

ALPHA GOLD

C O R P O R A T I O N

**Condensed Interim Financial Statements
Three Months Ended May 31, 2013 and 2012
(Expressed in Canadian Dollars)
(Unaudited)**

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NOTICE OF NO AUDITOR REVIEW

The accompanying unaudited condensed interim financial statements of the Company for the three months ended May 31, 2013 and comparatives for the three months ended May 31, 2012 were prepared by management and have not been reviewed or audited by the Company's auditors.

Alpha Gold Corp.
(Exploration Stage Company)
Condensed Interim Statements of Comprehensive Loss
Expressed in Canadian dollars, Unaudited

	Note	Three Months Ended	
		May 31, 2013	May 31, 2012
Operating Expenses			
Consulting and management fees	7	\$ 15,001	\$ 12,501
Office, printing and miscellaneous	7	11,060	10,646
Professional fees		6,375	503
Shareholder relations		7,357	11,225
Regulatory fees and transfer fees		5,011	2,844
Insurance		-	7,721
Rent	7	1,500	1,500
Share-based payments		-	2,372
Travel and promotion		193	-
Communications		185	236
Depreciation		1,744	1,680
Total Operating Expenses		48,426	51,228
Interest income		-	(865)
Interest expenses, bank charges and foreign exchange		79	41
Loss Before Tax		48,505	50,404
Deferred income tax recovery		-	(12,008)
Net Loss and Comprehensive Loss for the Period		\$ 48,505	\$ 38,396
Loss per share - basic and diluted		\$ 0.001	\$ 0.001
Weighted average number of common shares outstanding		47,236,701	47,236,701

Alpha Gold Corp.
(Exploration Stage Company)
Condensed Interim Statements of Financial Position
Expressed in Canadian dollars, Unaudited

	Note	May 31, 2013	February 28, 2013
Assets			
Current			
Cash and cash equivalents		\$ 256,524	\$ 185,004
Receivables		6,418	9,419
Prepaid and deposits		3,868	6,506
		266,810	200,929
Non-current			
Mineral properties	4	11,689,910	11,788,624
Reclamation bond		30,000	30,000
Equipment	5	14,089	15,833
		11,733,999	11,834,457
Total Assets		\$ 12,000,809	\$ 12,035,386
Liabilities			
Current			
Accounts payable and accrued liabilities		\$ 32,974	\$ 19,046
Non-current			
Deferred income tax liability		1,156,400	1,156,400
		1,189,374	1,175,446
Shareholders' Equity			
Share capital	6	17,159,773	17,159,773
Share-based payments reserve		663,787	663,787
Deficit		(7,012,125)	(6,963,620)
Total Shareholders' Equity		10,811,435	10,859,940
Total Liabilities and Shareholders' Equity		\$ 12,000,809	\$ 12,035,386
Approved on behalf of the Board			
	<i>"Carl Pines"</i>	<i>"Neil F. Hummel"</i>	
	_____ Carl Pines Director	_____ Neil F. Hummel Director	

Alpha Gold Corp.
(Exploration Stage Company)
Condensed Interim Statements of Change in Shareholders' Equity
Expressed in Canadian dollars, Unaudited

	Share Capital		Share-based		Deficit	Total Equity
	Shares	Amount	Payments	Reserve		
Balance as at February 29, 2012	47,236,701	\$ 17,159,773	\$	661,415	\$ (6,780,430)	11,040,758
Share-based payments	-	-		2,372	-	2,372
Loss for the year	-	-		-	(183,190)	(183,190)
Balance as at February 28, 2013	47,236,701	17,159,773		663,787	(6,963,620)	10,859,940
Share-based payments	-	-		-	-	-
Loss for the year	-	-		-	(48,505)	(48,505)
Balance as at May 31, 2013	47,236,701	\$ 17,159,773	\$	663,787	\$ (7,012,125)	10,811,435

Alpha Gold Corp.
(Exploration Stage Company)
Condensed Interim Schedule of Cash Flows
For the Three months ended
Expressed in Canadian dollars, Unaudited

Cash provided by (used for):	May 31, 2013	May 31, 2012
Operating Activities		
Net loss for the period	\$ (48,505)	\$ (38,396)
Items not involving cash:		
Depreciation	1,744	1,680
Share base payments	-	2,372
Deferred income tax expense	-	(12,008)
	(46,761)	(46,352)
Changes in Non-Cash Working Capital		
Receivables	3,001	9,663
Prepaid and deposits	2,638	-
Accounts payable and accrued liabilities	13,928	525
	19,567	10,188
Cash Used in Operating Activities	(27,194)	(36,164)
Investing Activities		
Mineral properties	98,714	85
Cash Used in Investing Activities	98,714	85
(Decrease) Increase in Cash During the Period	71,520	(36,079)
Cash, Beginning of the Period	185,004	424,683
Cash, End of the Period	\$ 256,524	\$ 388,604

Supplemental cash flow information - Note 11

1. Nature and Continuance of Operations

Alpha Gold Corp. (the "Company") was incorporated under the laws of British Columbia, Canada on February 25, 1985. The Company is primarily engaged in the acquisition, exploration and development of mineral properties located in Canada.

The Company's corporate office and principal place of business is 410 Donald Street, Coquitlam, British Columbia, Canada.

The business of exploring for minerals involves a high degree of risk and there can be no assurance that any of the Company's current or future exploration programs will result in profitable mining operations. The recoverability of amounts shown for mineral properties is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain financing to complete their exploration and development, and establish future profitable operations, or realize proceeds from their sale. The carrying value of the Company's mineral properties does not reflect present or future value.

These condensed interim financial statements were prepared on a going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. As at May 31, 2013, the Company had working capital of \$233,836 (February 28, 2013 - \$181,883). The Company incurred a net loss of \$45,505 for the three months ended May 31, 2013 (May 31, 2012 - \$38,396) and had an accumulated deficit of \$7,012,125 as at May 31, 2013 (May 31, 2012 - \$6,818,826).

The Company has relied mainly upon the issuance of share capital to finance its activities. Future capital requirements will depend on many factors including the Company's ability to execute its business plan. The Company will be required to issue share capital to finance its future activities through private placements and the exercise of options and warrants and is actively seeking additional equity financing. There can be no assurance that such financing will be available to the Company. Inability to secure future financing would have a material adverse effect on the Company's business, results of operations and financial condition.

These condensed interim financial statements do not include the adjustments to assets and liabilities that would be necessary should the Company be unable to continue as a going concern.

2. Basis of preparation

These condensed interim financial statements were prepared in accordance with International Accounting Standards 34: *Interim Financial Reporting* on a historical cost basis using the accrual basis of accounting, except for cash flow information and financial instruments measured at fair value. They do not include all of the information required for full annual financial statements and should be read in conjunction with the Company's audited annual financial statements for the year ended February 28, 2013.

2. Basis of Preparation, continued

The same accounting policies are used in the preparation of these condensed interim financial statements as for the most recent audited annual financial statements and reflect all the adjustments necessary for fair presentation in accordance with International Financial Reporting Standards (“IFRS”) of the results for the interim periods presented.

The Company’s functional and presentation currency is the Canadian dollar.

Certain prior year’s comparative figures have been reclassified to conform to the presentation adopted in the current year.

These condensed interim financial statements were authorized for issue by the Board of Directors on July 29, 2013.

3. Changes to accounting policies

The following accounting standards and amendments to existing standards were adopted effective March 1, 2013:

- IFRS 11 *Joint Arrangements*;
- IFRS 12 *Disclosure of Interests in Other Entities*;
- IFRS 13 *Fair Value Measurement*;
- IAS 27 *Separate Financial Statements*; and
- IAS 1 *Presentation of Financial Statements*.

The adoption of these standards has not had a significant impact on the Company’s financial position or financial performance.

The following standard has been issued by IASB but is not yet effective:

IFRS 9 *Financial Instruments* addresses the classification, measurement and recognition of financial assets and financial liabilities. IFRS 9 was issued in November 2009 and October 2010. It replaces the parts of IAS 39 *Financial Instruments: Recognition and Measurement* that relate to the classification and measurement of financial instruments. IFRS 9 requires financial assets to be classified into two measurement categories: those measured at fair value and those measured at amortized cost. The determination is made at initial recognition. The classification depends on the entity’s business model for managing its financial instruments and the contractual cash flow characteristics of the instrument. For financial liabilities, the standard retains most of the IAS 39 requirements, except that fair value changes due to credit risk for liabilities designated as fair value through profit or loss would generally be recorded in other comprehensive income.

IFRS 9 is required to be applied for accounting periods beginning on or after January 1, 2015, with earlier adoption permitted.

Alpha Gold Corp.
(Exploration Stage Company)
Notes to the Condensed Interim Financial Statements
For the Three Months Ended May 31, 2013 and 2012
Expressed in Canadian dollars, Unaudited

4. Mineral Properties

	May 31, 2013	February 28, 2013
Acquisition costs	\$513,682	\$513,682
Deferred expenditures	11,176,228	11,274,942
	<u>\$11,689,910</u>	<u>\$11,788,624</u>

a) **Lustdust Claims**

- i) On July 15, 1989, the Company acquired a 100% interest in certain mineral claims located in the Omineca Mining Division, British Columbia for cash of \$170,000. The vendor retains a 3% net smelter return royalty (“NSR”).
- ii) On February 21, 1992, the Company acquired a 100% interest in certain mineral claims located in the Omineca Mining Division, British Columbia for \$100,000 cash and 200,000 shares of the company at a deemed consideration of \$0.60 each (previously subject to a 5% net profit interest to a maximum of \$100,000 and a 2% NSR). In July 2003, the company acquired the retained “5% net profit interest and the 2% NSR” for \$150,000 cash.
- iii) The Company’s Lustdust Property is currently comprised of 20 “cell” claims, 100% owned by Alpha Gold Corp. Ownership is currently secured through 2021 and/or 2022. There is no requirement for NSR or Royalties on any of these claims.

The Company received a BC Mineral Exploration Tax credit refund in the amount of \$99,064 during the quarter ended May 31, 2013.

Schedule	May 31, 2013
Exploration	
Assaying	\$ -
Camp expenses	350
Geological/geochemical work and reports	-
Travel	-
BC Mining tax credit	(99,064)
Expenses Credits for the period	(98,714)
Balance, as of February 28, 2013	11,788,624
Balance, as of May 31, 2013	\$ 11,689,910

Alpha Gold Corp.
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Notes to the Condensed Interim Financial Statements
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5. Equipment

	Computer equipment	Furniture & fixtures	Machinery & equipment	Trucks	Total
Cost					
Balance, February 29, 2012	8,878	17,282	23,742	54,939	104,841
Additions/Disposals	-	-	-	-	-
Balance, February 28, 2013	\$8,878	\$17,282	\$23,742	\$54,939	\$104,841
Additions/Disposals	-	-	-	-	-
Balance, May 31, 2013	\$8,878	\$17,282	\$23,742	\$54,939	\$104,841
Depreciation					
Balance, February 29, 2012	7,568	16,627	14,301	43,726	82,222
Depreciation for the year	393	197	2,832	3,364	6,786
Balance, February 28, 2013	\$7,961	\$16,824	\$17,133	\$47,090	\$89,008
Depreciation for the year	98	98	708	840	1744
Balance, May 31, 2013	\$8,059	\$16,922	\$17,841	\$47,930	\$90,752
Carrying amount					
As at February 29, 2012	\$1,310	\$655	\$9,441	\$11,213	\$22,619
As at February 28, 2013	\$917	\$460	\$6,609	\$7,849	\$15,833
As at May 31, 2013	\$819	\$360	\$5,901	\$7,009	\$14,089

6. Share Capital

a) Authorized

The August 2012 annual general meeting resulted in shareholder approval to increase the authorized capital of the Company from 100,000,000 Common Shares without par value unlimited number of Common Shares without par value.

b) Share issuances

There were no share issuances during the current period or during the year ended February 28, 2013.

6. Share Capital, continued

c) Stock options

The Company has established a fixed share purchase option plan whereby the board of directors may, from time to time, grant options to directors, officers, consultants, or service providers to the Company. The maximum aggregate number of Plan Shares that may be reserved for issuance under the Plan at any point in time is 9,447,340 Shares, less any Common Shares reserved for issuance under share options granted under Share Compensation Arrangements other than the Plan, unless the Plan is amended pursuant to the requirements of the TSX Venture Policies at the award date. Options granted under the Plan may have a maximum term of ten years. The exercise price of an option may not be less than the closing price on the Exchange on the last trading day preceding the grant.

A summary of the Company's options outstanding at May 31, 2013 are as follows:

Exercise Price	Expiry Date	Balance February 28, 2013	Cancelled or Expired	Balance May 31, 2013
\$ 0.20	July 20, 2014	1,450,000		1,450,000
\$ 0.10	July 23, 2015	1,750,000	450,000	1,300,000
\$ 0.10	May 30, 2016	1,000,000		1,000,000
		4,200,000	450,000	3,750,000
Weighted average exercise price		\$ 0.13	\$ 0.10	0.14
Contractual life remaining in years		2.25		1.98

A summary of the Company's options outstanding at May 31, 2012 are as follows:

Exercise Price	Expiry Date	Balance February 29, 2012	Cancelled or Expired	Balance May 31, 2012
\$ 0.09	June 7, 2012	622,222		622,222
\$ 0.20	July 20, 2014	1,450,000		1,450,000
\$ 0.10	July 23, 2015	1,750,000		1,750,000
\$ 0.10	May 30, 2016	1,000,000		1,000,000
		4,822,222	-	4,822,222
Weighted average exercise price		\$ 0.13		0.13
Contractual life remaining in years		2.87		2.62

6. Share Capital, continued

d) Share-based Payments

During the period ended May 31, 2013, the Company did not grant any stock options to directors, officers, employees and consultants of the Company. All the options outstanding were fully vested. 450,000 options expired unexercised during the quarter due to resignation of a director of the Company.

7. Related Party Transactions

During the period ended May 31, 2013, the Company paid \$1,500 (May 31, 2012 - \$1,500) for office rental to an officer of the Company.

The key management personnel of the Company are the directors and officers of the Company. The Company has no long-term employee benefits or post-employment benefits and compensation awarded to key management during the periods ended May 31, 2013 and 2012 are as follows:

	May 31,	
	2013	2012
Short-term employee benefits	\$ 25,501	\$ 23,001
Share-based payments	-	2,372
Total	\$ 25,501	\$ 25,373

All related party transactions in the normal course of business have been measured at the agreed upon exchange amounts, which is the amount of consideration established and agreed to by the related parties.

8. Capital Management

The Company includes cash and cash equivalents and equity, comprising of issued common shares, contributed surplus and deficit, in the definition of capital.

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition, exploration and development of mineral properties. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

The property in which the Company currently has an interest is in the exploration stage; as such the Company is dependent upon external financings to fund activities. In order to carry out planned exploration and pay for administrative costs, the Company will spend its existing working capital and raise additional funds as needed.

8. **Capital Management, continued**

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management during the period ended May 31, 2013. The Company is not subject to externally-imposed capital requirements.

9. **Financial Instruments**

(a) **Categories of Financial Instruments**

The Company's financial instruments include cash and cash equivalents, reclamation bond, and accounts payable and accrued liabilities.

The Company has classified its financial instruments into the following categories:

<u>Financial Instrument</u>	<u>Category</u>	<u>Carrying Value</u>
Cash and cash equivalents	FVTPL	Fair Value
Reclamation Bonds	Loans and Receivables	Amortized Cost
Accounts Payable and Accrued Liabilities	Other Financial Liabilities	Amortized Cost

(b) **Fair Value**

The carrying values of cash and cash equivalents and accounts payable and accrued liabilities estimate their fair values due to the short period to maturity. The reclamation bond is non-interest-bearing, has no maturity date and its carrying value approximates fair value.

(c) **Financial Risk Management**

The Company's risk exposure and the impact on its financial instruments are summarized as follows:

(i) **Liquidity Risk**

Liquidity risk is the risk that the Company will be unable to meet financial obligations as they fall due. The Company's approach to managing liquidity risk is to provide reasonable assurance that it will have sufficient funds to meet liabilities when due by forecasting cash flows for operations and anticipated investing and financing activities and through management of its capital structure. Of the Company's financial liabilities, \$32,974 have contractual maturities of less than 90 days (February 28, 2013 - \$19,046).

As at May 31, 2013, the Company's unrestricted cash balance of \$256,524 would not be sufficient to meet the cash requirements for the Company's administrative overhead, maintaining its mineral interests and continuing with its exploration program in the following twelve months. The Company will be required to raise additional capital in the future to fund its operations.

9. **Financial Instruments, continued**

(c) **Financial Risk Management, continued**

(ii) **Currency Risk**

The Company is exposed to currency risk to the extent expenditures incurred or funds received and balances maintained by the Company are denominated in currencies other than the Canadian dollar. The Company does not use any hedges or other derivatives to mitigate the risk against foreign exchange fluctuations.

As at May 31, 2013, the Company had no amounts receivable or payable in foreign currencies and, accordingly, is not exposed to currency risk.

(iii) **Interest Rate Risk**

In respect of the Company's financial assets, interest rate risk mainly arises from the interest rate impact on cash and cash equivalents and reclamation bond. As at May 31, 2013, the Company's exposure is immaterial.

(iv) **Credit Risk**

Credit risk is the risk that counterparty to a financial instrument will fail to discharge its contractual obligations. The Company is exposed to credit risk mainly in respect to managing its cash position, which is all held with Canadian financial institutions. The Company mitigates credit risk by risk management policies that require cash deposits or short-term investments be invested with Canadian chartered banks rated BBB or better, or commercial paper issuers R1/A2/P2 or higher. All investments must be less than one year in duration.

(v) **Other Price Risk**

Other price risk is the risk that the future cash flows of a financial instrument will fluctuate due to changes in market prices, other than those arising from interest rate risk or foreign currency risk. The Company is not exposed to other price risk.

10. **Segmented Information**

The Company reports segmented information based on its operating and geographic segments. The Company's operations are primarily directed towards the acquisition, exploration, and ultimate development of gold and other precious metals with regard to mineral properties held in British Columbia, Canada.

Alpha Gold Corp.
(Exploration Stage Company)
Notes to the Condensed Interim Financial Statements
For the Three Months Ended May 31, 2013 and 2012
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11. Supplemental Cash Flow Information

	Three Months Ended	
	May 31,	
	2013	2012
Cash comprised of:		
Cash	\$ 103,199	\$ 35,279
GIC	153,325	353,325
Total Cash	\$ 256,524	\$ 388,604
Cash Items		
Income tax paid	\$ -	\$ -
Interest received	-	865
Interest paid	-	-

12. Events after the Reporting Period

No material events occurred subsequent to the reporting period.