
ROCKSHIELD CAPITAL CORP.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED
MAY 31, 2015

(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	May 31, 2015 \$	November 30, 2014 \$
ASSETS			
Current assets			
Cash		2,451,309	3,857,602
Amounts receivable		6,044	2,596
GST receivable		33,030	53,399
Prepaid expenses		3,750	8,800
Investments	4	<u>6,123,945</u>	<u>5,717,801</u>
Total current assets		<u>8,618,078</u>	<u>9,640,198</u>
Non-current assets			
Investment in and advances to associated company	5	938,890	1,240,935
Property, plant and equipment	6	50,973	59,667
Exploration and evaluation assets	7	<u>94,463</u>	<u>94,463</u>
Total non-current assets		<u>1,084,326</u>	<u>1,395,065</u>
TOTAL ASSETS		<u>9,702,404</u>	<u>11,035,263</u>
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities	9	<u>18,886</u>	<u>172,487</u>
TOTAL LIABILITIES		<u>18,886</u>	<u>172,487</u>
SHAREHOLDERS' EQUITY			
Share capital	8	25,226,795	25,226,795
Share-based payments reserve		3,525,049	3,525,049
Deficit		<u>(19,068,326)</u>	<u>(17,889,068)</u>
TOTAL SHAREHOLDERS' EQUITY		<u>9,683,518</u>	<u>10,862,776</u>
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		<u>9,702,404</u>	<u>11,035,263</u>

Nature of Operations - See Note 1

These condensed consolidated interim financial statements were approved for issue by the Board of Directors on July 27, 2015 and are signed on its behalf by:

/s/ Frank Taggart
Frank Taggart
Director

/s/ Nick DeMare
Nick DeMare
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		Six Months Ended	
		May 31, 2015 \$	May 31, 2014 \$	May 31, 2015 \$	May 31, 2014 \$
Expenses					
Accounting and administration	9b(ii)	17,866	15,677	34,438	28,157
Audit fees		15,600	-	30,600	22,440
Depreciation	6	3,608	6,902	8,694	13,804
Foreign value added tax		828	2,748	1,370	5,463
General and administrative expenses		12,177	9,823	14,755	19,285
General exploration		-	-	-	25,224
Investment conferences		-	3,905	-	3,905
Investor relations		-	2,500	-	10,000
Legal fees		3,254	35,149	9,465	36,201
Officer and director compensation	9	36,093	39,585	66,093	98,787
Professional fees		10,570	89,673	25,656	96,559
Regulatory fees		5,843	19,707	7,388	26,226
Rent		8,427	-	8,427	2,500
Salaries and benefits		6,440	-	6,440	-
Shareholder communications		-	1,179	-	1,593
Telephone, website and internet costs		4,970	2,807	7,304	5,666
Transfer agent		1,125	1,683	2,250	2,996
Travel and related		19,526	67	26,217	3,849
		<u>146,327</u>	<u>231,405</u>	<u>249,097</u>	<u>402,655</u>
Loss before other items		<u>(146,327)</u>	<u>(231,405)</u>	<u>(249,097)</u>	<u>(402,655)</u>
Other items					
Realized loss on sale of investments	4	(109,648)	-	(112,613)	-
Unrealized (loss) gain on investments	4	(625,689)	52,500	229,104	52,500
Interest income		33,853	15,629	46,767	35,382
Foreign exchange (loss) gain		(5,761)	(2,098)	15,865	13,077
Equity loss in associated company	5	<u>(1,109,284)</u>	<u>-</u>	<u>(1,109,284)</u>	<u>-</u>
		<u>(1,816,529)</u>	<u>66,031</u>	<u>(930,161)</u>	<u>100,959</u>
Net loss and comprehensive loss for the period		<u>(1,962,856)</u>	<u>(165,374)</u>	<u>(1,179,258)</u>	<u>(301,696)</u>
Loss per share - basic and diluted		<u>\$(0.04)</u>	<u>\$(0.00)</u>	<u>\$(0.03)</u>	<u>\$(0.01)</u>
Weighted average number of common shares outstanding - basic and diluted		<u>45,527,855</u>	<u>30,527,855</u>	<u>45,527,855</u>	<u>30,527,855</u>

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)

Six Months Ended May 31, 2015					
Share Capital		Share-Based Payments Reserve \$	Deficit \$	Total Equity \$	
Number of Shares	Amount \$				
Balance at November 30, 2014	45,527,855	25,226,795	3,525,049	(17,889,068)	10,862,776
Net loss for the period	-	-	-	(1,179,258)	(1,179,258)
Balance at May 31, 2015	<u>45,527,855</u>	<u>25,226,795</u>	<u>3,525,049</u>	<u>(19,068,326)</u>	<u>9,683,518</u>

Six Months Ended May 31, 2014					
Share Capital		Share-Based Payments Reserve \$	Deficit \$	Total Equity \$	
Number of Shares	Amount \$				
Balance at November 30, 2013	30,527,855	24,089,879	3,464,007	(21,292,647)	6,261,239
Net loss for the period	-	-	-	(301,696)	(301,696)
Balance at May 31, 2014	<u>30,527,855</u>	<u>24,089,879</u>	<u>3,464,007</u>	<u>(21,594,343)</u>	<u>5,959,543</u>

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)

	Six Months Ended	
	May 31, 2015 \$	May 31, 2014 \$
Operating activities		
Net loss for the period	(1,179,258)	(301,696)
Adjustments for:		
Depreciation	8,694	13,804
Realized loss on sale of investments	112,613	-
Unrealized gain on investment held	(229,104)	(52,500)
Equity loss in associated company	1,109,284	-
Interest income	(27,635)	-
	<u>(205,406)</u>	<u>(340,392)</u>
Changes in non-cash working capital items:		
(Increase) decrease in amounts receivable	(3,448)	(2,134)
Decrease in GST receivable	20,369	6,460
Decrease in prepaid expenses	5,050	8,513
(Decrease) increase in accounts payable and accrued liabilities	(12,960)	104,459
	<u>9,011</u>	<u>117,298</u>
Net cash used in operating activities	<u>(196,395)</u>	<u>(223,094)</u>
Investing activities		
Proceeds from sale of investments	384,082	-
Investment purchases	(670,771)	(35,000)
Investment in and advances to associated company	(921,207)	-
Subscription held in trust	-	(650,000)
Expenditures on exploration and evaluation assets	(2,002)	(36,107)
Proceeds from sale of equipment	-	41,250
	<u>(1,209,898)</u>	<u>(679,857)</u>
Net cash used in investing activities	<u>(1,209,898)</u>	<u>(679,857)</u>
Net change in cash	(1,406,293)	(902,951)
Cash at beginning of period	<u>3,857,602</u>	<u>6,087,136</u>
Cash at end of period	<u>2,451,309</u>	<u>5,184,185</u>
Cash comprises:		
Cash	935,240	5,184,185
Short-term investments	<u>1,516,069</u>	<u>-</u>
	<u>2,451,309</u>	<u>5,184,185</u>

Supplemental cash flow information - See Note 12

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

ROCKSHIELD CAPITAL CORP.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED MAY 31, 2015
(Unaudited - Expressed in Canadian Dollars)

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. In fiscal 2013 the Company terminated its option agreement on its principal mineral exploration property, the Santa Elena Project, with the Company retaining few mineral properties and the majority of its assets in cash while seeking new investment opportunities. On May 6, 2014 the Company announced its intention to become a diversified company and carry on business both as an investment company and a resource 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, investment activities and planned exploration activities on its exploration and evaluation assets 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, 2014, 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, 2014.

Basis of Measurement

The Company's consolidated 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.

ROCKSHIELD CAPITAL CORP.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED MAY 31, 2015
(Unaudited - Expressed in Canadian Dollars)

3. Subsidiaries

The subsidiaries of the Company are as follows:

<u>Company</u>	<u>Location</u>	<u>Ownership Interest</u>	
		<u>May 31, 2015</u>	<u>May 31, 2014</u>
Rockshield Plywood Corp. ("Rockshield Plywood")	Canada	100%	0%
Pelaya Copper Corporation ("Pelaya Copper")	Canada	100%	100%
Rockshield Colombia S.A.S. (formerly <i>Minera Pelaya S.A.S.</i>)	Colombia	100%	100%

4. Investments

In fiscal 2014 the Company determined to diversify its business and seek opportunities in the investment sector with a particular focus on investments in early stage, high growth companies at all stages of development, including pre-initial public offering and /or early stage companies requiring start-up or development capital. The Company's investments in marketable securities include common shares and other equity instruments of Canadian and U.S. companies that are listed on the Toronto Stock Exchange, the TSX Venture Exchange or other stock exchanges of the United States of America. 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 0.44% - 0.58%; estimated volatility of 70.01% - 96.88%; expected life of 0.83 years - 2.92 years; expected dividend yield of 0%; and expected forfeiture rate of 0%.

During the six months ended May 31, 2015 the Company sold certain of its investments for proceeds of \$384,082 and recognized a loss of \$112,613. In addition, the Company recorded an unrealized gain of \$229,104 on investments held on May 31, 2015.

5. Investment in and Advances to Associated Company

In fiscal 2014 the Company, through Rockshield Plywood, 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 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 incurred \$1,240,395 in deposits, equipment and costs towards its investment in the newly formed company, Rockshield Engineered Wood Products ULC ("REWP"). Subsequent to November 30, 2014 the Company incurred 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 promissory note for the principal amount of \$381,907 to the Company. Additional advances were subsequently made by the Company and REWP issued additional promissory notes for \$141,596.

The promissory notes bear interest at an interest rate of 18% per annum, compounded monthly. The principal amounts and all outstanding interest are due and payable within 30 days from: (i) the date on which REWP receives proceeds of not less than \$1,500,000 from the sale of new subordinated debt; or (ii) the date that the Company demands payment, after June 30, 2015. During the six months ended May 31, 2015 the Company recorded \$24,671 of interest income.

ROCKSHIELD CAPITAL CORP.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED MAY 31, 2015
(Unaudited - Expressed in Canadian Dollars)

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

Although the Company owned a 59.32% interest in REWP at May 31, 2015 the Company has a minority position on the Board of REWP and does not control operational decisions. Furthermore, in July 2015 REWP completed an equity financing which diluted the Company's ownership interest in REWP to approximately 34%. 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. Accordingly the investment in REWP is accounted for under the equity method.

As at May 31, 2015 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	<u>(1,109,284)</u>
	<u>390,716</u>
Promissory notes issued by REWP	
Principal amounts	523,503
Accrued interest	<u>24,671</u>
	<u>548,174</u>
	<u>938,890</u>

REWP's aggregate assets, aggregate liabilities as at May 31, 2015 and net loss for the six months ended May 31, 2015 are as follows:

	\$
Aggregate assets	4,066,325
Aggregate liabilities	3,087,401
Net loss for the period	(1,869,894)
Company ownership percentage during the period	59.32%
Company's share of net loss during the period	(1,109,284)

6. Property, Plant and Equipment

	Office Furniture and Equipment \$	Computer and Telephone Equipment \$	Machinery and Equipment \$	Vehicles \$	Total \$
Cost:					
Balance at November 30, 2013	74,131	83,524	148,627	133,468	439,750
Disposals	<u>(729)</u>	<u>(7,930)</u>	<u>(6,461)</u>	<u>(92,030)</u>	<u>(107,150)</u>
Balance at November 30, 2014 and May 31, 2015	<u>73,402</u>	<u>75,594</u>	<u>142,166</u>	<u>41,438</u>	<u>332,600</u>
Accumulated Depreciation:					
Balance at November 30, 2013	69,874	73,204	93,403	57,956	294,437
Depreciation	1,892	5,928	7,561	9,100	24,481
Disposals	<u>(213)</u>	<u>(5,016)</u>	<u>(1,238)</u>	<u>(39,518)</u>	<u>(45,985)</u>
Balance at November 30, 2014 Depreciation	<u>71,553</u> <u>892</u>	<u>74,116</u> <u>1,478</u>	<u>99,726</u> <u>3,542</u>	<u>27,538</u> <u>2,782</u>	<u>272,933</u> <u>8,694</u>
Balance at May 31, 2015	<u>72,445</u>	<u>75,594</u>	<u>103,268</u>	<u>30,320</u>	<u>281,627</u>

ROCKSHIELD CAPITAL CORP.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED MAY 31, 2015
(Unaudited - Expressed in Canadian Dollars)

6. Property, Plant and Equipment (continued)

	Office Furniture and Equipment \$	Computer and Telephone Equipment \$	Machinery and Equipment \$	Vehicles \$	Total \$
Carrying Value:					
Balance at November 30, 2014	<u>1,849</u>	<u>1,478</u>	<u>42,440</u>	<u>13,900</u>	<u>59,667</u>
Balance at May 31, 2015	<u>957</u>	<u>-</u>	<u>38,898</u>	<u>11,118</u>	<u>50,973</u>

7. Exploration and Evaluation Assets

	Pelaya Project \$
Balance at November 30, 2013	<u>32,977</u>
Exploration Costs	
Consulting	47,561
Foreign value added tax	2,074
Travel	<u>11,851</u>
	<u>61,486</u>
Balance at November 30, 2014 and May 31, 2015	<u>94,463</u>

The Pelaya Copper Project comprises two contiguous applications for concession contracts in the Cesar Department of the Republic of Colombia. New applications were filed with the National Mining Agency of Colombia in January 2014 and are currently under legal and technical reviews.

8. 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) *Reconciliation of Changes in Share Capital*

- (i) No financings were conducted by the Company during the six months ended May 31, 2015.
- (ii) During fiscal 2014 the Company completed a private placement financing of 15,000,000 units at a price of \$0.085 per unit for gross proceeds of \$1,275,000. Each unit comprised one common share of the Company and one common share purchase warrant, with each warrant entitling the holder to purchase one additional common share at a price of \$0.11 for a period of three years.

The Company paid finders' fees of \$72,000 cash and issued 847,059 non-transferable warrants to the finders. Each warrant entitles the holder to purchase one additional common share of the Company at a price of \$0.11 per share, for a period of two years. The \$61,042 fair value of the warrants has been estimated using the Black-Scholes option pricing model. The assumptions used were: risk-free interest rate of 1.094%; estimated volatility of 82.73%; expected life of 2 years; and expected dividend yield of 0%.

The Company also paid \$5,042 for legal costs and filing fees connected with the private placement.

ROCKSHIELD CAPITAL CORP.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED MAY 31, 2015
(Unaudited - Expressed in Canadian Dollars)

8. Share Capital (continued)

(c) *Warrants*

A summary of the number of common shares reserved pursuant to the Company's outstanding warrants at May 31, 2015 and 2014 and the changes for the six months ended on those dates is as follows:

	2015		2014	
	Number	Weighted Average Exercise Price \$	Number	Weighted Average Exercise Price \$
Balance, beginning and end of period	15,847,059	0.11	-	-

The following table summarizes information about the number of common shares reserved pursuant to the Company's warrants outstanding and exercisable at May 31, 2015:

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 six months ended May 31, 2015 and 2014 the Company did not grant any share options or have any share options vest.

A summary of the Company's share options at May 31, 2015 and 2014 and the changes for the six months ended on those dates, is as follows:

	2015		2014	
	Number of Options Outstanding	Weighted Average Exercise Price \$	Number of Options Outstanding	Weighted Average Exercise Price \$
Balance, beginning of period	785,000	1.37	841,000	1.35
Expired	(150,000)	1.00	(36,000)	0.52
Balance, end of period	635,000	1.46	805,000	1.39

ROCKSHIELD CAPITAL CORP.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED MAY 31, 2015
(Unaudited - Expressed in Canadian Dollars)

8. Share Capital (continued)

The following table summarizes information about the share options outstanding and exercisable at May 31, 2015:

Number Outstanding	Exercise Price \$	Expiry Date
345,000	1.00	April 20, 2016
<u>290,000</u>	2.00	August 24, 2016
<u>635,000</u>		

9. 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 six months ended May 31, 2015 and 2014 the following compensation amounts were incurred with respect to the Company's current and former Chief Executive Officers ("CEO"), the Chief Financial Officer ("CFO") and the Company's former Vice-President of Exploration ("VP Exploration") during their capacity in these positions:

	2015 \$	2014 \$
Current CEO	31,093	-
Current CFO	15,000	15,000
Former CEO	-	30,000
Former VP Exploration	<u>-</u>	<u>39,122</u>
	<u>46,093</u>	<u>84,122</u>

During six months ended May 31, 2014, \$20,787 of the fees paid to the VP Exploration was expensed to officer and director compensation and \$18,335 was capitalized to exploration and evaluation assets.

As at May 31, 2015, \$nil (2014 - \$12,500) remained unpaid and has been included in accounts payable and accrued liabilities.

- (ii) During the six months ended May 31, 2015 the Company was billed \$8,427 (2014 - \$nil) by the Company's CEO for office rent in Panama. As at May 31, 2015, \$8,427 (2014 - \$nil) remained unpaid and has been included in accounts payable and accrued liabilities.
- (iii) During the six months ended May 31, 2015 the Company incurred a total of \$28,350 (2014 - \$16,300) 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 May 31, 2015, \$8,350 (2014 - \$6,500) remained unpaid and has been included in accounts payable and accrued liabilities.

(b) *Transactions with Other Related Parties*

During the six months ended May 31, 2015 the Company incurred \$30,000 (2014 - \$33,000) for compensation to the Company's directors, of which \$20,000 (2014 - \$33,000) was expensed to officer and director compensation and \$10,000 (2014 - \$nil) was capitalized to long-term investment.

ROCKSHIELD CAPITAL CORP.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED MAY 31, 2015
(Unaudited - Expressed in Canadian Dollars)

9. Related Party Disclosures (continued)

As at May 31, 2015, \$nil (2014 - \$20,500) remained unpaid and has been included in accounts payable and accrued liabilities.

10. Segmented Information

Information on reportable segments is as follows:

	May 31, 2015				
	Corporate \$	Investments \$	Long-term Investment \$	Exploration and Evaluation Assets \$	Total \$
Interest income	19,132	2,964	24,672	-	46,767
Loss on sale of investments	-	(112,613)	-	-	(112,613)
Unrealized gain on investments	-	229,104	-	-	229,104
Segment profit (loss)	1,157,181	116,491	(1,108,613)	(1,368,317)	(1,179,258)
Segment assets	2,493,478	6,123,945	938,890	146,091	9,702,404
	November 30, 2014				
	Corporate \$	Investments \$	Long-term Investment \$	Exploration and Evaluation Assets \$	Total \$
Interest income	73,182	-	-	-	73,182
Gain on sale of investments	-	78,904	-	-	78,904
Unrealized gain on investments	-	3,891,511	-	-	3,891,511
Segment profit (loss)	605,407	3,970,415	-	(1,172,243)	3,403,579
Segment assets	3,908,812	5,717,801	1,240,935	167,715	11,035,263

11. Financial Instruments and Risk Management

Categories of Financial Assets and Financial Liabilities

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

Financial Instrument	Category	May 31, 2015 \$	November 30, 2014 \$
Cash	FVTPL	2,451,309	3,857,602
Amounts receivable	Loans and receivables	6,044	2,596
Investments	FVTPL	6,123,945	5,717,801
Long-term investment and advances	Held-to-maturity	938,890	1,240,935
Accounts payable and accrued liabilities	Other liabilities	(18,886)	(172,487)

ROCKSHIELD CAPITAL CORP.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED MAY 31, 2015
(Unaudited - Expressed in Canadian Dollars)

11. Financial Instruments and Risk Management (continued)

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 May 31, 2015 and November 30, 2014:

	May 31, 2015		
	Level 1 \$	Level 2 \$	Level 3 \$
Cash	2,451,309	-	-
Investments	<u>4,734,174</u>	<u>1,389,771</u>	-
	<u>7,185,483</u>	<u>1,389,771</u>	-
	November 30, 2014		
	Level 1 \$	Level 2 \$	Level 3 \$
Cash	3,857,602	-	-
Investments	<u>4,393,340</u>	<u>1,324,461</u>	-
	<u>8,250,942</u>	<u>1,324,461</u>	-

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.

ROCKSHIELD CAPITAL CORP.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED MAY 31, 2015
(Unaudited - Expressed in Canadian Dollars)

11. Financial Instruments and Risk Management (continued)

	Contractual Maturity Analysis at May 31, 2015				
	Less than 3 Months \$	3 - 12 Months \$	1 - 5 Years \$	Over 5 Years \$	Total \$
Cash	2,451,309	-	-	-	2,451,309
Amounts receivable	6,044	-	-	-	6,044
Investments	6,023,945	-	100,00	-	6,123,945
Long-term investment and advances	-	-	938,890	-	938,890
Accounts payable and accrued liabilities	(18,886)	-	-	-	(18,886)

	Contractual Maturity Analysis at November 30, 2014				
	Less than 3 Months \$	3 - 12 Months \$	1 - 5 Years \$	Over 5 Years \$	Total \$
Cash	3,857,602	-	-	-	3,857,602
Amounts receivable	2,596	-	-	-	2,596
Investments	5,717,801	-	-	-	5,717,801
Long-term investment and advances	-	-	1,240,935	-	1,240,935
Accounts payable and accrued liabilities	(172,487)	-	-	-	(172,487)

Market Risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange 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 subscription held in trust and on the Company's obligations are not considered significant.

(b) Foreign Currency Risk

The Company has operations in Canada and Colombia subject to foreign currency fluctuations. The Company's operating expenses are incurred in Canadian Dollars and Colombian Pesos and the fluctuation of the Canadian dollar in relation to other currencies could have an impact upon the profitability of the Company and may also affect the value of the Company's assets and the amount of shareholders' equity. However, as the Company does not maintain significant cash balances in foreign currencies and settles any transactions in foreign currencies quickly, its exposure to currency risk is considered insignificant as at May 31, 2015. As such the Company has not hedged its exposure to currency fluctuations.

(c) 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.

The Company intends to hold its long-term investment for a long period of time so the Company is not affected by short-term price volatility with respect to the investment provided that the underlying business, economic and management characteristics of the investee remains favorable.

ROCKSHIELD CAPITAL CORP.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED MAY 31, 2015
(Unaudited - Expressed in Canadian Dollars)

11. Financial Instruments and Risk Management (continued)

(d) Concentration Risk

As at May 31, 2015, \$5,333,069 of the Company's portfolio of investments was held in one company. This investment represents 55% 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 six months ended May 31, 2015. The Company is not subject to any externally imposed capital requirements.

12. Supplemental Cash Flow Information

Non-cash activities conducted by the Company during the six months ended May 31, 2015 and 2014 are as follows:

	2015 \$	2014 \$
Operating activities		
Accounts payable and accrued liabilities related to exploration and evaluation assets	(2,002)	(17,772)
Accounts payable and accrued liabilities related to long term investment	<u>(138,639)</u>	<u>-</u>
	<u>(140,641)</u>	<u>(17,772)</u>
Investing activities		
Accounts payable and accrued liabilities related to exploration and evaluation assets	2,002	17,772
Accounts payable and accrued liabilities related to long term investment	<u>138,639</u>	<u>-</u>
	<u>140,641</u>	<u>17,772</u>