RAZORE ROCK RESOURCES INC.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE THREE MONTH PERIOD ENDED JULY 31, 2012
(expressed in Cdn $)

UNAUDITED

Notice of disclosure of non-auditor review of consolidated interim financial statements pursuant to National Instrument 51-102,Part 4, subsection 4.3(3)(a) issued by the Canadian Securities Administrators.

The accompanying condensed consolidated interim financial statements of the Company for the three months ended July 31, 2012 have been prepared in accordance with International Accounting Standard 34 Interim Financial Reporting using accounting policies consistent with International Financial Reporting Standards and are the responsibility of the Company's management.

The Company's auditors have not performed an audit or a review of these interim financial statements.

RAZORE ROCK RESOURCES INC.

(Incorporated under the Laws of the Province of Ontario)

CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION

UNAUDITED
(Expressed in Canadian Dollars)

	July 31, 2012	April 30, 2012
ASSETS		
Current:		
Cash and cash equivalents	$ 58,402	$ 84,568
H.S.T. receivable	17,483	15,045
	75,885	99,613
Non-current assets:		
Mining Claims	106,998	106,998
Investments (Note 5)	1,081	1,441
	$ 183,964	$ 208,052
LIABILITIES		
Current:		
Accounts payable and accrued liabilities	$ 63,500	$ 78,533
Non-current liabilities:		
Minority interest	59,739	59,739
SHAREHOLDERS' EQUITY		
Common Shares	1,124,269	1,124,269
Warrants	7,500	7,500
Contributed surplus	88,750	88,750
Accumulated other comprehensive income	(25,920)	(25,560)
Deficit	(1,133,874)	(1,125,175)
	60,725	69,784
	$ 183,964	$ 208,056

Approved on behalf of the board:

"William R. Johnstone"
William R. Johnstone, director

"Michael Wilson"
Michael Wilson, director

The accompanying notes form an integral part of these condensed consolidated interim financial statements

RAZORE ROCK RESOURCES INC.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF LOSS AND COMPREHENSIVE LOSS

FOR THE THREE MONTH PERIOD ENDED JULY 31, 2012

UNAUDITED
(Expressed in Canadian Dollars)

	Three months ended July 31 2012	2011
Expenses:		
General administration	$ 5,923	$ 1,942
Professional fees (Note 7)	2,776	6,797
Stock-based compensation	-	75,000
	8,699	83,739
Gain on sale of marketable securities	-	5,110
Non-controlling interest in income	-	(809)
Net loss for the period	(8,699)	(79,438)
Other comprehensive income, net of tax:		
Change in unrealized gains and losses on available-for-sale financial assets	(360)	(1,260)
Comprehensive loss for the period	$ (9,059)	$ (80,698)
Net loss per share - basic and diluted	$ -	$ (0.01)
Weighted average number of shares outstanding - basic and diluted	9,708,768	9,708,768

The accompanying notes form an integral part of these condensed consolidated interim financial statements

RAZORE ROCK RESOURCES INC.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGE IN SHAREHOLDERS EQUITY

FOR THE THREE MONTH PERIOD ENDED JULY 31, 2012

UNAUDITED
(Expressed in Canadian Dollars)

	Common Shares # Shares	Common Shares $ Amount	Reserves Warrants	Reserves Contributed Surplus	Accumulated Comp. loss	Deficit	Total Shareholders Equity
Balance April 30, 2011	9,708,768	$ 1,124,269	$ 7,500	$ 13,750	$ (22,680)	$ (1,003,261)	$ 119,578
Change for the quarter	-	-	-	75,000	(1,260)	(79,438)	(5,698)
Balance July 31, 2011	9,708,768	1,124,269	7,500	88,750	(23,940)	(1,082,699)	113,880
Issued private placement		-	-	-	-	-	-
Less share issue cost	-	-	-	-	-	-	-
Issue debt settlement	-	-	-	-	-	-	-
Expired warrants	-	-	-	-	-	-	-
Net loss balance of year	-	-	-	-	(1,620)	(42,476)	(44,096)
Balance April 30, 2012	9,708,768	1,124,269	7,500	88,750	(25,560)	(1,125,175)	69,784
Share based payments		-	-	-	-	-	-
Change for the quarter	-	-	-	-	(360)	(8,699)	(9,059)
Balance July 31, 2012	9,708,768	$ 1,124,269	$ 7,500	$ 88,750	$ (25,920)	$ (1,133,874)	$ 60,725

The accompanying notes form an integral part of these condensed consolidated interim financial statements

RAZORE ROCK RESOURCES INC.

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS

FOR THE THREE MONTH PERIOD ENDED JULY 31, 2012

UNAUDITED
(Expressed in Canadian Dollars)

	Three months ended July 31 2012	Three months ended July 31 2011
Cash was provided by (used in) the following activities:		
Operations:		
Net loss for the period	$ (8,699)	$ (79,438)
Items not requiring an outlay of cash:		
Gain on sale of investments	-	(5,110)
Share based payments	-	75,000
Non-controlling interest in income	-	809
Net change in non-cash working capital balances related to operations *(Note 8)*	(17,467)	(503)
	(26,166)	(9,242)
Investments:		
Proceeds from sale of marketable securities	-	5,110
Net change in cash during the period	(26,166)	(4,132)
Cash and cash equivalents, beginning of period	84,568	92,593
Cash and cash equivalents, end of period	$ 58,402	$ 88,461

The accompanying notes form an integral part of these condensed consolidated interim financial statements

1. Nature of Operations and Going Concern:

Razore Rock Resources Inc. is a public company incorporated under the laws of the Province of Ontario and its principal business activity is the exploration of its mineral properties. At July 31, 2012 the Company has working capital in the amount of $12,385 (April 30, 2012 - $21,084).

The Company is considered to be in the development stage, is in the process of exploring mineral properties in Canada and has not yet determined whether these properties contain economic reserves. While these financial statements have been prepared on the basis of accounting principles applicable to a going concern, which contemplates the realization of assets and the settlement of liabilities and commitments in the normal course of business, adverse conditions could cast doubt upon the validity of this assumption. Management has estimated that the Company will have adequate funds from existing working capital to meet its corporate, administrative and property obligations for the coming year. If the Company is to advance or develop its mineral properties further, it will be necessary to obtain additional financing, and while the Company has been successful in the past, there can be no assurance that it will be able to do so in the future.

The recoverability of the amounts shown for mineral properties is dependent upon the existence of economically recoverable reserves, securing and maintaining title and beneficial interest in the properties, the ability of the Company to obtain necessary financing to complete their development, and upon future profitable production or proceeds from the disposition of its interests. The amounts shown as mineral properties represent net costs to date and do not necessarily represent present or future values. If the going concern assumption was not appropriate for these financial statements, then adjustments might be necessary to the carrying values of assets and liabilities, the reported loss and the balance sheet classifications used.

2. Significant accounting policies

Statement of Compliance:

These unaudited condensed consolidated interim financial statements for the nine months ended July 31, 2012, including comparative figures, have been prepared in accordance with International Financial Reporting Standards (“IFRS”), and in particular in accordance with International Accounting Standard 34, Interim Financial Reporting (“IAS 34”), as issued by the International Accounting Standards Board (“IASB”). They have been prepared using the accounting policies the Company expects to adopt in its consolidated financial statements as at and for the financial year ending October 31, 2012.

These condensed consolidated interim financial statements do not include all of the information required for full annual financial statements and should be read in conjunction with the Company’s April 30, 2012 year end consolidated financial statements as prepared in accordance with IFRS.

Accounting Standards Issued but not yet Effective

Certain new standards, interpretations and amendments to existing standards have been issued by the IASB or IFRIC that are mandatory for accounting periods beginning on or after June 1, 2013 or later periods. Updates that are not applicable or immaterial to the Company have been excluded.

Financial Instruments: Classification and Measurement ("IFRS 9")
Effective for annual periods beginning on or after January 1, 2013, with early adoption permitted, IFRS 9 introduces new requirements for the classification and measurement of financial instruments. Management anticipates that this standard will be adopted in the Company's consolidated financial statements for the period beginning on or after January 1, 2013 and has not yet considered the potential impact of the adoption of IFRS 9.

In May 2011, the IASB issued the following standards, effective for annual periods beginning on or after January 1, 2013 with early adoption permitted, which have not yet been adopted by the Company. The Company has not yet begun to assess the impact that the new and amended standards will have on its financial statements or whether to early adopt any of the new requirements.

International Financial Reporting Standard 10, Consolidation ("IFRS 10")
IFRS 10 requires an entity to consolidate an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Under existing IFRS, consolidation is required when an entity has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. IFRS 10 replaces SIC-12 Consolidation – Special Purpose Entities and parts of IAS 27 Consolidated and Separate Financial Statements.

International Financial Reporting Standard 11, Joint Arrangements ("IFRS 11")
IFRS 11 requires a venture to classify its interest in a joint arrangement as a joint venture or joint operation. Joint ventures will be accounted for using the equity method of accounting whereas for a joint operation the venture will recognize its share of the assets, liabilities revenue and expenses of the joint operation. Under existing IFRS, entities have the choice to proportionally consolidate or equity account for interests in joint ventures. IFRS 11 supersedes IAS 31, Interests in Controlled Entities – Non-monetary Contributions by Venturers.

International Financial Reporting Standard 12, Disclosure of Interests in Other Entities ("IFRS 12")
IFRS 12 establishes disclosure requirements for interests in other entities, such as joint arrangements, associates, special purpose vehicles and off balance sheet vehicles. The standard carries forward existing disclosures and also introduces significant additional disclosure requirements that address the nature of, and risks associated with, an entity's interests in other entities.

International Financial Reporting Standard 13, Fair Value Measurement ("IFRS 13")
IFRS 13 is a comprehensive standard for fair value measurement and disclosure requirements across all IFRS standards. The new standard clarifies that fair value is the price that would be received to sell an asset, or paid to transfer a liability in an orderly transaction between market participants, at the measurement date. It also establishes disclosures about fair value measurement. Under existing IFRS, guidance on measuring and disclosing fair value is dispersed among value measurements and in many cases does not reflect a clear measurement basis or consistent disclosures.

International Accounting Standard 28, Investments in Associates and Joint Ventures ("IAS 28")
As a consequence of the issuance of IFRS 10, IFRS 11, and IFRS 12, IAS 28 has been amended and will further provide accounting guidance for investments in associates and will set out the requirements for the application of the equity method when accounting for investments in associates and joint ventures. This standard will be applied by the Company when there is joint control or significant influence over an investee.

(Expressed in Canadian Dollars)

3. Exploration and evaluation assets:

a) By agreement dated October 27, 2005 and amended November 30, 2006 and November 14, 2007, the Company acquired, from a party related to a shareholder, a 100% interest, subject to a 3% Net Smelter Returns Royalty ("NSR") in favour of the Vendor, in 4 mining claim blocks in Sourdough Bay and Mikanagan Faults Area, Flin Flon District, Manitoba. Consideration for the acquisition of this property consists of exploration payments in the amount of $25,000 (or cash payments in lieu of work of an equivalent value) and the issuance of 100,000 common shares of the Company.

The Company has the right to purchase one-half of the NSR from the Vendor for $750,000.

b) The Company acquired an additional mining claim in Sourdough Bay and Mikanagan Faults Area, Flin Flon District, Manitoba, contiguous to its existing claims, from an individual who is a shareholder and former director. Under the terms of the agreement the Company issued 100,000 common shares and reimbursed $945 in staking costs to this individual. This related party retained a 2% Net Smelter Returns Royalty in the claim.

4. Capital Management:

The Company's policy is to attain a strong capital base so as to maintain investor, creditor and market confidence and to sustain the future development of the business. The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risks characteristic of the underlying resource assets. As a junior resource exploration company, the Company considers its capital structure to be comprised of working capital only. In order to maintain or adjust the capital structure, the Company may from time to time issue shares and adjust its capital spending to manage current and projected expenditure levels.

The Company has not paid or declared any dividends since the date of its incorporation, nor are any dividends contemplated in the foreseeable future.

The Company does not have any externally imposed capital requirements.

There were no changes in the Company's approach to capital management during the period.

5. Investments:

The Company had investments in AurCrest Gold Inc.. (formerly - Tribute Minerals Inc.) and Gastar Exploration Ltd. ("Gastar"). During the prior year the Company sold all of its shares in Gastar for proceeds of $2,364 resulting in a gain of $1,910.

	July 31, 2012	July 31, 2011
90,000 (2011 - 90,000) shares of Aurcrest Gold Corp.	$ 1,081	$ 1,441

The fair market value of its investment as at July 31, 2012 is approximately $1,081 (April 30, 2012 - $1,441). These available for sale financial instruments have been adjusted to fair market value resulting in an comprehensive loss in the amount of $360 (April 30, 2012 - $2,880 in comprehensive income) which has been reflected in other comprehensive income.

(Expressed in Canadian Dollars)

6. Share based payments:

The Company has a common share purchase option plan (the "Plan") for directors, officers, employees, and consultants. Options granted under the Plan generally have a five-year term. Options are granted at a price no lower than the market price of the common shares at the time of the grant.

No shares-based payments were made in the current quarter. For the year ended April 30, 2012, share-based payments of $75,000 were charged to loss.

The change in stock options during the year ended April 30, 2012 and July 31, 2012 is as noted below:

	Number of options	Wtd Avge exc. price
At April 30, 2011	-	$ -
Issued	550,000	$ 0.15
At April 30, 2012 and July 31, 2012	550,000	$ 0.15

The fair value of the stock options issued in during the April 30, 2012 year end was estimated using a Black-Scholes option pricing model with the following assumptions: dividend yield of 0%, expected volatility of 150%, risk-free interest rate of 1.53% and expected life of 5 years.

The following table summarizes information about options outstanding at July 31, 2012::

Exercise price	Number of options	Remaining contractual life in years
0.15	550,000	3.75

Note: No options were issued or outstanding as at April 30, 2011.

Warrants:

The following table summarizes information about common share purchase warrants outstanding at July 31, 2012 and April 30, 2012:

	Warrants outstanding and exercisable	Weighted average exercise price
Outstanding April 30, 2010	267,000	0.10
Issued - private placements	3,559,999	0.10
Issued - debt settlement	150,000	0.10
Expired	(200,000)	0.10
Outstanding April 30, 2012 and July 31, 2012	3,776,999	$ 0.10

(Expressed in Canadian Dollars)

6. Share based payments (continued):

The following table summarizes information about the warrants outstanding at July 31, 2012

Weighted. avge. Exercise Price	Warrants outstanding and exercisable	Whtd. avge. remaining contractual life in years
$ 0.10	67,000	0.70
$ 0.10	3,709,999	1.00
	3,776,999	1.00

7. Related party transactions and balances:

The Company's related parties consist of executive officers and directors

Related Party	Item	Three months ended July 31 2012	2011
Director	Professional fees charged to statement of loss	$ 2,524	$ 1,668
Key Management Personnel			
	Salaries and fees charged to statement of loss	$ -	$ -
	Share-based payments charged to statement of loss	$ -	$ 75,000

In addition to the above all of the Exploration and evaluation assets owned by the Company were acquired from related parties.

For the private placements that closed during the fiscal year ended April 30, 2012 600,000 working capital units were purchased by a party related to a director and 142,858 Flow-through units were subscribed to by an individual who is a director of the Company. In addition, the Company issued 350,000 common shares to settle debt of $21 000 with a party related to a director.

The above transactions were in the normal course of operations and were measured at the exchange amount, which are the amounts agreed to by the related parties.

(Expressed in Canadian Dollars)

8. Supplemental cash flow information:

Net change in non-cash working capital:

	July 31, 2012	July 31, 2011
H.S.T receivable	$ (2,438)	$ (295)
Accounts payable and accrued liabilities	(15,029)	6,116
Prepaid deposits	-	(6,324)
	$ (17,467)	$ (503)

9. Subsequent event:

At the Annual General and Special Meeting of Shareholders of the Company held on August 21, 2012, Shareholders approved the reduction in the exercise price of 550,000 directors stock options to $0.10 per share. The Company requested of CNSX and was granted by CNSX an exemption to reprice the options on August 24, 2012.