FIRST MINING FINANCE CORP.
(FORMERLY ALBION PETROLEUM LTD.)

Audited Financial Statements

As of and for the years ended December 31, 2014 and 2013
(presented in Canadian dollars)

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Independent Auditor's Report

To the Shareholders of First Mining Finance Corp. (formerly Albion Petroleum Ltd.)

We have audited the accompanying financial statements of First Mining Finance Corp. (formerly Albion Petroleum Ltd.), which comprise the statement of financial position as at December 31, 2014 and the statements of comprehensive loss, changes in equity, and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements
Management is responsible for the preparation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion
In our opinion, the financial statements present fairly, in all material respects, the financial position of First Mining Finance Corp. (formerly Albion Petroleum Ltd.) as at December 31, 2014 and December 31, 2013 and its financial performance and its cash flows for the years ended December 31, 2014 and December 31, 2013 in accordance with International Financial Reporting Standards.

Other Matters
The financial statements of Albion Petroleum Ltd. for the year ended December 31, 2013, were audited by another auditor who expressed an unmodified opinion on those statements on April 16, 2014.

(signed) "BDO CANADA LLP"

Chartered Accountants

Vancouver, British Columbia
April 28, 2015

FIRST MINING FINANCE CORP.
(FORMERLY ALBION PETROLEUM LTD.)
Statements of Financial Position

		December 31, 2014		December 31, 2013
Assets				
Current assets:				
Cash and cash equivalents	$	145,964	$	321,456
Accounts receivable		1,917		1,155
Prepaid expenses		1,312		-
Total Assets	$	149,193	$	322,611
Liabilities and Shareholders' Equity				
Current liabilities:				
Accounts payable and accrued liabilities (note 7)	$	36,223	$	29,745
Shareholders' equity:				
Share capital (note 6)		877,375		877,375
Contributed surplus (note 6)		246,236		246,236
Accumulated deficit		(1,010,641)		(830,745)
Total shareholders' equity		112,970		292,866
Total liabilities and shareholders' equity	$	149,193	$	322,611

Approved by the board on April 28, 2015

Signed: *Keith Neumeyer, Director*

Signed: *Raymond Polman, Director*

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

FIRST MINING FINANCE CORP.
(FORMERLY ALBION PETROLEUM LTD.)
Statements of Comprehensive Loss
For the years ended December 31, 2014 and 2013

	Year ended December 31, 2014	Year ended December 31, 2013
Expenses:		
Professional fees	$ 43,870	$ 30,730
Legal fees	88,986	7,970
Listing and transfer agent	14,380	14,950
Travel expense	14,982	16,514
General and administrative (note 7)	17,678	5,836
Comprehensive loss	$ (179,896)	$ (76,000)
Basic and diluted loss per share	(0.02)	(0.01)
Weighted average number of shares outstanding (basic and diluted)	10,768,500	10,768,500

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

FIRST MINING FINANCE CORP.
(FORMERLY ALBION PETROLEUM LTD.)
Statements of Changes in Equity
For the years ended December 31, 2014 and 2013

	Share Capital								
	Number		**Amount**		**Contributed Surplus**		**Accumulated Deficit**		**Total**
Balance, December 31, 2012	10,768,500	$	877,375	$	246,236	$	(754,745)	$	368,866
Comprehensive loss			-		-		(76,000)		(76,000)
Balance, December 31, 2013	10,768,500	$	877,375	$	246,236	$	(830,745)	$	292,866
Comprehensive loss			-		-		(179,896)		(179,896)
Balance, December 31, 2014	10,768,500	$	877,375	$	246,236	$	(1,010,641)	$	112,970

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

FIRST MINING FINANCE CORP.
(FORMERLY ALBION PETROLEUM LTD.)
Statements of Cash Flows
For the years ended December 31, 2014 and 2013

		2014		2013
Cash provided by (used in) operating activities:				
Comprehensive loss for the year	$	(179,896)	$	(76,000)
Change in non-cash working capital:				
Accounts receivable		(762)		4,141
Prepaid expenses		(1,312)		-
Accounts payable and accrued liabilities		6,478		11,441
Cash flows used in operating activities		(175,492)		(60,418)
Decrease in cash and cash equivalents		(175,492)		(60,418)
Cash and cash equivalents, beginning of year		321,456		381,874
Cash and cash equivalents, end of year	$	145,964	$	321,456

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

1. **Summary of business**

First Mining Finance Corp. (formerly Albion Petroleum Ltd.) (the "**Company**" or "**First Mining**") was incorporated pursuant to the provisions of the *Business Corporations Act* (Alberta) on April 4, 2005 and completed its initial public offering as a Capital Pool Company ("CPC") on September 30, 2005. As a CPC, the Company's only business has been to identify and evaluate businesses or assets with a view of completing a Qualifying Transaction.

On March 30, 2015 the Company completed the acquisition (the "**Acquisition**") of all of the issued and outstanding shares of Sundance, constituting its Qualifying Transaction under the applicable policies of the TSX Venture Exchange (note 10).

Subsequent to the Qualifying Transaction First Mining is a mineral property holding company whose principal business activity is to acquire and hold mineral assets with a focus in the Americas. The Company currently holds a portfolio of 18 mineral assets in Mexico and the United States with a focus on gold. The Company intends to expand the scope of its project portfolio by targeting gold, silver, copper, lead, zinc and nickel mineral assets.

The registered office of First Mining is Suite 1805 - 925 West Georgia Street, Vancouver, BC V6C 3L2.

First Mining trades on the TSXV under the symbol "FF".

Basis of presentation

The accompanying financial statements of the Company have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued the by the International Accounting Standards Board ("IASB").

These financial statements were prepared as of and for the year ended December 31, 2014 and do not include the effects of the Acquisition completed on March 30, 2015 as described in note 10 of these financial statements.

These financial statements were authorized for issuance by the Board of Directors on April 28, 2015.

(a) Basis of measurement

These financial statements have been prepared on the historical cost basis except for certain financial instruments, if any, which are measured at fair value, as explained in the accounting policies set out in note 3 (d).

(b) Functional currency and presentation currency

These financial statements are presented in Canadian dollars, which is also the Company's functional currency.

(c) Use of estimates and judgment

The preparation of the financial statements in accordance with IFRS required management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

2. Summary of significant accounting policies:

The significant accounting policies followed by the Company are summarized as follows:

(a) Share-based compensation plan:

The Company accounts for all share-based compensation arrangements using the fair value method, under which compensation expense is recorded based on the estimated fair value of the options as determined at the date of grant, and expensed over the vesting period with a corresponding increase to contributed surplus. Upon the exercise of the stock options, consideration received together with the amount previously recognized in contributed surplus is recorded as an increase in share capital. The amount recognized as expense is adjusted to reflect the number of share options expected to vest.

(b) Per share amounts:

Basic per share information is calculated on the basis of the weighted average number of common shares outstanding during the year. Diluted per share amounts are calculated using the treasury stock method. Diluted calculations reflect the weighted average incremental common shares that would be issued upon exercise of dilutive options assuming proceeds would be used to repurchase shares at average market prices for the year. Anti-dilutive options are not included in the calculation.

(c) Income taxes:

The Company follows the asset and liability method to account for income taxes. Under the asset and liability method, deferred income tax assets and liabilities are determined based on “temporary differences” (differences between the accounting basis and the tax basis of the underlying assets and liabilities), and are measured using substantially enacted tax rates and laws expected to apply when these differences reverse. A valuation allowance is recorded against any deferred income tax asset if it is more likely than not that the asset will not be realized.

(d) Financial instruments

All financial instruments are initially recognized at fair value on the statement of financial position, net of any transaction costs (except for financial instruments classified as fair value through profit and loss, where transaction costs are expensed as incurred). Subsequent measurement of financial instruments is based on their classification:

<u>Fair value through profit and loss</u>

Financial assets and liabilities that are held for trading or that are designated as fair value through profit and loss upon initial recognition. Changes in their fair value are recognized in earnings.

<u>Loans and receivables</u>

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are classified as current assets or non-current assets based on their maturity date, and are carried at amortized cost, using the effective interest method, less any impairment.

<u>Held-to-maturity</u>

Financial assets classified as held to maturity are measured at amortized cost.

2. Summary of significant accounting policies: (continued)

(d) Financial instruments

Other financial liabilities

Financial liabilities not classified as fair value through profit and loss are measured at amortized cost using the effective interest method.

Available for sale

All other non-derivative financial assets are classified as available for sale, with changes in fair value recognized in other comprehensive income.

The Company classifies its cash and cash equivalents as fair value through profit and loss, accounts receivable as loans and receivables, and its accounts payable and accrued liabilities as other financial liabilities.

The Company does not use derivative instruments for trading or speculative purposes. Derivative contracts, if entered into, will be classified as fair value through profit and loss and recorded on the statement of financial position at fair value, with changes in the fair value recognized in net income, unless specific hedge criteria are met. The fair values of these derivative instruments will be based on an estimate of the amounts that would have been received or paid to settle these instruments prior to maturity given future market prices and other relevant factors. Proceeds and costs realized from holding the derivative contracts will be recognized in net income at the time each transaction under a contract is settled.

The Company measures and recognizes embedded derivatives separately from the host contracts when the economic characteristics and risks of the embedded derivative are not closely related to those of the host contract, when it meets the definition of a derivative and when the entire contract is not measured at fair value. Embedded derivatives are recorded at fair value.

The Company immediately expenses all transaction costs incurred in relation to the acquisition of a financial asset or liability.

The significance of inputs used in making fair value measurements are examined and classified according to a fair value hierarchy. Fair value of assets and liabilities included in Level 1 are determined by reference to quoted prices in active markets for identical assets and liabilities. Assets and liabilities in Level 2 include valuations using inputs other than quoted prices for which all significant outputs are observable, either directly or indirectly. Level 3 valuations are based on inputs that are unobservable and significant to the overall fair value measurement.

(d) Cash

Cash includes cash held with banks and other highly liquid investments with maturities of three months or less at date of acquisition.

(e) Share capital:

Common shares are classified as equity. Incremental costs directly attributable to the issue of common shares and share options are recognized as a deduction from equity, net of any tax effects.

3. Significant accounting estimates and judgments:

Stock-based compensation

The Company has a stock option plan that is described in Note 6(c). The granting of stock options represents a benefit given to employees of the Company, which include others providing similar services, and non-employees and constitutes additional compensation to be borne by the Company.

Share based payments issued to employees are valued at the date of the grant using the Black Scholes option pricing model and are included in the Statements of Comprehensive Loss over each tranche's vesting period and credited to the contributed surplus unless it can be directly attributed to exploration and evaluation activities, in which case it is deferred.

Share based payments issued to non-employees are valued at the fair value of the goods and services received, unless they cannot be reliably measured, then the Black Scholes option pricing model is used. The expense is included in the Statements of Comprehensive Loss over each tranche's vesting period which represents the period over which the services have been received and credited to the contributed surplus unless it can be directly attributed to exploration and evaluation activities, in which case it is deferred.

4. New accounting policies

During the year ended December 31, 2014, the Company adopted several new IFRS standards and amendments in accordance with the transitional provisions of each standard. Management's analysis is that these amendments did not have a material impact on the financial statements of the Company. A brief description of each new standard and its impact on the Company's financial statements follows below:

IFRS 2 "Share-based Payment"
This amendment clarifies vesting conditions by separately defining a performance condition and a service condition, both of which were previously incorporated within the definition of a vesting condition. These amendments are effective for annual periods beginning on or after July 1, 2014 and early adoption permitted.

IAS 19"Employee Benefits"
This amendment to IAS 19 – Defined Benefit Plans: Employee Contributions introduces new narrow scope amendments that:

- Provides a practical expedient for certain contributions from employees or third parties to a defined benefit plan, but only those contributions that are independent of the number of years of service
- Clarify the treatment of contributions from employees or third parties to a defined benefit plan that are not subject to the practical expedient. These are accounted for in the same way that the gross benefit is attributed in accordance with IAS19.70

Contributions that are independent of the number of years of service include:

- Contributions that are based on a fixed percentage of salary
- Contributions of a fixed amount throughout the service period
- Contributions that are dependent on the employee's age.

These amendments are effective for annual periods beginning on or after July 1, 2014 and early adoption permitted.

4. New accounting policies (continued)

IAS 24 "Related party Disclosure"
This amendment clarifies that an entity that provides key management personnel services (management entity) to a reporting entity (or to the parent of the reporting entity), is a related party of the reporting entity, and:

- Would require separate disclosure of amounts recognized as an expense for key management personnel services provided by a separate management entity
- Would not require disaggregated disclosures by the categories set out in IAS24.17

These amendments are effective for annual periods beginning on or after July 1, 2014 and early adoption permitted.

IAS 32 "Financial Instruments: Presentation"
This amendment provides clarification on the application of offsetting rules. These amendments are effective for annual periods beginning on or after January 1, 2014.

IAS 36 "Impairment of Assets"
In May 2013, the IASB issued amendments which reduce the circumstances in which the recoverable amount of CGUs is required to be disclosed and clarify the disclosures required when an impairment loss has been recognized or reversed in the period. The amendments are required to be adopted retrospectively for fiscal years beginning January 1, 2014, with earlier adoption permitted. These amendments will be applied by the Company on January 1, 2014 and the adoption will only impact the Company's disclosures in the notes to the financial statements in periods when an impairment loss or impairment reversal is recognized.

5. New accounting policies

Future Accounting Policy Changes

The IASB periodically issues new accounting standards. The new standard determined to be applicable to the Company is disclosed below. The remaining standards have been excluded as they are not applicable.

IFRS 9 “Financial Instruments” addresses classification and measurement of financial assets and replaces the multiple category and measurement models in IAS 39 for debt instruments with a new mixed measurement model having only two categories: amortized cost and fair value through profit and loss. IFRS 9 also replaces the models for measuring equity instruments and such instruments are either recognized at fair value through profit and loss or at fair value through other comprehensive income. IFRS 9 is effective for annual periods beginning on or after January 2017 with early adoption permitted.

6. Share capital:

(a) Authorized:

Unlimited number of common shares without nominal or par value; and
Unlimited number of preferred shares without nominal or par value, of which none have been issued.

(b) Issued:

	Number of shares		Amount
Balance, December 31, 2014 and December 31, 2013	10,768,500	$	877,375

6. Share capital (continued):

(b) Issued (continued):

According to TSXV Policy 2.4 regarding CPCs, the Company was required to complete a Qualifying Transaction within 24 months of listing on the TSXV. Effective October 11, 2007 the Exchange halted the trading in the common shares of Albion for failing to have completed its Qualifying Transaction within this timeframe. The remedy to re-instate trading in the shares of the Company was contingent upon getting shareholder approval for listing of its shares on the NEX. Another stipulation under the TSXV policies was that 50% of the escrow shares held by the directors or insiders were to be cancelled. At the Company’s Annual and General Shareholders meeting held on November 30, 2007 both of these resolutions were approved by the shareholders, resulting in a reduction in the number of escrowed shares from 2,135,000 to 1,135,000 common shares.

The Company completed a private placement for a total of 4,761,000 common shares which closed on April 5, 2012, a total of 2,000,000 common shares were acquired by officers and directors and a further 1,500,000 common shares, representing over 10% of the then current issued and outstanding share capital, were acquired by a single corporate placee. The shares of the corporate placee have been placed into escrow. A further 843,000 common shares previously acquired by an officer director have been placed into escrow so that a total of 5,478,000 common shares (December 31, 2013 – 5,444,667) are held in escrow subject to terms of release as specified by TSXV policy.

(c) Stock options

The Company has a stock option plan (the “Plan”) under which it is authorized to grant options to executive officers, directors, employees and consultants enabling them to acquire up to 10% of the issued and outstanding common stock of the Company. Under the Plan, the exercise price of any stock option granted may not be less than the closing price of the Company’s shares on the last business day immediately preceding the date of grant, less any applicable discount permitted by the polices of the Exchange. The options can be granted for a maximum of ten years and vesting is determined by the Board of Directors at the time of the grant.

Share based payments

During the year ended December 31, 2014, the Company did not grant options (2013 – $nil) to officers, directors and consultants.

A summary of the Company’s stock options as at December 31, 2014 and December 31, 2013 and changes during the years are as follows:

	December 31, 2014		**December 31, 2013**	
	Number of Options	Weighted Average Exercise Price	Number of Options	Weighted Average Exercise Price
Opening balance	700,000	$0.15	700,000	$0.15
Granted	-	-	-	-
Closing balance	700,000	$0.15	700,000	$0.15

6. Share capital(continued):

(c) Stock options

December 31, 2014					December 31, 2013		
Number of Options	Expiry Date	Grant Date Fair Value	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life (Years)	Number of Options	Grant Date Fair Value	Weighted Average Remaining Contractual Life (Years)
700,000	December 19, 2017	$ 0.15	$ 0.15	3.00	700,000	$0.15	4

As of December 31, 2014, 700,000 options were exercisable. Subsequent to the fiscal year ended December 31, 2014, as part of the completion of a Qualifying Transaction, all outstanding options were canceled by written termination agreement with each of the Optionees. Thereafter a total of 2,550,000 new options were granted to directors and officers with an exercise price of $0.40 per share and expiring on March 30, 2020.

The fair value of stock options used to calculate share based payments for options granted is estimated using the Black-Scholes option pricing model with the following weighted average assumptions:

	December 31, 2012
Risk-free interest rate	1.40%
Expected life	5 years
Expected stock price volatility	160.92%
Expected dividend yield	0.00%

(d) Contributed surplus:

Balance, December 31, 2014 and December 31, 2013	$ 246,236

7. Related party transactions:

On April 26, 2013, Ms. Jacqueline Danforth was appointed as Chief Financial Officer of the Company. On September 12, 2014, Ms. Danforth was elected to the Company's Board of Directors. Filer Support Services Inc., a consulting company owned by Ms. Danforth, invoices the Company $1,500 monthly for administrative support and financial accounting services. During the year ended December 31, 2014 the Company expensed a total of $18,000 with respect to services provided by Filer Support Services Inc. As of December 31, 2014, the Company owed $nil (December 31, 2013 - $1,575) to Filer Support Services Inc. and have accrued $5,000 for services being rendered with respect to the year ended December 31, 2014.

During the year ended December 31, 2014, Mr. David Shaw, the Company's President and a member of the Board of Directors invoiced the Company a total of $15,621 for reimbursement of expenses through his company, Duckmanton Partners Ltd. As of December 31, 2014, the Company owed $nil to Mr. David Shaw (December 31, 2013 - $13,461).

These transactions occurred in the normal course of operations and are measured at the exchange amount, which is the amount determined and agreed to by the related parties, which amount is also considered to be the fair value.

8. Income taxes:

The actual income tax provision differs from the expected amount calculated by applying the Canadian combined federal and provincial corporate income rate to net loss for the period. The major components of these differences are explained as follows:

		2014		2013
Net loss for the period	$	179,896	$	76,000
Corporate income tax rate		25%		25%
Expected income tax recovery	$	(44,974)	$	(19,000)
Increase (decrease) in income taxes resulting from:				
Rate adjustment		-		-
Share based payments		-		-
Share issue costs		-		-
Other		-		220
Unrecognized deferred tax assets		44,974		18,780
	$	-	$	-

The components of the net deferred income tax asset are as follows:

		2014		2013
Deferred income tax assets				
Share issue costs	$	2,000	$	1,660
Non-capital losses		221,000		196,940
Unrecognized deferred tax assets		(223,000)		(198,600)
	$	-	$	-

The Company has non-capital losses in Canada of approximately $883,876 available to reduce future taxable income, expiring commencing in 2016, the benefit of which has not been recognized in these financial statements.

9. Financial instruments and financial risk management:

The Company's financial instruments include cash, accounts receivable, and accounts payable and accrued liabilities. The carrying values of these financial instruments approximate their fair values due to their relatively short periods to maturity.

These financial instruments are classified as follows:

- Cash – loans and receivables
- Accounts payable and accrued liabilities – other financial liabilities

9. Financial instruments and financial risk management: (continued)

The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to market conditions and the Company's activities. The Company has exposure to credit risk, liquidity risk and market risk as a result of its use of financial instruments. This note presents information about the Company's exposure to each of the above risks and the Company's objectives, policies and processes for measuring and managing these risks. Further quantitative disclosures are included throughout these financial statements.

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board has implemented and monitors compliance with risk management policies.

(a) Credit risk:

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The carrying amounts of financial assets recorded in the financial statements represent the Company's maximum exposure to credit risk. The Company does not consider this as a significant credit risk.

(b) Liquidity risk:

Liquidity risk is the risk that the Company will incur difficulties meeting its financial obligations as they are due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions without incurring unacceptable losses or risking harm to the Company's reputation.

As at December 31, 2014, the Company's financial liabilities were comprised of accounts payable and accrued liabilities, all of which have either contractual or expected maturities of less than one year. The Company is of the opinion that sufficient cash reserves are available to settle these financial liabilities.

(c) Market risk:

Market risk consists of currency risk, commodity price risk and interest rate risk. The objective of market risk management is to manage and control market risk exposures within acceptable limits, while maximizing returns:

i) Currency risk:

Foreign currency risk is the risk that the fair value or future cash flows will fluctuate as a result of changes in foreign exchange rates. Although the Company is considered to be in the development stage and has not yet developed commercial interests, any commodity based assets are impacted by changes in the exchange rate between the Canadian and United States dollar. As all of the Company's transactions were denominated in Canadian dollars, the Company was not exposed to foreign currency exchange risk during the year.

ii) Commodity price risk:

Commodity price risk is the risk that the fair value or future cash flows will fluctuate as a result of changes in commodity prices. Commodity prices for resource projects are impacted by world economic events that dictate the levels of supply and demand as well as the relationship between the Canadian and United States dollar. As the Company had not yet developed a commercial business interest in relation to its Qualifying Transaction as at December 31, 2014 it was not exposed to commodity price risk at this time.

9. Financial instruments and financial risk management: (continued)

(c) Market risk: (continued)

iii) Interest rate risk:

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. As the Company has no variable rate debt, it is not exposed to interest rate risk or interest expense at this time. The Company had no interest rate swap or financial contracts in place at December 31, 2014.

10. Capital management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern and to maintain a flexible capital structure which allowed it to pursue a Qualifying Transaction. The Company considers its capital structure to include working capital and shareholders' equity. The Company monitors its capital structure and makes adjustments 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 issue new equity if available on favorable terms. The Company's investment policy is to hold cash in interest bearing bank accounts and highly liquid short-term interest bearing investments with maturities of one year or less which can be liquidated at any time without penalties.

The Company is not subject to externally imposed capital requirements. There has been no change in the Company's approach to capital management during the year ended December 31, 2014.

11. Subsequent events

Subsequent to the end of the reporting period, on March 30, 2015, the Company announced that it has completed the acquisition of Sundance Minerals Ltd. ("Sundance") through a reverse takeover arrangement (the "RTO"), constituting a qualifying transaction under the applicable policies of the TSX Venture Exchange. On the same day, Albion was renamed as First Mining Finance Corp ("First Mining").

Prior to completion of the transaction, Albion consolidated all of its issued and outstanding shares on a four-for-one basis (the "Consolidation"). On closing, Albion issued post-Consolidation shares (the "Resulting Issuer Shares") in exchange for the Sundance shares in accordance with the Exchange Ratio (discussed below). All incentive stock options to purchase Albion shares have been cancelled.

The Exchange Ratio for the exchange of Sundance shares for Resulting Issuer Shares was determined by dividing the "Sundance Value" by the "Albion Value". Albion was valued at $800,000, and the "Albion Value" will be obtained by dividing $800,000 by the number of Resulting Issuer Shares held by Albion shareholders immediately prior to the arrangement (after giving effect to the Consolidation). Sundance has been valued at $10,900,000 plus: (i) the gross proceeds of any financing completed prior to the arrangement; plus (ii) the value of any outstanding debt of Sundance settled in exchange for Sundance shares prior to the arrangement, and the "Sundance Value" will be obtained by dividing this amount by the number of Sundance shares issued and outstanding immediately prior to the arrangement.

11. Subsequent events (continued)

Concurrent with closing of the transaction, Sundance also closed its previously announced brokered and non-brokered private placement by issuing an aggregate of 12,562,912 common shares of Sundance at a price of $0.40 per share for gross aggregate proceeds of $5,025,165. Of this amount, approximately $2.7 million was through a non-brokered private placement financing and the remaining approximately $2.3 million amount was through a brokered financing led by Haywood Securities Inc. and including Salman Partners Inc. as agents (together the "Agents"). A total of 623,925 warrants were issued to the Agents and certain other finders for their services in connection with the Private Placements. In addition, gross proceeds of $2,723,750 from the previous sale of subscription receipts of Sundance was released from escrow to the Company. All shares and warrants issued by Sundance were exchanged for common shares of the Company under the Acquisition. In addition, the Company has granted, concurrent with closing of the Acquisition, an aggregate of 2,550,000 options to directors and officers.

The audited net assets and liabilities position of Sundance, along with its net loss and total comprehensive loss as at and for the year ended December 31, 2014 are disclosed below:

		December 31, 2014
Current assets	$	2,417,286
Non-current assets		5,813,781
Current liabilities		(1,636,208)
Net assets	**$**	**6,594,859**
Net loss from operations and total comprehensive loss	**$**	**(654,657)**