ROCKSHIELD CAPITAL CORP.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED
FEBRUARY 29, 2016

(Unaudited - Expressed in Canadian Dollars)

NOTICE OF NO AUDITOR REVIEW OF
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

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

The accompanying unaudited condensed consolidated interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The Company's auditors have not performed a review of these condensed consolidated interim financial statements in accordance with the standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditor.

ROCKSHIELD CAPITAL CORP.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION
(Unaudited - Expressed in Canadian Dollars)

	Note	February 29, 2016 $	November 30, 2015 $
ASSETS			
Current assets			
Cash		1,697,968	2,039,722
Amounts receivable		1,633	1,752
GST receivable		3,554	995
Prepaid expenses		5,250	6,500
Investments	3	2,674,817	3,316,105
Total current assets		4,383,222	5,365,074
Non-current assets			
Investment in and advances to associated company	4	1,138,550	1,088,326
Total non-current assets		1,138,550	1,088,326
TOTAL ASSETS		5,521,772	6,453,400
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities	6	17,645	63,425
TOTAL LIABILITIES		17,645	63,425
SHAREHOLDERS' EQUITY			
Share capital	5	25,226,795	25,226,795
Share-based payments reserve		3,525,049	3,525,049
Deficit		(23,247,717)	(22,361,869)
TOTAL SHAREHOLDERS' EQUITY		5,504,127	6,389,975
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		5,521,772	6,453,400

Nature of Operations - See Note 1

Event after the Reporting Period - See Note 10

These condensed consolidated interim financial statements were approved for issue by the Board of Directors on April 27, 2016 and are signed on its behalf by:

/s/ ***Frank Taggart***	/s/ ***Nick DeMare***
Frank Taggart	Nick DeMare
Director	Director

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

ROCKSHIELD CAPITAL CORP.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(Unaudited - Expressed in Canadian Dollars)

	Note	Three Months Ended February 29, 2016 $	Three Months Ended February 28, 2015 $
Expenses			
Accounting and administration	6(a)	13,526	16,572
Audit fees		20,000	15,000
Depreciation		-	5,086
Foreign value added tax		357	542
General and administrative expenses		11,550	2,578
Legal fees		-	6,211
Officer and director compensation	6	53,909	30,000
Professional fees		1,544	15,086
Regulatory fees		1,545	1,545
Rent		4,756	-
Salaries and benefits		19,321	-
Telephone, website and internet costs		2,980	2,334
Transfer agent		1,313	1,125
Travel and related		2,399	6,691
		133,200	102,770
Loss before other items		(133,200)	(102,770)
Other items			
Realized loss on sale of investments	3	(30,346)	(2,965)
Unrealized (loss) gain on investments held	4	(783,138)	854,793
Equity gain in associated company	4	39,452	-
Interest income		21,600	12,914
Foreign exchange (loss) gain		(216)	21,626
		(752,648)	886,368
Net income (loss) and comprehensive income (loss) for the period		(885,848)	783,598
Income (loss) per share - basic and diluted		$(0.02)	$0.02
Weighted average number of common shares outstanding - basic and diluted		45,527,855	45,527,855

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

ROCKSHIELD CAPITAL CORP.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN EQUITY
(Unaudited - Expressed in Canadian Dollars)

	Three Months Ended February 29, 2016				
	Share Capital				
	Number of Shares	Amount $	Share-Based Payments Reserve $	Deficit $	Total Equity $
Balance at November 30, 2015	45,527,855	25,226,795	3,525,049	(22,361,869)	6,389,975
Net loss for the period	-	-	-	(885,848)	(885,848)
Balance at February 29, 2016	45,527,855	25,226,795	3,525,049	(23,247,717)	5,504,127

	Three Months Ended February 28, 2015				
	Share Capital				
	Number of Shares	Amount $	Share-Based Payments Reserve $	Deficit $	Total Equity $
Balance at November 30, 2014	45,527,855	25,226,795	3,525,049	(17,889,068)	10,862,776
Net income for the period	-	-	-	783,598	783,598
Balance at February 28, 2015	45,527,855	25,226,795	3,525,049	(17,105,470)	11,646,374

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

ROCKSHIELD CAPITAL CORP.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS
(Unaudited - Expressed in Canadian Dollars)

	Three Months Ended	
	February 29, 2016 $	February 28, 2015 $
Operating activities		
Net income (loss) for the period	(885,848)	783,598
Adjustments for:		
Depreciation	-	5,086
Realized loss on sale of investments	30,346	2,965
Unrealized loss (gain) on investments held	783,138	(854,793)
Equity gain in associated company	(39,452)	-
Interest income	(14,582)	-
Changes in non-cash working capital items:		
Amounts receivable	119	549
GST receivable	(2,559)	22,044
Prepaid expenses	1,250	3,050
Accounts payable and accrued liabilities	(45,780)	8,041
Net cash used in operating activities	(173,368)	(29,460)
Investing activities		
Proceeds from sale of investments	102,347	23,510
Investment purchases	(270,733)	(158,531)
Investments in and advances to associated company	-	(813,059)
Expenditures on exploration and evaluation assets	-	(2,002)
Net cash used in investing activities	(168,386)	(950,082)
Net change in cash	(341,754)	(979,542)
Cash at beginning of period	2,039,722	3,857,602
Cash at end of period	1,697,968	2,878,060
Cash comprises:		
Cash	166,877	1,367,548
Demand deposits	1,531,091	1,510,512
	1,697,968	2,878,060

Supplemental cash flow information - See Note 9

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

1. Nature of Operations

The Company's common shares trade on the Canadian Securities Exchange ("CSE") under the trading symbol "RKS". The Company's principal office is located at #1305 - 1090 West Georgia Street, Vancouver, British Columbia, V6E 3V7.

Historically, the Company has been a mineral exploration company. On May 6, 2014 the Company announced its intention to become a diversified company and carried on business both as an investment company and a resource company. During fiscal 2015 the Company determined to discontinue the application process on its remaining mineral exploration property, the Pelaya Project. At this time the Company conducts business primarily as an investment company.

These condensed consolidated interim financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business operations for the foreseeable future. The Company's ability to continue as a going concern is dependent upon the ability of the Company to obtain the necessary financing to develop properties and to establish future profitable production. To date the Company has not generated significant revenues from operations. The Company's operations are funded from equity financings which are dependent upon many external factors and may be difficult to impossible to secure or raise when required. Management considers the Company has adequate resources to maintain operations and investment activities for the next twelve months.

2. Basis of Preparation

Statement of Compliance

These condensed consolidated interim financial statements have been prepared using accounting policies consistent with International Financial Reporting Standards ("IFRS"), and in accordance with International Accounting Standards ("IAS") 34, Interim Financial Reporting, as issued by the International Accounting Standards Board ("IASB"). These condensed consolidated interim financial statements should be read in conjunction with the audited consolidated financial statements for the year ended November 30, 2015, which have been prepared in accordance with IFRS as issued by the IASB. The accounting policies followed in these condensed consolidated interim financial statements are consistent with those applied in the Company's consolidated financial statements for the year ended November 30, 2015.

These condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards, ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the IFRS Interpretations Committee ("IFRIC").

Basis of Measurement

The Company's condensed consolidated interim financial statements have been prepared on the historical cost basis except for the revaluation of certain financial assets and financial liabilities to fair value.

Basis of Presentation

The preparation of condensed consolidated interim financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, revenue and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and further periods if the review affects both current and future periods.

3. Investments

The Company's investments in marketable securities include common shares and other equity instruments of Canadian and U.S. companies that are listed on various Canadian stock exchanges or the OTCQB. The majority of the marketable securities instruments are shares of companies in the mining, oil and gas, media technology and medical technology industries.

Management has designated its investments in common shares and warrants of publicly traded companies as "investments in equity instruments" with the change in fair value recognized in profit or loss. The carrying values of the common shares have been directly referenced to published price quotations in an active market. The carrying values of the warrants are valued at fair value using the Black-Scholes option pricing model, with the following assumptions: risk-free interest rate of 0.46% - 0.63%; estimated volatility of 38.2% - 145.6%; expected life of 0.06 years - 2.17 years; expected dividend yield of 0%; and expected forfeiture rate of 0%.

During the three months ended February 29, 2016 the Company sold certain of its investments for proceeds of $102,347 (2015 - $23,510) and recognized a loss of $30,346 (2015 - loss of $2,965). In addition, as at February 29, 2016 the Company has recorded an unrealized loss of $783,138 (2015 - gain of $854,793) on investments held.

4. Investment in and Advances to Associated Company

In fiscal 2014 the Company, together with a third-party industry management and investment group, identified a business opportunity in northern Ontario, Canada, to purchase the assets of a previously operating hardwood plywood mill. The mill went into bankruptcy in May 2014 and the Company and the third party group worked to purchase the key mill equipment to enable operations to resume. As at November 30, 2014 the Company had advanced or incurred $1,240,935 in deposits, equipment and costs towards its investment in the newly formed company, Rockshield Engineered Wood Products ULC ("REWP"). During fiscal 2015 the Company incurred $240,972 additional amounts on behalf of REWP and advanced a total of $400,000 to REWP. On February 18, 2015 REWP issued 2,076,079 Class A common shares, representing an initial 59.32% ownership, for $1,500,000, and an initial note for the principal amount of $381,907 to the Company. During fiscal 2015, additional advances were made by the Company and REWP issued additional notes for $216,596.

Although the Company owned an initial 59.32% interest in REWP upon its initial capitalization the Company held a minority position on the Board of REWP and did not control operational decisions. Furthermore, REWP subsequently completed a number of equity financings which have diluted the Company's ownership interest in REWP to 33.72% as at November 30, 2105 and February 29, 2016. The Company anticipates that it will receive distributions of net income and the Company also anticipates to realize proceeds from the ultimate disposition of its ownership interest in REWP. The Company's judgment is that it has significant influence, but not control of REWP. Accordingly the investment in REWP is accounted for under the equity method.

The notes bear interest at an interest rate of 18% per annum, compounded monthly. Notes of $523,503 are due and payable within 30 days from the date that the Company demands payment. The remaining $75,000 of the notes are due and payable within 30 days from the date that the Company demands payment, but not prior to April 30, 2016. During the three months ended February 29, 2016 the Company recorded $10,772 of interest income attributed to the notes.

(Unaudited - Expressed in Canadian Dollars)

4. Investment in and Advances to Associated Company (continued)

As at February 29, 2016 the Company's investment in and advances to REWP are as follows:

	$
Investment in REWP	
Common shares owned	1,500,000
Equity loss in REWP	(1,633,088)
Equity gain on REWP share issuances	575,837
	442,749
Notes issued by REWP	
Principal amounts	598,503
Accrued interest	97,298
	695,801
	1,138,550

REWP's aggregate assets, aggregate liabilities as at February 29, 2016 and total comprehensive income for the period ended February 29, 2016 are as follows:

	$
Current assets	5,961,000
Non-current assets	2,675,000
Current liabilities	5,813,000
Non-current liabilities	1,510,000
Revenue	6,294,000
Total comprehensive income	117,000

5. Share Capital

(a) *Authorized Share Capital*

The Company's authorized share capital consisted of an unlimited number of common shares without par value. All issued common shares are fully paid.

(b) *Equity Financings*

No financings were conducted by the Company during the three months ended February 29, 2016 or during fiscal 2015.

(c) *Warrants*

A summary of the number of common shares reserved pursuant to the Company's outstanding warrants at February 29, 2016 and February 28, 2015 and the changes for the three months ended on those dates is as follows:

	2016		2015	
	Number	Weighted Average Exercise Price $	Number	Weighted Average Exercise Price $
Balance, beginning and end of period	15,847,059	0.11	15,847,059	0.11

(Unaudited - Expressed in Canadian Dollars)

5. Share Capital (continued)

The following table summarizes information about the number of common shares reserved pursuant to the Company's warrants outstanding and exercisable at February 29, 2016:

Number	Exercise Price $	Expiry Date
748,236	0.11	June 20, 2016
98,823	0.11	July 10, 2016
13,352,947	0.11	June 20, 2017
1,647,053	0.11	July 10, 2017
15,847,059		

(d) *Share Option Plan*

The Company has established a rolling share option plan (the "Plan"), in which the maximum number of common shares which can be reserved for issuance under the Plan is 10% of the issued and outstanding shares of the Company. The minimum exercise price of the options is set at the Company's closing share price on the day before the grant date, less allowable discounts. Options granted may be subject to vesting provisions as determined by the Board of Directors and have a maximum term of ten years.

During the three months ended February 29, 2016 and February 28, 2015 the Company did not grant any share options.

A summary of the Company's share options at February 29, 2016 and February 28, 2015 and the changes for the three months ended on those dates, is as follows:

	2016		2015	
	Number of Options Outstanding	Weighted Average Exercise Price $	Number of Options Outstanding	Weighted Average Exercise Price $
Balance, beginning of period	635,000	1.46	785,000	1.37
Expired	-	-	(150,000)	1.00
Balance, end of period	635,000	1.46	635,000	1.46

The following table summarizes information about the share options outstanding and exercisable at February 29, 2016:

Number Outstanding	Exercise Price $	Expiry Date
345,000	1.00	April 20, 2016
290,000	2.00	August 24, 2016
635,000		

See also Note 10.

(Unaudited - Expressed in Canadian Dollars)

6. Related Party Disclosures

A number of key management personnel, or their related parties, hold positions in other entities that result in them having control or significant influence over the financial or operating policies of those entities. Certain of these entities transacted with the Company during the reporting period.

(a) *Transactions with Key Management Personnel*

(i) During the three months ended February 29, 2016 and February 28, 2015 the following compensation amounts were incurred with respect to the Company's Chief Executive Officer ("CEO") and the Chief Financial Officer ("CFO") during their capacity in these positions:

	2016 $	2015 $
Officer compensation	28,138	22,500

As at February 29, 2016 $nil (2015 - $15,000) remained unpaid and has been included in accounts payable and accrued liabilities.

(ii) During the three months ended February 29, 2016 the Company was billed $4,756 (2015 - $nil) by the Company's CEO for office rent in Panama.

(iii) During the three months ended February 29, 2016 the Company incurred a total of $11,500 (2015 - $13,600) by Chase Management Ltd. ("Chase"), a private corporation owned by the CFO of the Company, for accounting and administration services provided by Chase personnel, excluding the CFO. As at February 29, 2016, $10,500 (2015 - $11,900) remained unpaid and has been included in accounts payable and accrued liabilities.

(b) *Transactions with Other Related Parties*

During the three months ended February 29, 2016 the Company incurred $25,771 (2015 - $15,000) for compensation to the Company's directors, of which $25,771 (2015 - $7,500) was expensed to officer and director compensation and $nil (2015 - $7,500) was capitalized to investment in associated company.

As at February 29, 2016, $nil (2015 - $2,500) remained unpaid and has been included in accounts payable and accrued liabilities.

7. Segmented Information

Information on reportable segments is a follows:

	February 29, 2016			
	Corporate $	Investments $	Investment in and Advances to Associated Company $	Total $
Interest income	7,018	3,810	10,772	21,600
Loss on sale of investments	-	(30,346)	-	(30,346)
Unrealized loss on investments	-	(783,138)	-	(783,138)
Equity gain in associated company	-	-	39,452	39,452
Segment profit (loss)	(126,398)	(809,674)	50,224	(885,848)
Segment assets	1,708,405	2,674,817	1,138,550	5,521,772

(Unaudited - Expressed in Canadian Dollars)

7. **Segmented Information** (continued)

	November 30, 2015				
	Corporate $	Investments $	Investment in and Advances to Associated Company $	Exploration and Evaluation Assets $	Total $
Interest income	33,963	9,238	86,526	-	129,727
Loss on sale of investments	-	(209,611)	-	-	(209,611)
Unrealized loss on investments	-	(2,672,391)	-	-	(2,672,391)
Equity loss in associated company	-	-	(1,672,540)	-	(1,672,540)
Equity gain on associated company share issuances	-	-	575,837	-	575,837
Segment profit (loss)	(414,986)	(2,872,764)	(1,010,177)	(174,874)	(4,472,801)
Segment assets	2,046,124	3,316,105	1,088,326	2,845	6,453,400

8. **Financial Instruments and Risk Management**

Categories of Financial Assets and Financial Liabilities

Financial instruments are classified into one of the following categories: FVTPL; held-to-maturity investments; loans and receivables; available-for-sale; and other financial liabilities. The carrying values of the Company's financial instruments are classified into the following categories:

Financial Instrument	Category	February 29, 2016 $	November 30, 2015 $
Cash	FVTPL	1,697,968	2,039,722
Amounts receivable	Loans and receivables	1,633	1,752
Investments	FVTPL	2,674,817	3,316,105
Advances	Held-to-maturity	695,801	685,029
Accounts payable and accrued liabilities	Other financial liabilities	(17,645)	(63,425)

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Fair Value

The fair values of the Company's financial assets and liabilities approximates the carrying amounts either due to their short-term nature or because the interest rates applied to measure their carrying amount approximate current market rates.

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

Level 1 - Unadjusted quoted prices in active markets for identical assets or liabilities;
Level 2 - Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
Level 3 - Inputs that are not based on observable market data.

The following is an analysis of the Company's financial assets measured at fair value as at February 29, 2016 and November 30, 2015:

(Unaudited - Expressed in Canadian Dollars)

8. Financial Instruments and Risk Management (continued)

	February 29, 2016		
	Level 1 $	Level 2 $	Level 3 $
Cash	1,697,968	-	-
Investments	2,456,565	218,252	-
	4,154,533	218,252	-

	November 30, 2015		
	Level 1 $	Level 2 $	Level 3 $
Cash	2,039,722	-	-
Investments	2,818,640	497,465	-
	4,858,362	497,465	-

Credit Risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash and amounts receivable. Management believes that the credit risk concentration with respect to financial instruments included in cash and amounts receivable is remote.

Liquidity Risk

Liquidity risk is the risk that the Company will not have the resources to meet its obligations as they fall due. The Company manages this risk by closely monitoring cash forecasts and managing resources to ensure that it will have sufficient liquidity to meet its obligations. All of the Company's financial liabilities are classified as current and are anticipated to mature within the next fiscal period. The following table is based on the contractual maturity dates of financial assets and the earliest date on which the Company can be required to settle financial liabilities.

	Contractual Maturity Analysis at February 29, 2016				
	Less than 3 Months $	3 - 12 Months $	1 - 5 Years $	Over 5 Years $	Total $
Cash	1,697,968	-	-	-	1,697,968
Amounts receivable	1,633	-	-	-	1,633
Investments	2,674,817	-	-	-	2,674,817
Investment in and advances to associated company	-	-	1,138,550	-	1,138,550
Accounts payable and accrued liabilities	(17,645)	-	-	-	(17,645)

	Contractual Maturity Analysis at November 30, 2015				
	Less than 3 Months $	3 - 12 Months $	1 - 5 Years $	Over 5 Years $	Total $
Cash	2,039,722	-	-	-	2,039,722
Amounts receivable	1,752	-	-	-	1,752
Investments	3,316,105	-	-	-	3,316,105
Investment in and advances to associated company	-	-	1,088,326	-	1,088,326
Accounts payable and accrued liabilities	(63,425)	-	-	-	(63,425)

8. Financial Instruments and Risk Management (continued)

Market Risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates and commodity and equity prices. These fluctuations may be significant.

(a) Interest Rate Risk

The Company is exposed to interest rate risk to the extent that the cash and demand deposits bear floating rates of interest. The interest rate risk on cash and on the Company's obligations are not considered significant.

(b) Equity Price Risk

The Company holds investments in publicly traded equity securities. Market prices for equity securities are subject to fluctuation and consequently the amount realized in the subsequent sale of an investment may significantly differ from the reported market value.

(c) Concentration Risk

As at February 29, 2016, $1,655,659 of the Company's portfolio of investments was held in one company. This investment represents 61.9% of the Company's total assets and poor performance in the market price of this investment could adversely affect the Company's results.

Capital Management

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support its investment and resource activities. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. The Company defines capital that it manages as share capital. The Company will continue to assess new investment and property acquisition opportunities as opportunities arise and if it has adequate financial resources to do so. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

There have been no changes to the Company's approach to capital management during the three months ended February 29, 2016. The Company is not subject to any externally imposed capital requirements.

(Unaudited - Expressed in Canadian Dollars)

9. Supplemental Cash Flow Information

Non-cash activities conducted by the Company during the three months ended February 29, 2016 and February 28, 2015 are as follows:

	2016 $	2015 $
Operating activities		
Accounts payable and accrued liabilities related to exploration and evaluation assets	-	(2,002)
Accounts payable and accrued liabilities related to long term investment	-	(138,639)
	-	(140,641)
Investing activities		
Accounts payable and accrued liabilities related to exploration and evaluation assets	-	2,002
Accounts payable and accrued liabilities related to long term investment	-	138,639
	-	140,641

10. Event after the Reporting Period

Subsequent to February 29, 2016 share options to purchase 345,000 common shares of the Company at an exercise price of $1.00 per share expired without exercise.