



ROCA MINES INC.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the Six Months Ended February 28, 2015

(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 February 28, 2015.

Roca Mines Inc.

Consolidated Statements of Financial Position

Canadian Funds
Unaudited – Prepared by Management

ASSETS	February 28, 2015	August 31, 2014
Current		
Cash and cash equivalents	\$ 1,751	\$ 65,849
Accounts receivable	7,337	7,304
Prepaid expenses and deposits	10,022	27,445
Due from related party (Note 9)	77,958	56,902
Inventories (Note 3)	83,430	83,430
	<u>180,498</u>	<u>240,930</u>
Exploration and Evaluation Assets (Note 4)	6,968,056	6,968,056
Property, Plant and Equipment (Note 5)	1,329,660	1,331,439
Reclamation Bonds (Note 7)	730,000	730,000
	<u>9,027,716</u>	<u>9,029,495</u>
	<u>\$ 9,208,214</u>	<u>\$ 9,270,425</u>
LIABILITIES		
Current		
Accounts payable and accrued liabilities	\$ 2,974,010	\$ 2,824,161
Due to related parties (Note 9)	1,045,228	997,809
	<u>4,019,238</u>	<u>3,821,970</u>
Asset Retirement Obligations (Note 8)	1,313,402	1,313,402
	<u>5,332,640</u>	<u>5,135,372</u>
EQUITY		
Share Capital (Note 6a)	56,862,888	56,862,888
Contributed Surplus	13,543,304	13,543,304
Deficit	(67,357,350)	(67,167,685)
Total Equity attributed to shareholders of Roca Mines Inc.	3,048,842	3,238,507
Non-controlling interest (Note 6d)	826,732	896,546
	<u>3,875,574</u>	<u>4,135,053</u>
	<u>\$ 9,208,214</u>	<u>\$ 9,270,425</u>

Nature of Operations and Going Concern (Note 1)

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 Income and Comprehensive Income

Canadian Funds
Unaudited – Prepared by Management

	For the Three Months Ended		For the Six Months Ended	
	February 28, 2015	February 28, 2014	February 28, 2015	February 28, 2014
Expenses				
General and administrative	\$ 92,887	\$ 149,548	\$ 231,315	\$ 349,303
Mine holding costs (Note 5)	105,669	78,975	207,555	203,091
Reclamation expense	-	-	-	723
Loss (Gain) on disposal of equipment	(11,500)	(50,254)	(11,500)	(79,252)
Loss from operations	187,056	178,269	427,370	473,865
Other income (expenses)				
Cash call from non-controlling interest (Note 6d)	25,000	-	150,000	-
Gain on sale of subsidiary interest (Note 6d)	-	342,914	-	1,446,296
Foreign exchange gain (loss)	1,141	7,991	9,155	1,101
Interest income	-	-	8,736	14
Net Income (Loss) for the Period	\$ (160,915)	\$ 172,636	\$ (259,479)	\$ 973,546
Total Comprehensive Income (Loss) for the Period	\$ (160,915)	\$ 172,636	\$ (259,479)	\$ 973,546
Attributable to:				
Owners of the Company	\$ (129,592)	\$ 204,132	\$ (189,665)	\$ 1,005,042
Non-controlling interest	(31,323)	(31,496)	(69,814)	(31,496)
Total Comprehensive Income (Loss) for the Period	\$ (160,915)	\$ 172,636	\$ (259,479)	\$ 973,546
Net Income (Loss) per share - Basic and Diluted	\$ (0.01)	\$ 0.01	\$ (0.01)	\$ 0.01
Weighted Average Number of Common Shares Outstanding	123,864,898	123,864,898	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	Deficit	Non- Controlling Interest	Total
		\$	\$	\$	\$	\$
Balance as at September 1, 2013	123,864,898	56,862,888	13,543,304	(67,011,021)	-	3,395,171
Income and comprehensive income for the period	-	-	-	1,005,042	(31,496)	973,546
Transaction with non-controlling interest	-	-	-	-	(396,296)	(396,296)
Balance as at February 28, 2014	123,864,898	56,862,888	13,543,304	(66,005,979)	(427,792)	3,972,421
Loss and comprehensive loss for the period	-	-	-	(1,915,951)	(67,713)	(1,983,664)
Transaction with non-controlling interest	-	-	-	754,245	1,392,051	2,146,296
Balance at August 31, 2014	123,864,898	56,862,888	13,543,304	(67,167,685)	896,546	4,135,053
Loss and comprehensive loss for the period	-	-	-	(189,665)	(69,814)	(259,479)
Balance as at February 28, 2015	123,864,898	56,862,888	13,543,304	(67,357,350)	826,732	3,875,574

- See Accompanying Notes -

Roca Mines Inc.

Consolidated Statements of Cash Flows

Canadian Funds

Unaudited – Prepared by Management

	For the Three Months Ended		For the Six Months Ended	
	February 28, 2015	February 28, 2014	February 28, 2015	February 28, 2014
Operating Activities				
Loss for the period	\$ (160,915)	\$ 172,636	\$ (259,479)	\$ 973,546
Items not affected by cash:				
Depletion, amortization, accretion	889	1,214	1,779	2,427
Gain on sale of subsidiary interest	-	(342,914)	-	(1,446,296)
(Gain)/Loss on disposal of equipment	(11,500)	(50,254)	(11,500)	(79,252)
Changes in non-cash working capital:				
Accounts receivable	1,733	(314)	(33)	5,178
Prepaid expenses and deposits	13,411	(108)	17,423	(378)
Accounts payable and accruals	136,737	(106,561)	176,212	(291,726)
	(19,645)	(326,301)	(75,598)	(836,501)
Investing Activities				
Purchase of plant and equipment	-	-	-	(2,128)
Sale of equipment	11,500	-	11,500	36,500
Resource property costs	-	68,512	-	(60,508)
	11,500	68,512	11,500	(26,136)
Financing Activities				
Proceeds on sale of subsidiary interest	-	250,000	-	1,050,000
	-	250,000	-	1,050,000
Net Increase (decrease) in cash and cash equivalents				
	(8,145)	(7,789)	(64,098)	187,363
Cash and cash equivalents - Beginning of Period	9,896	195,152	65,849	-
Cash and cash equivalents - End of Period	\$ 1,751	\$ 187,363	\$ 1,751	\$ 187,363

Supplemental Schedule of non-cash Transactions

Plant and equipment expenditures included in accounts payable	\$ -	\$ (50,254)	\$ -	\$ (50,882)
Resource property expenditures included in accounts payable	\$ -	\$ 122,832	\$ -	\$ (7,617)

- See Accompanying Notes -

Roca Mines Inc.

Notes to Consolidated Financial Statements

Canadian Funds

Unaudited – Prepared by Management

1. Nature of Operations and Going Concern

Roca Mines Inc. (the “Company”) is a Vancouver-based resource company. The Company’s head office is located at Suite 490, 1122 Mainland Street, Vancouver British Columbia Canada, V6B 5L1. 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 65% held subsidiary, FortyTwo Metals Inc. holds 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.

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 six months ended February 28, 2015, the Company reported a loss of \$259,479 and an accumulated deficit of \$67,357,350 at that date. The Company had a working capital deficit of \$3,838,740 and cash and cash equivalents at February 28, 2015 amounted to \$1,751.

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 and has been shut down over the past two years. Continuing operations as a going concern are dependent upon management’s ability to raise adequate financing in the capital markets or by sale of assets (Note 6d). 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.

2. Basis of Preparation

(a) Basis of Preparation

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. 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, 2014. These condensed interim financial statements should be read in conjunction with the audited consolidated financial statements for the year ended August 31, 2014, which have been prepared in accordance with IFRS as issued by the IASB.

The Board of Directors approved these financial statements on April 24, 2015. The financial statements have been prepared under the historical cost convention.

(b) Critical accounting estimates and judgments

These 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:

Roca Mines Inc.

Notes to Consolidated Financial Statements

Canadian Funds
Unaudited – Prepared by Management

2. Basis of Preparation - Continued

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.

3. Inventories

Details are as follows:

	February 28, 2015	August 31, 2014
Consumable parts and supplies	\$ 83,430	\$ 83,430
Total	\$ 83,430	\$ 83,430

The Company's parts and supplies inventory is recorded at net realizable value.

4. Exploration and Evaluation Assets

Details are as follows:

	Acquisition	Deferred Exploration & Evaluation	Recovery	Total February 28, 2015	Total August 31, 2014
Foremore VMS-Gold Project (a)	\$ 837,511	\$ 6,088,294	\$ -	\$ 6,925,805	\$ 6,925,805
SeaGold Project (b)	156,500	82,501	(196,750)	42,251	42,251
	\$ 994,011	\$ 6,170,795	\$ (196,750)	\$ 6,968,056	\$ 6,968,056

a) 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 (paid subsequently), 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.

b) 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 (paid) 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.

Roca Mines Inc.

Notes to Consolidated Financial Statements

Canadian Funds

Unaudited – Prepared by Management

4. Exploration and Evaluation Assets - Continued

c) Max Molybdenum Mine

The Company's 65% held subsidiary FortyTwo Metals Inc. holds title in certain properties, known as the MAX molybdenum mine ("MAX"), located in the Revelstoke Mining Division, B.C. 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). FortyTwo Metals Inc. has 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.

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 a significantly reduced global outlook for future molybdenum and tungsten prices, 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.

During the year ended August 31, 2014, the Company transferred a 35% interest in FortyTwo Metals Inc. to Discovery Ventures Corp. (Note 6d).

5. Property, Plant and Equipment

Details are as follows:

	Mining equipment, property and development costs (\$)	Plant and equipment (\$)	Buildings and support facilities (\$)	Acquisition Max property (\$)	Total (\$)
At August 31, 2013					
Cost	44,217,442	19,044,427	6,019,816	920,460	70,202,145
Accumulated Write-downs	(15,644,370)	(1,749,702)	(363,153)	(15,141)	(17,772,366)
Accumulated Amortization	(28,342,364)	(16,442,677)	(5,462,952)	(824,249)	(51,072,242)
Net Book Value	230,708	852,048	193,711	81,070	1,357,537
Year Ended					
August 31, 2014					
Disposals	(15,241)	(6,002)	-	-	(21,243)
Amortization	-	-	(4,855)	-	(4,855)
At August 31, 2014	215,467	846,046	188,856	81,070	1,331,439
At August 31, 2014					
Cost	44,202,201	19,038,425	6,019,816	920,460	70,180,902
Accumulated Write-downs	(15,644,370)	(1,749,702)	(363,153)	(15,141)	(17,772,366)
Accumulated Amortization	(28,342,364)	(16,442,677)	(5,467,807)	(824,249)	(51,077,097)
Net Book Value	215,467	846,046	188,856	81,070	1,331,439
Six Months Ended					
February 28, 2015					
Amortization	-	-	(1,779)	-	(1,779)
At February 28, 2015	215,467	846,046	187,077	81,070	1,329,660
At February 28, 2015					
Cost	44,202,201	19,038,425	6,019,816	920,460	70,180,902
Accumulated Write-downs	(15,644,370)	(1,749,702)	(363,153)	(15,141)	(17,772,366)
Accumulated Amortization	(28,342,364)	(16,442,677)	(5,469,586)	(824,249)	(51,078,876)
Net Book Value	215,467	846,046	187,077	81,070	1,329,660

Roca Mines Inc.

Notes to Consolidated Financial Statements

Canadian Funds

Unaudited – Prepared by Management

5. Property, Plant and Equipment - *Continued*

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.

6. 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 February 28, 2015 and at August 31, 2014 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. There were nil stock options outstanding as of February 28, 2015 and August 31, 2014.

c) Warrants

At February 28, 2015 and August 31, 2014 there were no warrants outstanding nor were there changes during the six months ended February 28, 2015 or year ended August 31, 2014.

d) Non-controlling Interest

The Company's subsidiary, FortyTwo Metals Inc. ("FortyTwo"), holds its interest in the MAX molybdenum mine located approximately 60 kilometres southeast of Revelstoke, B.C. The Max mine was placed on care and maintenance in October 2011. The Company entered into an agreement dated November 4, 2013 (the "Agreement") with Discovery Ventures Inc. ("Discovery") whereby the Company granted an exclusive option to Discovery to acquire all of the issued and outstanding common shares of FortyTwo.

A 16% interest was transferred to Discovery effective November 15, 2013, a 5% interest was transferred effective January 8, 2014, a 1% interest was transferred effective March 7, 2014 and a 13% interest was transferred effective April 1, 2014 for a total 35% interest. Under the terms of the Agreement as amended, Discovery may exercise the option and acquire all of the shares of FortyTwo for total cash payments of \$5,050,000 and the issuance of 2,500,000 common shares of Discovery in accordance with the following schedule:

- \$50,000 paid to the Company as a non-refundable deposit (paid);
- \$750,000 paid to the Company on or prior to November 15, 2013 (paid);
- \$250,000 payable to the Company on or prior to January 8, 2014 (paid);
- \$50,000 payable to the Company on or prior to March 6, 2014 (paid);
- \$650,000 payable to the Company on or prior to March 24, 2014 (paid); and
- \$3.3 million payable to the Company and the issuance of 2.5 million shares of Discovery on or before April 5, 2014 (past due).

Roca Mines Inc.

Notes to Consolidated Financial Statements

Canadian Funds

Unaudited – Prepared by Management

6. Shareholder's Equity - Continued

During the six months ended February 28, 2015, Discovery provided an additional \$150,000 to the Company to cover a portion of the Company's cash calls for operating expenses. The Company understands that Discovery intends to meet the further requirements of the cash calls in order to avoid diluting its interest and to subsequently acquire all shares of FortyTwo.

The majority of the purchase price will be used by the Company to maintain the MAX mine in good standing over the option period and to retire the secured and unsecured current liabilities of FortyTwo. FortyTwo shares had a fair value of \$5,675,000 in November 2013, per the terms of the Agreement requiring total cash payments of \$5,050,000 and issuance of 2,500,000 shares of Discovery valued at \$0.25 per share. Based upon this valuation, the amounts recorded in the non-controlling interest ("NCI") held by Discovery and the Company's equity were as follows:

Transfer Date	Interest %	Cash	NCI	Recorded to Equity
November 15, 2013	16%	\$ 800,000	\$ (427,848)	\$ (372,152)
January 8, 2014	5%	250,000	(149,445)	(100,555)
March 7, 2014	1%	50,000	(30,054)	(19,946)
April 1, 2014	13%	650,000	(388,408)	(261,592)
	35%	\$ 1,750,000	\$ (995,755)	\$ (754,245)

During the periods where there was non-controlling interest there was \$99,209 allocated to NCI due to due to the change in percentage ownership of FortyTwo.

7. Reclamation Bonds

At February 28, 2015 and August 31, 2014, reclamation bonds totalling \$730,000 were held with the British Columbia Ministry of Energy and Mines as summarized below:

	February 28, 2015	August 31, 2014
MAX Molybdenum Project	\$ 730,000	\$ 730,000
Total	\$ 730,000	\$ 730,000

8. 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:

	February 28, 2015	August 31, 2014
Balance – Beginning of Period	\$ 1,313,402	\$ 1,313,402
Balance – End of Period	\$ 1,313,402	\$ 1,313,402

The Company has estimated its MAX Molybdenum mine future site restoration costs to be \$1,313,402 as of February 28, 2015 and August 31, 2014. All amounts are recorded undiscounted due to the Max mine's care and maintenance 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.

Roca Mines Inc.

Notes to Consolidated Financial Statements

Canadian Funds

Unaudited – Prepared by Management

9. Related Party Transactions

The following transactions were carried out with related parties:

During the six months ended February 28, 2015 the Company accrued for rent and office expenses recoverable totalling \$57,849 (2014 - \$39,686) by companies with common management. At February 28, 2015, the related companies owed a total of \$77,958 (2014 - \$26,394) in rent and office expenses. Directors of the Company have provided various short-term, non-interest bearing loans without fixed repayment terms to the Company which at February 28, 2015 stood at \$137,000 (2014 - \$252,500). As at February 28, 2015, current liabilities include \$925,202 (2014 - \$763,313) 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 February 28, 2015 and 2014 is as follows:

	2015		2014
Salaries and benefits	\$ 90,427	\$	117,067
	\$ 90,427	\$	117,067

These transactions were incurred in the ordinary course of business.

10. Commitments

The Company has signed a lease agreement for the rental of office space that now ends on November 30, 2015. The future minimum lease obligations are \$61,928 as of February 28, 2015.

11. Segmented Information

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