

RAZORE ROCK RESOURCES INC.
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTH PERIOD ENDED JULY 31, 2019
(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, 2019 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, 2019	April 30, 2019
ASSETS		
Current:		
Cash and cash equivalents	\$ 128,055	\$ 149,630
Loan receivable	19,329	19,329
H.S.T. receivable	<u>5,975</u>	<u>5,085</u>
	<u>153,359</u>	<u>174,044</u>
Investments (Note 4)	<u>541</u>	<u>541</u>
	<u>\$ 153,900</u>	<u>\$ 174,585</u>
LIABILITIES		
Current:		
Accounts payable and accrued liabilities (Note 6)	\$ 15,512	\$ 26,734
Short term loan payable (Note 8)	<u>18,300</u>	<u>18,300</u>
	<u>33,812</u>	<u>45,034</u>
DEFICIENCY		
Common Shares	1,637,969	1,637,969
Contributed surplus	138,250	138,250
Accumulated other comprehensive income	(26,461)	(26,461)
Deficit	<u>(1,689,409)</u>	<u>(1,679,946)</u>
Deficiency attributable to owners of the Company	60,349	69,812
Non-controlling interests	<u>59,739</u>	<u>59,739</u>
Total deficiency	<u>120,088</u>	<u>129,551</u>
	<u>\$ 153,900</u>	<u>\$ 174,585</u>

Nature of operation and Going Concern - Note 1
Subsequent Event - Note 9

Approved on behalf of the board on October 1, 2019

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

"Ken Ralfs"
Ken Ralfs, 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, 2019

UNAUDITED
(Expressed in Canadian Dollars)

	Three months ended July 31	
	<u>2019</u>	<u>2018</u>
Expenses:		
General administration	\$ 2,117	\$ 4,756
Interest on short term loans	-	2,564
Professional fees	<u>7,346</u>	<u>9,787</u>
Net loss and comprehensive loss for the period	<u>\$ (9,463)</u>	<u>\$ (17,107)</u>
Net loss per share - basic and diluted	<u>\$ -</u>	<u>\$ -</u>
Weighted average number of shares outstanding - basic and diluted	<u>7,211,754</u>	<u>7,211,754</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, 2019

UNAUDITED
(Expressed in Canadian Dollars)

	Common Shares		Reserves	Reserves	Accumulated		Total
	# Shares	\$ Amount	Warrants	Contributed	Comp. loss	Deficit	Shareholders
				Surplus			Equity
Balance April 30, 2018	7,211,754	\$ 1,637,969	\$ -	\$ 138,250	\$ (26,461)	\$ (1,629,203)	\$ 120,555
Net loss for the quarter	-	-	-	-	-	(17,107)	(17,107)
Balance July 31, 2018	7,211,754	1,637,969	-	138,250	(26,461)	(1,646,310)	103,448
Net loss balance of year	-	-	-	-	-	(33,636)	(33,636)
Balance April 30, 2019	7,211,754	1,637,969	-	138,250	(26,461)	(1,679,946)	69,812
Net loss for the quarter	-	-	-	-	-	(9,463)	(9,463)
Balance July 31, 2019	7,211,754	\$ 1,637,969	\$ -	\$ 138,250	\$ (26,461)	\$ (1,689,409)	\$ 60,349

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RAZORE ROCK RESOURCES INC.

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS

FOR THE THREE MONTH PERIOD ENDED JULY 31, 2019

UNAUDITED

(Expressed in Canadian Dollars)

	Three months ended July 31	
	<u>2019</u>	<u>2018</u>
Cash was provided by (used in) the following activities:		
Operations:		
Net loss for the period	\$ (9,463)	\$ (17,107)
Net change in non-cash working capital balances related to operations (<i>Note 7</i>)	<u>(12,112)</u>	<u>465</u>
	<u>(21,575)</u>	<u>(16,642)</u>
Net change in cash during the period	(21,575)	(16,642)
Cash and cash equivalents, beginning of period	<u>149,630</u>	<u>283,252</u>
Cash and cash equivalents, end of period	<u>\$ 128,055</u>	<u>\$ 266,610</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, 2019

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, 2019 the Company had working capital in the amount of \$119,547 (April 30, 2019 - \$129,010).

These unaudited condensed consolidated 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. In order to meet its corporate, administrative and property obligations for the coming year the Company will be required to raise funds through a debt or equity financing. Although the Company has been successful in raising funds in prior years through equity and debt financings there is no certainty that the Company will be successful in the future.

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 three months ended July 31, 2019 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, 2019

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, 2019 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 January 1, 2020 or later periods. There are currently no new standards that are expected to impact the Company in the current year.

3. 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 comprise only working capital. 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.

RAZORE ROCK RESOURCES INC.

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE THREE MONTH PERIOD ENDED JULY 31, 2019

UNAUDITED

(Expressed in Canadian Dollars)

4. Investments:

The Company had investments in AurCrest Gold Inc.

	July 31, <u>2019</u>	April 30, <u>2019</u>
18,000 shares of Aurcrest Gold Inc.	\$ <u>541</u>	\$ <u>541</u>

The fair market value of its investment as at July 31, 2019 is approximately \$541. These fair value through other comprehensive income (FVTOCI) financial instruments has been adjusted to fair market value.

5. 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 and no options are outstanding at the end of the quarter..

Warrants:

Outstanding July 31, 2019 and April 30, 2019	<u>5,000,000</u>	<u>\$ 0.15</u>
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The following table summarizes information about the warrants outstanding at July 31, 2019

Weighted. avge. Exercise <u>Price</u>	Warrants outstanding <u>and exercisable</u>	Whtd. avge. remaining contractual life <u>in years</u>
\$ 0.15	<u>5,000,000</u>	<u>0.35</u>

6. Related party transactions and balances:

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

<u>Related Party</u>	<u>Item</u>	<u>Three months ended July 31</u>	
		<u>2019</u>	<u>2018</u>
Director	Professional fees charged to statement of loss	\$ 4,688	\$ 7,787
	Temporary non-interest bearing, unsecured demand loans from directors and related parties	-	-
	Amount included in accounts payables related to legal fees owing to firm in which a director is a partner.	-	-
Key Management Personnel	Salaries and fees charged to statement of loss	\$ -	\$ -
	Share-based payments charged to statement of loss	\$ -	\$ -

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.

RAZORE ROCK RESOURCES INC.

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE THREE MONTH PERIOD ENDED JULY 31, 2019

UNAUDITED

(Expressed in Canadian Dollars)

7. Supplemental cash flow information:

Net change in non-cash working capital:

	July 31, <u>2019</u>	July 31, <u>2018</u>
H.S.T receivable	\$ (890)	\$ (1,265)
Accounts payable and accrued liabilities	<u>(11,222)</u>	<u>1,730</u>
	<u>\$ (12,112)</u>	<u>\$ 465</u>

8. Short term loan payable

During the prior year the Company paid off all of its existing short term loans and interest with the exception of a loan in the amount of \$18,300 plus interest which was paid subsequent to quarter-end.

Total interest expense for the year on the loans amounted to \$Nil (2018 - \$2,564).

9. Subsequent event:

Subsequent to the quarter-end, on August 1, 2019, the Company was informed by the Canadian Securities Exchange that, due to the inactivity of the Company, it no longer met listing requirements and had nine (9) months to rectify the situation or be delisted. The Company is in the process of correcting this deficiency by actively looking for a suitable resource property to acquire or option.