

RENFORTH RESOURCES INC.

CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2015 AND 2014

**(Expressed in Canadian Dollars)
(Unaudited)**

NOTICE TO SHAREHOLDERS

The accompanying condensed interim financial statements of Renforth Resources Inc. for the three and six months ended June 30, 2015 and 2014 have been prepared by management in accordance with International Financial Reporting Standards applicable to interim financial statements (see notes 2 & 3 to the interim consolidated financial statements). Recognizing that the Company is responsible for both the integrity and objectivity of the financial statements, management is satisfied that these financial statements have been fairly presented.

Auditors Involvement

The external auditors of Renforth Resources Inc., have not audited or performed a review of the unaudited interim financial statements for the three and six months ended June 30, 2015 and 2014 nor have they conducted any procedures with respect to the supplementary financial schedules included herein.

RENFORTH RESOURCES INC.**Condensed Interim Statements of Financial Position (unaudited)**

(Expressed in Canadian dollars)

	As at June 30, 2015	As at December 31, 2014
ASSETS		
Current assets		
Cash and cash equivalents (<i>note 5</i>)	\$ 33,320	\$ 115,524
Sales tax receivable	15,762	16,734
Prepaid expenses and deposits	30,754	5,319
Total current assets	79,836	137,577
Non-current assets		
Exploration and evaluation assets (<i>note 6 and 7</i>)	2,065,405	1,866,677
Total non-current assets	2,065,405	1,866,677
TOTAL ASSETS	\$ 2,145,241	\$ 2,004,254
LIABILITIES AND EQUITY		
Current liabilities		
Accounts payable and accrued liabilities (<i>note 7</i>)	\$ 392,916	\$ 349,318
Deferred flow through share premium	-	17,575
Total liabilities	392,916	366,893
Equity		
Share capital (<i>note 8 (b)</i>)	11,765,623	11,626,424
Warrant reserve (<i>note 8 (c)</i>)	72,867	30,005
Contributed surplus	1,693,344	1,669,297
Accumulated deficit	(11,779,509)	(11,688,365)
Total equity	1,752,325	1,637,361
TOTAL LIABILITIES AND EQUITY	\$ 2,145,241	\$ 2,004,254

Going concern (*note 1*)**Commitments and contingencies** (*notes 6 and 11*)*The accompanying notes are an integral part of these financial statements.*

Approved by the Board

Signed:

“Nicole Brewster”, Director

Signed:

“David Wahl”, Director

RENFORTH RESOURCES INC.**Condensed Interim Statements of Loss and Comprehensive Loss (unaudited)**

For the three and six months ended June 30, 2015 and 2014

(Expressed in Canadian dollars)

	Three months ended June 30		Six months ended June 30	
	2015	2014	2015	2014
Expenses				
General and corporate (<i>notes 7 and 13</i>)	\$ 40,915	\$ 32,391	\$ 99,511	\$ 65,382
Share based payments (<i>note 8(c) and 9(d)</i>)	2,763	26,450	9,208	26,450
Loss before other items	\$ (43,678)	\$ (58,841)	\$(108,719)	\$ (91,832)
Other items				
Write off of exploration expenses	-	1,355	-	1,355
Other income	-	-	17,575	41,089
Net loss and comprehensive loss for the period	\$ (43,678)	\$ (57,486)	\$ (91,144)	\$ (49,388)
Basic and diluted loss per share (<i>note 10</i>)	\$ (0.00)	\$ (0.00)	\$ (0.00)	\$ (0.01)

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

RENFORTH RESOURCES INC.**Condensed Interim Statements of Cash Flows (unaudited)**

For the six months ended June 30, 2015 and 2014

(Expressed in Canadian dollars)

	2015	2014
Cash flow from operating activities		
Net loss for the period	\$ (91,144)	\$ (49,388)
Items not affecting cash:		
Share based payments	9,208	26,450
Other income	(17,575)	(41,089)
Write down of exploration and evaluation assets	-	(1,356)
Depreciation	-	290
	(99,512)	(65,093)
Changes in non-cash working capital:		
Sales tax receivable	972	(59,750)
Accounts payable and accrued liabilities	43,599	100,077
Prepaid expenses and deposits	(25,435)	(3,430)
Total cash flows from operating activities	(80,376)	(28,196)
Cash flow from investing activities		
Additions to exploration and evaluation assets	(149,728)	(277,943)
Total cash flows from investing activities	(149,728)	(277,943)
Cash flow from financing activities		
Issue of common shares	90,199	205,800
Issue of warrants	57,701	-
Total cash flows from financing activities	147,900	205,800
(Decrease) in cash and cash equivalents	(82,204)	(100,339)
Cash and cash equivalents beginning of period	115,524	160,981
Cash and cash equivalents, end of period (note 5)	\$ 33,320	\$ 60,042

*Supplemental information (note 12)**The accompanying notes are an integral part of these financial statements.*

RENFORTH RESOURCES INC.

Statements of Changes in Equity

For the six months ended June 30, 2015 and 2014

(Expressed in Canadian dollars)

	Share capital	Share capital	Contributed surplus	Warrant reserve	Deficit	Total
	#	\$	\$	\$	\$	\$
Balance, December 31, 2013	38,404,172	11,211,516	1,603,391	12,856	(11,544,520)	1,283,243
Share based payments	-	-	26,450	-	-	26,450
Shares issued on property purchase agreement	200,000	6,000	-	-	-	6,000
Shares issued under private placement	3,740,000	220,000	-	-	-	220,000
Share issue costs	-	(14,995)	-	795	-	(14,200)
Shares issued on settlement of debt	3,672,500	220,350	-	-	-	220,350
Net income and comprehensive income for the period	-	-	-	-	(49,388)	8,098
Balance June 30, 2014	46,016,672	11,642,871	1,603,391	12,856	(11,593,908)	1,692,455
Balance December 31, 2014	47,616,672	11,626,424	1,669,297	30,005	(11,688,365)	1,637,361
Share based payments	-	-	9,208	-	-	9,208
Shares issued on property purchase agreement	1,350,000	49,000	-	-	-	49,000
Shares issued under private placement	3,000,000	150,000	-	-	-	150,000
Valuation of warrants issued under private placement	-	(57,013)	-	57,013	-	-
Share issue costs	-	(2,788)	-	688	-	(2,100)
Expiry of warrants	-	-	14,389	(14,389)	-	-
Net loss and comprehensive loss for the period	-	-	-	-	(91,144)	(91,144)
Balance, June 30, 2015	51,966,672	11,765,623	1,693,344	72,867	(11,779,509)	1,752,325

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

RENFORTH RESOURCES INC.

Notes to Financial Statements

June 30, 2015

(Expressed in Canadian dollars)

1. NATURE OF BUSINESS AND GOING CONCERN

Nature of business

Renforth Resources Inc. (the "Company" or "Renforth"), was incorporated in Canada under the Business Corporations Act (Ontario) and carries on business in one segment, being the acquisition, exploration and development of mineral properties in Canada. The Company's registered and head office is located at 65 Front Street East, Suite 304, Toronto, Ontario M5E 1B5.

These financial statements were approved by the board on August 28, 2015.

The business of mining and exploring for minerals involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The recoverability of the carrying value of exploration and evaluation assets and the Company's continued existence is dependent upon the preservation of its interest in the underlying properties, the discovery of economically recoverable reserves, the achievement of profitable operations, or the ability of the Company to raise additional financing, if necessary, or alternatively upon the Company's ability to dispose of its interests on an advantageous basis. The amounts shown as exploration and evaluation assets do not necessarily represent present or future values. Changes in future conditions could require material write-downs to the carrying values of the Company's assets.

Although the Company has taken steps to verify title to the properties on which it is conducting exploration and in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to government licensing requirements or regulations, First Nations claims, unregistered prior agreements, unregistered claims, and non-compliance with regulatory and environmental requirements. The Company may also be subject to increases in taxes and royalties, renegotiation of contracts and political uncertainties.

Going concern assumption

These financial statements are prepared in accordance with International Financial Reporting Standards with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of operations in the foreseeable future.

The recoverability of the costs incurred to date on exploration and evaluation assets is dependent upon the existence of economically recoverable reserves, maintaining title and beneficial interest in the properties, the ability of the Company to obtain the necessary financing to complete the exploration and development of its properties and upon future profitable production or proceeds from the disposition of the properties and deferred exploration expenditures. The Company will periodically have to raise funds to continue operations and, although it has been successful in doing so in the past, there is no assurance it will be able to do so in the future.

These financial statements do not reflect the adjustments to the carrying values of assets and liabilities that would be necessary if the Company were unable to obtain adequate financing. Changes in future conditions could require material write-downs to the carrying value of the exploration and evaluation assets. Such adjustments could be material. Management is aware, in making its assessment of material uncertainties related to events or conditions that cast significant doubt upon the entity's ability to continue as a going concern. The Company has incurred a net loss of \$91,144 for the six months ended June 30, 2015 (2014 – \$49,388) and has an accumulated deficit of \$11,779,509 (December 31, 2014 - \$11,688,365) and a working capital deficiency of \$313,080 (December 31, 2014 –\$229,316).

RENFORTH RESOURCES INC.

Notes to Financial Statements

June 30, 2015

(Expressed in Canadian dollars)

2. BASIS OF PRESENTATION AND STATEMENT OF COMPLIANCE

Statement of compliance

These condensed interim financial statements have been prepared in accordance and compliance with International Financial Reporting Standards ("IFRS") applicable to the preparation of interim financial statements, including IAS 34, Interim Financial Reporting. The interim condensed financial statements do not include all the information and disclosures required in the Company's annual financial statements and should be read in conjunction with the Company's annual financial statements for the year ended December 31, 2014.

Basis of presentation

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

These financial statements have been prepared on a historical cost basis except for certain financial instruments that have been measured at fair value. In addition these financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

These financial statements, including comparatives, have been prepared on the basis of IFRS standards that are published at the time of preparation and that are effective for the Company's reporting date.

Functional currency

The presentation currency of the Company and the functional currency of the Company is the Canadian dollar.

Critical judgments and estimation uncertainties

The preparation of financial statements in conformity with IFRS requires the Company's management to make judgments, estimates and assumptions about future events that affect the amounts reported in the financial statements and related notes to the financial statements. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results may differ from those estimates and these differences could be material.

The areas which require management to make significant judgments, estimates and assumptions in determining carrying values include, but are not limited to:

- Assets' carrying values and impairment charges

In the determination of carrying values and impairment charges, management looks at the higher of recoverable amount or fair value less costs to sell in the case of assets and at objective evidence, significant or prolonged decline of fair value on financial assets indicating impairment. These determinations and their individual assumptions require that management make a decision based on the best available information at each reporting period.

- Capitalization of exploration and evaluation costs

Management has determined that exploration and evaluation costs incurred during the year have future economic benefits and are economically recoverable. In making this judgement, management has assessed various sources of information including but not limited to the geologic and metallurgic information, history of conversion of mineral deposits to proven and probable mineral reserves, scoping and feasibility studies, proximity of operating facilities, operating management expertise and existing permits. See Note 7 for details of capitalized exploration and evaluation costs.

RENFORTH RESOURCES INC.

Notes to Financial Statements

June 30, 2015

(Expressed in Canadian dollars)

2. BASIS OF PRESENTATION AND STATEMENT OF COMPLIANCE (continued)

- Impairment of exploration and evaluation assets

While assessing whether any indications of impairment exist for exploration and evaluation assets, consideration is given to both external and internal sources of information. Information the Company considers includes changes in the market, economic and legal environment in which the Company operates that are not within its control that could affect the recoverable amount of exploration and evaluation assets. Internal sources of information include the manner in which exploration and evaluation assets are being used or are expected to be used and indications of expected economic performance of the assets. Estimates include but are not limited to estimates of the discounted future cash flows expected to be derived from the Company's properties, costs to sell the properties and the appropriate discount rate.

Reductions in metal price forecasts, increases in estimated future costs of production, increases in estimated future capital costs, reductions in the amount of recoverable mineral reserves and mineral resources and/or adverse current economics can result in a write-down of the carrying amounts of the Company's exploration and evaluation assets.

- Income taxes and recoverability of potential deferred tax assets

In assessing the probability of realizing income tax assets recognized, management makes estimates related to expectations of future taxable income, applicable tax planning opportunities, expected timing of reversals of existing temporary differences and the likelihood that tax positions taken will be sustained upon examination by applicable tax authorities. In making its assessments, management gives additional weight to positive and negative evidence that can be objectively verified. Estimates of future taxable income are based on forecasted cash flows from operations and the application of existing tax laws in each jurisdiction. The Company considers whether relevant tax planning opportunities are within the Company's control, are feasible, and are within management's ability to implement. Examination by applicable tax authorities is supported based on individual facts and circumstances of the relevant tax position examined in light of all available evidence. Where applicable tax laws and regulations are either unclear or subject to ongoing varying interpretations, it is reasonably possible that changes in these estimates can occur that materially affect the amounts of income tax assets recognized. Also, future changes in tax laws could limit the Company from realizing the tax benefits from the deferred tax assets. The Company reassesses unrecognized income tax assets at each reporting period.

- Share-based payments

Management determines costs for share-based payments using market-based valuation techniques. The fair value of the market-based and performance-based share awards are determined at the date of grant using generally accepted valuation techniques. Assumptions are made and judgment used in applying valuation techniques. These assumptions and judgments include estimating the future volatility of the stock price, expected dividend yield, future employee turnover rates and future employee stock option exercise behaviors and corporate performance. Such judgments and assumptions are inherently uncertain. Changes in these assumptions affect the fair value estimates.

- Contingences (note 11)

RENFORTH RESOURCES INC.

Notes to Financial Statements

June 30, 2015

(Expressed in Canadian dollars)

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies applied in the preparation of the interim consolidated financial statements are consistent with those followed in the preparation of the Company's December 31, 2014 annual financial statements, except for the adoption of new standards and interpretations as of January 1, 2015.

Recent accounting pronouncements

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods on or after January 1, 2015 or later periods. Many are not applicable or do not have a significant impact to the Company and have been excluded. The following have not yet been adopted and are being evaluated to determine their impact on the Company.

IFRS 9 – Financial Instruments (“IFRS 9”) was issued by the IASB in November 2009 with additions in October 2010 and May 2013 and will replace IAS 39 Financial Instruments: Recognition and Measurement (“IAS 39”). IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward unchanged to IFRS 9, except that an entity choosing to measure a financial liability at fair value will present the portion of any change in its fair value due to changes in the entity's own credit risk in other comprehensive income, rather than within profit or loss. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. IFRS 9 is effective for annual periods beginning on or after January 1, 2018. Earlier adoption is permitted.

IAS 1 – Presentation of Financial Statements (“IAS 1”) was amended in December 2014 in order to clarify, among other things, that information should not be obscured by aggregating or by providing immaterial information, that materiality consideration apply to all parts of the financial statements and that even when a standard requires a specific disclosure, materiality considerations do apply. The amendments are effective for annual periods beginning on or after January 1, 2016. Earlier adoption permitted.

4. 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 the acquisition, exploration and development of mineral properties. The capital of the Company consists of share capital, warrants, contributed surplus and options. 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 properties in which the Company currently has an interest are in the exploration and evaluation stage; as such the Company is dependent on external financing to fund its activities. In order to carry out the planned exploration and pay for administrative costs, the Company will spend its existing working capital and raise additional amounts as needed. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential 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. The Company's capital management objectives, policies and processes have remained unchanged during the six months ended June 30, 2015.

The Company is not subject to any externally imposed capital requirements.

RENFORTH RESOURCES INC.

Notes to Financial Statements

June 30, 2015

(Expressed in Canadian dollars)

5. CASH AND CASH EQUIVALENTS

	As at June 30, 2015	As at December 31, 2014
Cash in bank	\$ 33,320	\$ 115,524

Cash and cash equivalents earn interest based on market rates applicable to each form of interest bearing instrument. Cash is deposited at a reputable financial institution in Canada. The fair value of cash and cash equivalents approximates the values disclosed in this note.

6. EXPLORATION AND EVALUATION ASSETS

	New Alger	Nixon Bartleman	Parbec	Total
Acquisition costs				
December 31, 2013	635,500	-	-	635,500
Additions	16,000	-	-	16,000
December 31, 2014	\$ 651,500	\$ -	\$ -	\$ 651,500
Additions	14,000	40,000	5,000	59,000
June 30, 2015	\$ 665,500	\$ 40,000	\$ 5,000	\$ 710,500
Exploration				
December 31, 2013	926,324	-	-	926,324
Exploration and other geological	381,552	25,999	-	407,551
Quebec input tax credits recovered	(118,698)	-	-	(118,698)
December 31, 2014	\$ 1,189,178	\$ 25,999	\$ -	\$ 1,215,177
Exploration and other geological	129,728	-	10,000	139,728
June 30, 2015	\$ 1,318,906	\$ 25,999	\$ 10,000	\$ 1,354,905
Carrying amounts				
December 31, 2014	\$ 1,840,678	\$ 25,999	\$ -	\$ 1,866,677
June 30, 2015	\$ 1,984,406	\$ 65,999	\$ 15,000	\$ 2,065,405

New Alger Gold Project

On January 28, 2013, Renforth entered into an agreement (the "Purchase Agreement") with Cadillac Ventures Inc. ("Cadillac") to acquire a 100% interest in Cadillac's New Alger Property, located in Cadillac Township, Québec. The Purchase Agreement supersedes previous agreements.

The Purchase Agreement provides for the payment to Cadillac of the following: (i) \$20,000 cash and 2,000,000 common shares of Renforth at the time of signing the agreement (paid and common shares issued), (ii) \$210,000 cash by June 15, 2013 and (iii) \$250,000 cash by November 15, 2013. Upon satisfaction of the foregoing conditions, Renforth will acquire a 100% interest in the property, subject to an existing 1% net smelter return royalty ("NSR") and Cadillac will retain an additional 1% NSR.

RENFORTH RESOURCES INC.

Notes to Financial Statements

June 30, 2015

(Expressed in Canadian dollars)

6. EXPLORATION AND EVALUATION ASSETS (continued)

On September 30, 2013, Renforth and Cadillac signed an agreement whereby Cadillac agreed to accept common shares in lieu of the June 15, 2013 cash payment at an agreed price of \$0.05. On October 24, 2013, Renforth issued 4,200,000 common shares to Cadillac, valued at \$168,000 based on the fair value of common shares at the date of issuance.

On February 1, 2014, Renforth and Cadillac agreed to settle the final payment through quarterly instalments of \$15,000 (commencing February 2014), with the balance of \$190,000 payable February 2015. In consideration for the restructuring of the payment, Renforth agreed to pay an additional fee of \$10,000 payable February 2015. On December 2, 2014, Renforth and Cadillac made an amendment to the February 1, 2014 agreement whereby Renforth will continue to make quarterly instalments of \$15,000, with the balance payable November 2015. On May 20, 2015, a further amendment was made whereby Renforth will continue to make quarterly payments of \$15,000 which will apply against the balance due. The first payment was due on signing the amendment, followed by quarterly payments due: August 1, November 1, February 1, and the balance due May 2016. As at June 30, 2015, \$140,000 (December 31, 2014 - \$185,000) is payable to Cadillac and is included in accounts payable and accrued liabilities.

On February 18, 2014, the Company acquired the option to acquire certain properties on the western boundary of Renforth's New Alger project.

The acquisition is subject to several terms and conditions, including the following;

- 1- Renforth shall issue to the vendor 200,000 common shares of Renforth (issued February 14, 2014);
- 2- Upon or before the date which is 12 months from the signing of the agreement Renforth shall carry out \$20,000¹ in exploratory work on the property, issue to the vendor 100,000 (issued February 18, 2015) Renforth common shares and pay the vendor \$10,000 (paid February 24, 2015), to acquire a 25% interest in the property;
- 3- Upon or before the date which is 24 months from the signing of the agreement Renforth shall carry out \$30,000 in work on the Property, issue to the vendor 250,000 Renforth common shares and pay the vendor \$15,000, to earn Renforth an additional 30% interest in the Property;
- 4- Upon or before the date which is 36 months from the signing of the agreement Renforth shall carry out \$50,000 in work on the Property, issue to the vendor 250,000 common shares of Renforth and pay the vendor \$25,000 in cash, to earn Renforth the final 45% interest in the Property.

⁽¹⁾ Pursuant to this agreement, the Company was required to spend \$20,000 in exploration work on the property. As of the anniversary date, there was a \$12,000 shortfall. In accordance with an agreement with the vendor, the shortfall (\$12,000) has been added to the second year requirement

Failure to meet the required terms could result in termination of the agreement.

During the six months ended June 30, 2015 the Company recovered \$nil (year ended December 31, 2014 - \$118,698) from the Revenu Quebec. These refundable mining tax credits are recorded as a reduction to exploration and evaluation assets.

Nixon Bartleman Property

On August 4, 2014 Renforth entered into an option agreement to earn a 55% interest in the Nixon-Bartleman Property located in the West Timmins Mining Area, in the western part of the Porcupine Mining Camp.

In order to earn a 55% interest in the property, Renforth must incur \$25,000 in exploration spending on the property during August 2014 (completed), within 12 months spend an additional \$125,000 on the property and issue 1,000,000 shares to the vendor (issued on February 18, 2015), and within 24 months spend an additional \$150,000 on the property and issue 1,250,000 shares to the vendor. The property is subject to a 2% NSR.

RENFORTH RESOURCES INC.

Notes to Financial Statements

June 30, 2015

(Expressed in Canadian dollars)

6. EXPLORATION AND EVALUATION ASSETS (continued)

Parbec Gold Project

On January 29, 2015, the Company entered into a letter of intent to acquire 100% of the Parbec Gold Property ("Parbec") from Globex Mining Enterprises Inc. ("Globex") under the following terms.

- 1) over 4 years make cash payments totaling \$550,000
- 2) over 4 years incur \$4,000,000 in work costs on the property
- 3) over 4 years issue a total of 2,000,000 shares to Globex (250,000 shares issued)
- 4) Globex retains a gross metal royalty on the property of between 1% and 2% (percentage calculated in relationship to the prevailing price of gold at the time of delivery)

7. RELATED PARTY TRANSACTIONS AND BALANCES

(a) Compensation of key management personnel

Key management includes members of the board of directors, the President and Chief Executive Officer and the Chief Financial Officer. The aggregate value of transactions relating to key management personnel and entities over which they have control or significant influence were as follows for the six months ended June 30, 2015 and 2014:

For the six months ended June 30,	2015	2014
Salary or other short term benefits	\$ 90,000	\$ 90,000
Share based payments issued	11,050	-
	<u>\$ 101,050</u>	<u>\$ 90,000</u>

(b) Other related party balances and transactions

The Company engages Billiken Management Services Inc. ("Billiken"), a geological consulting company, to manage the Company's exploration programs. The Company's CEO, Nicole Brewster, is a shareholder of Billiken. For the six months ended June 30, 2015, the Company was charged \$76,837 (2014 - \$154,688) in exploration related expenditures, and \$60,000 (six months ended June 30, 2014 - \$60,000) in management fees for the CEO, of which \$45,000 (six months ended June 30, 2014 - \$60,000) was capitalized and recorded in exploration and evaluation assets and \$15,000 (six months ended June 30, 2014 - \$nil) was charged to General and corporate on the statement of loss. The Company also rents office space from Billiken at a rate of \$1,275 per month. During the period, the Company was charged \$3,825 (2014 - \$nil) for office rent. As at June 30, 2015, \$139,407 (December 31, 2014 - \$82,166) was owed to Billiken. This amount is unsecured, non-interest bearing with no fixed terms of repayment.

During the six months ended June 30, 2015, the Company was charged \$30,000 (six months ended June 30, 2014 - \$30,000) in management fees by a company owned by the Chief Financial Officer of the Company, for CFO services. As at June 30, 2015, \$73,450 (2014 - \$39,550) is owing to this officer and included in accounts payable. This amount is unsecured, non-interest bearing with no fixed terms of repayment.

RENFORTH RESOURCES INC.

Notes to Financial Statements

June 30, 2015

(Expressed in Canadian dollars)

8. SHARE CAPITAL

a) Shares authorized

The Company is authorized to issue an unlimited number of preferred and common shares without nominal or par value. No preferred shares have been issued.

b) Common shares issued and outstanding

Details of shares issued and outstanding are as follows:

	Shares	Amount
Balance, December 31, 2013	38,404,172	\$ 11,211,516
Shares issued in accordance with purchase agreement (i)	200,000	6,000
Shares issued under private placement (ii)	3,315,000	195,000
Share issue costs (ii)	-	(16,800)
Flow through share premium	-	(48,750)
Shares issued under private placement (iii)	425,000	25,000
Flow through share premium	-	(6,250)
Shares issued on settlement of debt (iv)	3,672,500	220,350
Shares issued under private placement (v)	1,600,000	80,000
Valuation of warrants (v)	-	(15,179)
Share issue costs	-	(6,888)
Flow through share premium	-	(17,575)
Balance, December 31, 2014	47,616,672	\$ 11,626,424
Shares issued in accordance with purchase agreement (vi)	100,000	4,000
Shares issued in accordance with purchase agreement (vii)	1,000,000	40,000
Shares issued in accordance with purchase agreement (viii)	250,000	5,000
Shares issued under private placement (ix)	2,600,000	130,000
Valuation of warrants (ix)	-	(52,171)
Shares issued under private placement (x)	400,000	20,000
Valuation of warrants (x)	-	(4,842)
Share issue costs (x)	-	(2,788)
Balance, June 30, 2015	51,966,672	\$ 11,765,623

- (i) On February 14, 2014 Renforth entered into an agreement to acquire a 100% interest in certain claims, located in the Cadillac Township, Québec. In accordance with this agreement Renforth issued 200,000 common shares at \$0.03 per share, based on the fair value of common shares at the date of issuance (see note 6).
- (ii) On May 7, 2014, the Company closed a non-brokered private placement financing raising gross proceeds of \$195,000 through the issuance of 390 units at \$500 per unit. Each unit consisted of 1,700 common shares of the Company and 6,800 common shares of the Company issued on a “flow-through” basis.

In connection with the closing of the offering, the Company paid certain finders an aggregate cash commission of \$14,200 and issued 132,600 finders warrants. Each warrant entitled the holder to purchase one common share at \$0.10 per share for a period of 12 months following the date of issuance. These warrants were assigned a value of \$2,600 using the Black Scholes option pricing model using the following assumptions: risk free interest rate 1.30%; expected volatility of 192%; expected dividend yield of 0% and an expected life of one year. Expected volatility was based on the historical volatility of other comparable listed companies.

- (iii) On June 6, 2014, the Company closed a non-brokered private placement financing raising gross proceeds of \$25,000 through the issuance of 50 units at \$500 per unit. Each unit consisted of 1,700 common shares of the Company and 6,800 common shares of the Company issued on a “flow-through” basis.

RENFORTH RESOURCES INC.

Notes to Financial Statements

June 30, 2015

(Expressed in Canadian dollars)

8. SHARE CAPITAL (continued)

- (iv) On May 28, 2014, the Company reached an agreement with two related party creditors to settle debt in the total amount of \$220,350 by the issuance of 3,672,500 common shares of the Company at fair market value based on the current market share price of \$0.06 per share. CFO Advantage Inc., a company owned by Kyle Appleby, the Chief Financial Officer of the Company, participated in the debt settlement by settling debt in the amount of \$28,250 in exchange for 470,833 common shares of the Company. Billiken Management Services Inc., a company that Nicole Brewster (the Company's Chief Executive Officer) is associated with, participated in the debt settlement by settling debt in the amount of \$192,100 in exchange for 3,201,667 common shares of the Company.
- (v) On December 31, 2014, the Company closed a non-brokered private placement financing raising gross proceeds of \$80,000 through the issuance of 120,000 non flow-through units at \$0.05 per common unit and 1,480,000 flow-through units at \$0.05 per flow-through unit. Each common unit consisted of one common share in the capital of the Company and one whole common share purchase warrant. Each common warrant entitles the holder to purchase one common share in the capital of the Company at a price of \$0.07 for a period of 24 months following closing. Each flow-through unit consisted of one common share in the capital of the Company issued on a 'flow-through' basis, and one-half of one common share purchase warrant ("FT Warrant"). Each whole FT Warrant entitles the holder to purchase one common share in the capital of the Company at a price of \$0.09 for a period of 18 months following closing.

The common warrants were assigned a value of \$2,457 using the Black Scholes option pricing model using the following assumptions: risk free interest rate 1.01%; expected volatility 178%; expected dividend yield of 0% and an expected life of two years. Expected volatility was based on the historical volatility of other comparable listed companies. The FT Warrants were assigned a value of \$12,722 using the Black Scholes option pricing model using the following assumptions: risk free interest rate 1.01%; expected volatility of 185%; expected dividend yield of 0% and an expected life of one and a half years. Expected volatility was based on the historical volatility of other comparable listed companies.

In connection with the offering, the Company incurred a cash fee of \$6,900 and issued 96,000 finders warrants for services rendered to the Company in respect of the offering. The terms of the finder's warrants are equal to the terms of the common and flow through units described above. The Company issued 7,200 common warrants and 88,800 FT Warrants that were assigned a total value of \$1,600 using the Black Scholes option pricing model using the following assumptions: risk free interest rate 1.01%; expected volatility 185%; expected dividend yield of 0% and an expected life of eighteen months to two years. Expected volatility was based on the historical volatility of other comparable listed companies.

- (vi) In accordance with a property agreement, on February 18, 2015, Renforth issued 100,000 common shares at \$0.04 per share, based on the fair value of common shares at the date of issuance (see note 7).
- (vii) In accordance with the Nixon Bartleman option agreement, on February 18, 2015, Renforth issued 1,000,000 common shares at \$0.04 per share, based on the fair value of common shares at the date of issuance (note 6).
- (viii) In accordance with the option agreement on the Parbec Gold Project, on February 26, 2015, Renforth issued 250,000 common shares at \$0.02 per share, based on the fair value of common shares at the date of issuance (note 6).

RENFORTH RESOURCES INC.

Notes to Financial Statements

June 30, 2015

(Expressed in Canadian dollars)

8. SHARE CAPITAL (continued)

- (ix) On March 10, 2015, the Company closed a private placement financing for gross proceeds of \$130,000 through the issuance of 2,600,000 units at \$0.05 per unit. Each unit consisted of one common share and one common share purchase warrant. Each common warrant entitles the holder to purchase one common share in the capital of the Company at a price of \$0.07 for a period of 24 months following closing.

The warrants were assigned a value of \$52,171 using the Black Scholes option pricing model using the following assumptions: risk free interest rate 0.60%; expected volatility 178%; expected dividend yield of 0% and an expected life of two years. Expected volatility was based on the historical volatility of other comparable listed companies

- (x) On June 1, 2015, the Company closed a private placement financing for gross proceeds of \$20,000 through the issuance of 400,000 units at \$0.05 per unit. Each unit consisted of one flow through common share and one-half common share purchase warrant. Each common warrant entitles the holder to purchase one common share in the capital of the Company at a price of \$0.09 for a period of 18 months following closing.

The warrants were assigned a value of \$4,842 using the Black Scholes option pricing model using the following assumptions: risk free interest rate 0.56%; expected volatility 178%; expected dividend yield of 0% and an expected life of 18 months years. Expected volatility was based on the historical volatility of other comparable listed companies

In connection with the offering, the Company incurred a cash fee of \$1,600 and issued 24,000 finders warrants for services rendered to the Company in respect of the offering. Each warrant entitles the holder to purchase one common share of the Company at a price of \$0.07 for a period of 2 years from the date of issue. The warrants were assigned a total value of \$908 using the Black Scholes option pricing model using the following assumptions: risk free interest rate 0.56%; expected volatility 178%; expected dividend yield of 0% and an expected life of two years. Expected volatility was based on the historical volatility of other comparable listed companies.

c) Share purchase warrants

The following summarizes the activity during the six months ended June 30, 2015 and the year ended December 31, 2014:

	Warrants outstanding	Value
		\$
Balance at December 31, 2013	2,093,640	12,856
Issue of finder warrants – May 7, 2014	132,600	2,600
Expiry of warrants – July 25, 2014	(362,700)	(2,656)
Adjustment to warrant valuation from extension – November 17, 2014	-	2,039
Issue of warrants – December 31, 2014 (net of issue costs)	860,000	13,566
Issue of finder warrants – December 31, 2014	96,000	1,600
Balance at December 31, 2014	2,819,540	30,005
Issue of warrants – March 10, 2015	2,600,000	52,171
Expiry of warrants – Jan 25, 2015	(550,000)	(4,327)
Expiry of warrants – May 7, 2015	(132,600)	(2,600)
Expiry of warrants – May 28, 2015	(1,180,940)	(7,912)
Issue of warrants – June 1, 2015	224,000	5,530
Balance at June 30, 2015	3,780,000	72,867

RENFORTH RESOURCES INC.

Notes to Financial Statements

June 30, 2015

(Expressed in Canadian dollars)

8. SHARE CAPITAL (continued)

On November 17, 2014, the Company extended 1,096,000 warrants exercisable at \$0.10, and 84,940 broker warrants exercisable at \$0.10, from an expiry date of November 28, 2014 to a new expiry date of May 28, 2015. The adjustment to the value of the broker warrants was \$2,039 (2013 - \$nil) and recorded to share based payments.

On July 9, 2014, the Company extended 550,000 warrants exercisable at \$0.10, from an expiry date of July 25, 2014 to a new expiry date of January 25, 2015. These options expired unexercised.

Summary of warrants outstanding as at June 30, 2015:

Number of Warrants Outstanding	Exercise Price	Expiry Date	Weighted Average Remaining Life	Grant Date Fair Value
127,200	\$ 0.07	31-Dec-16	1.51	2,326
828,800	\$ 0.09	30-Jun-16	1.00	12,840
2,600,000	\$ 0.07	9-Mar-17	1.69	52,171
200,000	\$ 0.09	1-June-16	1.42	4,622
24,000	\$ 0.07	1-June-17	1.92	908
3,780,000	\$ 0.08		1.52	\$72,867

d) Stock option plan

The Company has a stock option plan which provides for the granting of options to purchase common shares to a maximum of 10% of the issued and outstanding common shares of the Company to officers, directors, and other service providers at the discretion of the directors. Each option granted under this Plan shall be exercisable for a maximum period of five years from the date the option is granted to the optionee. Stock options vest over a period of 12 months.

On May 28, 2014, the Company granted 1,150,000 stock options to its directors and officers. Each option is exercisable for one common share at \$0.06. The fair value of the options were estimated on the date of the grant using the Black-Scholes option pricing model with the following assumptions: expected volatility of 150%; expected dividend yield of 0%; risk-free interest rate of 1.50%; and expected life of 5 years. The options were valued at \$63,250 and vested on the date of grant. Expected volatility was based on the historical volatility of other comparable listed companies.

On February 26, 2015, the Company issued 650,000 options to officers and directors of the Company exercisable for a period of five years at an exercise price of \$0.05 per option. The options vest 50% upon grant and 50% six months from the date of grant. The fair value of the options were estimated on the date of the grant using the Black-Scholes option pricing model with the following assumptions: expected volatility of 150%; expected dividend yield of 0%; risk-free interest rate of 0.78%; and expected life of 5 years. The options were valued at \$11,050 and vested on the date of grant. Expected volatility was based on the historical volatility of other comparable listed companies.

For the six months ended June 30, 2015, stock option expense of \$9,208 (2014 - \$26,450) was charged to operations with an equivalent offset credited to contributed surplus to reflect the vested portion of the fair value of stock options granted. All of the stock-based compensation expense of \$9,208 (2014 - \$26,450) was related to directors and officers.

RENFORTH RESOURCES INC.

Notes to Financial Statements

June 30, 2015

(Expressed in Canadian dollars)

8. SHARE CAPITAL (continued)

As at June, 2015 and December 31, 2014, the weighted average exercise price of options outstanding and options exercisable were as follows:

	June 30, 2015		December 31, 2014	
	Number	Weighted Average Exercise price	Number	Weighted Average Exercise price
Outstanding – beginning of year	3,315,000	\$ 0.135	2,365,000	\$ 0.135
Granted	650,000	\$ 0.050	1,150,000	\$ 0.060
Expired	-	-	(200,000)	\$ 0.100
Outstanding – end of period	3,965,000	\$ 0.100	3,315,000	\$ 0.111
Exercisable – end of period	3,640,000	\$ 0.100	3,315,000	\$ 0.111

As at June 30, 2015 the Company had the following stock options outstanding:

Number of Options Outstanding	Exercise Price	Expiry Date	Number of Options Exercisable	Weighted Average Remaining Life
160,000	\$ 0.50	26-Oct-15	160,000	0.32
80,000	0.25	30-Sep-16	80,000	1.25
50,000	0.25	20-Apr-17	50,000	1.81
1,875,000	0.10	19-Jun-18	1,875,000	2.97
1,150,000	0.06	28-May-19	1,150,000	3.91
650,000	0.05	26-Feb-20	325,000	4.66
3,965,000			3,640,000	3.37

The weighted average fair value per option issued during the six months ended June 30, 2015 was \$0.02 (2014 - \$0.023).

9. LOSS PER COMMON SHARE

The following table sets forth the computation of basic and diluted loss per common share:

	Three months ended June 30		Six months ended June 30	
	2015	2014	2015	2014
Numerator:				
Net loss attributable to common shareholders				
- basic and diluted	\$ (43,678)	\$ (57,486)	\$ (91,144)	\$ (49,388)
Denominator:				
Weighted average common shares outstanding				
- basic	51,694,145	42,008,595	50,277,445	40,216,341
- fully diluted	55,361,672	47,549,835	55,361,672	45,757,581
Basic and diluted loss per common share	\$ (0.00)	\$ (0.00)	\$ (0.00)	\$ (0.00)

The warrants and options outstanding were excluded from the computation of diluted loss per share in 2015 because their impact was anti-dilutive.

RENFORTH RESOURCES INC.

Notes to Financial Statements

June 30, 2015

(Expressed in Canadian dollars)

10. FINANCIAL RISK FACTORS

The Company's risk exposures and the impact on the Company's financial instruments are summarized below. There have been no significant changes in the risks, objectives, policies and procedures during the six months ended June 30, 2015 and 2014.

Credit risk

The Company's credit risk is primarily attributable to cash and cash equivalents. The Company has no significant concentration of credit risk arising from operations. Cash is held with reputable financial institutions, from which management believes the risk of loss to be remote. Management believes that the credit risk concentration with respect to these items is remote.

Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at June 30, 2015, the Company had a cash and cash equivalent balance of \$33,320 (December 31, 2014 – \$115,524) to settle current liabilities of \$392,916 (December 31, 2014 - \$366,893).

Market risk

(a) Interest rate risk

The Company has cash balances and no long term debt. The Company's current policy is to invest excess cash in investment-grade short-term deposit certificates issued by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks.

(b) Foreign exchange risk

The Company's functional currency is the Canadian dollar and all major purchases are transacted in Canadian dollars. Management believes the foreign exchange risk is negligible and therefore does not hedge its foreign exchange risk.

The Company does not hold balances in foreign currencies to give rise to exposure to foreign exchange risk.

(c) Price risk

The Company is exposed to price risk with respect to commodity prices. The Company closely monitors commodity prices to determine the appropriate course of action to be taken by the Company. Price risk is remote since the Company is not a producing entity.

Fair value of financial assets and liabilities

The Company has designated its cash and cash equivalents as loans and receivables, which are measured at amortized cost. Accounts payable and accrued liabilities, classified as other financial liabilities, are measured at amortized cost.

As at June 30, 2015 and December 31, 2014, the fair values of Company's financial instruments approximate their carrying values, given their short-term nature.

RENFORTH RESOURCES INC.

Notes to Financial Statements

June 30, 2015

(Expressed in Canadian dollars)

11. COMMITMENTS AND CONTINGENCIES

- (a) See note 6 and 13 for additional commitments and contingencies on evaluation and exploration assets.
- (b) The Company renounced \$250,000 of qualifying exploration expenditures to the shareholders effective December 31, 2014. Under the “look back” provision governing flow-through shares, \$74,000 had to be spent by the end of 2015. As at June, 2015, this commitment has been met.
- (c) The Company’s mining and exploration activities are subject to various laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company conducts its operations so as to protect public health and the environment and believes its operations are materially in compliance with all applicable laws and regulations. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.

12. SUPPLEMENTAL INFORMATION – STATEMENT OF CASH FLOWS

Six months ended June 30,	2015	2014
Non-Monetary Transactions:		
Shares issued under option/purchase agreements	\$ 49,000	\$ 6,000
Shares issued on settlement of debt	-	\$ 220,350

13. GENERAL AND CORPORATE EXPENSES

	Three months ended June 30		Six months ended June 30	
	2015	2014	2015	2014
Management compensation	\$ 22,500	\$ 15,000	45,000	\$ 30,000
Legal and audit	5,400	8,885	9,567	15,852
Rent	5,100	-	8,925	-
Insurance	1,350	2,211	4,280	5,056
Transfer agent	1,780	714	2,789	1,515
Administrative and general	3,285	4,081	25,950	9,641
Stock exchange fees	1,500	1,500	3,000	3,028
	\$ 40,915	\$ 32,391	\$ 99,511	\$ 65,382