

Spur Ventures Inc.

**Unaudited Condensed Interim Financial Statements
For the three months ended March 31, 2014 and 2013
(Stated in Canadian dollars)**

Spur Ventures Inc.

Condensed Interim Statements of Financial Position (unaudited)

	March 31, 2014	December 31, 2013
Assets		
Current assets		
Cash and cash equivalents	\$ 28,762,079	\$ 28,922,649
Prepaid expenses	41,423	43,633
Receivables	45,793	113,545
Due from related parties (Note 6)	67,612	63,046
Total Current Assets	28,916,907	29,142,873
Office equipment and furniture	12,936	14,757
TOTAL ASSETS	\$ 28,929,843	\$ 29,157,630
Liabilities		
Current Liabilities		
Accounts payable and accrued liabilities	\$ 200,086	\$ 61,545
Due to related parties (Note 6)	18,415	10,235
TOTAL LIABILITIES	218,501	71,780
Shareholders' equity		
Share capital (Note 5a)	53,258,507	53,258,507
Contributed surplus	10,238,419	10,227,578
Deficit	(34,785,584)	(34,400,235)
Total Shareholders' Equity	28,711,342	29,085,850
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$ 28,929,843	\$ 29,157,630

Commitments (Note 8)
Subsequent event (Note 10)

Approved by the Board:

_____ "Donald Siemens"	Director
_____ "Robert Atkinson"	Director

Spur Ventures Inc.

Condensed Interim Statements of Loss and Comprehensive Loss (unaudited)

	Three months ended March 31, 2014	Three months ended March 31, 2013
Expenses		
Amortization	\$ 1,820	\$ 2,379
Corporate Development (Note 7)	280,047	205,739
Director fees	16,667	20,000
Management Fees, salaries and benefits	113,272	147,726
Office and general	17,683	16,727
Professional fees	15,627	10,500
Rent	25,353	23,771
Share-based payments (Note 5b)	10,841	59,249
Transfer agent and filing fees	8,509	16,993
Travel, meals and entertainment	115	1,185
Net loss from operations	(489,934)	(504,269)
Other income		
Interest income	104,585	106,691
Net loss and other comprehensive loss for the period	\$ (385,349)	\$ (397,578)
Basic weighted average number of shares outstanding		
	60,407,187	60,407,187
Loss per share, basic	\$ (0.01)	\$ (0.01)
Diluted weighted average number of shares outstanding		
	60,707,187	60,707,187
Loss per share, diluted	\$ (0.01)	\$ (0.01)

Spur Ventures Inc.

Condensed Interim Statements of Changes in Equity

For the periods ended March 31, 2014 and 2013 (unaudited)

	Share capital				
	Number of shares	Amount	Contributed surplus	Deficit	Total equity
Balance - January 1, 2014	60,407,187	\$ 53,258,507	\$ 10,227,578	\$ (34,400,235)	\$ 29,085,850
Share-based payments	-	-	10,841	-	10,841
Net loss for the period	-	-	-	(385,349)	(385,349)
Balance - March 31, 2014	60,407,187	\$ 53,258,507	\$ 10,238,419	\$ (34,785,584)	\$ 28,711,342

	Share capital				
	Number of shares	Amount	Contributed surplus	Deficit	Total equity
Balance - January 1, 2013	60,407,187	\$ 53,258,507	\$ 10,043,841	\$ (33,168,429)	\$ 30,133,919
Share-based payments	-	-	59,249	-	59,249
Net loss for the period	-	-	-	(397,578)	(397,578)
Balance - March 31, 2013	60,407,187	\$ 53,258,507	\$ 10,103,090	\$ (33,566,007)	\$ 29,795,590

Spur Ventures Inc.

Condensed Interim Statements of Cash Flows (unaudited)

	Three months ended March 31, 2014	Three months ended March 31, 2013
Cash used in operating activities		
Net loss for the period	\$ (385,349)	\$ (397,578)
Adjustments for:		
Amortization	1,820	2,379
Share-based payments	10,841	59,249
Interest income	(104,585)	(106,691)
Net changes in non-cash working capital balances:		
Receivables	72,725	(2,412)
Due from related parties	(4,566)	(23,047)
Prepaid expenses	2,210	7,804
Accounts payable and accrued liabilities	138,542	38,154
Due to related parties	8,180	5,077
Net cash used in operating activities	(260,182)	(417,065)
Investing activities		
Interest received	99,612	106,691
Net cash generated from investing activities	99,612	106,691
Change in cash and cash equivalents during the period	(160,570)	(310,374)
Cash and cash equivalents, beginning of period	28,922,649	30,094,766
Cash and cash equivalents, end of period	\$ 28,762,079	\$ 29,784,392
Supplemental cash flow information		
Interest paid	\$ -	\$ -
Income taxes paid	\$ -	\$ -

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

Spur Ventures Inc.

Notes to the Condensed Interim Financial Statements For the three months ended March 31, 2014 (unaudited)

1 Nature of Operations

Spur Ventures Inc. ("Spur" or the "Company") is a company listed on the TSX Venture Exchange with a registered office at Suite 3083, Three Bentall Centre, 595 Burrard Street, Vancouver, B.C. Canada.

Spur has been focused on pursuing acquisitions or other corporate transactions in gold, base metals or other mineral-related assets or businesses. Refer to note 10 with respect to a potential acquisition of Atlantic Gold NL.

2 Basis of preparation

These condensed interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") applicable to the preparation of interim financial statements, including International Auditing Standard 34, Interim Financial Reporting ("IAS 34") as issued by the International Accounting Standards Board. These condensed interim financial statements do not include all disclosures required for annual audited financial statements. Accordingly, they should be read in conjunction with the notes to the Company's audited annual financial statements for the year ended December 31, 2013.

The accounting policies followed in these condensed interim financial statements are the same as those applied in note 3 of the Company's audited annual financial statements for the year ended December 31, 2013, except as described in note 3 below.

The Board of Directors approved these condensed interim financial statements on May 27, 2014.

3 Change in Accounting Policy

Change in presentation currency

Effective January 1, 2014, the Company changed its presentation currency from the U.S. dollar to the Canadian dollar. The change in presentation currency was effected to reflect the reporting currency based on the functional currency of the Company. The functional currency of the Company's previously owned subsidiary, Spur BVI, was U.S. dollars. Given principal operations were originating from Spur BVI, it was appropriate to present the Company's financial statements in U.S. dollars.

The change in presentation currency represents a change in accounting policy and thus it has been applied retrospectively from January 1, 2010, the transition date to IFRS, onwards. As Spur no longer has any subsidiaries and its functional currency is the Canadian dollar, there are no longer any exchange differences due to the translation of foreign currency balances and transactions and as such, the company no longer presents a balance in accumulated other comprehensive income (loss).

Spur Ventures Inc.

Notes to the Condensed Interim Financial Statements
For the three months ended March 31, 2014 (unaudited)

3 Change in Accounting Policy (continued)

IFRIC 21, Levies (“IFRIC 21”)

The Company adopted IFRIC 21 on January 1, 2014 with retrospective application. IFRIC 21 provides guidance on the accounting for a liability to pay a levy, if that liability is within the scope of IAS 37, Provisions, Contingent Liabilities and Contingent Assets. Levies are imposed by governments in accordance with legislation and do not include income taxes, which are accounted for under IAS 12, Income Taxes or fines or other penalties imposed for breaches of legislation.

The interpretation was issued to address diversity in practice around when the liability to pay a levy is recognized. An example of a common levy is property taxes. IFRIC 21 defines an obligating event as the activity that triggers the payment of the levy, as identified by legislation. A liability to pay a levy is recognized at the date of the obligating event, which may be at a point in time or over a period of time. The fact that an entity is economically compelled to continue to operate in the future, or prepares its financial statements on a going concern basis, does not create an obligation to pay a levy that will arise in a future period as a result of continuing to operate.

The adoption of IFRIC 21 did not affect The Company’s financial statements or disclosures as the Company’s analysis determined that no changes were required to existing accounting treatment of levies.

4 New Accounting Standards

Standards not yet effective

IFRS 9 – Financial instruments

In May 2011, the International Accounting Standards Board (“IASB”) issued IFRS 9, Financial Instruments. The required adoption date for IFRS 9 has been deferred from the original adoption date of January 1, 2015 to all annual periods beginning on or after January 1, 2018. The Company has yet to commence assessing the impact of this new standard.

Further details of the new accounting Standard can be found in note 4 of the Company’s audited annual financial statements for the year ended December 31, 2013.

5. Equity

a) Authorized share capital

Unlimited common shares without par value

Unlimited number of preferred shares without par value, issuable in series and with special rights and restrictions to be determined on issuance

Spur Ventures Inc.

Notes to the Condensed Interim Financial Statements
For the three months ended March 31, 2014 (unaudited)

5. Equity (continued)

b) Stock options

The Company values the stock options granted using the indirect method because it cannot reliably estimate the value of the services received for the options granted. The Company uses the Black Scholes option pricing model to determine the fair value of options granted and makes assumptions about future volatility based on observed volatility in the past.

Options granted prior to 2011 vest over a three-year period, with one-third of the options vesting one year after the date of grant, one-third two years after the date of grant, and the remaining one-third three years after the date of grant. The vesting period for options granted after 2011 is 12.5% immediately with 12.5% each quarter over the following seven quarters.

A summary of the changes in stock options is as follows:

	Options	Weighted average exercise price \$CAD
Options outstanding - January 1, 2013	5,230,000	\$ 0.46
Granted	50,000	0.40
Expired	(630,000)	0.90
Options outstanding - December 31, 2013 and March 31, 2014	4,650,000	\$ 0.38
Options exercisable - March 31, 2014	4,306,250	\$ 0.38

No options were granted during the three months ended March 31, 2014 (2013: Nil).

During the three months ended March 31, 2014, share-based payments of \$10,841 was recognized (2013: \$59,249).

The following table summarizes information about the options outstanding at March 31, 2014:

Number of Options	Exercise Price CAD	Expiry Date	Number Exercisable
300,000	0.28	July 28, 2014	300,000
1,950,000	0.37	August 12, 2016	1,950,000
1,000,000	0.40	April 10, 2017	1,000,000
100,000	0.37	May 10, 2017	100,000
1,250,000	0.40	November 1, 2017	937,500
50,000	0.40	July 26, 2018	18,750
4,650,000			4,306,250

Spur Ventures Inc.

Notes to the Condensed Interim Financial Statements For the three months ended March 31, 2014 (unaudited)

6. Related party transactions and key management compensation

a) Key management compensation

Key management includes the Company's directors, President and Chief Executive Officer, and Chief Financial Officer. Compensation awarded to key management is presented in the table below:

	Three months ended		Three months ended
	March 31, 2014		March 31, 2013
Salaries and benefits	\$	60,000	\$ 61,000
Director fees		16,667	20,000
Share-based payments		8,324	53,311
	\$	84,991	\$ 134,311

b) Payments for services by related parties

During the three months ended March 31, 2014, the Company incurred corporate consulting fees of \$21,420 (2013: \$21,420) to Sirocco Advisory Services Ltd. ("Sirocco"), a company controlled by a director and officer of the Company. As at March 31, 2014, the Company owed \$nil to Sirocco (December 31, 2013: \$4,452).

During the three months ended March 31, 2014, the Company incurred corporate consulting fees of \$15,300 (2013: \$15,300) to Shariff Advisory Services Ltd. ("Shariff"), a company controlled by a director and officer of the Company. As at March 31, 2014, the Company owed \$662 to Shariff (December 31, 2013: \$533).

During the three months ended March 31, 2014, the Company incurred corporate consulting fees of \$nil (2013: \$57,948) to Keppoch Advisory Services Ltd. ("Keppoch"), a company controlled by a former director and officer of the Company. As at March 31, 2014, the Company owed \$nil to Keppoch (December 31, 2013: \$nil).

During the three months ended March 31, 2014, the Company incurred geological consulting fees of \$15,000 (2013: \$15,000) to Metallica Consulting Co. ("Metallica"), a company controlled by a director of the Company. As at March 31, 2014, the Company owed \$nil to Metallica (December 31, 2013: \$5,250).

c) Services provided to related parties

The Company charged office lease and administrative expenditures to Oceanic Iron Ore Corp. ("Oceanic"), a Company with an officer and a director in common. During the three months ended March 31, 2014, office lease and administrative expenditures billed to Oceanic amounted to \$35,916 (2013: \$34,120). As at March 31, 2014, the Company was owed \$37,748 from Oceanic (December 31, 2013: \$35,676).

The Company charged office lease and administrative expenditures to Cassius Ventures Ltd. ("Cassius"), a Company with an officer and a director in common. During the three months ended March 31, 2014, office lease and administrative expenditures billed to Cassius amounted to \$2,375 (2013: \$4,585). As at March 31, 2014, the Company was owed \$29,864 from Cassius (December 31, 2013: \$27,370).

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Notes to the Condensed Interim Financial Statements
For the three months ended March 31, 2014 (unaudited)

6. Related party transactions and key management compensation (continued)

c) Services provided to related parties (continued)

As at March 31, 2014 the Company owed \$12,503 (December 31, 2013: \$nil) to key management personnel with respect to reimbursement of expenses. Amounts due to and from related parties are unsecured, non-interest bearing and due on demand.

7. Corporate development

	Three months ended March 31, 2014		Three months ended March 31, 2013
Consulting & engineering fees	\$ 95,642	\$	133,591
Professional fees	136,322		21,451
Travel and other	48,083		50,697
	<u>\$ 280,047</u>	<u>\$</u>	<u>205,739</u>

8. Commitments

As disclosed in note 6(c), the Company has a long-term office lease and shares office space and related costs with three other companies. A summary of the Company's commitments is set out below:

2014	\$ 67,431
2015	67,431
	<u>\$ 134,862</u>

9. Fair Value of Financial Instruments

The carrying values of cash and cash equivalents, receivables, due from related parties, accounts payable, and due from related parties approximate their fair values due to their short term nature.

10. Subsequent Event

On May 15, 2014, the Company entered in to a Merger Implementation Deed with Atlantic Gold NL ("Atlantic"), whereby Spur would acquire, subject to the requisite approvals and the satisfaction of conditions, all of the fully paid and partly paid ordinary shares on issue in Atlantic by way of a scheme of arrangement between Atlantic and its shareholders. Atlantic is an Australian Securities Exchange ("ASX") listed company focused on the exploration and development of the Touquoy and Cochrane Hill gold projects in Nova Scotia.

Spur has also agreed to provide a C\$1 million loan facility (the "Loan Facility") to DDV Gold Ltd., a wholly owned subsidiary of Atlantic, and guaranteed by Atlantic. Funding in respect of the Loan Facility would occur in July 2014 and is conditional on the Management Implementation Deed not having been terminated. The Loan Facility will mature December 31, 2014, has first priority security over the assets of DDV Gold Ltd. and will accrue interest at 14 percent per annum.