



ROCA MINES INC.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the Three Months Ended November 30, 2012

(Expressed in Canadian Funds)

Prepared by Management Without Audit

UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

In accordance with National Instrument 51-102 released by the Canadian Securities Administrators, the Company discloses that its auditors have not reviewed the condensed interim consolidated financial statements for the period ended November 30, 2012.

Roca Mines Inc.

Consolidated Statements of Financial Position

Canadian Funds
Unaudited – Prepared by Management

ASSETS	November 30, 2012	August 31, 2012
Current		
Cash and cash equivalents	\$ 103,485	\$ 1,775
Accounts receivable	4,995	4,995
Prepaid expenses and deposits	13,660	23,425
Due from related party	20,938	9,284
Inventories (Note 5)	83,430	83,430
	<u>226,508</u>	<u>122,909</u>
Exploration and Evaluation Assets (Note 6)	6,844,270	6,769,839
Property, Plant and Equipment (Note 7)	1,663,073	2,053,670
Reclamation Bonds (Note 9)	752,900	752,900
	<u>9,260,243</u>	<u>9,576,409</u>
	<u>\$ 9,486,751</u>	<u>\$ 9,699,318</u>
LIABILITIES		
Current		
Accounts payable and accrued liabilities	\$ 3,089,339	\$ 2,921,496
Due to related parties (Note 11)	744,650	767,929
	<u>3,833,989</u>	<u>3,689,425</u>
Asset Retirement Obligations (Note 10)	1,335,002	1,335,002
	<u>5,168,991</u>	<u>5,024,427</u>
EQUITY		
Share Capital (Note 8a)	56,862,888	56,862,888
Contributed Surplus (Note 8d)	13,543,304	13,543,304
Deficit	<u>(66,088,432)</u>	<u>(65,731,301)</u>
	<u>4,317,760</u>	<u>4,674,891</u>
	<u>\$ 9,486,751</u>	<u>\$ 9,699,318</u>

Nature of Operations and Going Concern (Note 2)

ON BEHALF OF THE BOARD:

“Scott Broughton”, Scott E. Broughton, Director

“David Skerlec”, David J. Skerlec, Director

- See Accompanying Notes -

Roca Mines Inc.
Consolidated Statements of Comprehensive Loss

For the Three Months Ended November 30

Canadian Funds

Unaudited – Prepared by Management

	2012	2011
Revenues	\$ -	\$ 1,969,421
Cost of Sales		
Operating expenses	-	2,263,209
Depletion, amortization	-	39,140
Mining Loss	-	332,928
Expenses		
General and administrative	159,942	226,064
Mine holding costs (Note 7)	116,475	141,889
Write-down of property, plant and equipment (Note 7)	-	365,392
Loss/(Gain) on disposal of property, plant and equipment	87,534	(501,500)
Loss from Operations	363,951	(564,773)
Other Income (expenses)		
Finance expense	-	(9,048)
Property evaluation expense	-	(2,150)
Foreign exchange gain (loss)	4,139	684
Interest income	2,681	3,563
Net Loss for the Period	\$ 357,131	\$ 571,724
Total Comprehensive Loss for the Period	\$ 357,131	\$ 571,724
Net Loss per Share - Basic and Diluted	\$ (0.01)	\$ (0.01)
Weighted Average Number of Common Shares Outstanding	123,864,898	123,864,898

- See Accompanying Notes -

Roca Mines Inc.
Consolidated Statements of Changes in Equity

Canadian Funds, except share amounts
Unaudited – Prepared by Management

	Number of Shares	Share Capital	Contributed Surplus	Accumulated Other Comp. Loss	Deficit	Total
		\$	\$	\$	\$	\$
Balance as at September 1, 2011	123,864,898	56,862,888	13,543,304	-	(61,974,567)	8,431,625
Loss and comprehensive loss for the period	-	-	-	-	(571,724)	(571,724)
Balance as at November 30, 2011	123,864,898	56,862,888	13,543,304	-	(62,546,291)	7,859,901
Loss and comprehensive loss for the period	-	-	-	-	(3,185,010)	(3,185,010)
Balance at August 31, 2012	123,864,898	56,862,888	13,543,304	-	(65,731,301)	4,674,891
Loss and comprehensive loss for the period	-	-	-	-	(357,131)	(357,131)
Balance as at November 30, 2012	123,864,898	56,862,888	13,543,304	-	(66,088,432)	4,317,760

- See Accompanying Notes -

Roca Mines Inc.

Consolidated Statements of Cash Flows

For the Three Months Ended November 30

Canadian Funds

Unaudited – Prepared by Management

	2012	2011
Operating Activities		
Loss for the period	\$ (357,131)	\$ (571,724)
Less: Items not affecting cash:		
Amortization, depletion	2,169	51,204
Write-down of property, plant and equipment	-	365,392
Loss/(Gain) on disposal of property, plant and equipment	87,534	(501,500)
Changes in non-cash working capital items:		
Accounts receivable	-	319,897
Prepaid expenses and deposits	9,765	18,553
Inventory	-	400,269
Accounts payable, accrued liabilities, due to related party	120,430	(55,376)
	(137,233)	26,715
Investing Activities		
Purchase of property, plant and equipment	-	(380,432)
Proceeds from disposals of property, plant and equipment	300,894	532,000
Resource property costs, <i>net of exploration tax credits</i>	(61,951)	(24,462)
	238,943	127,106
Financing Activities		
Equity issuance proceeds	-	-
Equity issuance costs	-	-
	-	-
Net Increase (Decrease) in Cash and Cash Equivalents	101,710	153,821
Cash and cash equivalents - Beginning of Period	1,775	12,096
Cash and Cash Equivalents - End of Period	\$ 103,485	\$ 165,917
Supplemental Schedule of Non-Cash Investing and Financing Transactions		
Plant and equipment expenditures included in accounts payable	\$ -	\$ (112,887)
Resource property expenditures included in accounts payable	\$ 12,480	\$ 60,221

- See Accompanying Notes -

Roca Mines Inc.

Notes to Consolidated Financial Statements

Canadian Funds

Unaudited – Prepared by Management

1. Nature of Operations

Roca Mines Inc. (the “Company”) is a Vancouver-based resource company listed on the TSX Venture Exchange under the symbol “ROK”. The Company’s head office is located at Suite 490, 1122 Mainland Street, Vancouver British Columbia Canada, V6B 5L1.

The Company was incorporated on June 19, 2001 as 629645 BC Ltd. and changed its name to Roca Mines Inc. on April 29, 2002. The Company holds interests in exploration properties in British Columbia and maintains a wholly-owned subsidiary, Minera ROK, S.A. de C.V. to hold potential property interests in Mexico. The Company’s wholly-owned subsidiary, FortyTwo Metals Inc., has one wholly-owned, inactive subsidiary, 0945798 B.C. LTD. and holds 100% of the MAX Molybdenum Mine southeast of Revelstoke, British Columbia. Production at the MAX Molybdenum Mine has been suspended indefinitely due to low commodity prices and high costs.

2. Going Concern

These consolidated financial statements have been prepared assuming the Company will continue on a going-concern basis and be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. For the three months ended November 30, 2012, the Company reported a loss of \$357,131 and an accumulated deficit of \$66,088,432 at that date. The Company had a working capital deficit of \$3,607,481 and cash and cash equivalents at November 30, 2012 amounted to \$103,485. These circumstances lend significant doubt as to the ability of the Company to continue as a going concern.

Exploration at the Company’s Foremore project and SeaGold joint venture has been constrained by available funding and the MAX Molybdenum mine has encountered operating difficulties over the past two years. Continuing operations as a going concern are dependent upon management’s ability to reactivate the mine and improve operating margins or to raise adequate financing in the capital markets or by sale of assets. Although management has been successful in the past; there is no assurance that these initiatives will be successful in the future.

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

3. Basis of Preparation

The Company is following the same accounting policies and methods of computation in these condensed interim consolidated financial statements as it did in the audited consolidated financial statements for the year ended August 31, 2012.

These condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) applicable to the preparation of interim financial statements, including IAS 34, Interim Financial Reporting. These condensed interim financial statements should be read in conjunction with the audited consolidated financial statements for the year ended August 31, 2012, which have been prepared in accordance with IFRS as issued by the IASB.

The condensed interim consolidated financial statements have been prepared under the historical cost convention, except for marketable securities, and cash flow information.

The Board of Directors approved these financial statements on January 28, 2013.

Roca Mines Inc.

Notes to Consolidated Financial Statements

Canadian Funds

Unaudited – Prepared by Management

4. Critical Accounting Estimates and Judgements

These condensed interim consolidated financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The following discusses the most significant accounting judgments and estimates that the company has made in the preparation of the financial statements:

Asset Retirement Obligations

The Company's mining and exploration activities are subject to various laws and regulations governing the protection of the environment. Significant judgments and estimates are made when estimating the nature and costs associated with asset retirement provisions. When considering the effect of the extended time period over which costs are expected to be incurred, combined with the estimated discount rate and inflation factors, the recorded value of the restoration provisions could materially change from period to period due to changes in the underlying assumptions.

Impairment of long-lived Assets

Carrying values of non-producing mining properties and the property, plant and equipment associated with those exploration and evaluation assets are reviewed for impairment when facts and circumstances suggest that the carrying amount exceeds the recoverable amount. If the property is assessed to be impaired, it is written down to its estimated recoverable amount. Significant judgments and estimates are made when estimating this net recoverable value. Therefore the recorded value of exploration and evaluation assets could materially change from period to period due to changes in estimates.

5. Inventories

Details are as follows:	November 30, 2012	August 31, 2012
Consumable parts and supplies	\$ 83,430	\$ 83,430
Total	\$ 83,430	\$ 83,430

During the year ended August 31, 2012, the Company expensed a write-down of \$70,542 on its parts and supplies inventory in order to record inventories at net realizable value. The Company's parts and supplies inventory is recorded at net realizable value as of November 30, 2012 and August 31, 2012.

Roca Mines Inc.

Notes to Consolidated Financial Statements

Canadian Funds

Unaudited – Prepared by Management

6. Exploration and Evaluation Assets

Details are as follows:

	Acquisition (Recovery)	Deferred Exploration & Evaluation	Total November 30, 2012	Total August 31, 2012
MAX Molybdenum Mine (a)	\$ -	\$ -	\$ -	\$ -
Foremore VMS-Gold Project (b)	737,511	6,064,508	6,802,019	6,727,588
SeaGold Project (c)	(40,250)	82,501	42,251	42,251
	\$ 697,261	\$ 6,147,009	\$ 6,844,270	\$ 6,769,839

a) MAX Molybdenum Mine, Revelstoke Mining Division, B.C., Canada

The Company, through its wholly owned subsidiary FortyTwo Metals Inc., holds a 100% interest in certain properties, known as the MAX Molybdenum Mine ("MAX"), located in the Revelstoke Mining Division, B.C. The MAX is subject to a 2.5% Net Smelter Return ("NSR"). The Company may purchase, at any time, up to 60% of the NSR by paying \$1,000,000 for each 30% (\$2,000,000 for the full 60% of the 2.5% NSR). The Company has also acquired a 100% interest in certain crown grants, mining leases and mineral claims contiguous to the core MAX mineral claims. The Company granted a 2.5% NSR on the contiguous property, which can be reduced to 1% upon payment of \$2,000,000 at any time prior to commencement of commercial production. The Company must also issue 200,000 shares if it commences commercial production from any part of the contiguous property.

b) FOREMORE VMS-Gold Project, Liard Mining Division, B.C., Canada

The Company holds a 100% interest in certain properties, known as the Foremore Project located in the Liard Mining Division, B.C. The Foremore Project is subject to a 2.5% NSR, which can be reduced to 1% for payments totalling \$2,000,000. The Company is required to make annual advance royalty payments of \$50,000 ceasing in the year in which commercial production commences. Advance royalty payments paid until commercial production is reached may be applied as a reduction of future royalty payments. The Company must also issue 200,000 common shares to the vendor upon the commencement of commercial production.

c) SEAGOLD Project, Liard Mining Division, B.C., Canada

The Company holds a joint venture interest in certain properties, known as the SeaGold Project in the Liard Mining Division, B.C., the balance being held by Romios Gold Resources Inc. ("Romios"), subject to Romios issuing 200,000 common shares to the original property vendor upon the commencement of commercial production. The SeaGold Project is subject to a 2.5% NSR, reducible to 1% for payments totalling \$2,000,000. Advance annual royalty payments of \$30,000 are payable by the joint venture, ceasing in the year in which commercial production commences. Advance royalty payments paid to commercial production may be applied as a reduction of future royalty payments.

Impairment assessment

As at August 31, 2012, management of the Company determined that impairment indicators existed, and completed an impairment assessment for capitalized exploration and evaluation costs related to the MAX molybdenum mine and surrounding property.

In light of the significantly reduced global outlook for future molybdenum and tungsten markets, the Company assessed the fair value of previously capitalized grass roots exploration costs at the MAX project to be nil as of August 31, 2012. An impairment loss of \$1,274,974 was recognized during the year ended August 31, 2012 in connection with the write-down.

Roca Mines Inc.

Notes to Consolidated Financial Statements

Canadian Funds

Unaudited – Prepared by Management

7. Property, Plant and Equipment

Details are as follows:

	Mining equipment, property and development costs (\$)	Plant and equipment (\$)	Buildings and support facilities (\$)	Construction in progress (\$)	Acquisition Max property (\$)	Total (\$)
At August 31, 2011						
Cost	44,190,106	18,212,012	6,190,523	1,291,253	920,460	70,804,354
Accumulated Write-downs	(15,092,718)	(613,795)	(430,252)	(1,197,197)	(15,141)	(17,349,103)
Accumulated Amortization	(28,342,364)	(16,442,677)	(5,446,403)	-	(824,249)	(51,055,693)
Net Book Value	755,024	1,155,540	313,868	94,056	81,070	2,399,558
Year ended August 31,						
Additions	315,063	24,225	31,525	-	-	370,813
Disposals	(100,057)	(7,001)	(15,129)	-	-	(122,187)
Write-downs/Reversals	(535,168)	(21,476)	(28,344)	-	-	(584,988)
Amortization	-	-	(9,526)	-	-	(9,526)
At August 31, 2012	434,862	1,151,288	292,394	94,056	81,070	2,053,670
At August 31, 2012						
Cost	44,421,596	18,146,470	6,111,476	1,291,253	920,460	70,891,255
Accumulated Write-downs	(15,644,370)	(552,505)	(363,153)	(1,197,197)	(15,141)	(17,772,366)
Accumulated Amortization	(28,342,364)	(16,442,677)	(5,455,929)	-	(824,249)	(51,065,219)
Net Book Value	434,862	1,151,288	292,394	94,056	81,070	2,053,670
Three Months Ended November 30, 2012						
Additions	-	-	-	-	-	-
Disposals	(44,389)	(247,914)	(96,125)	-	-	(388,428)
Amortization	-	-	(2,169)	-	-	(2,169)
At November 30, 2012	390,473	903,374	194,100	94,056	81,070	1,663,073
At November 30, 2012						
Cost	44,377,207	17,898,556	6,015,351	1,291,253	920,460	70,502,827
Accumulated Write-downs	(15,644,370)	(552,505)	(363,153)	(1,197,197)	(15,141)	(17,772,366)
Accumulated Amortization	(28,342,364)	(16,442,677)	(5,458,098)	-	(824,249)	(51,067,388)
Net Book Value	390,473	903,374	194,100	94,056	81,070	1,663,073

Note: In light of ongoing operational difficulties and lower than targeted grades at the MAX Molybdenum mine, the Company determined that the operation's future was in significant doubt and that the MAX mine was impaired. The fair value assessment used a historical cost and market comparison approach to determine the estimated net recoverable amount of mine property, plant and equipment.

Mine Holding Costs

During periods in which the Company's mining and milling activities are considered non-operational, monitoring, security, and all associated mine property costs are expensed in the period in which they are occurred as *Mine Holding Costs* until production resumes.

Roca Mines Inc.

Notes to Consolidated Financial Statements

Canadian Funds

Unaudited – Prepared by Management

8. Shareholder's Equity

a) Share Capital

The authorized share capital of the Company consists of an unlimited number of common shares without par value. At November 30, 2012 and August 31, 2012 there were 123,864,898 common shares outstanding.

b) Incentive Stock Options

The Company established a share purchase option plan whereby the board of directors may, from time to time, grant options to directors, officers, employees or consultants. The Company's stock option plan did not receive shareholder approval at the Company's annual general meetings held in February of 2010 and 2011 as required by the policies of the TSX Venture Exchange. As a result, while all previously granted options remained valid and outstanding, the Company was prevented from granting further incentive stock options.

There were nil stock options outstanding as of November 30, 2012 and August 31, 2012.

c) Warrants

There were no warrants issued during the three months ended November 30, 2012 or warrants outstanding as of November 30, 2012.

During the year ended August 31, 2012, a total of 15,200,000 warrants and 1,248,800 agent warrants expired unexercised. At August 31, 2012 there were no warrants left outstanding. A summary of the changes during the period is as follows:

Number Outstanding August 31, 2011	Expired	Number Outstanding August 31, 2012	Exercise Price Per Share	Expiry Date
5,000,000	(5,000,000)	-	\$0.30	9-May-12
10,200,000	(10,200,000)	-	\$0.30	12-Nov-11
1,248,800	(1,248,800)	-	\$0.30	12-Nov-11
16,448,800	(16,448,800)	-		

d) Contributed Surplus

Details are as follows:

	November 30, 2012	August 31, 2012
Balance – Beginning of Period	\$ 13,543,304	\$ 13,543,304
Balance – End of Period	\$ 13,543,304	\$ 13,543,304

9. Reclamation Bonds

At November 30, 2012 and August 31, 2012, reclamation bonds totalling \$752,900 were held with the British Columbia Ministry of Energy, Mines and Petroleum Resources as summarized below:

	November 30, 2012	August 31, 2012
MAX Molybdenum Project	\$ 730,000	\$ 730,000
Foremore Project	22,900	22,900
Total	\$ 752,900	\$ 752,900

Roca Mines Inc.

Notes to Consolidated Financial Statements

Canadian Funds
Unaudited – Prepared by Management

10. Asset Retirement Obligations

For each property, management has estimated the costs of reclaiming any disturbances to its projects in accordance with the Company's accounting policies. Details of management's estimates of reclamation and mine closure costs are as follows:

	November 30, 2012	August 31, 2012
Balance – Beginning of Period	\$ 1,335,002	\$ 1,136,744
Accretion	-	27,175
Change in reclamation estimate	-	171,083
Balance – End of Period	<u>\$ 1,335,002</u>	<u>\$ 1,335,002</u>

All amounts are recorded undiscounted due to the Max mine's temporary shutdown status and uncertainty in forecasting ultimate closure dates. It is possible the Company's estimate of its ultimate reclamation, site restoration and closure liability could materially change due to possible changes in laws and regulations or changes in cost estimates.

11. Related Party Transactions

The following transactions were carried out with related parties:

During the three months ended November 30, 2012, the Company accrued for rent and office expenses payable totalling \$10,404 (2011 - \$9,985) by a company with common management. At November 30, 2012, the related company owed a total of \$20,938 (2011 - \$3,757) in rent and office expenses. Also during the three months ended November 30, 2012, Directors of the Company provided various short-term, non-interest bearing loans without fixed repayment terms to the Company which at November 30, 2012 stood at \$252,500 (2011 - \$100,000). As at November 30, 2012, current liabilities include \$744,650 (2011 - \$155,923) payable to Directors of the Company.

Key management includes the Chief Executive Officer, Chief Financial Officer and members of the Company's Board of Directors. Other than as disclosed above, compensation paid or accrued to key management for services during the three month periods ended November 30, 2012 and 2011 is as follows:

	2012	2011
Salaries and benefits	<u>\$ 82,806</u>	<u>\$ 56,358</u>
	<u>\$ 82,806</u>	<u>\$ 56,358</u>

These transactions were incurred in the ordinary course of business (except as to the short-term loans), are non-interest bearing, and without specific repayment terms. The transactions are measured at the exchange amount, which is the fair value consideration established and agreed to by the related parties.

12. Commitments

- a) The Company has signed a lease agreement for the rental of office space. The lease was renewed in August 2008 and now ends on September 30, 2013. The future minimum lease obligations are as follows:

	Amount
2012	<u>\$ 75,573</u>
2013	<u>78,372</u>
	<u>\$ 153,945</u>

13. Segmented Information

The Company's principal activity is the exploration and development of mineral properties with these properties located in Canada.