepts

Golden Highway - Western Corridor

The western corridor of the Destor North Branch remains largely unexplored with only a dozen historic holes drilled within the 4+ km portion of the belt lying west of the LC Zone and Western Zone. Several of these historical drill holes have crossed the LC Zone porphyry strike projection, however the drill core for these holes is not available for review. Limited overburden drilling (reverse circulation) was completed in the 1980's to map out the bedrock surface and results are available in the Company's database.

Approximately 17 holes have been historically drilled by the Company in and proximal to the *LC Zone* with most of the drilling confined to a 300m diameter area. The majority of this drilling intercepted a broad, lens-shaped salmon-pink porphyry unit emplaced within the predominant volcanic sequence, returning widespread gold and defining a minimum 100m (length) x 70m (true width) x 50m (vertical slice) block. Sampling of several sulphidized (pyrite) and altered (carbonate-sericite-silica-bleaching) zones within the intrusive generated encouraging gold intersections including 9.79g/t over 6.6m, 5.71g/t over 4.7m, 9.19g/t over 8.5m as well as 1.28g/t over 58.5m and 1.14g/t over 78.4m.

Certain historic drill holes in the *LC Zone* were re-logged, sampled and/or reviewed during 2014. The *LC Zone* exhibits a highly prospective mineralization signature, different from the style and intensity of the also highly prospective alteration/mineralization reported from the *Discovery Zone* in the Eastern Corridor.

The core review confirms that the *LC Zone* mineralizing system remains open in all directions by highlighting similar mineralization in three holes to the east: MN04-257 (1.7km to east) and MN12-297 and MN12-298 (2.6km to east). The salmon-pink porphyry unit intersected in these widely spaced drill holes, shows virtually identical structural preparation, pyrite development, and alteration potentially defining a largely untested mineralized structure of significant scale.

The hit/miss intercept ratio of the limited drilling in the *LC Zone* is extremely encouraging and additional drilling is planned within and adjacent to the zone to determine both the distribution of the gold mineralization in the porphyry

unit and its geological boundaries. A broad scale mapping program is also planned in conjunction with a systematic drill program across this highly prospective Western Corridor when the Company is able to refinance.

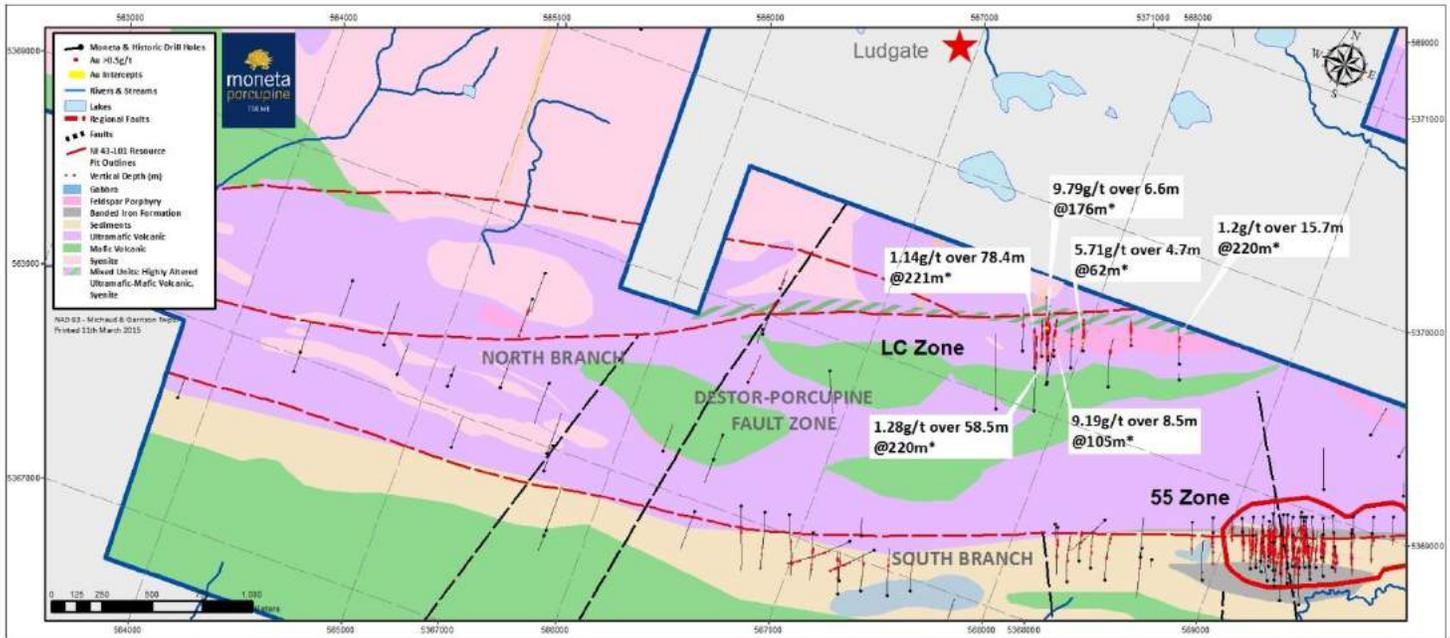


Figure IV – Golden Highway: Western Corridor showing geology, path of the Destor, and highlighted historic intercepts

PORCUPINE CAMP

Moneta continues to maintain a large land holding in *Porcupine Gold Camp* which includes the gold properties North Tisdale, Nighthawk Lake, Kayorum, and Denton-Thorneloe. Additional properties with strategic value are historical base metal projects and include Loveland Nickel, Kamiskotia, and Fripp and Kelly Lake in Quebec. Only the core mining lands consisting primarily of mining leases within these base metal projects, are being kept in good standing and require minimal annual assessment (Loveland).

Kayorum: Moneta Mine – Closure Plan

The Company received written approval from the MNDM on March 17, 2015 that the Closure Plan was accepted as filed, with adequate financial assurance. There are no further financial or other obligations on the part of the Company going forward other than the immaterial cost of installing three monitoring probes expected to be completed by the third quarter.

Moneta Mine – Tailings Pond

The Company entered into discussions with the MNDM regarding residual 1939 start-up tailings from the former Moneta Mine production. Moneta re-processed most of the tailings in 1995 except for tailings located directly under (Ontario) Hydro One (“Hydro One”) hydro poles connected to the adjoining Hydro One power station.

During October 2014, Moneta undertook significant site remediation of the tailings site at an immaterial cost by levelling most of the tailings mounds not constrained by the hydro poles which remain on site. The northern half of the site had been highlighted by the MNDM as a public safety hazard to trespassing bikers and has now been remediated.

The MNDM confirmed in 2014 that the Company’s progressive rehabilitation efforts were satisfactory as the public safety risk has been largely eliminated by the Company cutting and flattening the tailings mounds and numerous bike



jumps and steep gradients that had been constructed by trespassers over the years. No other work is planned at this time. The Company will be required to remobilize and re-contour the few residual tailings mounds when Hydro One has removed all the hydro poles, planned for summer 2015. The 2015 work is expected to be completed at a very minimal cost.

FINANCIAL REVIEW

The consolidated financial statements, including comparatives, have been prepared using International Financial Reporting Standards (“IFRS”) applicable to a going concern, which assumes continuity of operations and realization of assets and settlement of liabilities in the normal course of business for the foreseeable future. The Company is subject to risks and challenges similar to companies in a comparable stage of exploration and development. As a result of these risks, there is significant doubt as to the appropriateness of the going concern assumption. There is no assurance that the Company's funding initiatives will continue to be successful and these financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and statement of financial position classifications that would be necessary if the going concern assumption was inappropriate. These adjustments could be material. The Company will have to raise additional funds to advance its exploration and development efforts and, while it has been successful in doing so in the past, there can be no assurance that it will be able to do so in the future.

This section discusses significant changes in the Consolidated Statements of Financial Position, Statements of Changes in Shareholders’ Equity, Statements of Loss (Earnings) Comprehensive Loss (Earnings) and Deficit, and Statements of Cash Flows for the three months ended March 31, 2015.

SUMMARY OF QUARTERLY RESULTS

The following table summarizes the Company’s key consolidated financial information for the last eight quarters:

Highlights (\$ except per share data)	2015	2014				2013		
	Mar 31	Dec 31	Sep 30	Jun 30	Mar 31	Dec 31	Sep 30	Jun 30
Revenue	-	-	-	-	-	-	-	-
Loss (earnings) and comprehensive loss (earnings)	104,883	363,120	193,451	840,174	1,148,864	1,885,257	1,732,270	1,318,896
Loss (earnings) per share	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.00

SIGNIFICANT EVENTS DURING 2014

Exploration and evaluation expenditures, previously capitalized under Canadian GAAP, are now expensed under IFRS. A total of \$37,990 was incurred in Q1 2015 reflecting a shift by the Company to preserve cash in this depressed gold market, as compared to \$1,049,072 in Q1 2014. Exploration was focused on the *Golden Highway Project* as explained above under **RESULTS OF OPERATIONS**.

CONSOLIDATED OPERATING RESULTS

This section should be read in conjunction with the Consolidated Statements of Loss (Earnings), Comprehensive Loss (Earnings) and Deficit for the three months ended March 31, 2015 and 2014 and the corresponding notes thereto.

Moneta has not generated any material operating revenues as it is in the exploration and development stage and, therefore, operating losses are anticipated to continue in the future.

Moneta reported a loss and comprehensive loss of \$104,883 in Q1 2015 as compared to \$1,148,864 in Q1 2014. Exploration and evaluation expenditures of \$37,990 in Q1 2015 as compared to \$1,049,072 in Q1 2014 were spent on the *Golden Highway* project. Further details are presented in the following table:



MONETA PORCUPINE MINES INC.
MANAGEMENT DISCUSSION AND ANALYSIS
 For the three months ended March 31, 2015

For the three months ended March 31,	2015		2014	
<i>Golden Highway Project</i>				
Drilling	-	0%	691,367	66%
Lab assay costs	235	1%	82,295	8%
Wages, benefits and contract labour	32,377	85%	228,918	22%
Other	5,378	14%	46,492	4%
Exploration and evaluation expenditures	37,990		1,049,072	

Share based compensation charges, related to options vested during the period, were \$699 in Q1 2015 as compared to \$14,515 in Q1 2014. Wages and benefits were \$53,362 in Q1 2015 as compared to \$53,000 in Q1 2014. General & administration expenses were \$19,301 in Q1 2015 as compared to \$38,336 in Q1 2014, with the decrease due to further cost containment measures. Legal and audit expenses were \$5,750 in Q1 2015 marginally down from \$8,315 in Q1 2014.

Other income was \$9,981 in Q1 2015 as compared to \$9,309 in Q1 2014 representing royalty income from a perlite operation. The unrealized loss on investments held for trading was \$NIL in Q1 2015 as compared to \$931 in Q1 2014. Interest income was \$2,238 in Q1 2015 as compared to \$4,134 in Q1 2014, representing interest earned on lower cash balances period over period.

CONSOLIDATED FINANCIAL POSITION

This section should be read in conjunction with the Consolidated Statements of Financial Position and Statements of Changes in Shareholders' Equity as at March 31, 2015 and 2014 and the corresponding notes thereto.

Consolidated assets

Consolidated assets were \$2,077,733 at March 31, 2015 as compared to \$2,185,999 as at December 31, 2014. Cash and equivalents were \$160,481 at March 31, 2015 as compared to \$282,286 at December 31, 2014, with the decline due to burn rate and exploration and evaluation expenditures. Interest receivable on GICs was \$501 at March 31, 2015 as compared to \$2,749 as at December 31, 2014.

Exploration and evaluation assets were \$1,887,282 at March 31, 2015 as compared to \$1,852,746, at December 31, 2014, representing the capitalization of project acquisition costs. Exploration expenditures, previously capitalized, are now expensed to the Statement of Loss and Comprehensive Loss.

Consolidated liabilities

Consolidated liabilities were \$147,931 at March 31, 2015 as compared to \$152,431 at December 31, 2014.

Shareholders' equity

Shareholders' equity was \$2,077,733 at March 31, 2015 as compared to \$2,033,568 at December 31, 2014. The decline is primarily due to the loss and comprehensive loss of \$104,883 for the three months ended March 31, 2015.

LIQUIDITY AND CAPITAL RESOURCES

This section should be read in conjunction with the Consolidated Statements of Financial Position as at March 31, 2015 and 2014 and the corresponding notes thereto.

The consolidated working capital ratio at March 31, 2015, was 1.3 : 1 as compared to 2.2 : 1 at December 31, 2014. The Company held \$160,481 in cash and equivalents at March 31, 2015 (December 31, 2014 - \$282,286), \$8,396 (December 31, 2014 - \$30,288) in sales taxes recoverable, and \$501 (December 31, 2014 - \$2,749) in short term interest receivable.



Current liabilities at March 31, 2015 include accounts payable and accrued liabilities of \$147,931 (December 31, 2014 - \$152,431) primarily related to unpaid exploration and evaluation expenditures incurred during the quarter and payable in the normal course.

The Company manages capital, based on its cash and equivalents and ongoing working capital, with an objective of safeguarding the Company's ability to continue as a going concern, maximizing the funds invested into exploration and development activities, exploring and developing gold resources, and considering additional financings which minimize shareholder dilution. There were no changes in the Company's approach to capital management during the three months ended March 31, 2015.

The Company's capital structure reflects a company focused on mineral exploration and financing both internal and external growth opportunities. The exploration for and development of mineral deposits involves significant risk which even a combination of careful evaluation, experience and knowledge may not adequately mitigate.

The Company manages capital in proportion to risk and manages the mineral properties and capital structure based on economic conditions and prevailing gold commodity pricing and trends. The Company relies on equity financings to maintain adequate liquidity to support its ongoing exploration and development activities and ongoing working capital commitments.

Moneta has not earned significant revenues to date. As a result, the most meaningful information concerning the Company's financial position relates to its liquidity and solvency position. The Company raises funds for its operations primarily through the issuance of common shares.

The Company has sufficient working capital to meet its current obligations and currently planned operating costs and expenditures on its mineral properties. The Company intends to strategically advance its *Golden Highway Project* by way of additional exploration programs. Moneta intends to seek additional capital resources, when required, from equity financings, including flow-through, as market conditions permit. Although the Company has been successful in the past in raising funds, there can be no assurance that any funding required by the Company in the future will be available to it and, if such funding is available, that it will be offered on reasonable terms. In the event the Company is unsuccessful at raising such funds, it may not be able to continue as a going concern. Moneta has no material commitments or contractual obligations with respect to the development of any mineral properties beyond those that would be considered as part of normal business.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements.

TRANSACTIONS WITH RELATED PARTIES

The Company reported a salary of \$NIL (Q1 2014: \$NIL) to an officer and director for the three months ended March 31, 2015, for CFO services provided to the Company. The Company paid a salary of \$50,000 (Q1 2014: \$50,000) to an officer and director for the three months ended March 31, 2015 for CEO and other services provided to the Company under an ongoing employment agreement. The CEO's annual compensation was voluntarily reduced by 25% effective April 1, 2015 until market conditions improve. Directors' fees of \$NIL (Q1 2014: \$NIL) were expensed during the three months ended March 31, 2015 as directors agreed to waive cash fees until market conditions improve.

All related party transactions were completed in the normal course of business at the exchange amounts. There were no loans to Directors or Officers during the period (2014: \$NIL).



DISCLOSURE CONTROLS AND PROCEDURES AND INTERNAL CONTROL OVER FINANCIAL REPORTING

The Chief Executive Officer (“**CEO**”) and Chief Financial Officer (“**CFO**”) of the Company are responsible for establishing and maintaining the Company’s disclosure controls and procedures (“**DC&P**”) and for designing internal controls over financial reporting (“**ICFR**”). The objective is to ensure that all transactions are properly authorized, identified and entered into the accounting system on a timely basis to minimize: risk of inaccuracy; failure to fairly reflect transactions; failure to fairly record transactions necessary to present financial statements in accordance with IFRS; unauthorized receipts and expenditures; and the inability to provide assurance that unauthorized acquisitions or dispositions of assets can be detected. The Company’s system of internal controls provides for separation of the duties of receiving, approving, coding and handling invoices and of entering transactions into the accounts, and includes a requirement of two signatures for all payments made by cheque or wire funds.

The CEO and CFO evaluated the design and operating effectiveness of the Company’s DC&P and ICFR as required by National Instrument 52-109 *Certification of Disclosure in Issuers’ Annual and Interim Filings* issued by the Canadian Securities Administrators. Based on that evaluation, it was concluded that as of March 31, 2015, the Company’s DC&P and ICFR were effective in providing reasonable assurance that material information regarding this report, and the interim consolidated financial statements and other disclosures, was made known to them on a timely basis and reported as required, and that the financial statements present fairly, in all material aspects, the financial condition, results of operations and cash flows of the Company as of March 31, 2015. The CEO and CFO also concluded that no material weaknesses existed in the design of the ICFR as at March 31, 2015.

CRITICAL ACCOUNTING ESTIMATES

Moneta’s significant accounting policies are summarized in note 2 to the interim consolidated financial statements for the three months ended March 31, 2015. The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions about future events that affect the reported amounts of assets, 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. Significant areas requiring the use of management estimates include, but are not limited to, the determination of carrying value of exploration and evaluation assets, the valuation of share-based compensation transactions, the valuation of purchase warrants issued on financings, deferred income tax assets and liabilities, and accrued liabilities and contingencies. Estimates and assumptions are regularly evaluated and are based on management’s experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates.

Provisions

A provision is recognized when the Company has a present obligation (legal or constructive) as a result of a past event, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and when a reliable estimate can be made of the amount of the obligation. If the Company is virtually certain that some or all of a provision will be reimbursed, for example under an insurance contract, such reimbursement is recognized as a separate asset. Provisions may be discounted using a current pre-tax rate that reflects the risks specific to the liability. The expense relating to any provision is presented in the consolidated statement of loss (earnings) and comprehensive loss (earnings) and deficit.

Exploration and evaluation expenditures

The application of the Company’s accounting policy for exploration and evaluation expenditures requires judgment in determining whether it is likely that future economic benefits are likely either from future exploitation or sale of the project, or where exploration activities are not adequately advanced to support a gold resource assessment.



The determination is an estimation process that requires varying degrees of uncertainty and these estimates directly impact the deferral of exploration and evaluation expenditures.

Decommissioning and restoration provision

The Company records the fair value of estimated costs of legal and constructive obligations required to restore operating locations in the period in which the obligation is incurred. The nature of these restoration activities includes dismantling and removing structures, rehabilitating mines and tailings dams, dismantling operating facilities, closure of plant and waste sites, and restoration, reclamation, and re-vegetation of affected areas.

The estimated fair value of a liability, and corresponding increase in the related property, is reported in the period in which it is incurred and when a reasonable estimate of fair value can be made. The fair value is the amount at which that liability could be settled in a current transaction between willing parties, that is, other than in a forced or liquidation transaction and, in the absence of observable market transactions, is determined as the present value of expected cash flows. The Company subsequently allocates the cost to expense using a systematic and rational method over its useful life, and records the accretion of the liability as a charge to the consolidated statement of loss (earnings) and comprehensive loss (earnings) and deficit. As the Company has not commenced construction and development of any mining operations it does not have any provisions for decommissioning or restoration costs.

Share based compensation transactions

Stock options

The fair value of stock options granted to directors, officers, and employees is measured at grant date using the Black-Scholes valuation model using assumptions for risk-free interest rates, dividend yields, volatility factors of the expected market price of the Company's common shares, expected forfeitures and expected life of the options. The fair value of this share-based payment is recognized as a charge to the consolidated statement of loss (earnings) and comprehensive loss (earnings) and deficit with a corresponding credit to shareholders' equity on the consolidated statements of financial position.

The fair value of stock options, subject to a vesting schedule, is recognized using the accelerated method and is measured using Black Scholes and assumptions at the time of vesting. The applicable fair value of any stock options which are exercised are transferred from contributed surplus to capital stock. Management is required to estimate forfeitures, and revise its estimates of the number of stock options expected to vest each period. The impact of any revisions to management's estimate on forfeitures, if any, is recognized during the period.

Share-based payments to non-employees

Share-based payments granted to non-employees are measured at the fair value of the goods or services received. In the event the Company cannot reasonably estimate the fair value of goods or services received, the transaction is recorded at the estimated value of the underlying equity instrument, measured at the date the Company obtains the goods or the counterparty renders the service. Management is required to estimate forfeitures, and revise its estimates of the number of stock options expected to vest each period. The impact of any revisions to management's estimate on forfeitures, if any, is recognized during the period.

Purchase warrants and broker compensation options

Purchase warrants are classified as equity and measured at fair value on the date of issue using the Black-Scholes option pricing model. Broker compensation options are classified as issuance costs and a deduction from equity and measured at fair value on the date of issue using the Black-Scholes option pricing model. The fair value of the purchase warrants and broker compensation options are not subsequently revalued.



Contingencies

By their nature, contingencies will only be resolved when one or more future events occur or fail to occur. The assessment of contingencies inherently involves the exercise of significant judgment and estimates of the outcome of future events.

CHANGES IN ACCOUNTING POLICIES

The Interim Consolidated Financial Statements for the three months ended March 31, 2015 were prepared in accordance with IFRS, as issued by the International Accounting Standards Board.

Recent Accounting Pronouncements

The Company is currently evaluating the impact on its consolidated financial statements of recent accounting pronouncements, as follows:

IFRS 9 Financial Instruments

IFRS 9, Financial Instruments was issued by the IASB and will 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 through profit or loss. IFRS 9 also replaces the models for measuring equity instruments. Such instruments are either recognized at fair value through profit or loss or at fair value through other comprehensive income (loss). The mandatory effective date of IFRS 9 is for annual years beginning on or after January 1, 2018.

IAS 32 Financial Instruments: Presentation

IAS 32 amendment provides clarification on the application of offsetting rules. The amendments are effective for the Company for the year ended December 31, 2015.

IAS 36 Impairment of Assets

On May 29, 2013, the IASB made amendments to the disclosure requirements of IAS 36, requiring disclosure, in certain instances, of the recoverable amount of an asset or cash generating unit, and the basis for the determination of fair value less costs of disposal, when an impairment loss is recognized or when an impairment loss is subsequently reversed. These amendments will be effective for the Company for the year ended December 31, 2015.

IFRIC 21 Levies

IFRIC 21 sets out the accounting for an obligation to pay a levy that is not income tax. This interpretation addresses what the obligating event is that give rise to pay a levy and when a liability should be recognized. The standard will be effective for the Company for the year ended December 31, 2015.

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

The Company's financial risk management goals are to ensure that the outcome of activities involving elements of risk are consistent with the company's objectives and risk tolerance, while maintaining an appropriate risk/reward balance and protecting the Company's consolidated balance sheet from events that have the potential to materially impair its financial strength. Balancing risk and reward is achieved through identifying risk appropriately, aligning risk with overall exploration and development strategy, diversifying risk, mitigation through preventive controls, and transferring risk to third parties.

Fair value

The carrying values for primary financial instruments, including cash and equivalents, sales taxes recoverable, Interest receivable, and accounts payable and accrued liabilities approximate fair values due to their short-term maturities. The



Company's exposure to potential loss from financial instruments relates primarily to its cash and equivalents held with Canadian financial institutions.

There have been no major or significant changes that have had an impact on the overall risk assessment of the Company during the period. The objectives and strategy for the exploration and evaluation asset portfolio remains unchanged.

The Company's exploration and development activities expose it to the following financial risks:

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company's exposure to credit risk is concentrated in three specific areas: the credit risk on operating balances including sales taxes recoverable, interest receivable on short term deposits, and cash and equivalents held with Canadian financial institutions. The maximum exposure to credit risk is equal to the carrying values of these financial assets.

The aggregate gross credit risk exposure at March 31, 2015 was \$169,378 (December 31, 2014 - \$315,323), and was comprised of \$8,396 (December 31, 2014 - \$30,288) in harmonized sales taxes recoverable, \$501 (December 31, 2014 - \$2,749) in short term interest receivable, and \$160,481 (December 31, 2014 - \$282,286) in cash and equivalents held with Canadian financial institutions with an "AA" credit rating.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices, such as foreign currency exchange rates, commodity prices, interest rates and liquidity. A discussion of the Company's primary market risk exposures, and how those exposures are currently managed, follows:

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Company's financial assets and liabilities and operating costs are principally denominated in Canadian dollars. The Company has historically had insignificant operations in United States ("US") dollars. The Company has no US dollar hedging program due to its minimal exposure to financial gain or loss as a result of foreign exchange movements against the Canadian dollar.

Commodity price risk

Commodity prices, and in particular gold spot prices, fluctuate and are affected by factors outside of the Company's control. This risk is not applicable as the Company is not currently in commercial gold production. The current and expected future spot prices have a significant impact on the market sentiment for investment in mineral exploration companies and may impact the Company's ability to raise equity financing for its ongoing working capital requirements.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's interest rate risk is minimal as there are no outstanding loans or interest-bearing debts. The Company has not entered into any interest rate swaps or other active interest rate management programs at this time.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The purpose of liquidity management is to ensure that there will be sufficient cash to meet all



financial commitments and working capital obligations as they become due. To manage cash flow requirements, the Company maintains principally all its assets in cash and equivalents.

Sensitivity Analysis

The Company believes that the movements in investments held for trading that are reasonably possible over the next twelve-month period will not have a significant impact on the Company. The Company believes that its cash position and short term investments provide adequate liquidity to meet all of the Company's near-term obligations.

All financial instruments measured at fair value are categorized into one of three hierarchy levels based on the transparency of the inputs used to measure the fair values of assets and liabilities, as follows:

Level 1 - inputs are unadjusted quoted prices of identical instruments in active markets;

Level 2 - inputs other than quoted prices included in Level 1 that are observable for the comparable asset or liability, either directly or indirectly;

Level 3 - one or more significant inputs used in a valuation technique are unobservable in determining fair values of the instruments.

The Corporation's cash and equivalents and investments are considered Level 1 in the hierarchy.

CONTINGENT LIABILITIES

Order to file closure plan on Moneta Mine

The Company received written approval from the Ministry of Northern Development and Mines on March 17, 2015 that the Closure Plan for the historic Moneta Mine was accepted as filed during the period. There are no further financial or other obligations on the part of the Company going forward.

Civil lawsuits

Two parties that own the surface rights and occupied buildings on the site of the former Moneta Mine, filed suit in 2005 against the Company, directors of the Company at that time, and other third parties claiming damages related to the mine subsidence. One of these parties also brought a claim for compensation under the Ontario Mining Act which was dismissed by the Mining Commissioner in March 2008. The Company believes the claims have no merit and intends to defend such claims vigorously. Accordingly, no provision has been made in the consolidated financial statements for these claims.

OUTSTANDING SHARE DATA

As at March 31, 2015, the Company has a total of 193,642,382 (December 31, 2014 – 193,642,382) common shares outstanding and 5,880,000 (December 31, 2014 – 6,555,000) stock options outstanding with an average exercise price of \$0.14 (December 31, 2014 - \$0.13) per share. Additional details are available in note 4 to the Interim Consolidated Financial Statements for the three months ended March 31, 2015.

SUBSEQUENT EVENTS

On May 6, 2015, the Company announced the closing of a private placement for total gross proceeds of \$235,000. A total of 3,200,000 units were issued at a price of \$0.05 per unit and comprised of one common share and one purchase warrant exercisable at \$0.07 for thirty six months for gross proceeds of \$160,000, and 1,250,000 flow-through units were issued at a price of \$0.06 per unit and comprised of one common share issued on a flow-through basis and one purchase warrant exercisable at \$0.08 for thirty six months for gross proceeds of \$75,000. Insiders of the Company subscribed for 2,000,000 Units and 1,250,000 Flow-Through Units or 75% of the Placement. There were no finders' fees or commissions paid.