



AVRUPA MINERALS LTD.
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED
SEPTEMBER 30, 2015
(UNAUDITED)

AVRUPA MINERALS LTD.

Contents

| | <u>Page</u> |
|--|-------------|
| Notice of No Auditor Review of Interim Financial Statements | 3 |
| Condensed Consolidated Interim Statements of Financial Position | 4 |
| Condensed Consolidated Interim Statements of Comprehensive Loss | 5 |
| Condensed Consolidated Interim Statements of Changes in Equity | 6 |
| Condensed Consolidated Interim Statements of Cash Flows | 7 |
| Notes to the Condensed Consolidated Interim Financial Statements | 8 – 27 |

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

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

The accompanying unaudited 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 interim financial statements by an entity's auditor.

AVRUPA MINERALS LTD.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION
(Presented in Canadian Dollars)

| | Note | September 30, 2015 (Unaudited) | December 31, 2014 (Audited) |
|--|------|------------------------------------|--------------------------------|
| Assets | | | |
| Current assets | | | |
| Cash | | \$ 549,725 | \$ 761,932 |
| Restricted cash | 5 | 115,101 | 299,305 |
| Prepaid expenses and advances | | 165,040 | 240,602 |
| Due from optionees | 5 | 107,041 | 195,855 |
| Receivables | | 334,026 | 44,451 |
| Bank guarantees | 13 | 148,762 | 139,678 |
| | | <u>1,419,695</u> | <u>1,681,823</u> |
| Non-current assets | | | |
| Exploration and evaluation assets | 5 | 1,479,204 | 1,479,204 |
| Property, plant and equipment | 4 | 65,820 | 74,658 |
| | | <u>1,545,024</u> | <u>1,553,862</u> |
| Total assets | | \$ 2,964,719 | \$ 3,235,685 |
| Liabilities | | | |
| Current liabilities | | | |
| Funds held for optionees | 5 | \$ 115,101 | \$ 299,305 |
| Accounts payable and accrued liabilities | | 516,986 | 756,930 |
| Due to related parties | 7 | 55,949 | 53,301 |
| | | <u>688,036</u> | <u>1,109,536</u> |
| Equity | | | |
| Share capital | 6 | 6,172,356 | 5,633,560 |
| Reserves | 6 | 5,167,329 | 4,427,290 |
| Deficit | | (9,063,002) | (7,934,701) |
| | | <u>2,276,683</u> | <u>2,126,149</u> |
| Total equity and liabilities | | \$ 2,964,719 | \$ 3,235,685 |

These condensed consolidated interim financial statements are authorized for issue by the Board of Directors on November 27, 2015. They are signed on the Company's behalf by:

/s/Paul W. Kuhn
Director

/s/Mark T. Brown
Director

AVRUPA MINERALS LTD.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF COMPREHENSIVE LOSS
(Presented in Canadian Dollars)
(Unaudited)

| | Note | Three months ended September 30 | | Nine months ended September 30 | |
|---|------|---------------------------------|--------------|--------------------------------|--------------|
| | | 2015 | 2014 | 2015 | 2014 |
| Mineral exploration expenses | | | | | |
| Mineral exploration expenses | 5 | \$ 954,057 | \$ 1,385,334 | \$ 2,646,927 | \$ 3,539,984 |
| Reimbursements from optionees | 5 | (707,201) | (1,314,347) | (2,110,716) | (3,313,338) |
| | | (246,856) | (70,987) | (536,211) | (226,646) |
| General administrative expenses | | | | | |
| Bank charges | | 3,089 | 3,183 | 9,853 | 9,026 |
| Consulting | | 47,756 | 18,647 | 87,287 | 89,788 |
| Depreciation | | 1,480 | 213 | 4,281 | 662 |
| Insurance | | - | 2,300 | 4,600 | 6,900 |
| Investor relations | | 63,992 | 55,020 | 114,170 | 148,611 |
| Licenses, fees and taxes | | 211 | - | 211 | - |
| Listing and filing fees | | 1,250 | 40 | 10,087 | 9,447 |
| Office and administrative fees | | (9,568) | 5,749 | 6,278 | 15,851 |
| Professional fees | | 52,769 | 45,020 | 122,814 | 170,704 |
| Rent | | 7,484 | 5,863 | 18,746 | 15,335 |
| Share-based payment | | 183,365 | - | 183,365 | 29,141 |
| Telephone | | - | 170 | - | 1,088 |
| Transfer agent fees | | 1,413 | 1,399 | 5,493 | 6,105 |
| Travel | | 17,967 | 10,729 | 29,764 | 34,503 |
| | | (371,208) | (148,333) | (596,949) | (537,161) |
| Other items | | | | | |
| Foreign exchange gain/(loss) | | (13,035) | 6,546 | 2,419 | 4,569 |
| Interest income | | 972 | 1,771 | 2,115 | 7,437 |
| Other income | | 325 | 22 | 325 | 200 |
| Property investigation cost | | - | (333) | - | (1,313) |
| | | (11,738) | 8,006 | 4,859 | 10,893 |
| Net loss for the period | | | | | |
| | | (629,802) | (211,314) | (1,128,301) | (752,914) |
| Exchange difference arising on the translation of foreign subsidiaries | | | | | |
| | | 48,478 | (21,446) | 39,828 | (30,179) |
| Comprehensive loss for the period | | | | | |
| | | \$ (581,324) | \$ (232,760) | \$ (1,088,473) | \$ (783,093) |
| Basic and diluted loss per share | | | | | |
| | 8 | \$ (0.01) | \$ (0.01) | \$ (0.02) | \$ (0.02) |

AVRUPA MINERALS LTD.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN EQUITY
(Presented in Canadian Dollars)

| | Share capital | | Reserves | | | | | | Total equity |
|---|-------------------|---------------------|---------------------|-------------------|----------------------------------|------------------|--------------------|-----------------------|---------------------|
| | Number of shares | Amount | Warrants | Finder's options | Equity-settled employee benefits | Exchange | Subtotal | Deficit | |
| Balance as at December 31, 2013 (Audited) | 38,543,571 | \$ 4,647,712 | \$ 3,278,495 | \$ 195,230 | \$ 575,936 | \$ 30,522 | \$4,080,183 | \$ (6,683,745) | \$ 2,044,150 |
| Share issues: | | | | | | | | | |
| Shares issued for private placement | 4,400,000 | 612,371 | 487,629 | - | - | - | 487,629 | - | 1,100,000 |
| Share issue costs | - | -101,805 | - | 34,534 | - | - | 34,534 | - | (67,271) |
| Shares issued for warrants exercised | 280,000 | 65,790 | (23,790) | - | - | - | (23,790) | - | 42,000 |
| Shares issued for options exercised | 150,000 | 28,030 | - | - | (13,030) | - | (13,030) | - | 15,000 |
| Revaluation of extended warrants | - | (579,150) | 579,150 | - | - | - | 579,150 | - | - |
| Share-based payment | - | - | - | - | 29,141 | - | 29,141 | - | 29,141 |
| Comprehensive loss | - | - | - | - | - | (30,179) | (30,179) | (752,914) | (783,093) |
| Balance as at September 30, 2014 (Unaudited) | 43,373,571 | 4,672,948 | 4,321,484 | 229,764 | 592,047 | 343 | 5,143,638 | (7,436,659) | 2,379,927 |
| Share issues: | | | | | | | | | |
| Shares issued for property license fees | 515,560 | 128,890 | - | - | - | - | - | - | 128,890 |
| Shares issued for warrants exercised | 666,666 | 156,641 | (56,641) | - | - | - | (56,641) | - | 100,000 |
| Revaluation of extended warrants | - | 675,081 | (675,081) | - | - | - | (675,081) | - | - |
| Comprehensive loss | - | - | - | - | - | 15,374 | 15,374 | (498,042) | (482,668) |
| Balance as at December 31, 2014 (Audited) | 44,555,797 | 5,633,560 | 3,589,762 | 229,764 | 592,047 | 15,717 | 4,427,290 | -7,934,701 | 2,126,149 |
| Shares issued for private placement | 10,920,000 | 613,483 | 478,517 | - | - | - | 478,517 | - | 1,092,000 |
| Share issue costs | - | -74,687 | - | 38,329 | - | - | 38,329 | - | (36,358) |
| Share-based payment | - | - | - | - | 183,365 | - | 183,365 | - | 183,365 |
| Comprehensive loss | - | - | - | - | - | 39,828 | 39,828 | (1,128,301) | (1,088,473) |
| Balance as at September 30, 2015 (Unaudited) | 55,475,797 | \$ 6,172,356 | \$ 4,068,279 | \$ 268,093 | \$ 775,412 | \$ 55,545 | \$5,167,329 | \$ (9,063,002) | \$ 2,276,683 |

AVRUPA MINERALS LTD.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS
(Presented in Canadian Dollars)
(Unaudited)

| | Note | Nine months ended September 30 | |
|--|------|--------------------------------|--------------|
| | | 2015 | 2014 |
| Cash flows from operating activities | | | |
| Net loss for the period | | \$ (1,128,301) | \$ (752,914) |
| Items not involving cash: | | | |
| Depreciation | | 4,281 | 662 |
| Mineral exploration expenses | | 11,141 | 12,991 |
| Share-based payment | | 183,365 | 29,141 |
| Changes in non-cash working capital items: | | | |
| Receivables | | (289,575) | (227,088) |
| Due from optionees | | 88,814 | - |
| Bank guarantees | | (9,084) | 64,117 |
| Prepaid expenses and advances | | 75,562 | (63,755) |
| Accounts payable and accrued liabilities | | (239,944) | 377,935 |
| Due to related parties | | 2,648 | 6,218 |
| Funds held for optionees | | (184,204) | 18,731 |
| Exchange difference arising on the translation of foreign subsidiaries | | 35,970 | (29,888) |
| Net cash (used in) operating activities | | (1,449,327) | (563,850) |
| Cash flows from investing activities | | | |
| Purchase of property, plant and equipment | | (2,726) | (44,539) |
| Net cash (used in) investing activities | | (2,726) | (44,539) |
| Cash flows from financing activities | | | |
| Proceeds from issuance of common shares | | 1,092,000 | 1,157,000 |
| Share issue costs | | (36,358) | (67,271) |
| Net cash provided by financing activities | | 1,055,642 | 1,089,729 |
| Change in cash for the period | | (396,411) | 481,340 |
| Cash, beginning of the period | | 1,061,237 | 1,079,658 |
| Cash, end of the period | | \$ 664,826 | \$ 1,560,998 |
| Cash comprised of: | | | |
| Cash | | \$ 549,725 | \$ 901,763 |
| Restricted Cash | | 115,101 | 659,235 |
| | | \$ 664,826 | \$ 1,560,998 |
| Supplementary information: | | | |
| Interest received | | \$ 2,115 | \$ 7,437 |

Supplemental disclosure with respect to cash flows (Note 10)

1. NATURE OF OPERATIONS AND CONTINUANCE OF OPERATIONS

Avrupa Minerals Ltd. (the "Company") was incorporated on January 23, 2008 under the Business Corporations Act of British Columbia and its registered office is Suite 2610 – 1066 West Hastings Street, Vancouver, BC, Canada, V6E 3X1. The Company changed its name on July 7, 2010 and began trading under the symbol "AVU" on the TSX Venture Exchange (the "Exchange") on July 14, 2010. On September 20, 2012, the Company listed in Europe on the Frankfurt Stock Exchange under the trading symbol "8AM". The Company is primarily engaged in the acquisition and exploration of mineral properties in Europe.

These condensed consolidated interim financial statements have been prepared on the basis that the Company will continue as a going concern, which assumes that the Company will be able to meet its commitments, continue operations and realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. There are material uncertainties that cast significant doubt about the appropriateness of the going concern assumption.

If the Company is to advance or develop its mineral properties further, it will be necessary to obtain additional financing and while it has been successful in the past, there can be no assurance that it will be able to do so in the future. Failure to raise sufficient funds would result in the Company's inability to make future required property payments, which would result in the loss of those property options.

These financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and statement on financial position classifications that would be necessary were the going concern assumption inappropriate, and these adjustments could be material.

2. BASIS OF PREPARATION

a) Statement of compliance

These condensed consolidated interim financial statements, including comparatives, have been prepared in accordance with International Accounting Standards ("IAS") 34 "Interim Financial Reporting" ("IAS34") using accounting policies consistent with the 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 a historical cost basis except certain financial instruments which are measured at fair value. In addition, these condensed consolidated interim financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

The preparation of these condensed consolidated interim financial statements in conformity with IAS 34 requires management to make judgements, 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.

2. BASIS OF PREPARATION *(Continued)*

c) New accounting standards and interpretations

Certain new accounting standards and interpretations have been published that are not mandatory for the September 30, 2015 reporting period. The Company has not early adopted the following new and revised standard, amendment and interpretation that has been issued but is not yet effective:

- IFRS 9 (Amended 2010) Financial Instruments (effective January 1, 2018)

The Company anticipates that the application of the above new and revised standard, amendment and interpretation will have no material impact on its results and financial position.

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 statement for the year ended December 31, 2014.

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, 2014. 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 nine month period ended September 30, 2015 are not necessarily indicative of the results that may be expected for the year ending December 31, 2015.

AVRUPA MINERALS LTD.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2015 AND 2014
(Presented in Canadian Dollars)
(Unaudited)

4. PROPERTY, PLANT AND EQUIPMENT

| | Furniture and other equipment | | | Vehicles | Other assets | Total |
|--|--|------------|-----------|-----------------|---------------------|--------------|
| Cost | | | | | | |
| As at January 1, 2014 | \$ 69,975 | \$ 153,482 | \$ 20,249 | \$ 243,706 | | |
| Additions during the year | 45,964 | 21,899 | 660 | 68,523 | | |
| Disposals during the year | (3,744) | - | - | (3,744) | | |
| Exchange adjustment | (2,946) | (6,462) | (853) | (10,261) | | |
| As at December 31, 2014 | 109,249 | 168,919 | 20,056 | 298,224 | | |
| Additions during the period | 543 | 2,183 | - | 2,726 | | |
| Exchange adjustment | 7,106 | 10,986 | 1,304 | 19,396 | | |
| As at September 30, 2015 | \$ 116,898 | \$ 182,088 | \$ 21,360 | \$ 320,346 | | |
| Accumulated depreciation | | | | | | |
| As at January 1, 2014 | \$ 50,129 | \$ 153,482 | \$ 13,354 | \$ 216,965 | | |
| Depreciation for the year | 18,026 | 763 | 1,570 | 20,359 | | |
| Depreciation for the year related to disposals | (3,744) | - | - | (3,744) | | |
| Exchange adjustment | (2,888) | (6,495) | (631) | (10,014) | | |
| As at December 31, 2014 | 61,523 | 147,750 | 14,293 | 223,566 | | |
| Depreciation for the period | 11,052 | 3,286 | 1,084 | 15,422 | | |
| Exchange adjustment | 4,716 | 9,822 | 1,000 | 15,538 | | |
| As at September 30, 2015 | \$ 77,291 | \$ 160,858 | \$ 16,377 | \$ 254,526 | | |
| Net book value | | | | | | |
| As at January 1, 2014 | \$ 19,846 | \$ - | \$ 6,895 | \$ 26,741 | | |
| As at December 31, 2014 | \$ 47,726 | \$ 21,169 | \$ 5,763 | \$ 74,658 | | |
| As at September 30, 2015 | \$ 39,607 | \$ 21,230 | \$ 4,983 | \$ 65,820 | | |

AVRUPA MINERALS LTD.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2015 AND 2014
(Presented in Canadian Dollars)
(Unaudited)

5. EXPLORATION AND EVALUATION ASSETS AND MINERAL EXPLORATION EXPENSES

| | Portugal | | | | | Kosovo | | Germany | Others | Total |
|--|-------------------|-------------------|-------------------|------------------------|---------------------|--------------------|---------------------|-------------------|------------------|---------------------|
| | Alvalade | Covas | Alvito | Callinan Generative | Others | Slivovo | Others | | | |
| Exploration and evaluation assets | | | | | | | | | | |
| Acquisition costs | | | | | | | | | | |
| As of January 1, 2015 | \$ 167,920 | \$ 71,289 | \$ - | \$ - | \$ 1,096,840 | \$ 143,155 | \$ - | \$ - | \$ - | \$ 1,479,204 |
| Additions during the period | - | - | - | - | - | - | - | - | - | - |
| As of September 30, 2015 | \$ 167,920 | \$ 71,289 | \$ - | \$ - | \$ 1,096,840 | \$ 143,155 | \$ - | \$ - | \$ - | \$ 1,479,204 |
| Mineral exploration expenses for the nine-month period ended September 30, 2015 | | | | | | | | | | |
| Assaying | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 183,522 | \$ - | \$ - | \$ - | \$ 183,522 |
| Concession fees and taxes | 281 | 14,055 | 18,135 | - | 35,085 | 3,000 | 3,019 | - | - | 73,575 |
| Depreciation | - | - | 446 | - | 10,695 | - | - | - | - | 11,141 |
| Drilling | - | - | - | - | - | 943,772 | - | - | - | 943,772 |
| Geological salaries and consulting | 91,968 | 122,379 | 101,136 | - | 117,269 | 75,874 | - | 5,242 | - | 513,868 |
| Geology work | - | - | - | 976 | - | 415,733 | - | - | 41,239 | 457,948 |
| Insurance | 1,313 | - | 1,384 | - | 11,834 | 9,273 | 205 | - | - | 24,009 |
| Legal and accounting | - | - | 4 | - | 140 | 25,587 | - | - | - | 25,731 |
| Office and administrative fees | 14,894 | 1,096 | 7,910 | 366 | 26,848 | 49,776 | 2 | - | 15,536 | 116,428 |
| Rent | 21,772 | 6,319 | 14,958 | - | 44,251 | 9,881 | - | - | 8,032 | 105,213 |
| Site costs | 2,457 | 804 | 7,066 | - | 11,297 | 81,675 | - | - | 5,037 | 108,336 |
| Travel | 2,251 | 968 | 6,371 | - | 7,766 | 43,034 | - | - | 6,985 | 67,375 |
| Trenching and road work | - | - | - | - | - | 16,009 | - | - | - | 16,009 |
| Reimbursements from optionee | - | (107,041) | (91,189) | (1,342) | - | (1,911,144) | - | - | - | (2,110,716) |
| | \$ 134,936 | \$ 38,580 | \$ 66,221 | \$ - | \$ 265,185 | \$ (54,008) | \$ 3,226 | \$ 5,242 | \$ 76,829 | \$ 536,211 |
| Cumulative mineral exploration expenses since acquisition | | | | | | | | | | |
| Assaying | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 290,774 | \$ 8,116 | \$ 10,846 | \$ - | \$ 309,736 |
| Concession fees and taxes | 132,478 | 169,142 | 53,556 | 55 | 247,082 | 9,755 | 194,389 | 4 | - | 806,461 |
| Depreciation | - | - | 5,581 | - | 35,239 | - | - | - | - | 40,820 |
| Drilling | - | - | - | - | - | 1,223,697 | - | - | - | 1,223,697 |
| Geological salaries and consulting | 5,652,561 | 1,948,310 | 418,695 | 91,032 | 1,712,260 | 112,049 | 509,379 | 12,306 | - | 10,456,592 |
| Geology work | - | - | - | 32,377 | - | 811,539 | 402,515 | 193,998 | 41,239 | 1,481,668 |
| Insurance | 18,154 | 10,457 | 3,392 | 758 | 20,599 | 14,464 | 14,788 | - | - | 82,612 |
| Legal and accounting | 296 | - | 33 | - | 384 | 50,482 | - | - | - | 51,195 |
| Office and administrative fees | 183,300 | 22,271 | 22,028 | 5,068 | 99,027 | 65,111 | 16,182 | 5,255 | 15,536 | 433,778 |
| Rent | 299,837 | 29,288 | 42,621 | 3,187 | 175,745 | 25,531 | 44,992 | - | 8,032 | 629,233 |
| Site costs | 97,814 | 56,483 | 19,728 | 3,054 | 63,634 | 176,555 | 189,975 | - | 5,037 | 612,280 |
| Travel | 208,147 | 53,940 | 26,716 | 14,469 | 70,115 | 53,773 | 9,257 | - | 6,985 | 443,402 |
| Trenching and road work | - | - | - | - | - | 34,177 | - | - | - | 34,177 |
| Reimbursements from optionee | (6,573,193) | (2,136,483) | (303,854) | (150,000) | (83,125) | (2,830,799) | - | - | - | (12,077,454) |
| | \$ 19,394 | \$ 153,408 | \$ 288,496 | \$ - | \$ 2,340,960 | \$ 37,108 | \$ 1,389,593 | \$ 222,409 | \$ 76,829 | \$ 4,528,197 |

AVRUPA MINERALS LTD.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2015 AND 2014
(Presented in Canadian Dollars)
(Unaudited)

5. EXPLORATION AND EVALUATION ASSETS AND MINERAL EXPLORATION EXPENSES

| | Portugal | | | | | | | Kosovo | | | | | Germany | Total |
|--|---------------------|-------------------|------------------|-------------|-------------|------------------------|-------------|-------------|-------------|-------------|-------------------|-------------|-------------|---------------------|
| | Marateca | Alvalade | Covas | Arga | Alvito | Callinan Generative | Others | Glavej | Kamenica | Selac | Slivovo | Others | | |
| Exploration and evaluation assets | | | | | | | | | | | | | | |
| Acquisition costs | | | | | | | | | | | | | | |
| As of January 1, 2014 | \$ 1,096,840 | \$ 167,920 | \$ 71,289 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 143,155 | \$ - | \$ - | \$ 1,479,204 |
| Additions during the period | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| As of December 31, 2014 | \$ 1,096,840 | \$ 167,920 | \$ 71,289 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 143,155 | \$ - | \$ - | \$ 1,479,204 |
| Mineral exploration expenses for the year ended December 31, 2014 | | | | | | | | | | | | | | |
| Assaying | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 107,252 | \$ - | \$ 10,846 | \$ 118,098 |
| Concession fees and taxes | 30,679 | 37,285 | 25,949 | 3,668 | 5,134 | 55 | 34,216 | (1,906) | (1,906) | 2,054 | 2,249 | 3,668 | - | 141,145 |
| Depreciation | 8,088 | - | - | - | 3,107 | - | 3,263 | - | - | - | - | - | - | 14,458 |
| Drilling | - | - | - | - | - | - | - | - | - | - | 279,925 | - | - | 279,925 |
| Geological salaries and consulting | 157,049 | 1,988,160 | 690,958 | - | 195,244 | 85,498 | 18,331 | - | 4,039 | - | 6,636 | 2,658 | - | 3,148,573 |
| Geology work | - | - | - | - | - | 31,401 | - | - | - | - | 382,799 | 4,039 | - | 418,239 |
| Insurance | 2,224 | 11,046 | 8,176 | - | 1,213 | 758 | 1,367 | 73 | 73 | - | 4,033 | 130 | - | 29,093 |
| Legal and accounting | 95 | - | - | - | 29 | - | 62 | - | - | - | 24,895 | - | - | 25,081 |
| Office and administrative fees | 18,025 | 64,982 | 4,172 | 261 | 8,511 | 4,600 | 12,061 | - | 40 | - | 13,016 | 2 | - | 125,670 |
| Rent | 37,167 | 99,886 | 11,267 | - | 19,142 | 3,187 | 20,661 | - | - | - | 11,878 | - | - | 203,188 |
| Site costs | 6,316 | 22,889 | 16,378 | - | 8,388 | 2,912 | 5,128 | - | 59 | - | 58,256 | - | - | 120,326 |
| Travel | 2,136 | 55,103 | 12,910 | - | 11,523 | 14,401 | 5,345 | - | 359 | - | 10,548 | 359 | - | 112,684 |
| Trenching and road work | - | - | - | - | - | - | - | - | - | - | 18,168 | - | - | 18,168 |
| Reimbursements from optionee | - | (2,279,351) | (769,369) | (299) | (183,292) | (114,904) | - | - | - | - | (919,655) | - | - | (4,266,870) |
| | \$ 261,779 | \$ - | \$ 441 | \$ 3,630 | \$ 68,999 | \$ 27,908 | \$ 100,434 | \$ (1,833) | \$ 2,664 | \$ 2,054 | \$ - | \$ 10,856 | \$ 10,846 | \$ 487,778 |
| Cumulative mineral exploration expenses since acquisition | | | | | | | | | | | | | | |
| Assaying | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 3,292 | \$ 3,569 | \$ - | \$ 107,252 | \$ 1,255 | \$ 10,846 | \$ 126,214 |
| Concession fees and taxes | 98,347 | 132,197 | 155,087 | 26,531 | 35,421 | 55 | 87,119 | 76,597 | 79,309 | 10,044 | 6,755 | 25,420 | 4 | 732,886 |
| Depreciation | 10,152 | - | - | 1,041 | 5,135 | - | 13,351 | - | - | - | - | - | - | 29,679 |
| Drilling | - | - | - | - | - | - | - | - | - | - | 279,925 | - | - | 279,925 |
| Geological salaries and consulting | 967,059 | 5,560,593 | 1,825,931 | 112,677 | 317,559 | 91,032 | 515,255 | 65,963 | 161,565 | 75,875 | 36,175 | 205,976 | 7,064 | 9,942,724 |
| Geology work | - | - | - | - | - | 31,401 | - | 52,790 | 97,813 | 55,733 | 395,806 | 196,179 | 193,998 | 1,023,720 |
| Insurance | 3,034 | 16,841 | 10,457 | 408 | 2,008 | 758 | 5,323 | 1,908 | 4,383 | 1,986 | 5,191 | 6,306 | - | 58,603 |
| Legal and accounting | 110 | 296 | - | - | 29 | - | 134 | - | - | - | 24,895 | - | - | 25,464 |
| Office and administrative fees | 32,137 | 168,406 | 21,175 | 3,113 | 14,118 | 4,702 | 36,929 | 493 | 4,998 | 3,266 | 15,335 | 7,423 | 5,255 | 317,350 |
| Rent | 63,705 | 278,065 | 22,969 | 4,748 | 27,663 | 3,187 | 63,041 | 2,199 | 12,943 | 8,546 | 15,650 | 21,304 | - | 524,020 |
| Site costs | 30,361 | 95,357 | 55,679 | 1,817 | 12,662 | 3,054 | 20,159 | 27,206 | 123,867 | 10,154 | 94,880 | 28,748 | - | 503,944 |
| Travel | 33,973 | 205,896 | 52,972 | 5,126 | 20,345 | 14,469 | 23,250 | - | 2,841 | 2,413 | 10,739 | 4,003 | - | 376,027 |
| Trenching and road work | - | - | - | - | - | - | - | - | - | - | 18,168 | - | - | 18,168 |
| Reimbursements from optionee | - | (6,573,193) | (2,029,442) | (83,125) | (212,665) | (148,658) | - | - | - | - | (919,655) | - | - | (9,966,738) |
| | \$ 1,238,878 | \$ (115,542) | \$ 114,828 | \$ 72,336 | \$ 222,275 | \$ - | \$ 764,561 | \$ 230,448 | \$ 491,288 | \$ 168,017 | \$ 91,116 | \$ 496,614 | \$ 217,167 | \$ 3,991,986 |

5. EXPLORATION AND EVALUATION ASSETS AND MINERAL EXPLORATION EXPENSES

(Continued)

Portugal

The Company, through its 100% holding in MAEPA, holds six exploration licenses in Portugal, spread from the north to the south in the country. The licenses have been issued to MAEPA by the government of Portugal, and are as follows:

- Alvalade
- Covas
- Alvito
- Marateca
- Santa Margarida do Sado
- Mertola

Licenses have varying work commitments, as approved by the government of Portugal, and all licenses carry a 3% Net Smelter Return (“NSR”), payable to the government of Portugal.

Alvalade:

The Company first entered into a Joint Venture agreement with Antofagasta Minerals S.A. (“Antofagasta”) to undertake exploration on the Alvalade project in 2011 and on January 27, 2015, the two parties signed a second amended Joint Venture agreement, which allows for more interim funding by Antofagasta, an expanded time frame in which to get a feasibility study decision, and a means for the Company to be carried to production, if there is a production decision to be made for the project.

On August 31, 2015, the Company signed an agreement with Colt Resources Inc. (“Colt”) and Antofagasta, whereby Colt purchased Antofagasta’s 60% interest in the Alvalade property. With the assignment agreement, Colt is the optionee partner with the Company under the existing earn-in agreement which was last amended in January 2015. Colt can earn up to 80% of the JV through a combination of exploration expenditures, completion of a feasibility study, and generation of a mine development decision by the end of the year 2023 as follows:

- To earn a further 2.5% of the JV (for an aggregate total of 62.5%), Colt must fund US\$1.75 million by December 31, 2015 (Option 3 Year 1).
- To earn a further 2.5% of the JV (for an aggregate total of 65%), Colt must fund US\$1.75 million by December 31, 2016 (Option 3 Year 2).
- To earn a further 2.5% of the JV (for an aggregate total of 67.5%), Colt must fund US\$1.75 million by December 31, 2017 (Option 4 Year 1).
- To earn a further 2.5% of the JV (for an aggregate total of 70%), Colt must fund US\$1.75 million by December 31, 2018 (Option 4 Year 2).
- To earn a further 5% of the JV (for an aggregate total of 75%), Colt must fund US\$25 million in exploration by December 31, 2022 with an option to partially earn in 1% for every US\$5 million spent (Option 5).
- If Option 5 expenditures are not sufficient to fund a Feasibility Study, Colt will fund 100% of additional exploration but will be reimbursed for the Company’s proportionate share (being 25% of Work Programs and Budgets) following the commencement of commercial production (Feasibility Study Phase).
- To earn a further 5% of the JV (for an aggregate total of 80%), Colt must have completed a Feasibility Study, funded 100% of all work programs during this phase and make a Development Decision within one year of the date of delivery of the Feasibility Study (Option 6).

5. EXPLORATION AND EVALUATION ASSETS AND MINERAL EXPLORATION EXPENSES

(Continued)

Portugal (Continued)

Alvalade: (Continued)

- Colt will carry the Company through to production, and the Company will repay Colt from proceeds, dividends, and sales generated by the actual production from any mine within the project area.

Subsequently, Colt forwarded a total of \$144,371 (€98,702 or US\$109,973) for the Alvalade property.

Covas:

On May 18, 2011, the Company signed an agreement to option out the Covas Tungsten Project to Blackheath Resources Inc. ("Blackheath"). Under the terms of the agreement, Blackheath has the option to earn a 51% interest in the project by spending €300,000 (spent) in exploration on the project before March 20, 2013, of which €150,000 (spent) is a firm commitment and must be spent by March 20, 2012. Blackheath can then earn an additional 19% by spending an additional €700,000 (spent) by March 20, 2014

On May 7, 2014, the Company and Blackheath signed an amended Joint Venture agreement. The amended agreement carries the following terms (in summary):

- To earn 51% of the joint venture ("JV"), Blackheath must spend €300,000 on exploration by March 20, 2013 (completed).
- To earn a further 19% of the JV (for an aggregate total of 70%), Blackheath must fund €700,000 on exploration by March 20, 2014 (completed).
- To earn a further 5% of the JV (for an aggregate total of 75%), Blackheath must fund €320,000 on exploration by March 20, 2015 (completed).
- To earn a further 5% of the JV (for an aggregate total of 80%), Blackheath must fund €498,000 on exploration by March 20, 2016.
- To earn a further 5% of the JV (for an aggregate total of 85%), Blackheath must fund €833,000 on exploration by March 20, 2017.

As of September 30, 2015, Blackheath had forwarded a total \$2,029,442 (€1,483,996) for the Covas property. The Company incurred an additional amount of \$107,041 (€71,595) as of September 30, 2015 which will be reimbursed by Blackheath.

5. EXPLORATION AND EVALUATION ASSETS AND MINERAL EXPLORATION EXPENSES

(Continued)

Portugal *(Continued)*

Alvito:

On June 17, 2015, the Company signed an agreement to option out the Alvito IOCG Project to Lowell Copper Ltd. ("Lowell"). The agreement carries the following terms (in summary):

- To earn 51% interest, Lowell must spend US\$300,000 on exploration and issue 50,000 common shares to the Company by June 17, 2016 and an additional US\$1.1 million and 50,000 common shares by June 17, 2017 (Year 1 – Year 2).
- To earn a further 14% interest (for an aggregate total of 65%), Lowell must fund US\$3 million on exploration by June 17, 2020 and issue 50,000 common shares each year (Year 3 – Year 5).
- To earn a further 15% interest (for an aggregate total of 80%), Lowell must complete a Pre-Feasibility Study by June 17, 2023 (Year 6 – Year 8).

As of September 30, 2015, Lowell had forwarded a total \$201,407 (€136,819) for the Alvito property. The Company held \$110,914 (€74,185) on behalf of Lowell to be spent on the Alvito property, which is recorded as restricted cash and subsequently spent on the Alvito property.

Subsequently, Lowell terminated the agreement.

Previously, on November 20, 2013, the Company received \$150,000 in funding from Callinan Royalties Corporation ("Callinan") (now Altius Minerals Corporation) to fund exploration at the Alvito license to better attract potential joint venture partners in exchange for a 1.5% NSR royalty. The project is designated as an "Alliance Property" under the Exploration Alliance Agreement between the Company and Callinan (see Callinan Generative below). Callinan had forwarded a total \$150,000 (€103,609) for the Alvito property. On March 10, 2015, Callinan terminated the Agreement and retains the 1.5% NSR royalty.

Similarly, on October 22, 2014, the Company and a third party signed an exclusivity agreement (the "Agreement") which called for the third party to fund various work programs during a two-stage review period. The third party would fund for stage 1 work program of up to US\$61,500 with the Company providing a technical report by January 20, 2015. Within 30 days of receipt of the report, the third party could proceed to commercial negotiations toward a potential transaction; or fund the stage 2 work program; or terminate the Agreement. The third party had forwarded a total \$63,361 (US\$55,538) for the Alvito property. On February 5, 2015, the third party terminated the Agreement.

5. EXPLORATION AND EVALUATION ASSETS AND MINERAL EXPLORATION EXPENSES

(Continued)

Portugal (Continued)

Callinan Generative:

On October 3, 2013, the Company and Callinan signed a three-year Generative Exploration Alliance Agreement (the "Agreement") which called for Callinan to fund \$150,000 of generative exploration in Portugal during the first year of the Agreement and, at Callinan's option, to fund up to \$100,000 in each of the two subsequent years. In return for such funding, the Company would grant Callinan the option to receive a 0.5% NSR royalty on any new projects acquired as a result of the generative exploration work, or, if Callinan funded an additional \$150,000 in further exploration on any of the new projects, an option to receive a 1.5% NSR royalty on such projects. If the Company determined that further value could be generated for the new project after spending the additional \$150,000, Callinan had the option to contribute subsequent funding with the Company on a joint 50/50 basis, with Callinan's NSR and interest in the new project unchanged.

Callinan also had the option to fund additional exploration on the Company's existing mineral properties, if proposed by the Company, and would earn a 1.5% NSR royalty in return for funding \$150,000 in exploration on those projects (the "Alliance Property").

Callinan had forwarded a total \$150,000 (€106,114) for the Callinan Generative exploration project. On March 10, 2015, Callinan terminated the Agreement.

Kosovo

The Company, through its 100% holding in Innomatik, holds two exploration licenses in Kosovo:

- Slivovo
- Metovit

The Slivovo license was issued during 2012. The license carries a work commitment, and there is a 5% NSR payable to the government of Kosovo attached to the Slivovo license. Kamenica license was dropped but replaced by the Metovit application.

Slivovo:

On April 10, 2014, the Company signed an earn-in and shareholders agreement ("Earn-In Agreement") to option out the Slivovo property to Byrnegut International Limited ("Byrnegut"). Under the Earn-In Agreement, Byrnegut has the option to earn a 51% interest in the Slivovo property by spending €1,000,000 in exploration on the project by April 10, 2015 (completed by April 2015), of which €360,000 is a firm commitment to be spent by October 10, 2014. Byrnegut can then earn a further 24% by spending an additional €1,000,000 for a total interest of 75% with total expenditures of €2,000,000, by April 10, 2016 (completed in September 2015). Byrnegut can further earn an additional 10% by completing a Preliminary Feasibility Study on the Slivovo Project for a total interest of 85% by April 10, 2017.

As of September 30, 2015, Byrnegut had forwarded a total \$2,834,986 (€2,000,000) for the Slivovo property. The Company held \$4,187 on behalf of Byrnegut to be spent on the Slivovo property, which is recorded as restricted cash.

Byrnegut and the Company set up a joint-venture entity known as Peshter Mining JSC to reflect the 75:25 ownership and had transferred the license into Peshter Mining JSC.

5. EXPLORATION AND EVALUATION ASSETS AND MINERAL EXPLORATION EXPENSES

(Continued)

Germany

On January 23, 2012, the Company announced the signing of a Memorandum of Understanding (“MOU”) with Beak Consultants GmbH (“Beak”) to explore for gold deposits in the Erzgebirge mining district near Oelsnitz in the Free State of Saxony in eastern Germany. The Company must spend €140,000 on exploration to gain an 85% interest in the Oelsnitz Exploration License, which was issued to Beak on January 12, 2012. There is no royalty attached to the license. Once the Company has earned into the project, the two companies will form a joint venture to explore for gold on the property. As of September 30, 2015, the Company had spent \$222,409 (€172,748) on the Oelsnitz property. The Company has completed its 85% earn-in and is working with Beak to set up the joint-venture entity.

| | September 30, 2015 (Unaudited) | December 31, 2014 (Audited) |
|---|------------------------------------|--------------------------------|
| Restricted cash & Funds held for optionees | | |
| Alvito - Callinan | \$ - | \$ 696 |
| Alvito - Lowell | 110,914 | - |
| Generattive Exploration Alliance - Callinan | - | 1,342 |
| Byrne-cut - Slivovo | 4,187 | 297,267 |
| | <u>\$ 115,101</u> | <u>\$ 299,305</u> |
| Due from optionees | | |
| Alvalade - Antofagasta | \$ - | \$ 45,942 |
| Covas - Blackheath | 107,041 | 110,208 |
| Alvito - optionee | - | 39,705 |
| | <u>\$ 107,041</u> | <u>\$ 195,855</u> |

6. CAPITAL AND RESERVES

(a) Authorized:

At September 30, 2015, the authorized share capital was comprised of an unlimited number of common shares. The common shares do not have a par value. All issued shares are fully paid.

(b) Share issuances:

- i. During the year ended December 31, 2014, the Company issued common shares pursuant to the exercise of 150,000 stock options for cash proceeds of \$15,000 and the exercise of 946,666 warrants for cash proceeds of \$142,000.
- ii. On August 22, 2014, the Company completed a non-brokered private placement issuing 4,400,000 units at a price of \$0.25 per unit for gross proceeds of \$1,100,000. Each unit consists of one common share and one non-transferable common share purchase warrant. Each warrant entitles the holder to purchase an additional common share at a price of \$0.40 for a period of 36 months. The warrants were ascribed a value of \$487,629.

A total of \$27,250 cash finder's fee was paid and 152,600 finder's options were issued as part of the financing. In addition, another \$40,021 was included in share issue costs. Each finder's option can be converted into a unit with the same term as the financing at a price of \$0.25 for a period of 36 months. The finder's options were ascribed a value of \$34,534. Insiders participated in the offering for a total of 735,000 units.

- iii. On December 17, 2014, a total of 515,560 common shares of the Company at a fair value of \$128,890 were issued to make the payment of two Kosovo licenses. The agreed-upon payment equivalent to €50,000 in cash or shares per license.
- iv. On July 14, 2015, the Company completed a non-brokered private placement issuing 10,920,000 units at a price of \$0.10 per unit for gross proceeds of \$1,092,000. Each unit consists of one common share and one non-transferable common share purchase warrant. Each warrant entitles the holder to purchase an additional common share at a price of \$0.15 for a period of 36 months. The warrants were ascribed a value of \$478,517.

468,000 finder's options were issued as part of the financing. Each finder's option can be converted into a share with the same term as the financing at a price of \$0.10 for a period of 36 months. The finder's options were ascribed a value of \$38,329. In addition, \$36,358 was included in share issue costs.

AVRUPA MINERALS LTD.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2015 AND 2014
(Presented in Canadian Dollars)
(Unaudited)

6. CAPITAL AND RESERVES (Continued)

(c) Share Purchase Option Compensation Plan:

The Company has established a stock option plan whereby the Company may grant options to directors, officers, employees and consultants of up to 10% of the common shares outstanding at the time of grant. The exercise price, term and vesting period of each option are determined by the board of directors within regulatory guidelines.

Stock option transactions and the number of stock options for the nine months ended September 30, 2015 are summarized as follows:

| Expiry date | Exercise price | December 31, 2014 | Granted | Exercised | Expired/ cancelled | September 30, 2015 |
|---------------------------------|----------------|-------------------|------------------|-----------|--------------------|--------------------|
| July 8, 2015 | \$0.35 | 770,000 | - | - | (770,000) | - |
| July 15, 2015 | \$0.35 | 10,000 | - | - | (10,000) | - |
| January 27, 2017 | \$0.30 | 100,000 | - | - | - | 100,000 |
| April 10, 2017 | \$0.30 | 755,000 | - | - | (30,000) | 725,000 |
| July 15, 2017 | \$0.10 | - | 300,000 | - | - | 300,000 |
| October 16, 2018 | \$0.10 | 1,400,000 | - | - | (40,000) | 1,360,000 |
| March 3, 2019 | \$0.165 | 200,000 | - | - | - | 200,000 |
| July 15, 2020 | \$0.10 | - | 2,015,000 | - | - | 2,015,000 |
| Options outstanding | | 3,235,000 | 2,315,000 | - | (850,000) | 4,700,000 |
| Options exercisable | | 3,235,000 | 2,315,000 | - | (850,000) | 4,700,000 |
| Weighted average exercise price | | \$0.22 | \$0.10 | \$Nil | \$0.34 | \$0.14 |

As of September 30, 2015, the weighted average contractual remaining life is 3.46 years (December 31, 2014 – 2.62 years).

Stock options transactions and the number of stock options for the year ended December 31, 2014 are summarized as follows:

| Expiry date | Exercise price | December 31, 2013 | Granted | Exercised | Expired/ cancelled | December 31, 2014 |
|---------------------------------|----------------|-------------------|----------------|------------------|--------------------|-------------------|
| July 8, 2015 | \$0.35 | 820,000 | - | - | (50,000) | 770,000 |
| July 15, 2015 | \$0.35 | 10,000 | - | - | - | 10,000 |
| January 27, 2017 | \$0.30 | 100,000 | - | - | - | 100,000 |
| April 10, 2017 | \$0.30 | 775,000 | - | - | (20,000) | 755,000 |
| October 16, 2018 | \$0.10 | 1,550,000 | - | (150,000) | - | 1,400,000 |
| March 3, 2019 | \$0.165 | - | 200,000 | - | - | 200,000 |
| Options outstanding | | 3,255,000 | 200,000 | (150,000) | (70,000) | 3,235,000 |
| Options exercisable | | 3,255,000 | 200,000 | (150,000) | (70,000) | 3,235,000 |
| Weighted average exercise price | | \$0.22 | \$0.165 | \$0.10 | \$0.34 | \$0.22 |

AVRUPA MINERALS LTD.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2015 AND 2014
(Presented in Canadian Dollars)
(Unaudited)

6. CAPITAL AND RESERVES (Continued)

(c) Share Purchase Option Compensation Plan: (Continued)

The weighted average assumptions used to estimate the fair value of options for the nine months ended September 30, 2015 and 2014 were:

| | Nine months ended September 30, 2015 | Nine months ended September 30, 2014 |
|-------------------------|---|---|
| Risk-free interest rate | 1.47% | 1.60% |
| Expected life | 5 years | 5 years |
| Expected volatility | 149.93% | 138.42% |
| Expected dividend yield | Nil | Nil |

Option pricing models require the input of highly subjective assumptions including the expected price volatility. Changes in the subjective input assumptions can materially affect the fair value estimate, and therefore the existing models do not necessarily provide a reliable measure of the fair value of the Company's share purchase options.

(d) Finder's Options:

The continuity of finder's options for the nine months ended September 30, 2015 is as follows:

| Expiry date | Exercise price | December 31, 2014 | Issued | Exercised | Expired | September 30, 2015 |
|-----------------------------------|----------------|----------------------|---------|-----------|---------|-----------------------|
| October 4, 2015 ⁽¹⁾ | \$0.15 | 545,500 | - | - | - | 545,500 |
| September 24, 2016 ⁽²⁾ | \$0.10 | 148,800 | - | - | - | 148,800 |
| August 22, 2017 ⁽³⁾ | \$0.25 | 152,600 | - | - | - | 152,600 |
| July 14, 2018 | \$0.10 | - | 468,000 | - | - | 468,000 |
| Outstanding | | 846,900 | 468,000 | - | - | 1,314,900 |
| Weighted average exercise price | | \$0.16 | \$0.10 | \$Nil | \$Nil | \$0.14 |

(1) The finder's options are exercisable into units, with each unit consisting of one common share and one warrant exercisable until October 4, 2015 at \$0.25 and subsequently expired on October 4, 2015.

(2) The finder's options are exercisable into units, with each unit consisting of one common share and one warrant exercisable until September 24, 2016 at \$0.15.

(3) The finder's options are exercisable into units, with each unit consisting of one common share and one warrant exercisable until August 22, 2017 at \$0.40.

AVRUPA MINERALS LTD.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2015 AND 2014
(Presented in Canadian Dollars)
(Unaudited)

6. CAPITAL AND RESERVES (Continued)

(d) Finder's Options: (Continued)

As of September 30, 2015, the weighted average contractual remaining life is 1.33 years (December 31, 2014 – 1.27 years).

The continuity of finder's options for the year ended December 31, 2014 is as follows:

| Expiry date | Exercise price | December 31, 2013 | Issued | Exercised | Expired | December 31, 2014 |
|-----------------------------------|----------------|-------------------|---------|-----------|-----------|-------------------|
| March 28, 2014 | \$0.30 | 183,913 | - | - | (183,913) | - |
| October 4, 2015 ⁽¹⁾ | \$0.15 | 545,500 | - | - | - | 545,500 |
| September 24, 2016 ⁽²⁾ | \$0.10 | 148,800 | - | - | - | 148,800 |
| August 22, 2017 ⁽³⁾ | \$0.25 | - | 152,600 | - | - | 152,600 |
| Outstanding | | 878,213 | 152,600 | - | (183,913) | 846,900 |
| Weighted average exercise price | | \$0.17 | \$0.25 | \$Nil | \$0.30 | \$0.16 |

(1) The finder's options are exercisable into units, with each unit consisting of one common share and one warrant exercisable until October 4, 2015 at \$0.25 and subsequently expired on October 4, 2015.

(2) The finder's options are exercisable into units, with each unit consisting of one common share and one warrant exercisable until September 24, 2016 at \$0.15.

(3) The finder's options are exercisable into units, with each unit consisting of one common share and one warrant exercisable until August 22, 2017 at \$0.40.

The weighted average assumptions used to estimate the fair value of finder's options for the nine months ended September 30, 2015 and 2014 were:

| | Nine months ended September 30, 2015 | Nine months ended September 30, 2014 |
|-------------------------|--------------------------------------|--------------------------------------|
| Risk-free interest rate | 1.00% | 1.11% |
| Expected life | 3 years | 3 years |
| Expected volatility | 153.46% | 158.03% |
| Expected dividend yield | Nil | Nil |

AVRUPA MINERALS LTD.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2015 AND 2014
(Presented in Canadian Dollars)
(Unaudited)

6. CAPITAL AND RESERVES (Continued)

(e) Warrants:

The continuity of warrants for the nine months ended September 30, 2015 is as follows:

| Expiry date | Exercise price | December 31, 2014 | Issued | Exercised | Expired | September 30, 2015 |
|---------------------------------|----------------|-------------------|-------------------|-----------|----------|--------------------|
| September 24, 2016 | \$0.15 | 5,720,000 | - | - | - | 5,720,000 |
| October 15, 2016 | \$0.15 | 2,833,334 | - | - | - | 2,833,334 |
| March 28, 2017 | \$0.40 | 4,000,000 | - | - | - | 4,000,000 |
| August 22, 2017 | \$0.40 | 4,400,000 | - | - | - | 4,400,000 |
| October 4, 2017* | \$0.25 | 7,990,000 | - | - | - | 7,990,000 |
| July 14, 2018 | \$0.15 | - | 10,920,000 | - | - | 10,920,000 |
| Outstanding | | 24,943,334 | 10,920,000 | - | - | 35,863,334 |
| Weighted average exercise price | | \$0.27 | \$0.15 | \$Nil | \$Nil | \$0.23 |

*The Company extended the expiry date of 7,990,000 share purchase warrants with an exercise price of \$0.25 from October 4, 2015 to October 4, 2017.

As of September 30, 2015, the weighted average contractual life is 1.94 years (December 31, 2014 – 1.67 years).

The continuity of warrants for the year ended December 31, 2014 is as follows:

| Expiry date | Exercise price | December 31, 2013 | Issued | Exercised | Expired | December 31, 2014 |
|---------------------------------|----------------|-------------------|------------------|------------------|----------|-------------------|
| October 4, 2015 | \$0.25 | 7,990,000 | - | - | - | 7,990,000 |
| September 24, 2016 | \$0.15 | 6,000,000 | - | (280,000) | - | 5,720,000 |
| October 15, 2016 | \$0.15 | 3,500,000 | - | (666,666) | - | 2,833,334 |
| March 28, 2017* | \$0.40 | 4,000,000 | - | - | - | 4,000,000 |
| August 22, 2017 | \$0.40 | - | 4,400,000 | - | - | 4,400,000 |
| Outstanding | | 21,490,000 | 4,400,000 | (946,666) | - | 24,943,334 |
| Weighted average exercise price | | \$0.23 | \$0.40 | \$0.15 | \$Nil | \$0.27 |

* On November 21, 2014, the Company extended the expiry date of 4,000,000 outstanding common share purchase warrants to March 28, 2017. The warrants were issued in March 2012, by way of private placement. Each warrant entitles the holder to acquire one common share of the Company at a price of \$0.40. The fair value of these extended warrants using the Black-Scholes pricing model assumes an average risk free rate of 1.09%, no dividend yield, average expected life of 27 months and an expected price volatility of 160.63%. As a result, \$95,931 was reallocated from fair value of warrants to share capital.

The weighted average assumptions used to estimate the fair value of warrants for the nine months ended September 30, 2015 and 2014 were:

| | Nine months ended September 30, 2015 | Nine months ended September 30, 2014 |
|-------------------------|--------------------------------------|--------------------------------------|
| Risk-free interest rate | 1.00% | 1.12% |
| Expected life | 3 years | 1.93 year |
| Expected volatility | 153.46% | 169.08% |
| Expected dividend yield | Nil | Nil |

AVRUPA MINERALS LTD.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2015 AND 2014
(Presented in Canadian Dollars)
(Unaudited)

7. RELATED PARTY TRANSACTIONS AND BALANCES

The aggregate value of transactions and outstanding balances relating to key management personnel and entities over which they have control or significant influence were as follows:

For the nine months ended September 30, 2015

| | Short-term employee benefits | Post-employment benefits | Other long-term benefits | Termination benefits | Other expenses | Share-based payments | Total |
|---|------------------------------|--------------------------|--------------------------|----------------------|----------------|----------------------|-----------|
| Paul W. Kuhn Chief Executive Officer, Director | \$175,365 | \$Nil | \$Nil | \$Nil | \$37,916 | \$31,850 | \$245,131 |
| Winnie Wong, Chief Financial Officer | \$Nil | \$Nil | \$Nil | \$Nil | \$Nil | \$20,475 | \$20,475 |

For the nine months ended September 30, 2014

| | Short-term employee benefits | Post-employment benefits | Other long-term benefits | Termination benefits | Other expenses | Share-based payments | Total |
|---|------------------------------|--------------------------|--------------------------|----------------------|----------------|----------------------|-----------|
| Paul W. Kuhn Chief Executive Officer, Director | \$149,785 | \$Nil | \$Nil | \$Nil | \$40,047 | \$Nil | \$189,832 |
| Winnie Wong, Chief Financial Officer | \$Nil | \$Nil | \$Nil | \$Nil | \$Nil | \$Nil | \$Nil |

AVRUPA MINERALS LTD.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2015 AND 2014
(Presented in Canadian Dollars)
(Unaudited)

7. RELATED PARTY TRANSACTIONS AND BALANCES *(Continued)*

Related party liabilities

| | Services | Nine months ended | | As at September 30, 2015 | As at December 31, 2014 |
|---|--|-----------------------|-----------------------|--------------------------------|-------------------------------|
| | | September 30, 2015 | September 30, 2014 | | |
| Amounts due to: | | | | | |
| Pacific Opportunity Capital Ltd. ^(a) | Rent, management and accounting services | \$ 202,525 | \$ 153,600 | \$ 25,462 | \$ 27,562 |
| Paul W. Kuhn | Consulting and housing allowance and share-based payment | \$ 245,131 | \$ 189,832 | \$ 8,511 | \$ 5,105 |
| Paul L. Nelles ^(b) | Salaries and share-based payment | \$ 88,103 | \$ 46,473 | \$Nil | \$Nil |
| Michael Diehl ^(b) | Salaries and share-based payment | \$ 46,741 | \$ 95,328 | \$Nil | \$Nil |
| Mineralia ^(c) | Consulting | \$ 189,037 | \$ 196,207 | 21,976 | 20,634 |
| TOTAL: | | \$ 771,537 | \$ 681,440 | \$ 55,949 | \$ 53,301 |

(a) Pacific Opportunity Capital Ltd., a company controlled by a director of the Company.

(b) Paul L. Nelles is a director of Innomatik while Michael Diehl was the former exploration manager of Innomatik. In February 2015, Mr. Diehl ceased to be the exploration manager of Innomatik. Commencing April 1, 2014, Mr. Nelles' and Mr Diehl's amounts were paid with Byrnedcut's funding for Slivovo.

(c) Mineralia, a private company partially owned by Adriano Barros, the general manager of MAEPA.

8. LOSS PER SHARE

Basic and diluted loss per share

The calculation of basic and diluted loss per share for the nine months ended September 30, 2015 was based on the loss attributable to common shareholders of \$1,128,301 (September 30, 2014 – \$752,914) and a weighted average number of common shares outstanding of 47,675,797 (September 30, 2013 – 39,478,736).

Diluted loss per share did not include the effect of 4,700,000 share purchase options, 1,314,900 finder's options and 35,863,334 warrants for the nine months ended September 30, 2015 (September 30, 2014 – 3,235,000 share purchase options, 846,900 finder's options and 25,610,000 warrants) as they are anti-dilutive.

9. FINANCIAL INSTRUMENTS

The fair values of the Company's cash and cash equivalents, receivables, due from optionees, accounts payables and accrued liabilities, and due to related parties 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 credit risk, liquidity risk, interest risk and commodity price risk.

(a) Credit risk

The Company's cash and cash equivalents are held in financial institutions in Canada, Portugal, Kosovo and Barbados. The Company does not have any asset-backed commercial paper in its cash and cash equivalents

(b) 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.

As at September 30, 2015, the Company had cash of \$549,725 (December 31, 2014 - \$761,932) and due from optionees of \$107,041 (December 31, 2014 - \$195,855) to settle current liabilities, net of funds held for optionees, of \$572,935 (December 31, 2014 - \$810,231).

Accounts payable and accrued liabilities are due within the current operating period.

(c) 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. The risk that the Company will realize a loss as a result of a decline in the fair value of cash and cash equivalents is limited because they are generally held to maturity. A 1% change in the interest rate, with other variables unchanged, would affect the Company by an annualized amount of interest equal to approximately \$3,100.

(d) Commodity price risk

The Company is exposed to price risk with respect to equity prices. Price risk as it relates to the Company is defined as the potential adverse impact on the Company's ability to finance due to movements in individual equity prices or general movements in the level of the stock market. The Company closely monitors individual equity movements and the stock market to determine the appropriate course of action to be taken by the Company.

9. FINANCIAL INSTRUMENTS *(Continued)*

(e) Currency risk

The Company's property interests in Portugal and Kosovo 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. The Company has net monetary assets of \$319,901 dominated in US dollars and Euros. A 1% change in the absolute rate of exchange in US dollars and Euros would affect its net loss by \$24,942.

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 as at September 30, 2015 and December 31, 2014.

| As at September 30, 2015 | Level 1 | Level 2 | Level 3 | Total |
|---------------------------------|----------------|----------------|----------------|--------------|
| Assets: | | | | |
| Cash | \$ 549,725 | \$ - | \$ - | \$ 549,725 |
| Restricted cash | 115,101 | - | - | 115,101 |
| | \$ 664,826 | \$ - | \$ - | \$ 664,826 |
| As at December 31, 2014 | Level 1 | Level 2 | Level 3 | Total |
| Assets: | | | | |
| Cash | \$ 761,932 | \$ - | \$ - | \$ 761,932 |
| Restricted cash | 299,305 | - | - | 299,305 |
| | \$ 1,061,237 | \$ - | \$ - | \$ 1,061,237 |

10. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

The non-cash transactions during the nine months ended September 30, 2015 were as follows:

- \$11,141 (2014 - \$12,991) in mineral exploration expenses was related to depreciation;
- \$Nil (2014 - \$36,820) was reclassified from equity reserves to share capital pursuant to the exercise of warrants and stock options;
- \$Nil (2014 - \$579,150) was reclassified from share capital to equity reserves pursuant to the revaluation of extended warrants;
- \$38,329 (2014 - \$34,534) in share issue costs related to the issue of finder's options pursuant to the private placement financing completed.

11. MANAGEMENT OF CAPITAL RISK

The Company manages its cash and cash equivalents, common shares, warrants, finder's options and share purchase options as capital (see Note 6). The Company's objectives when managing capital are to safeguard its ability to continue as a going concern 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, acquire or dispose of assets or adjust the amount of cash and cash equivalents held.

In order to maximize ongoing operating 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 maturities of 90 days or less from the original date of acquisition, selected with regards to the expected timing of expenditures from continuing operations.

The Company expects its current capital resources will be sufficient to carry out its exploration and operations in the near term.

AVRUPA MINERALS LTD.
 NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
 FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2015 AND 2014
 (Presented in Canadian Dollars)
 (Unaudited)

12. SEGMENTED FINANCIAL INFORMATION

The Company operates in one industry segment, being the acquisition and exploration of mineral properties. Geographic information is as follows:

| | September 30, 2015 | December 31, 2014 |
|------------------------------|---------------------------|---------------------------|
| Non-current assets | | |
| Portugal | \$ 1,378,196 | \$ 1,386,250 |
| Kosovo | 166,828 | 167,612 |
| | <u>\$ 1,545,024</u> | <u>\$ 1,553,862</u> |
| | Nine months ended | |
| | September 30, 2015 | September 30, 2014 |
| Mineral exploration expenses | | |
| Portugal | \$ 704,494 | \$ 3,165,416 |
| Kosovo | 1,860,362 | 374,568 |
| Germany | 5,242 | - |
| Others | 76,829 | - |
| | <u>\$ 2,646,927</u> | <u>\$ 3,539,984</u> |

13. BANK GUARANTEES

As of September 30, 2015, the Company had a total of €99,500 (\$148,762) (December 31, 2014: €99,500 (\$139,678)) of cash pledged for its exploration licenses in Portugal. The advances to the Portuguese regulatory authorities are refundable to the Company, subject to completion of the work obligations described in the exploration license applications.