

RAZORE ROCK RESOURCES INC.
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTH PERIOD ENDED JULY 31, 2014
(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, 2014 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, 2014	April 30, 2014
ASSETS		
Current:		
Cash and cash equivalents	\$ 1,492	\$ 15,240
Prepaid expenses	22,386	22,386
H.S.T. receivable	<u>4,378</u>	<u>4,048</u>
	<u>28,256</u>	<u>41,674</u>
Non-current assets:		
Mining Claims	106,998	106,998
Investments (Note 5)	<u>271</u>	<u>271</u>
	<u>\$ 135,525</u>	<u>\$ 148,943</u>
LIABILITIES		
Current:		
Accounts payable and accrued liabilities	<u>\$ 131,163</u>	<u>\$ 140,164</u>
Non-current liabilities:		
Minority interest	<u>59,739</u>	<u>59,739</u>
SHAREHOLDERS' EQUITY		
Common Shares	1,155,769	1,155,769
Warrants	7,500	7,500
Contributed surplus	130,750	130,750
Accumulated other comprehensive income	(26,731)	(26,731)
Deficit	<u>(1,322,665)</u>	<u>(1,318,248)</u>
	<u>(55,377)</u>	<u>(50,960)</u>
	<u>\$ 135,525</u>	<u>\$ 148,943</u>

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, 2014

UNAUDITED
(Expressed in Canadian Dollars)

	Three months ended July 31	
	<u>2014</u>	<u>2013</u>
Expenses:		
General administration	\$ 3,247	\$ 4,539
Professional fees (Note 7)	<u>1,170</u>	<u>586</u>
	4,417	5,125
Net loss and comprehensive loss for the period	<u>\$ (4,417)</u>	<u>\$ (5,125)</u>
Net loss per share - basic and diluted	<u>\$ -</u>	<u>\$ -</u>
Weighted average number of shares outstanding - basic and diluted	<u>10,058,068</u>	<u>9,708,768</u>

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RAZORE ROCK RESOURCES INC.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGE IN SHAREHOLDERS EQUITY

FOR THE THREE MONTH PERIOD ENDED JULY 31, 2014

UNAUDITED
(Expressed in Canadian Dollars)

	Common Shares		Reserves	Reserves	Accumulated	Deficit	Total Shareholders Equity
	# Shares	\$ Amount	Warrants	Contributed Surplus	Comp. loss		
Balance April 30, 2013	9,708,768	\$ 1,124,269	\$ 7,500	\$ 88,750	\$ (26,641)	\$ (1,172,849)	\$ 21,029
Net loss for the quarter	-	-	-	-	-	(5,125)	(5,125)
Balance July 31, 2013	9,708,768	1,124,269	7,500	88,750	(26,641)	(1,177,974)	15,904
Issued for property	200,000	16,500	-	-	-	-	16,500
Issued for cash	150,000	15,000	-	-	-	-	15,000
Share based payments	-	-	-	42,000	-	-	42,000
Net loss balance of year	-	-	-	-	(90)	(140,274)	(140,364)
Balance April 30, 2014	10,058,768	1,155,769	7,500	130,750	(26,731)	(1,318,248)	(50,960)
Net loss for the quarter	-	-	-	-	-	(4,417)	(4,417)
Balance July 31, 2014	10,058,768	\$ 1,155,769	\$ 7,500	\$ 130,750	\$ (26,731)	\$ (1,322,665)	\$ (55,377)

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, 2014

UNAUDITED

(Expressed in Canadian Dollars)

	Three months ended July 31	
	<u>2014</u>	<u>2013</u>
Cash was provided by (used in) the following activities:		
Operations:		
Net loss for the period	\$ (4,417)	\$ (5,125)
Items not requiring an outlay of cash:		
Net change in non-cash working capital balances related to operations (<i>Note 8</i>)	<u>(9,331)</u>	<u>(4,772)</u>
	<u>(13,748)</u>	<u>(9,897)</u>
Net change in cash during the period	(13,748)	(9,897)
Cash and cash equivalents, beginning of period	<u>15,240</u>	<u>36,040</u>
Cash and cash equivalents, end of period	<u>\$ 1,492</u>	<u>\$ 26,143</u>

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

RAZORE ROCK RESOURCES INC.

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE THREE MONTH PERIOD ENDED JULY 31, 2014

UNAUDITED

(Expressed in Canadian Dollars)

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, 2014 the Company has a working capital deficiency in the amount of \$102,907 (April 30, 2014 - \$98,490).

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, 2014 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 April 30, 2015.

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, 2014 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, 2014 or later periods. Updates that are not applicable or immaterial to the Company have been excluded.

Financial Instruments: Classification and Measurement ("IFRS 9")

IFRS 9 introduces new requirements for the classification and measurement of financial instruments. The adoption of this standard has been temporarily postponed. The Company has not yet considered the potential impact of the adoption of IFRS 9.

RAZORE ROCK RESOURCES INC.

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE THREE MONTH PERIOD ENDED JULY 31, 2014

UNAUDITED

(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 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, <u>2014</u>	July 31, <u>2013</u>
18,000 shares of Aurcrest Gold Corp.	\$ <u>271</u>	\$ <u>271</u>

The fair market value of its investment as at July 31, 2014 is approximately \$271. These available for sale financial instruments have been adjusted to fair market value resulting in a comprehensive loss in the amount of \$nil which has been reflected in other comprehensive income.

RAZORE ROCK RESOURCES INC.

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE THREE MONTH PERIOD ENDED JULY 31, 2014

UNAUDITED

(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.

The change in stock options during the year ended April 30, 2014 and July 31, 2014 is as noted below:

	Number of options	Wtd Avge exc. price
At April 30, 2014 and July 31, 2014	<u>950,000</u>	<u>\$ 0.12</u>

The following table summarizes information about options outstanding at July 31, 2014:

Exercise price	Number of options	Remaining contractual life in years
\$0.10	550,000	1.75
\$0.14	400,000	4.50
	<u>950,000</u>	<u>3.20</u>

Warrants:

The following table summarizes information about common share purchase warrants outstanding at July 31, 2014 and April 30, 2014:

	Warrants outstanding and exercisable	Wtd Avge exercise price
Outstanding April 30, 2014 and July 31, 2014	<u>3,559,999</u>	<u>\$ 0.10</u>

RAZORE ROCK RESOURCES INC.

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE THREE MONTH PERIOD ENDED JULY 31, 2014

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6. Share based payments (continued):

The following table summarizes information about the warrants outstanding at July 31, 2013

Weighted. avge. Exercise Price	Warrants outstanding and exercisable	Whtd. avge. remaining contractual life in years
\$ 0.10	<u>3,559,999</u>	<u>0.51</u>

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	
		2014	2013
Director	Professional fees charged to statement of loss	\$ 870	\$ -
Key Management Personnel	Salaries and fees charged to statement of loss	\$ 850	\$ -
	Share-based payments charged to statement of loss	\$ -	\$ -

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

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.

8. Supplemental cash flow information:

Net change in non-cash working capital:

	July 31, <u>2014</u>	July 31, <u>2013</u>
H.S.T receivable	\$ (330)	\$ (396)
Accounts payable and accrued liabilities	(9,001)	1,948
Prepaid deposits	-	(6,324)
	<u>\$ (9,331)</u>	<u>\$ (4,772)</u>