Condensed Consolidated Interim Financial Statements of

Almaden Minerals Ltd.

Quarter Ended June 30, 2012

NOTICE OF NO AUDITOR REVIEW OF INTERIM CONSOLIDATED FINANCIAL STATEMENTS

The accompanying unaudited consolidated interim financial statements of Almaden Minerals Ltd. for the six months ended June 30, 2012 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 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)

	June 30, 2012	December 31, 2011
	$	$
ASSETS		
Current assets		
Cash and cash equivalents (Note 14)	**19,972,391**	21,184,159
Accounts receivable and prepaid expenses (Note 4)	**1,206,902**	1,148,406
Marketable securities (Note 5)	**2,768,957**	8,471,167
Inventory (Note 6)	**274,768**	274,768
	24,223,018	31,078,500
Non-current assets		
Investments in associate (Note 7)	**10,300,708**	10,179,423
Exploration and evaluation assets deposit (Note 10(g)(vi))	**138,929**	138,929
Reclamation deposit	**109,764**	129,764
Contingent share receivable (Note 8)	**268,800**	662,700
Property, plant and equipment (Note 9)	**1,413,483**	1,245,543
Exploration and evaluation assets (Note 10)	**13,586,135**	10,470,410
	25,817,819	22,826,769
TOTAL ASSETS	**50,040,837**	53,905,269
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities	**322,850**	565,097
	322,850	565,097
EQUITY		
Share capital (Note 11)	**73,507,977**	73,353,977
Reserves (Note 11)	**5,919,872**	6,861,644
Deficit	**(29,709,862)**	(26,875,449)
	49,717,987	53,340,172
TOTAL EQUITY AND LIABILITIES	**50,040,837**	53,905,269

Commitments (Note 15)

These consolidated financial statements are authorized for issue by the Board of Directors on August 8, 2012.
They are signed on the Company's behalf by:

/s/Duane Poliquin
Director

/s/James E. McInnes
Director

Almaden Minerals Ltd.

Condensed consolidated interim statements of comprehensive loss

(Unaudited - Expressed in Canadian dollars)

	Three months ended June 30,		Six months ended June 30,	
	2012	2011	**2012**	2011
	$	$	**$**	$
Revenue				
Interest income	**43,769**	74,017	**73,910**	101,858
Other income	**22,300**	12,300	**34,600**	24,600
	66,069	86,317	**108,510**	126,458
Expenses				
Write-down of interest in mineral properties	**499,902**	57,738	**634,052**	186,233
General and administrative expenses (Schedule 1)	**474,646**	496,425	**1,061,058**	939,783
General exploration expenses	**233,457**	226,755	**424,578**	478,377
Share-based payments	**716,500**	4,384,800	**716,500**	4,445,100
	1,924,505	5,165,718	**2,836,188**	6,049,493
Operating loss	**(1,858,436)**	(5,079,401)	**(2,727,678)**	(5,923,035)
Other income (loss)				
Income on mineral property options	**-**	-	**42,500**	-
Gain (loss) on equity investment (Note 7)	**(37,809)**	240,095	**121,285**	218,347
Loss on dilution of equity investment (Note 7)	**-**	(122,968)	**-**	(122,968)
Gain (loss) on sale of marketable securities	**(5,060)**	100,779	**158,070**	95,219
Loss on fair-value of contingent share receivable (Note 8)	**(213,900)**	-	**(393,900)**	-
Gain (loss) on sale of property, plant and equipment	**-**	(8,334)	**3,051**	(9,731)
Foreign exchange loss	**12,185**	(74,834)	**(37,741)**	(65,329)
Loss before income taxes	**(2,103,020)**	(4,944,663)	**(2,834,413)**	(5,807,497)
Income tax recovery	-	-	**-**	20,000
Net loss for the period	**(2,103,020)**	(4,944,663)	**(2,834,413)**	(5,787,497)
Other comprehensive income (loss)				
Net change in fair value of available-for-sale financial assets, net of tax of nil	**(1,864,342)**	(376,414)	**(1,950,161)**	(240,670)
Reclassification adjustment relating to available-for-sale financial assets disposed of in the period, net of tax of nil	**3,000**	(103,194)	**345,889**	(92,981)
Other comprehensive loss for the period	**(1,861,342)**	(479,608)	**(1,604,272)**	(333,651)
Total comprehensive loss for the period	**(3,964,362)**	(5,424,271)	**(4,438,685)**	(6,121,148)
Basic net loss per share (Note 13)	**(0.04)**	(0.09)	**(0.05)**	(0.10)
Diluted net loss per share (Note 13)	**(0.04)**	(0.08)	**(0.05)**	(0.10)

Almaden Minerals Ltd.

Condensed consolidated interim statements of cash flows

(Unaudited - Expressed in Canadian dollars)

	Three months ended June 30,		Six months ended June 30,	
	2012	2011	**2012**	2011
	$	$	**$**	$
Operating activities				
Net loss for the period	**(2,103,020)**	(4,944,663)	**(2,834,413)**	(5,787,497)
Items not affecting cash				
Income tax recovery	**-**	-	**-**	(20,000)
(Gain) loss on equity investment	**37,809**	(240,095)	**(121,285)**	(218,347)
Loss on dilution	**-**	122,968	**-**	122,968
Depreciation	**73,761**	57,491	**144,949**	113,528
(Gain) loss on sale of marketable securities	**5,060**	(100,779)	**(158,070)**	(95,219)
Loss on fair value of contingent share receivable	**213,900**	-	**393,900**	-
Income on mineral property options	**-**	-	**(42,500)**	-
Write-down of interest in mineral properties	**499,902**	57,738	**634,052**	186,233
Share-based payments	**716,500**	4,384,800	**716,500**	4,445,100
(Gain) loss on sale of property, plant and equipment	**-**	8,334	**(3,051)**	9,731
Changes in non-cash working capital components				
Accounts receivable and prepaid expenses	**(154,191)**	(42,572)	**(58,496)**	(155,196)
Accounts payable and accrued liabilities	**(271,191)**	11,496	**(242,247)**	47,540
Net cashed used in operating activities	**(981,470)**	(685,282)	**(1,570,661)**	(1,351,159)
Investing activities				
Reclamation deposit	**-**	-	**20,000**	-
Net proceeds on sale of marketable securities	**8,930**	447,815	**4,273,508**	473,015
Short-term investment	**-**	2,000,000	**-**	2,000,000
Property, plant and equipment				
Purchases	**(303,101)**	(68,543)	**(316,981)**	(297,056)
Net proceeds	**-**	9,165	**7,143**	14,665
Assets classified as held for sale	**-**	(81,528)	-	(276,070)
Mineral properties				
Costs	**(1,668,003)**	(1,596,198)	**(3,749,777)**	(3,045,302)
Net proceeds	**-**		**25,000**	-
Net cash from (used in) investing activities	**(1,962,174)**	710,711	**258,893**	(1,130,748)
Financing activities				
Issuance of shares, net of share issue costs	**100,000**	4,682,999	**100,000**	5,314,342
Net cash from financing activities	**100,000**	4,682,999	**100,000**	5,314,342
Net cash inflow (outflow)	**(2,843,644)**	4,708,428	**(1,211,768)**	2,832,435
Cash and cash equivalents, beginning of period	**22,816,035**	14,211,839	**21,184,159**	16,087,832
Cash and cash equivalents, end of period	**19,972,391**	18,920,267	**19,972,391**	18,920,267

Supplemental cash and cash equivalents information - Note 14

Interest paid	**-**	-	**-**	-
Interest received	**43,769**	74,017	**73,910**	101,858
Taxes paid	**-**	-	**-**	-
Taxes received	**-**	-	**-**	-

Almaden Minerals Ltd.

Condensed consolidated interim statements of changes in equity

(Unaudited - Expressed in Canadian dollars)

	Share capital		Reserves					
	Number of shares	Amount	Equity settled employee benefits	Warrants	Available-for-sale financial assets	Total reserves	**Deficit**	**Total**
		$	$		$		$	$
Balance, January 1, 2011	55,500,822	62,853,930	6,152,073	888,046	(29,868)	7,010,251	(34,170,307)	35,693,874
Shares issued for cash on exercise of stock options	1,895,000	4,653,000	-	-	-	-	-	4,653,000
Fair value of share options allocated to shares issued on exercise	-	2,414,600	(2,414,600)	-	-	(2,414,600)	-	-
Share-based payments	-	-	4,445,100	-	-	4,445,100	-	4,445,100
Private placements	100,000	360,743	-	-	-	-	-	360,743
Shares issued for cash on exercise of warrants	300,999	280,599	-	-	-	-	-	280,599
Fair value of warrants allocated to shares issued on exercise	-	156,470	-	(156,470)	-	(156,470)	-	-
Total comprehensive loss for the period	-	-	-	-	(333,651)	(333,651)	(5,787,497)	(6,121,148)
Balance, June 30, 2011	57,796,821	70,719,342	8,182,573	731,576	(363,519)	8,550,630	(39,957,804)	39,312,168
Shares issued for cash on exercise of stock options	135,000	269,900	-	-	-	-	-	269,900
Fair value of share options allocated to shares issued on exercise	-	131,700	(131,700)	-	-	(131,700)	-	-
Share-based payments	-	-	485,600	-	-	485,600	-	485,600
Private placements and other	10,000	25,500	-	-	-	-	-	25,500
Shares issued for cash on exercise of warrants	1,180,500	1,652,700	-	-	-	-	-	1,652,700
Fair value of warrants allocated to shares issued on exercise	-	554,835	-	(554,835)	-	(554,835)	-	-
Total comprehensive loss for the period	-	-	-	-	(1,488,051)	(1,488,051)	13,082,355	11,594,304
Balance, December 31, 2011	**59,122,321**	**73,353,977**	**8,536,473**	**176,741**	**(1,851,570)**	**6,861,644**	**(26,875,449)**	**53,340,172**
Shares issued for cash on exercise of stock options	100,000	100,000	-	-	-	-	-	100,000
Fair value of share options allocated to shares issued on exercise	-	54,000	(54,000)	-	-	(54,000)	-	-
Share-based payments	-	-	716,500	-	-	716,500		716,500
Total comprehensive loss for the period	-	-	-	-	(1,604,272)	(1,604,272)	(2,834,413)	(4,438,685)
Balance, June 30, 2012	**59,222,321**	**73,507,977**	**9,198,973**	**176,741**	**(3,455,842)**	**5,919,872**	**(29,709,862)**	**49,717,987**

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, and its principal business activity is the exploration of mineral properties. The address of the Company's registered office is Suite 950 –1199 West Hastings Street, Vancouver, BC, Canada V6E 3T5. The Company is in the process of exploring its mineral properties and has not yet determined whether these properties contain mineral reserves that are economically recoverable. 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 necessary financing or participation of joint venture partners to complete the development of properties and upon future profitable production or proceeds from the disposition of mineral properties.

2. Basis of preparation

(a) Statement of compliance with International Financial Reporting Standards

These condensed consolidated interim financial statements, including comparatives, have been prepared in accordance 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") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

(b) Basis of preparation

These condensed consolidated interim financial statements have been prepared on the basis of accounting policies and methods of computation consistent with those applied in the Company's December 31, 2011 consolidated annual financial statements.

The preparation of interim financial statements in conformity with IAS 34 requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. These condensed consolidated interim financial statements do not include all of the information required for full annual financial statements.

These condensed consolidated interim financial statements, including comparatives, have been prepared on the basis of IFRS standards that are published at the time of preparation.

Adoption of new and revised standards and interpretations

The IASB issued a number of new and revised International Accounting Standards, IFRS amendments and related interpretations which are effective for the Company's financial year beginning on or after January 1, 2012. For the purpose of preparing and presenting the financial statements for the relevant periods, the Company has consistently adopted all these new standards for the relevant reporting periods. At the date of authorization of these financial statements, the IASB and IFRIC has issued the following new and revised Standards and Interpretations which are not yet effective for the relevant reporting periods:

2. Basis of preparation *(Continued)*

(b) ***Basis of preparation*** *(continued)*

Adoption of new and revised standards and interpretations (continued)

(i) The following Standards are effective for annual periods beginning on or after July 1, 2012. The Company is assessing the impact of these standards.

IAS 1 (Amendment) Presentation of Financial Statements has revised the way other comprehensive income is presented.

(ii) The following Standards are effective for annual periods beginning on or after January 1, 2013. The Company is assessing the impact of these standards.

IFRS 7 (Amendment) Financial Instruments: Disclosure has been revised to include Offsetting Financial Assets and Financial Liabilities.

IFRS 10 Consolidated Financial Statements will replace existing guidance on consolidation in IAS 27 Consolidated and Separate Financial Statements, and SIC 12 Consolidation – Special Purpose Entities.

IFRS 11 Joint Arrangements will replace IAS 31 Interests in Joint Ventures, and SIC 13 Jointly Controlled Entities – Non-monetary Contributions by Venturers.

IFRS 12 Disclosure of Interests in Other Entities is the new Standard for disclosure requirements for all forms of interests in other entities, including subsidiaries, joint arrangements, associates and unconsolidated structured entities.

IFRS 13 Fair Value Measurement was issued to remedy the inconsistencies in the requirements for measuring fair value and for disclosing information about fair value measurement in various current IFRSs.

IAS 27 Separate Financial Statements has been updated to require an entity presenting separate financial statements to account for those investments at cost or in accordance with IFRS 9 Financial Instruments.

IAS 28 Investments in Associates and Joint Ventures has been revised and it is to be applied by all entities that are investors with joint control of, or significant influence over, an investee.

(iii) The following Standards are effective for annual periods beginning on or after January 1, 2014. The Company is assessing the impact of these standards.

IAS 19 Employee Benefits (amended 2011) deals with pension plan assets, which do not impact the Company.

(iv) The following Standard is effective for annual periods beginning on or after January 1, 2015. The Company is assessing the impact of this standard.

2. Basis of preparation *(Continued)*

(b) ***Basis of preparation*** *(continued)*

Adoption of new and revised standards and interpretations (continued)

IFRS 9 Financial Instruments (''IFRS 9'') was issued to replace IAS 39, Financial Instruments: Recognition and Measurement. IFRS 9 addresses the classification and measurement of financial assets. IFRS 9 was subsequently reissued in October 2010, incorporating new requirements on accounting for financial liabilities.

(c) ***Functional currency***

The presentation currency of the Company and the functional currency of the Company and each of its subsidiaries are expressed in Canadian dollar.

3. Significant accounting policies

These unaudited 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, 2011.

These unaudited 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, 2011. 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 six month period ended June 30, 2012 are not necessarily indicative of the results that may be expected for the year ending December 31, 2012.

4. Accounts receivable and prepaid expenses

Accounts receivable and prepaid expenses consist of the following:

	June 30, 2012	December 31, 2011
Accounts receivable	**$ 578,639**	$ 616,774
HST receivable	**126,767**	69,424
Allowance for doubtful accounts	**(75,030)**	(75,030)
Prepaid expenses	**576,526**	537,238
	$ 1,206,902	$ 1,148,406

(Unaudited - 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 six months ended June 30, 2012, the Company determined that $Nil (June 30, 2011 - $Nil) 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 or mining and estimated net realizable value. The market value of the gold at June 30, 2012 is $2,614,314 (December 31, 2011 - $2,547,173).

7. Investments 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. Almaden retains a 2% NSR in the project. Under the terms of the agreement, Almaden received 35 million common shares of Gold Mountain. As part of the transaction, Almaden assigned and sold 8.25 million common shares of Gold Mountain at $0.355 per share for gross proceeds of $2,928,750 and now holds 26.75 million common shares of Gold Mountain. Upon completion of the transaction, Duane Poliquin (Chairman and Director of Almaden) and Morgan Poliquin (President, CEO and Director of Almaden) became Directors of Gold Mountain.

Almaden is accounting for this investment using the equity accounting method as the Company has determined that significant influence exists. Almaden has recorded its equity share of Gold Mountain’s gain during the six months ended June 30, 2012 in the amount of $121,285 (June 30, 2011 - $Nil). The fair value of the investment at June 30, 2012 is $8,827,500 (December 31, 2011 - $14,177,500).

The following table summarizes the financial information of Gold Mountain for its years ended December 31, 2011 and 2010:

	December 31	
	2011	**2010**
Total Assets	$ 31,794,050	$ 1,205,781
Total Liabilities	$ 628,018	$ 69,890
Revenue	$ 11,877	$ -
Net income (loss)	$ 1,104,080	$ (49,505)

8. Contingent share receivable

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 within five years will be cancelled. The Company has recorded a contingent share receivable of $105,000 (June 30, 2011 - $Nil) based on management's best estimate of the fair value of the common shares as at June 30, 2012 and a loss on fair value adjustment of $39,000 (June 30, 2011 - $Nil) in the statement of comprehensive loss during the six months ended June 30, 2012.

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 share 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 $163,800 (June 30, 2011 - $Nil) based on management's best estimate of the fair value of the common shares as at June 30, 2012 and a loss on fair value adjustment of $354,900 (June 30, 2011 - $Nil) in the statement of comprehensive loss during the six months ended June 30, 2012.

(Unaudited - 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, 2011	**553,318**	**139,195**	**316,495**	**160,053**	**65,106**	**380,532**	**27,181**	**1,214,680**	**2,856,560**
Additions	21,599	-	5,000	38,202	-	810	-	251,370	316,981
Disposals	(42,822)	-	-	-	-	-	-	-	(42,822)
June 30, 2012	**532,095**	**139,195**	**321,495**	**198,255**	**65,106**	**381,342**	**27,181**	**1,466,050**	**3,130,719**
Accumulated depreciation									
December 31, 2011	**339,981**	**121,415**	**248,719**	**93,271**	**55,529**	**251,417**	**27,181**	**473,504**	**1,611,017**
Disposals	(38,730)	-	-	-	-	-	-	-	(38,730)
Depreciation	32,675	1,778	10,416	12,066	958	12,939	-	74,117	144,949
June 30, 2012	**333,926**	**123,193**	**259,135**	**105,337**	**56,487**	**264,356**	**27,181**	**547,621**	**1,717,236**
Carrying amounts									
December 31, 2011	213,337	17,780	67,776	66,782	9,577	129,115	-	741,176	**1,245,543**
June 30, 2012	**198,169**	**16,002**	**62,360**	**92,918**	**8,619**	**116,986**	**-**	**918,429**	**1,413,483**

(Unaudited - Presented in Canadian dollars)

10. Exploration and evaluation assets

Mineral properties	Tuligtic $	El Cobre $	ATW $	Willow $	BP $	Caldera $	Other Properties $	Total $
Acquisition costs								
Opening balance (December 31, 2011)	**231,059**	**45,599**	**46,451**	**148,254**	**110,047**	**50,205**	**385,110**	**1,016,725**
Additions	-	-	-	-	-	-	8,103	**8,103**
Proceeds from options	-	-	-	-	-	-	(42,500)	**(42,500)**
Proceeds received from options on mineral properties in excess of cost-reclassified to income	-	-	-	-	-	-	42,500	**42,500**
Write-down of deferred acquisition costs	-	-	-	-	-	(50,204)	-	**(50,204)**
Closing balance (June 30, 2012)	**231,059**	**45,599**	**46,451**	**148,254**	**110,047**	**1**	**393,213**	**974,624**
Deferred exploration costs								
Opening balance (December 31, 2011)	**6,012,795**	**742,292**	**1,390,111**	**629,914**	**134,736**	**432,595**	**111,242**	**9,453,685**
Costs incurred during the period								
Drilling and related costs	1,459,686	-	-	-	-	-	-	**1,459,686**
Professional/technical fees	272,525	9,938	-	8,961	-	528	34,103	**326,055**
Claim maintenance/lease cost	195,086	14,533	8,098	591	-	15,217	143,543	**377,068**
Geochemical	1,095,355	-	-	-	-	-	11,782	**1,107,137**
Travel and accommodation	66,370	6,703	-	-	-	-	35,397	**108,470**
Geology, exploration	52,211	76,514	524	13,929	-	-	332	**143,510**
Supplies and misc.	36,966	1,370	70	-	-	238	1,772	**40,416**
Geophysical, geosciences	-	142,500	-	-	-	-	45,341	**187,841**
Reclamation, environmental	17,505	6,110	-	-	-	-	-	**23,615**
Recoveries	-	-	-	-	-	(30,824)	(1,300)	**(32,124)**
Write-down of deferred exploration costs	-	-	-	-		(417,754)	(166,094)	**(583,848)**
	3,195,704	**257,668**	**8,692**	**23,481**	-	**(432,595)**	**104,876**	**3,157,826**
Closing balance (June 30, 2012)	**9,208,499**	**999,960**	**1,398,803**	**653,395**	**134,736**	**-**	**216,118**	**12,611,511**
Total exploration& evaluation assets	**9,439,558**	**1,045,559**	**1,445,254**	**801,649**	**244,783**	**1**	**609,331**	**13,586,135**

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

The Company acquired a 100% interest in the Tuligtic property.

(b) El Cobre

During 2011, the Company completed the sale of its 30% interest in the Caballo Blanco property to Goldgroup. The Company retains in its Mexican subsidiary an undivided 1.5% NSR in Caballo Blanco. Goldgroup also transferred to Almaden its 40% interest in the El Cobre property. The Company owns 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 through its 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 by staking.

(e) Caldera

The Company acquired a 100% interest in the Caldera property by staking. During 2010, the Company entered into an agreement with Windstorm Resources Inc. ("Windstorm") to earn a 60% interest in the property. Windstorm would have to incur exploration expenditures of US$5,000,000 and issue 1,000,000 shares to the Company within six years. During the six months ended June 30, 2012, Windstorm terminated the Option Agreement. The write-down recognized in 2012 is $467,958 (2011 - Nil).

(f) San Carlos / San Jose

The Company acquired a 100% interest in the San Carlos claims by staking and purchasing a 100% interest in the San Jose claim. The write-down recognized in 2012 is $28,208 (2011 - $29,687).

(g) Other

(i) Nicoamen River
The Company staked and acquired a 100% interest in the Nicoamen River property. During 2009, the Company entered into an agreement with Fairmont Resources Inc. ("Fairmont") to earn a 60% interest. During 2011, Fairmont terminated its option on the property.

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

10. Exploration and evaluation assets *(Continued)*

(g) ***Other*** *(continued)*

(iii) Merit
The Company acquired a 100% interest in the Merit property by staking. During 2010, the Company entered into an agreement with Sunburst Explorations Inc. ("Sunburst") to earn a 60% interest. Sunburst has to incur exploration expenditures of $3,000,000 and issue 700,000 shares to the Company within five years from the listing of the stock on the TSX Venture Exchange.

(iv) Yago
The Company acquired a 100% interest in the Tepic claim by staking and purchasing a 100% interest in the La Sarda, Guadalupe and Sagitario claims. During 2006, the Company entered into an agreement to acquire a 100% interest in the Gallo de Oro claim. During 2007, the Company acquired a 100% interest in the As de Oro claim. The write-down recognized in 2012 is $30,481 (2011 - $43,178).

(v) Bufa
The Company staked and acquired a 100% interest in the Guadalupe claim. During 2010, the Company sold its 100% interest in the property to Lincoln Gold Corp. The Company retains a 2% NSR.

(vi) Matehuapil
During 2007, the Company was successful in its bid to acquire a 100% interest in the Matehuapil claim. An initial payment of $117,572 was paid, representing 20% of the purchase price. The Company was required to put up two bonds ("Mineral property deposit"), one in the amount of $446,964 representing four pending instalment payments of 20% each to be paid in six month instalments from the issuance of title and one in the amount of $138,929 to pay for the purchase of an NSR royalty. During 2008, the Company paid the remainder of the purchase price outright. The bond in the amount of $446,964 was returned to the Company and the bond for the purchase of the NSR royalty will remain in place until the NSR is purchased. The Company subsequently entered into an agreement with now Golden Minerals Company ("Golden Minerals") formerly Apex Silver Mines Limited to earn a 60% interest. Golden Minerals must incur exploration expenditures of US$2,600,000 by December 1, 2013 and make cash payments of Mexican pesos $3,312,000 by July 10, 2009 (received).

(vii) Tropico
During 2008, the Company and its 60% joint venture partner Santoy Resources Ltd. entered into an agreement with Skeena Resources Ltd. ("Skeena") to earn a 60% interest. Skeena must incur expenditures totalling US$3,000,000 and issue a total of 1,250,000 shares to the joint venture over 5 years. During 2010, the joint venture sold its 100% interest in the property to Skeena. The Company received 2,560,000 common shares of Skeena (fair market value on receipt - $153,600). The joint venture retains a 2% NSR interest in the property.

(viii) Other write-downs of interest in mineral properties
The Company wrote down its interest in other mineral properties in aggregate by $107,405 during the six months ended June 30, 2012 (2011 - $113,366).

(Unaudited - Presented in Canadian dollars)

11. Share capital and reserves

(a) Authorized share capital

At June 30, 2012, 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) 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 June 30, 2012, the Company had reserved 177,232 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 six months ended June 30, 2012 vested immediately. The continuity of stock options for the six months ended June 30, 2012 is as follows:

Expiry date	Exercise price	December 31, 2011	Granted	Exercised	Expired/ cancelled	June 30, 2012
March 25, 2012	$ 3.90	45,000	-	-	(45,000)	-
September 10, 2012	$ 2.32	500,000	-	-	-	500,000
November 1, 2012	$ 2.72	60,000	-	-	-	60,000
November 15, 2012	$ 2.68	100,000	-	-	-	100,000
December 13, 2012	$ 4.30	25,000	-	-	-	25,000
March 17, 2013	$ 2.35	40,000	-	-	-	40,000
April 12, 2013	$ 2.36	-	25,000	-	-	25,000
December 29, 2013	$ 0.68	125,000	-	-	-	125,000
May 4, 2014	$ 2.18	-	65,000	-	-	65,000
November 25, 2014	$ 0.81	150,000	-	-	-	150,000
January 4, 2015	$ 1.14	1,040,000	-	-	-	1,040,000
June 21, 2015	$ 1.00	240,000	-	(100,000)	-	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	125,000	-	-	-	125,000
June 8, 2016	$ 3.29	2,320,000	-	-	-	2,320,000
August 15, 2016	$ 2.93	200,000	-	-	-	200,000
May 4, 2017	$ 2.18	-	250,000	-	-	250,000
June 8, 2017	$ 2.25	-	75,000	-	-	75,000
Options outstanding and exercisable		**5,475,000**	**415,000**	**(100,000)**	**(45,000)**	**5,745,000**
Weighted average exercise price		$ 2.39	$ 2.20	$ 1.00	$ 3.90	$ 2.39

(Unaudited - Presented in Canadian dollars)

11. Share capital and reserves *(Continued)*

(b) Share purchase option compensation plan *(continued)*

The weighted average grant date fair value of 25,000 stock options granted on April 12, 2012 was $0.74. The fair value of these options was determined on the date of the grant using the Black-Scholes option pricing model with the following weighted average assumptions: risk free interest rate of 1.00%; expected life of 1 year; expected volatility of 76.46%; and expected dividends of $Nil.

The weighted average grant date fair value of 65,000 stock options granted on May 4, 2012 was $1.05. The fair value of these options was determined on the date of the grant using the Black-Scholes option pricing model with the following weighted average assumptions: risk free interest rate of 1.00%; expected life of 1.5 years; expected volatility of 107.19%; and expected dividends of $Nil.

The weighted average grant date fair value of 250,000 stock options granted on May 4, 2012 was $2.03. The fair value of these options was determined on the date of the grant using the Black-Scholes option pricing model with the following weighted average assumptions: risk free interest rate of 1.20%; expected life of 5 years; expected volatility of 169.48%; and expected dividends of $Nil.

The weighted average grant date fair value of 75,000 stock options granted on June 8, 2012 was $1.63. The fair value of these options was determined on the date of the grant using the Black-Scholes option pricing model with the following weighted average assumptions: risk free interest rate of 1.20%; expected life of 3 years; expected volatility of 128.07%; and expected dividends of $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 and the Chief Financial Officer. The aggregate compensation paid or payable to key management for services is as follows:

	June 30, 2012		June 30, 2011	
Salaries and short-term employee benefits	**$ 307,500**	(i)	$ 305,149	(iii)
Share-based payments	**629,750**	(ii)	3,449,250	(iv)
Directors' fees	**39,000**		33,000	
	$ 976,250		$ 3,787,399	

(i) Hawk Mountain Resources Ltd. ("Hawk Mountain"), a private company controlled by the Chairman of the Company, was paid $112,500 for geological services provided to the Company. An additional $6,000 was paid to Hawk Mountain for marketing and general administration.

(ii) Comprised of options granted pursuant to the Company's stock option plan. The value of 250,000 option-based awards is based on the fair value of the awards ($2.03) calculated using the Black-Scholes model at the May 4, 2012 grant date. The value of 75,000 option-based awards is based on the fair value of the awards ($1.63) calculated using the Black-Scholes model at the June 8, 2012 grant date. All options vested upon grant.

12. Related party transactions and balances *(Continued)*

(a) **Compensation *of key management personnel (continued)***

(iii) Hawk Mountain was paid $112,500 for geological services provided to the Company. An additional $24,350 was paid to Hawk Mountain for marketing and general administration.

(iv) Comprised of options granted pursuant to the Company's stock option plan. The value of 1,825,000 option-based awards is based on the fair value of the awards ($1.89) calculated using the Black-Scholes model at the June 8, 2011 grant date. All options vested upon grant.

(b) Other related party transactions

i) Gold Mountain Mining Corporation

Gold Mountain has two Directors, Duane Poliquin and Morgan Poliquin, in common with Almaden, and Almaden owns 38.8% of Gold Mountain's common shares.

ii) Windstorm Resources Ltd. ("Windstorm")

Windstorm's President and Director, Gerald Carlson, is also a Director of Almaden. Almaden also owns common shares in Windstorm.

In September 2010, the Company optioned the Caldera property to Windstorm such that Windstorm may earn a 60% interest in the property. During the six months ended June 30, 2012, Windstorm terminated the Option Agreement.

iii) ATW Resources Ltd. ("ATW")

Almaden owns a 50% interest in this company which holds title in trust for a mineral property. The Company has two directors, Duane Poliquin and James McInnes, in common with ATW.

13. Net loss per share

Basic and diluted net loss per share

The calculation of basic net loss per share for the three months ended June 30, 2012 was based on the loss attributable to common shareholders of $2,103,020 (June 30, 2011 – $4,944,663) and a weighted average number of common shares outstanding of 59,208,035 (June 30, 2011 – 57,268,649).

The calculation of basic net loss per share for the six months ended June 30, 2012 was based on the loss attributable to common shareholders of $2,834,413 (June 30, 2011 – $5,787,497) and a weighted average number of common shares outstanding of 59,165,178 (June 30, 2011 – 57,268,649).

The calculation of diluted net loss per share for the three months ended June 30, 2012 includes the weighted average number of common shares outstanding adjusted for the effects of all dilutive potential common shares, which comprise of 123,329 stock options (June 30, 2011 – 2,092,448 stock options and 760,835 warrants).

(Unaudited - Presented in Canadian dollars)

13. Net loss per share *(Continued)*

Basic and diluted net loss per share (continued)

The calculation of diluted net loss per share for the six months ended June 30, 2012 includes the weighted average number of common shares outstanding adjusted for the effects of all dilutive potential common shares, which comprise of 275,291 stock options (June 30, 2011 – 2,297,207 stock options and 826,303 warrants).

14. Supplemental cash flow information

Supplemental information regarding non-cash transactions is as follows:

	June 30, 2012	June 30, 2011
Investing activities		
Reversal of equity settled employee benefits reserve on exercise of options	**$ 54,000**	$ 2,414,600
Reversal of warrants reserve on exercise of warrants	**-**	156,470

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

	June 30, 2012	December 31, 2011
Cash	**$ 4,477,141**	$ 7,390,793
Term Deposits	**5,500,050**	-
Government of Canada (T-Bills)	**9,995,200**	9,998,700
Bankers Acceptance	**-**	3,794,666
	$ 19,972,391	$ 21,184,159

15. Commitments

The Company has entered into an operating lease for office premises through 2016. The Company has also entered into a contract with its Chairman for remuneration of $225,000 annually (amended) for two years, renewable for two additional successive terms of 24 months.

As at June 30, 2012, the remaining payments for the executive contract and the operating lease are due as follows:

	2012	**2013**	**2014**	**2015**	**2016**	**Total**
Office lease	$ 33,500	$ 67,000	$ 75,000	$ 81,000	$ 6,700	$263,200
Executive contracts	112,500	225,000	-	-	-	337,500
	$146,000	$292,000	$ 75,000	$ 81,000	$ 6,700	$600,700

16. 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 June 30, 2012, 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	$ 401,363	$ 19,113
Accounts receivable and prepaid expenses	-	287,141
Total assets	$ 401,363	$ 306,254
Trade and other payables	$ 40,800	$ 68,294
Total liabilities	$ 40,800	$ 68,294
Net assets	$ 360,563	$ 237,960

A 10% change in the US dollar exchange rate relative to the Canadian dollar would change the Company's net income by $40,000.

A 10% change in the Mexican peso relative to the Canadian dollar would change the Company's net income by $2,000.

(b) Credit risk

The Company's cash and cash equivalents are held in large Canadian financial institutions. These investments mature at various dates over the twelve months following the statement of financial position date. The Company's HST and VAT receivables consist primarily of harmonized sales tax due from the federal government of Canada and value-added tax due from the government of Mexico. 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 June 30, 2012, the Company's maximum exposure to credit risk is the carrying value of its cash and cash equivalents and accounts receivable.

16. Financial instruments *(Continued)*

(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 $155,000.

(e) Commodity price risk

The ability of the Company to explore its mineral properties 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 $26,000.

(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:				
Cash and cash equivalents	$ 19,972,391	$ -	$ -	$ 19,972,391
Marketable securities	2,768,957	-	-	2,768,957
	$ 22,741,348	$ -	$ -	$ 22,741,348

(Unaudited - Presented in Canadian dollars)

17. 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 mineral properties 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 through its current operating period.

18. Segmented information

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

The Company has non-current tangible assets in the following geographic locations:

	June 30, 2012	December 31, 2011
Canada	$ 2,354,106	$ 6,135,926
United States	1,096,240	1,072,760
Mexico	11,549,272	4,507,267
	$ 14,999,618	$ 11,715,953

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

Almaden Minerals Ltd.

Schedule 1

Consolidated schedules of general and administrative expenses

(Unaudited - Expressed in Canadian dollars)

	Three months ended June 30,		Six months ended June 30,	
	2012	2011	**2012**	2011
	$	$	**$**	$
Professional fees	**97,293**	85,661	**248,429**	156,215
Salaries and benefits	**118,245**	58,578	**224,503**	95,456
Travel and promotion	**40,510**	66,426	**95,450**	153,563
Depreciation	**73,761**	57,491	**144,949**	113,528
Office and license	**65,569**	69,014	**97,014**	114,513
Rent	**39,361**	42,517	**78,907**	85,551
Stock exchange fees	**11,150**	66,570	**71,931**	103,163
Insurance	**25,245**	26,978	**52,759**	53,495
Transfer agent fees	**3,512**	23,190	**8,116**	28,888
Directors fees	**-**	-	**39,000**	35,411
	474,646	496,425	**1,061,058**	939,783