

Condensed Consolidated Interim Financial Statements of
Almaden Minerals Ltd.

Third Quarter Ended September 30, 2014 and 2013
(Unaudited)

**NOTICE OF NO AUDITOR REVIEW OF CONDENSED
CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

The accompanying unaudited condensed consolidated interim financial statements of Almaden Minerals Ltd. for the nine months ended September 30, 2014 have been prepared by the management of the Company and approved by the Company's Audit Committee and the Company's Board of Directors.

Under National Instrument 51-102, Part 4, subsection 4.3 (3) (a), if an auditor has not performed a review of the consolidated interim financial statements, they must be accompanied by a notice indicating that an auditor has not reviewed the financial statements.

The accompanying unaudited condensed consolidated interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these financial statements in accordance with standards established by the Canadian Institute of Chartered Accountants for a review of the consolidated interim financial statements by an entity's auditor.

Almaden Minerals Ltd.

Condensed consolidated interim statements of financial position

(Unaudited - Expressed in Canadian dollars)

	September 30, 2014	December 31, 2013
	\$	\$
ASSETS		
Current assets		
Cash and cash equivalents (Note 15(b))	10,696,370	11,994,773
Accounts receivable and prepaid expenses (Note 4)	409,055	445,122
Marketable securities (Note 5)	1,120,267	1,058,661
Inventory (Note 6)	274,768	274,768
	12,500,460	13,773,324
Non-current assets		
Investment in associate (Note 7)	9,345,660	9,447,497
Exploration and evaluation assets deposit (Note 10(e)(v))	-	138,929
Reclamation deposit	33,264	33,264
Contingent shares receivable (Note 8)	89,700	44,700
Property, plant and equipment (Note 9)	942,144	1,103,070
Exploration and evaluation assets (Note 10)	29,532,878	24,447,149
	39,943,646	35,214,609
TOTAL ASSETS	52,444,106	48,987,933
LIABILITIES		
Current liabilities		
Trade and other payables	675,100	1,097,158
EQUITY		
Share capital (Note 11)	87,083,931	81,151,042
Reserves (Note 11)	11,010,878	10,210,168
Deficit	(46,325,803)	(43,470,435)
	51,769,006	47,890,775
TOTAL EQUITY AND LIABILITIES	52,444,106	48,987,933
Commitments (Note 16)		
Subsequent event (Note 21)		

These consolidated financial statements are authorized for issue by the Board of Directors on November 12, 2014.

They are signed on the Company's behalf by:

/s/Duane Poliquin
Director

/s/Mark T. Brown
Director

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

Almaden Minerals Ltd.

Condensed consolidated interim statements of comprehensive loss

(Unaudited - Expressed in Canadian dollars)

	Three months ended		Nine months ended	
	September 30,		September 30,	
	2014	2013	2014	2013
	\$	\$	\$	\$
Revenue				
Interest income	25,198	40,118	140,948	119,827
Other income	15,100	13,300	78,036	37,900
	40,298	53,418	218,984	157,727
Expenses				
Impairment of exploration and evaluation assets	61,981	59,769	103,097	235,390
General and administrative expenses (Note 20)	569,641	480,331	1,697,158	1,512,394
(Income) loss on exploration and evaluation assets (Note 13)	(13,451)	218,532	(55,111)	102,942
General exploration expenses	138,023	165,564	443,248	516,344
Share-based payments	193,500	-	505,800	381,950
	949,694	924,196	2,694,192	2,749,020
Operating loss	(909,396)	(870,778)	(2,475,208)	(2,591,293)
Other (loss) income				
Loss on investment in associate (Note 7)	(37,021)	(39,176)	(101,837)	(777,072)
Impairment of marketable securities (Note 5)	(162,777)	-	(285,443)	-
(Loss) gain on fair-value of contingent shares receivable (Note 8)	(16,500)	-	45,000	(195,300)
Gain on sale of marketable securities	-	-	-	19,509
Foreign exchange (loss) gain	10,306	(5,326)	(37,880)	10,311
Net loss for the period	(1,115,388)	(915,280)	(2,855,368)	(3,533,845)
Other comprehensive loss				
Items that may be reclassified subsequently to profit or loss				
Net change in fair value of available-for-sale financial assets, net of tax of nil	(226,328)	111,280	347,049	(1,374,321)
Reclassification adjustment relating to available-for-sale financial assets disposed of in the period, net of tax of nil	-	-	-	(5,763)
Other comprehensive (loss) income for the period	(226,328)	111,280	347,049	(1,380,084)
Total comprehensive loss for the period	(1,341,716)	(804,000)	(2,508,319)	(4,913,929)
Basic and diluted net loss per share (Note 14)	(0.01)	(0.01)	(0.04)	(0.06)

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

Almaden Minerals Ltd.

Condensed consolidated interim statements of cash flows

(Unaudited - Expressed in Canadian dollars)

	Three months ended		Nine months ended	
	September 30,		September 30,	
	2014	2013	2014	2013
	\$	\$	\$	\$
Operating activities				
Net loss for the period	(1,115,388)	(915,280)	(2,855,368)	(3,533,835)
Items not affecting cash				
Loss on investment in associate	37,021	39,176	101,837	777,072
Depreciation	61,774	75,546	183,866	226,472
Gain on sale of marketable securities	-	-	-	(19,509)
Loss (gain) on fair-value of contingent shares receivable	16,500	-	(45,000)	195,300
Impairment of marketable securities	162,777	-	285,443	-
Loss on exploration and evaluation assets	-	218,532	-	102,942
Impairment of exploration and evaluation assets	61,981	59,769	103,097	235,390
Share-based payments	193,500	-	505,800	381,950
Changes in non-cash working capital components				
Accounts receivable and prepaid expenses	15,704	(8,345)	36,067	(69,410)
Trade and other payable	125,130	349,859	(422,058)	(313,032)
Net cash used in operating activities	(441,001)	(180,743)	(2,106,316)	(2,016,660)
Investing activities				
Exploration and evaluation assets deposit	-	-	138,929	-
Net proceeds on sale of marketable securities	-	-	-	22,565
Property, plant and equipment				
Purchases	(9,298)	(1,095)	(22,940)	(86,821)
Assets classified as held for sale	-	65,693	-	-
Mineral properties				
Costs	(2,620,144)	(1,845,719)	(5,188,826)	(5,233,487)
Net proceeds	-	-	-	127,420
Net cash used in investing activities	(2,629,442)	(1,781,121)	(5,072,837)	(5,170,323)
Financing activities				
Issuance of shares, net of share issue costs	5,759,250	993,884	5,880,750	5,291,434
Net cash from financing activities	5,759,250	993,884	5,880,750	5,291,434
Net cash (outflow) inflow	2,688,807	(967,980)	(1,298,403)	(1,895,549)
Cash and cash equivalents, beginning of period	8,007,563	15,559,839	11,994,773	16,487,408
Cash and cash equivalents, end of period	10,696,370	14,591,859	10,696,370	14,591,859

Supplemental cash flow and cash equivalents information - Note 15

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

Almaden Minerals Ltd.

Condensed consolidated interim statements of changes in equity

(Unaudited - Expressed in Canadian dollars)

	Share capital		Reserves				Deficit	Total
	Number of shares	Amount	Equity settled	Warrants	Available-for-	Total		
			employee benefits		sale financial assets			
	\$	\$	\$	\$	\$	\$	\$	
Balance, January 1, 2013	59,722,321	75,237,977	9,628,723	176,741	141,872	9,947,336	(37,113,826)	48,071,487
Shares issued for cash on exercise of stock options	145,000	172,550	-	-	-	-	-	172,550
Fair value of share options transferred to share capital on exercise of options	-	97,650	(97,650)	-	-	(97,650)	-	-
Shares issued pursuant to property acquisition agreement	250,000	537,500	-	-	-	-	-	537,500
Shares issued pursuant to private placement	4,376,000	5,011,004	-	-	-	-	-	5,011,004
Finder's warrant issued pursuant to private placement	-	-	-	107,880	-	107,880	-	107,880
Share-based payments	-	-	381,950	-	-	381,950	-	381,950
Total comprehensive loss for the period	-	-	-	-	(1,380,084)	(1,380,084)	(3,533,835)	(4,913,919)
Balance, September 30, 2013	64,493,321	81,056,681	9,913,023	284,621	(1,238,212)	8,959,432	(40,647,661)	49,368,452
Shares issued for cash on exercise of stock options	75,000	51,000	-	-	-	-	-	51,000
Fair value of share options transferred to share capital on exercise of options	-	39,000	(39,000)	-	-	(39,000)	-	-
Private placements and other	10,000	4,361	-	-	-	-	-	4,361
Total comprehensive loss for the period	-	-	-	-	1,289,736	1,289,736	(2,822,774)	(1,533,038)
Balance, December 31, 2013	64,578,321	81,151,042	9,874,023	284,621	51,524	10,210,168	(43,470,435)	47,890,775
Shares issued for cash on exercise of stock options	150,000	121,500	-	-	-	-	-	121,500
Fair value of share options transferred to share capital on exercise of options	-	67,500	(67,500)	-	-	(67,500)	-	-
Shares issued pursuant to private placement	4,000,000	5,743,889	-	-	-	-	-	5,743,889
Finder's warrant issued pursuant to private placement	-	-	-	15,361	-	15,361	-	15,361
Share-based payments	-	-	505,800	-	-	505,800	-	505,800
Total comprehensive loss for the period	-	-	-	-	347,049	347,049	(2,855,368)	(2,508,319)
Balance, September 30, 2014	68,728,321	87,083,931	10,312,323	299,982	398,573	11,010,878	(46,325,803)	51,769,006

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

Almaden Minerals Ltd.

Notes to the condensed consolidated interim financial statements

For the nine months ended September 30, 2014

Presented in Canadian dollars

1. Nature of Operations

Almaden Minerals Ltd. (the “Company” or “Almaden”) was formed by amalgamation under the laws of the Province of British Columbia, Canada on February 1, 2002. The Company is an exploration stage public company that is engaged directly in the exploration and development of exploration and evaluation properties in Canada, United States and Mexico. The address of the Company’s registered office is Suite 1710 –1177 West Hastings Street, Vancouver, BC, Canada V6E 2L3.

The Company is in the business of exploring and developing new mineral projects and has not yet determined whether these projects contain economically recoverable mineral reserves. The recoverability of amounts shown for mineral properties is dependent upon the establishment of a sufficient quantity of economically recoverable reserves, the ability of the Company to obtain the necessary financing or participation of joint venture partners to complete development of the properties and upon future profitable production or proceeds from the disposition of exploration and evaluation assets.

2. Basis of Presentation

(a) Statement of Compliance with International Financial Reporting Standards

These condensed consolidated interim financial statements, including comparatives, have been prepared in accordance and compliance with International Accounting Standards (“IAS”) 34 “*Interim Financial Reporting*” (“IAS 34”) using accounting policies consistent with the International Financial Reporting Standards (“IFRS”) issued by the International Accounting Standards Board (“IASB”).

(b) Basis of preparation

These condensed consolidated interim financial statements (“interim financial statements”) include the accounts of the Company and its subsidiaries. This interim financial statements does not include all of the information required of a full annual financial report and is intended to provide users with an update in relation to events and transactions that are significant to an understanding of the changes in financial position and performance of the Company since the end of the last annual reporting period. It is therefore recommended that this financial report be read in conjunction with the annual audited financial statements of the Company for the year ended December 31, 2013. However, this interim financial report provides selected significant disclosures that are required in the annual audited consolidated financial statements under IFRS.

Certain amounts in prior periods have been reclassified to conform to the current period presentation.

These condensed consolidated interim financial statements follow the same accounting policies and methods of application as the annual audited consolidated financial statements for the year ended December 31, 2013, with the exception of the following new accounting standards and amendments which the Company adopted and are effective for the Company’s interim and annual consolidated financial statements commencing January 1, 2014.

- IFRIC 21 – Levies
- Amendments to IAS 32 - Financial Instruments: Presentation

Almaden Minerals Ltd.

Notes to the condensed consolidated interim financial statements

For the nine months ended September 30, 2014

Presented in Canadian dollars

2. Basis of Presentation (Continued)

(b) Basis of preparation (continued)

IFRIC 21 'Levies' – This interpretation of IAS 37, 'Provisions, Contingent Liabilities and Contingent Assets', applies to the accounting for levies imposed by governments. IAS 37 sets out criteria for the recognition of a liability, one of which is the requirement for the entity to have a present obligation as a result of a past event ("obligating event"). IFRIC 21 clarifies that the obligating event that gives rise to a liability to pay a levy is the activity described in the relevant legislation that triggers the payment of the levy. There was no material impact on these unaudited condensed consolidated interim financial statements as a result of the adoption of this standard.

Amended standard *IAS 32 Financial Instruments: Presentation* ("IAS 32") - Amendment to IAS 32 are effective for annual periods beginning on or after January 1, 2014. This provides for amendments relating to offsetting financial assets and financial liabilities. The Company determined that the adoption of the amendments to IAS 32 did not result in any change in the financial statements.

The following are the accounting standards issued but not yet effective, as of September 30, 2014.

(a) Effective for annual periods beginning on or after October 1, 2014

- (i) Amended standard *IFRS 2 Share-based Payment* - The amendment to IFRS 2 re-defines the definition of "vesting condition."
- (ii) Amended standard *IFRS 3 Business Combinations* - The amendment to IFRS 3 provides further clarification on the accounting treatment for contingent consideration, and provides a scope exception for joint ventures.
- (iii) Amended standard *IFRS 8 Operating Segments* - The amendments to IFRS 8 provides further clarification on the disclosure required for the aggregation of segments and the reconciliation of segment assets.
- (iv) Amended standard *IFRS 13 Fair Value Measurement* - The amendment to IFRS 13 provides further details on the scope of the portfolio exception.
- (v) Amended standard *IAS 16 Property, Plant and Equipment* - The amendment to IAS 16 deals with the proportionate restatement of accumulated depreciation on revaluation.
- (vi) Amended standard *IAS 24 Related Party Disclosures* - The amendment to IAS 24 deals with the disclosure required for management entities.
- (vii) Amended standard *IAS 38 Intangible Assets* - The amendment to IAS 38 deals with the proportionate restatement of accumulated depreciation on revaluation.

(b) Effective for annual periods beginning on or after January 1, 2015

- (i) Amended standard *IFRS 7 Financial Instruments: Disclosures* - The amendments to IFRS 7 outline the disclosures required when initially applying *IFRS 9 Financial Instruments*.

(c) Effective for annual periods beginning on or after January 1, 2017

- (i) New standard *IFRS 15 Revenue from Contracts with Customers* - IFRS 15 provides guidance on how and when revenue from contracts with customers is to be recognized, along with new disclosure requirements in order to provide financial statement users with more informative and relevant information.

Almaden Minerals Ltd.

Notes to the condensed consolidated interim financial statements

For the nine months ended September 30, 2014

Presented in Canadian dollars

2. Basis of Presentation (Continued)

(b) Basis of preparation (continued)

(d) Effective for annual periods beginning on or after January 1, 2018

- (i) New standard *IFRS 9 Financial Instruments* - Partial replacement of *IAS 39 Financial Instruments: Recognition and Measurement*. The mandatory effective date has been removed from the standard and will only be replaced when all sections of the standard have been completed.

The Company has not early adopted these new and amended standards and is currently assessing the impact that these standards will have on the consolidated financial statements.

3. Significant accounting policies

These condensed consolidated interim financial statements have been prepared in accordance with IFRS as issued by the IASB on a basis consistent with those followed in the Company's most recent annual financial statements for the year ended December 31, 2013.

These condensed consolidated interim financial statements do not include all note disclosures required by IFRS for annual financial statements, and therefore should be read in conjunction with the annual financial statements for the year ended December 31, 2013. In the opinion of management, all adjustments considered necessary for fair presentation of the Company's financial position, results of operations and cash flows have been included. Operating results for the three and nine month periods ended September 30, 2014 are not necessarily indicative of the results that may be expected for the year ending December 31, 2014.

4. Accounts receivable and prepaid expenses

Accounts receivable and prepaid expenses consist of the following:

	September 30, 2014	December 31, 2013
Accounts receivable	\$ 318,770	\$ 346,492
Excise tax receivable	31,938	39,538
Allowance for doubtful accounts	(79,485)	(79,485)
Prepaid expenses	137,832	138,577
	\$ 409,055	\$ 445,122

At September 30, 2014, the Company has recorded value added taxes of \$1,223,314 (December 31, 2013 - \$944,897) in exploration and evaluation assets as the value added tax relates to certain projects and will be recovered when the assets are sold.

Almaden Minerals Ltd.

Notes to the condensed consolidated interim financial statements

For the nine months ended September 30, 2014

Presented in Canadian dollars

5. Marketable securities

Marketable securities consist of equity securities over which the Company does not have control or significant influence. Marketable securities are designated as available for sale and valued at fair value. Unrealized gains and losses due to period end revaluation to fair value, other than those determined to be other than significant or prolonged losses are recorded as other comprehensive income or loss. During the three and nine months ended September 30, 2014, the Company determined that \$162,777 and \$285,443 respectively (three and nine months ended September 30, 2013 - \$Nil and \$Nil respectively) of unrealized loss recorded in available-for-sale financial assets was a result of significant or prolonged losses.

6. Inventory

Inventory consists of 1,597 ounces of gold which is valued at the lower of average cost of mining and estimated net realizable value. The market value of the gold at September 30, 2014 is \$2,152,474 (December 31, 2013 - \$2,005,251).

7. Investment in associate

Gold Mountain Mining Corporation

On July 26, 2011, the Company closed an Asset Sale Agreement under which Gold Mountain Mining Corporation ("Gold Mountain") acquired 100% of the Elk gold deposit in Merritt, British Columbia and Almaden retains a 2% NSR ("Net Smelter Return") royalty in the project. Under the terms of the agreement, Almaden received 35 million common shares of Gold Mountain and recorded a gain on sale in the amount of \$4,122,166 and management's best estimate of the fair value of the contingently issuable shares of \$144,000. Concurrent with the transaction, Almaden sold 8.25 million common shares of Gold Mountain to third parties at \$0.355 per share for gross proceeds of \$2,928,750 resulting in no gain or loss on sale and now holds 26.75 million common shares of Gold Mountain representing a 38.8% interest. Upon completion of the transaction, Duane Poliquin (Chairman and Director of Almaden) and Morgan Poliquin (CEO and Director of Almaden) became directors of Gold Mountain.

Almaden is accounting for this investment using the equity method as the Company has determined that significant influence exists. Almaden has recorded its equity share of Gold Mountain's loss during the three and nine months ended September 30, 2014 in the amount of \$37,021 and \$101,837, respectively (three and nine months ended September 30, 2013 – loss of \$39,176 and \$777,072, respectively). The fair value of the investment at September 30, 2014 is \$3,477,500 (December 31, 2013 - \$2,407,500).

The following table summarizes the financial information of Gold Mountain for its nine months ended September 30, 2014 and its year ended December 31, 2013:

	September 30, 2014	December 31, 2013
Current assets	\$ 892,868	\$ 2,606,837
Non-current assets	\$ 30,125,585	\$ 28,529,408
Current liabilities	\$ 227,097	\$ 51,923
Non-current liabilities	\$ 1,664,608	\$ 1,664,608
Revenue	\$ 7,545	\$ 51,141
Net loss	\$ 292,966	\$ 311,190

Almaden Minerals Ltd.

Notes to the condensed consolidated interim financial statements

For the nine months ended September 30, 2014

Presented in Canadian dollars

8. Contingent shares receivable

(a) As part of the Asset Sale Agreement with Gold Mountain, Almaden received an additional 2 million common shares held in escrow subject to the following conditions:

- i. 1,000,000 common shares upon the establishment of one million ounces of measured or indicated reserves of gold on the property; and
- ii. 1,000,000 common shares upon the establishment of an additional one million ounces of measured and indicated reserves of gold on the property.

Any bonus shares not released from escrow by April 30, 2016 will be cancelled. The Company has recorded a contingent share receivable of \$19,500 (December 31, 2013 - \$13,500) based on management's best estimate of the fair value of the common shares as at September 30, 2014 and a gain on fair value adjustment during the three months ended September 30, 2014 of \$3,000 and a gain on fair value adjustment during the nine months ended September 30, 2014 of \$6,000 (three and nine months ended September 30, 2013 – loss of \$Nil and \$Nil, respectively) in the statements of comprehensive loss during the nine months ended September 30, 2014.

(b) On October 14, 2011, the Company completed the sale of its 30% interest in the Caballo Blanco property to Goldgroup Mining Inc. ("Goldgroup"). The Company retains in its Mexican subsidiary an undivided 1.5% NSR in Caballo Blanco. In consideration, Goldgroup paid to Almaden cash consideration of US\$2.5 million and issued 7 million of its common shares. An additional 7 million common shares will be issued to Almaden under the following conditions:

- i. 1,000,000 common shares upon commencement of commercial production on the Caballo Blanco project,
- ii. 2,000,000 common shares upon measured and indicated resources including cumulative production reaching 2,000,000 ounces of gold,
- iii. 2,000,000 common shares upon measured, indicated and inferred resources including cumulative production reaching 5,000,000 ounces of gold, and
- iv. 2,000,000 common shares upon measured, indicated and inferred resources including cumulative production reaching 10,000,000 ounces of gold.

The Company has recorded a contingent share receivable of \$70,200 (December 31, 2013 - \$31,200) based on management's best estimate of the fair value of the common shares as at September 30, 2014 and a loss on fair value adjustment during the three months ended September 30, 2014 of \$19,500 and a gain on fair value adjustment during the nine months ended September 30, 2014 of \$39,000 (three and nine months ended September 30, 2013 – loss of \$Nil and \$195,300, respectively) in the statements of comprehensive loss during the nine months ended September 30, 2014.

Almaden Minerals Ltd.

Notes to the condensed consolidated interim financial statements

For the nine months ended September 30, 2014

Presented in Canadian dollars

9. Property, plant and equipment

	Automotive equipment	Furniture and fixtures	Computer hardware	Computer software	Geological library	Field equipment	Leasehold improvements	Drill equipment	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Cost									
December 31, 2013	541,260	139,195	330,090	214,812	65,106	452,110	27,181	1,534,988	3,304,742
Additions	-	-	13,037	514	-	9,389	-	-	22,940
September 30, 2014	541,260	139,195	343,127	215,326	65,106	461,499	27,181	1,534,988	3,327,682
Accumulated depreciation									
December 31, 2013	418,088	127,816	288,001	146,856	58,976	312,233	27,181	822,521	2,201,672
Depreciation	27,714	1,707	10,568	15,348	919	20,739	-	106,871	183,866
September 30, 2014	445,802	129,523	298,569	162,204	59,895	332,972	27,181	929,392	2,385,538
Carrying amounts									
December 31, 2013	123,172	11,379	42,089	67,956	6,130	139,877	-	712,467	1,103,070
September 30, 2014	95,458	9,672	44,558	53,122	5,211	128,527	-	605,596	942,144

Almaden Minerals Ltd.

Notes to the condensed consolidated interim financial statements

For the nine months ended September 30, 2014

Presented in Canadian dollars

10. Exploration and evaluation assets

	Tuligtic	EI Cobre	ATW	Willow	Other Properties	Total
	\$	\$	\$	\$	\$	\$
Exploration and evaluation assets						
Acquisition costs						
Opening balance (December 31, 2013)	1,232,765	47,261	46,451	148,254	13,045	1,487,776
Additions	868,047	-	-	-	1,015	869,062
Impairment of deferred acquisition costs	-	-	-	-	(1,016)	(1,016)
Closing balance (September 30, 2014)	2,100,812	47,261	46,451	148,254	13,044	2,355,822
Deferred exploration costs						
Opening balance (December 31, 2013)	19,131,734	1,315,226	1,423,530	700,688	388,195	22,959,373
Costs incurred during the period						
Drilling and related costs	1,177,069	-	-	-	-	1,177,069
Professional/technical fees	185,645	28,689	-	-	18,019	232,353
Claim maintenance/lease costs	248,142	58,321	15,581	25,144	117,640	464,828
Geochemical, metallurgy, geomechanical	302,194	-	-	-	-	302,194
Technical studies	894,646	-	-	-	-	894,646
Travel and accommodation	273,300	6,260	-	-	3,991	283,551
Geology, geophysics, exploration	601,920	7,458	-	-	18,170	627,548
Supplies and misc.	13,212	-	72	-	1,162	14,446
Reclamation, environmental	40,557	-	-	-	-	40,557
Water exploration	4,155	-	-	-	-	4,155
Value-added tax	263,794	-	-	-	14,623	278,417
Impairment of deferred exploration costs	-	-	-	-	(102,081)	(102,081)
Closing balance (September 30, 2014)	4,004,634	100,728	15,653	25,144	71,524	4,217,683
Opening balance (December 31, 2013)	20,364,499	1,362,487	1,469,981	848,942	401,240	24,447,149
Total exploration and evaluation assets	25,237,180	1,463,215	1,485,634	874,086	472,763	29,532,878

Almaden Minerals Ltd.

Notes to the condensed consolidated interim financial statements

For the nine months ended September 30, 2014

Presented in Canadian dollars

10. Exploration and evaluation assets (Continued)

The following is a description of the Company's most significant property interest and related spending commitments:

(a) Tuligtic

In 2001, the Company acquired by staking a 100% interest in the Tuligtic property in Puebla, Mexico. The property contains the Ixtaca Zone.

(b) El Cobre

During 2011, the Company completed the sale of its 30% interest in the Caballo Blanco property located in Veracruz, Mexico to Goldgroup. As part of the sale, Goldgroup transferred to Almaden its 40% interest in the El Cobre property. The Company owns a 100% interest in the El Cobre property.

(c) ATW

The Company has a net 66.2% interest in this diamond property in the Northwest Territories, Canada through its 50% ownership of shares in ATW Resources Ltd. which holds the mineral claim.

(d) Willow

In 2007, the Company acquired a 100% interest in the Willow property in Nevada, U.S.A. by staking.

(e) Other Properties

(i) Nicoamen River

The Company staked and acquired a 100% interest in the Nicoamen River property.

(ii) Skoonka Creek

The Company has a 34.14% interest in the Skoonka Creek gold property.

(iii) Merit

The Company acquired by staking a 100% interest in the Merit property. The Company recorded a write-down in the three and nine months ended September 30, 2014 of \$16,311 and \$16,311, respectively (three and nine months ended September 30, 2013 - \$nil and \$nil, respectively).

(iv) San Jose

The Company purchased a 100% interest in the San Jose claim. The Company recorded a write-down in the three and nine months ended September 30, 2014 of \$214 and \$427, respectively (three and nine months ended September 30, 2013 - \$201 and \$24,075, respectively).

(v) Matehuapil

During 2007, the Company was successful in its bid to acquire a 100% interest in the Matehuapil claim. In 2008, the purchase price was paid outright. A bond in the amount of \$138,929 ("Mineral property deposit") to pay for the purchase of an NSR royalty was required to remain in place until the NSR is purchased. The Company abandoned the claims in 2013 and the bond was released on June 3, 2014.

Almaden Minerals Ltd.

Notes to the condensed consolidated interim financial statements

For the nine months ended September 30, 2014

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10. Exploration and evaluation assets (Continued)

(e) Other (continued)

(vi) Caldera

The Company acquired a 100% interest in the Caldera property by staking. The Company recorded a write-down in the three and nine months ended September 30, 2014 of \$16,144 and \$35,846, respectively (three and nine months ended September 30, 2013 - \$10,315 and \$69,910 respectively).

(vii) Other write-downs of interest in exploration and evaluation assets

During the three and nine months ended September 30, 2014, the Company wrote down its interest in other exploration and evaluation assets in aggregate by \$29,312 and \$50,513, respectively (three and nine months ended September 30, 2013 - \$49,253 and \$141,405, respectively).

11. Share capital and reserves

(a) Authorized share capital

At September 30, 2014, the authorized share capital comprised an unlimited number of common shares. The common shares do not have a par value. All issued shares are fully paid.

(b) Details of private placement of common shares in 2014

On August 1, 2014, the Company closed a non-brokered private placement by the issuance of 4,000,000 units at a price of \$1.50 per unit for gross proceeds to the Company of \$6,000,000. Each unit consists of one common share and one-half of one non-transferable common share purchase warrant. Each whole warrant allows the holder to purchase one common share at a price of \$2.00 per common share until August 1, 2015. The Company incurred finders' fees of \$122,761 that comprised of a cash payment of \$107,400 and the issuance of finder's warrants to purchase up to 48,000 common shares at a price of \$1.50 per common share until August 1, 2015. The fair value of the finder's warrants of \$15,361 was estimated using the Black-Scholes option pricing model with the following assumptions: Risk-free interest rate – 1.00%; Expected life - 1 year; Expected volatility – 49.30%; and Expected dividend yield - 0%. In connection with the private placement, the Company also incurred \$133,350 share issue costs.

Almaden Minerals Ltd.

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11. Share capital and reserves (Continued)

(c) Warrants

The continuity of warrants for the nine months ended September 30, 2014 is as follows:

Expiry date	Exercise Price	December 31, 2013	Granted	Exercised	Expired/cancelled	September 30, 2014
January 17, 2015*	\$ 1.50	4,376,000	-	-	-	4,376,000
July 17, 2016	\$ 1.50	186,000	-	-	-	186,000
August 1, 2015	\$ 2.00	-	2,000,000	-	-	2,000,000
August 1, 2015	\$ 1.50	-	48,000	-	-	48,000
Warrants outstanding and exercisable		4,562,000	2,048,000	-	-	6,610,000
Weighted average exercise price		\$ 1.50	\$ 1.99	-	-	\$ 1.66

*Expiry date is extended to July 17, 2016 and exercise price is increased to \$1.80 per share if the warrants are not exercised by January 17, 2015.

(d) Share purchase option compensation plan

The Company's stock option plan permits the issuance of options up to a maximum of 10% of the Company's issued share capital. Stock options issued to any consultant or person providing investor relations services cannot exceed 2% of the issued and outstanding common shares in any twelve month period. At September 30, 2014, the Company had reserved 677,832 stock options that may be granted. The exercise price of any option cannot be less than the volume weighted average trading price of the shares for the five trading days immediately preceding the date of the grant. The maximum term of all options is five years. The Board of Directors determines the term of the option (to a maximum of five years) and the time during which any option may vest. Options granted to consultants or persons providing investor relations services shall vest in stages with no more than 25% of such option being exercisable in any three month period. All options granted during the nine months ended September 30, 2014 vested on the date granted.

Almaden Minerals Ltd.

Notes to the condensed consolidated interim financial statements

For the nine months ended September 30, 2014

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11. Share capital and reserves (Continued)

(d) Share purchase option compensation plan (continued)

The continuity of stock options for the nine months ended September 30, 2014 is as follows:

Expiry date	Exercise Price	December 31, 2013	Granted	Exercised	Expired/cancelled	September 30, 2014
May 4, 2014	\$ 2.18	65,000	-	-	(65,000)	-
July 13, 2014	\$ 1.96	170,000	-	-	(170,000)	-
November 22, 2014	\$ 2.53	60,000	-	-	-	60,000
November 25, 2014	\$ 0.81	150,000	-	(150,000)	-	-
January 4, 2015	\$ 1.14	970,000	-	-	-	970,000
February 22, 2015	\$ 2.26	20,000	-	-	-	20,000
April 25, 2015	\$ 1.67	25,000	-	-	-	25,000
June 21, 2015	\$ 1.00	140,000	-	-	-	140,000
July 16, 2015	\$ 0.92	200,000	-	-	-	200,000
August 27, 2015	\$ 2.22	205,000	-	-	-	205,000
September 20, 2015	\$ 2.67	100,000	-	-	-	100,000
November 22, 2015	\$ 2.73	75,000	-	-	-	75,000
May 6, 2016	\$ 1.51	-	65,000	-	-	65,000
June 8, 2016	\$ 3.29	2,270,000	-	-	-	2,270,000
July 14, 2016	\$ 1.56	-	150,000	-	-	150,000
August 15, 2016	\$ 2.93	150,000	-	-	-	150,000
May 4, 2017	\$ 2.18	225,000	-	-	-	225,000
June 8, 2017	\$ 2.25	75,000	-	-	-	75,000
September 11, 2017	\$ 2.63	500,000	-	-	-	500,000
November 22, 2017	\$ 2.53	100,000	-	-	-	100,000
April 4, 2018	\$ 1.98	90,000	-	-	-	90,000
June 18, 2018	\$ 1.66	250,000	-	-	-	250,000
January 2, 2019	\$ 1.19	-	375,000	-	-	375,000
July 2, 2019	\$ 1.50	-	150,000	-	-	150,000
Options outstanding and exercisable		5,840,000	740,000	(150,000)	(235,000)	6,195,000
Weighted average exercise price		\$ 2.38	\$ 1.36	\$ 0.81	\$ 2.02	\$ 2.31

Almaden Minerals Ltd.

Notes to the condensed consolidated interim financial statements

For the nine months ended September 30, 2014

Presented in Canadian dollars

11. Share capital and reserves (Continued)

(d) Share purchase option compensation plan (continued)

The weighted average fair value of options granted during the nine months ended September 30, 2014, calculated using the Black-Scholes model at grant date, are as follows:

Number of options	Date of grant	Fair value per share	Weighted average assumptions used			
			Risk free interest rate	Expected life (in years)	Expected volatility	Expected dividends
375,000	January 2, 2014	\$ 1.30	1.43%	5	68.01%	\$Nil
65,000	May 6, 2014	\$ 0.42	1.08%	2	52.61%	\$Nil
150,000	July 2, 2014	\$ 0.83	1.47%	5	66.05%	\$Nil
150,000	July 14, 2014	\$ 0.46	1.08%	2	52.55%	\$Nil

12. Related party transactions and balances

(a) Compensation of key management personnel

Key management includes members of the Board, the President and Chief Executive Officer, the Chief Financial Officer and the Vice President, Corporate Development (Effective September 22, 2014). The aggregate compensation paid or payable to key management for services is as follows:

	Three months ended September 30,		Nine months ended September 30,	
	2014	2013	2014	2013
Salaries, fees and benefits	\$ 176,875 ⁽ⁱ⁾	\$ 172,500 ⁽ⁱ⁾	\$ 521,875 ⁽ⁱ⁾	\$ 517,500 ⁽ⁱ⁾
Share-based compensation	124,500 ⁽ⁱⁱ⁾	-	409,500 ⁽ⁱⁱⁱ⁾	340,250 ^(iv)
Director's fees	-	-	48,000	48,000
	\$ 301,375	\$ 172,500	\$ 979,375	\$ 905,750

⁽ⁱ⁾ Hawk Mountain Resources Ltd. ("Hawk Mountain"), a private company of which the Chairman of the Company is a shareholder, was paid \$60,000 and \$180,000, respectively, during the three and nine months ended September 30, 2014 (three and nine months ended September 30, 2013 - \$60,000 and \$180,000, respectively) for geological services provided to the Company and is recorded in general exploration expenses.

⁽ⁱⁱ⁾ Comprised of 150,000 options granted pursuant to the Company's stock option plan. The value of the option-based awards is based on the fair value of the awards (\$0.83) calculated using the Black-Scholes model at the July 2, 2014 grant date.

⁽ⁱⁱⁱ⁾ Comprised of stock options granted pursuant to the Company's stock option plan. The value of 375,000 option-based awards is based on the fair value of the awards (\$0.76) calculated using the Black-Scholes model at the January 2, 2014 grant date. The value of 150,000 option-based awards is based on the fair value of the awards (\$0.83) calculated using the Black-Scholes model at the July 2, 2014 grant date.

Almaden Minerals Ltd.

Notes to the condensed consolidated interim financial statements

For the nine months ended September 30, 2014

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12. Related party transactions and balances (Continued)

(a) Compensation of key management personnel (continued)

- (iv) Comprised of options granted pursuant to the Company's stock option plan. The value of 75,000 option-based awards is based on the fair value of the awards (\$1.17) calculated using the Black-Scholes model at the April 4, 2013 grant date. The value of 250,000 option-based awards is based on the fair value of the awards (\$1.01) calculated using the Black-Scholes model at the June 18, 2013 grant date. All options vested upon grant.

(b) Other related party transactions

i) ATW Resources Ltd. ("ATW")

Almaden owns a 50% interest in this company which holds title in trust for a mineral property.

ii) Other

- (a) During the three and nine months ended September 30, 2014, no payments were paid to Hawk Mountain for marketing and general administration services provided by the spouse of the Chairman (three and nine months ended September 30, 2013 - \$Nil and \$6,300, respectively).
- (b) During the three and nine months ended September 30, 2014, the Company employed the Chairman's daughter for a salary of \$8,450 and \$25,350, respectively, less statutory deductions (three and nine months ended September 30, 2013 - \$7,250 and \$21,750, respectively) for marketing and administrative services provided to the Company.
- (c) During the three and nine months ended September 30, 2014, the Company paid a company controlled by a Director of the Company, \$Nil and \$Nil, respectively (three and nine months ended September 30, 2013 - \$700 and \$700, respectively) for accounting services provided to the Company.

13. Income on exploration and evaluation assets

Income (loss) on exploration and evaluation assets is comprised of the following:

	Three months ended September 30,		Nine months ended September 30,	
	2014	2013	2014	2013
Sale of Dill property	\$ -	\$ -	\$ -	\$ 30,000
Sale of Fuego property	-	-	-	85,590
Sale of Yago, Mezquites, Llano Grande, San Pedro, BP and Black Jack Springs properties	-	(218,532)	-	(218,532)
Other	13,451	-	55,111	-
	<u>\$ 13,451</u>	<u>\$ (218,532)</u>	<u>\$ 55,111</u>	<u>\$ (102,942)</u>

Recorded in Other is a reduction of the December 31, 2013 accrual reversing previous years' recovery of exploration costs as a result of a Canada Revenue Agency review of Almaden's 2010 and 2011 British Columbia Mining Exploration Tax Credit ("BCMETS") from various grassroots mineral projects in British Columbia, Canada.

Almaden Minerals Ltd.

Notes to the condensed consolidated interim financial statements

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14. Net loss per share

Basic and diluted net loss per share

The calculation of basic net loss per share for the three months ended September 30, 2014 was based on the loss attributable to common shareholders of \$1,115,388 (September 30, 2013 - \$915,280) and a weighted average number of common shares outstanding of 67,380,495 (September 30, 2013 – 61,226,848).

The calculation of basic net loss per share for the nine months ended September 30, 2014 was based on the loss attributable to common shareholders of \$2,855,368 (September 30, 2013 - \$3,533,845) and a weighted average number of common shares outstanding of 65,523,193 (September 30, 2013 – 63,732,278).

The calculation of diluted net loss per share for the three and nine month periods ended September 30, 2014 and 2013 did not include the effect of stock options and warrants as they are anti-dilutive.

15. Supplemental cash flow information

Supplemental information regarding non-cash transactions is as follows:

(a) Supplemental information regarding non-cash transactions is as follows:

	September 30, 2014	September 30, 2013
Investing activities		
Fair value of share options transferred to share capital on exercise of options	\$ 67,500	\$ 97,650
Fair value of finder's warrants	15,361	-
Shares received on sale of Dill property	-	5,000
Shares received on sale of Yago, Mezquites, Llano Grande, San Pedro, BP and Black Jack Springs properties	-	220,000

(b) Supplemental information regarding the split between cash and cash equivalents is as follows:

	September 30, 2014	December 31, 2013
Cash	\$ 946,320	\$ 1,694,723
Term Deposits	9,750,050	10,300,050
	\$ 10,696,370	\$ 11,994,773

Almaden Minerals Ltd.

Notes to the condensed consolidated interim financial statements

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16. Commitments

The Company has entered into an operating lease for office premises through 2016. On January 29, 2013, the Company entered into contracts with its Chairman and President for an annual remuneration of \$240,000 and \$265,000 respectively effective January 1, 2013, for two years, renewable for two additional successive terms of 24 months.

As at September 30, 2014, the remaining payments for the executive contract and the operating lease are due as follows:

	2014	2015	2016	2017	2018	Total
Office lease	\$ 37,041	\$148,164	\$ 12,347	\$ -	\$ -	\$ 197,552
Executive contracts	126,250	505,000	505,000	505,000	505,000	2,146,250
	<u>\$163,291</u>	<u>\$653,164</u>	<u>\$517,347</u>	<u>\$505,000</u>	<u>\$505,000</u>	<u>\$2,343,802</u>

17. Financial instruments

The fair values of the Company's cash and cash equivalent, accounts receivable and trade and other payables approximate their carrying values because of the short-term nature of these instruments.

The Company's financial instruments are exposed to certain financial risks, including currency risk, credit risk, liquidity risk, interest risk and commodity price risk.

(a) Currency risk

The Company's property interests in Mexico make it subject to foreign currency fluctuations and inflationary pressures which may adversely affect the Company's financial position, results of operations and cash flows. The Company is affected by changes in exchange rates between the Canadian Dollar and foreign functional currencies. The Company does not invest in foreign currency contracts to mitigate the risks.

As at September 30, 2014, the Company is exposed to foreign exchange risk through the following assets and liabilities denominated in currencies other than the functional currency of the applicable subsidiary:

All amounts in Canadian dollars	US dollar	Mexican peso
Cash and cash equivalents	\$ 400,213	\$ 285,263
Accounts receivable and prepaid expenses	67,179	16,121
Total assets	\$ 467,392	\$ 301,384
<hr/>		
Trade and other payables	\$ 44,624	\$ 25,922
Total liabilities	\$ 44,624	\$ 25,922
<hr/>		
Net assets	\$ 422,768	\$ 275,462

Almaden Minerals Ltd.

Notes to the condensed consolidated interim financial statements

For the nine months ended September 30, 2014

Presented in Canadian dollars

17. Financial instruments (Continued)

A 10% change in the US dollar exchange rate relative to the Canadian dollar would change the Company's net income by \$42,000.

A 10% change in the Mexican peso relative to the Canadian dollar would change the Company's net income by \$27,500.

(b) Credit risk

The Company's cash and cash equivalents are held in large Canadian financial institutions. These investments mature at various dates during the twelve months following the statement of financial position date. The Company's excise tax consists primarily of sales tax due from the federal government of Canada. The Company is exposed to credit risks through its accounts receivable.

To mitigate exposure to credit risk on cash and cash equivalents, the Company has established policies to limit the concentration of credit risk with any given banking institution where the funds are held, to ensure counterparties demonstrate minimum acceptable credit risk worthiness and ensure liquidity of available funds.

As at September 30, 2014, the Company's maximum exposure to credit risk is the carrying value of its cash and cash equivalents and accounts receivable.

(c) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk through the management of its capital structure.

Trade and other payables are due within twelve months of the statement of financial position date.

(d) 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.

A 1% change in the interest rate would change the Company's net income by \$97,500.

(e) Commodity price risk

The ability of the Company to explore its exploration and evaluation assets and the future profitability of the Company are directly related to the market price of gold and other precious metals. The Company has not hedged any of its potential future gold sales. The Company monitors gold prices to determine the appropriate course of action to be taken by the Company.

A 1% change in the price of gold would affect the fair value of the Company's gold inventory by \$21,500.

Almaden Minerals Ltd.

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17. Financial instruments (Continued)

(f) Classification of Financial instruments

IFRS 7 establishes a fair value hierarchy that prioritizes the input to valuation techniques used to measure fair value as follows:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The following table sets forth the Company's financial assets measured at fair value by level within the fair value hierarchy.

	Level 1	Level 2	Level 3	Total
Assets:				
Marketable securities	\$ 1,120,267	\$ -	\$ -	\$ 1,120,267

18. Management of capital

The Company considers its capital to consist of common shares, stock options and warrants. The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the exploration of its exploration and evaluation assets and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares and, acquire or dispose of assets.

In order to maximize ongoing exploration efforts, the Company does not pay out dividends. The Company's investment policy is to invest its short-term excess cash in highly liquid short-term interest-bearing investments with short term maturities, selected with regards to the expected timing of expenditures from continuing operations.

The Company expects its current capital resources will be sufficient to carry its exploration plans and operations for the foreseeable future.

Almaden Minerals Ltd.

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19. Segmented information

The Company operates in one reportable operating segment, being the acquisition and exploration of mineral resource properties.

The Company has exploration and evaluation assets and property, plant and equipment in the following geographic locations:

	September 30, 2014	December 31, 2013
Canada	\$ 2,415,592	\$ 2,562,469
United States	895,173	848,945
Mexico	27,164,257	22,138,805
	\$ 30,475,022	\$ 25,550,219

The Company's revenues were primarily earned in Canada from interest income on corporate cash reserves and investment income.

20. General and administrative expenses

	Three months ended September 30,		Nine months ended September 30,	
	2014	2013	2014	2013
Professional fees	\$ 182,261	\$ 76,153	\$ 367,747	\$ 216,548
Salaries and benefits	132,067	125,525	399,390	387,260
Travel and promotion	70,524	89,709	274,100	199,566
Depreciation	61,774	75,546	183,866	226,472
Office and license	34,420	34,731	118,809	126,382
Rent	44,874	42,219	133,606	125,557
Stock exchange fees	10,301	-	88,127	87,070
Insurance	23,034	25,715	62,858	75,069
Transfer agent fees	10,386	10,733	20,655	20,470
Directors fees	-	-	48,000	48,000
	\$ 569,641	\$ 480,331	\$ 1,697,158	\$ 1,512,394

21. Subsequent event

On October 21, 2014, the Company announced that its Board of Directors has unanimously approved a strategic reorganization of its business. Almaden's early stage exploration projects, royalty interests and certain other non-core assets will be transferred to a newly incorporated company ("Spinco"). Shareholders of the Company will receive shares in Spinco in proportion to their shareholdings in Almaden. There will be no change to shareholders' existing interests in the Company.

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Notes to the condensed consolidated interim financial statements

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21. Subsequent event (Continued)

It is intended that, as part of the reorganization, Almaden's current shareholders will receive shares of Spinco by way of a share exchange, pursuant to which each existing share of Almaden is exchanged for one "new" share of Almaden and 0.6 of a share of Spinco. This exchange is intended to be taxed in a manner similar to a return of capital on the shares of Almaden. Warrantholders of Almaden will receive warrants of Spinco which are proportionate to, and reflective of the terms of, their existing warrants. The reorganization will be effected by way of a plan of arrangement under the Business Corporations Act (British Columbia), and must be approved by the Supreme Court of British Columbia and by the affirmative vote of 66 2/3% of Almaden's shareholders in attendance at a shareholders' meeting. The Company intends to apply for a listing of the shares of Spinco on the TSX Venture Exchange ("TSX-V"). Any such listing will be subject to Spinco fulfilling all of the requirements of the TSX-V.

On October 10, 2014, the Company granted 150,000 options with an exercise price of \$1.40 to an employee. The options are exercisable for a period of two years. All of the options granted vested immediately at the date of grant.