

OROFINO MINERALS INC.

CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE THREE- AND SIX-MONTH PERIODS ENDED

DECEMBER 31, 2015

(Unaudited – Expressed in Canadian Dollars)

NOTICE TO READER

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

The accompanying unaudited condensed interim financial statements of the Company have been prepared by and are the responsibility of the Company's management. The unaudited condensed interim financial statements have been prepared using accounting policies in compliance with International Financial Reporting Standards for the preparation of the condensed interim financial statements and are in accordance with IAS 34 – Interim Financial Reporting.

The Company's independent auditor has not performed a review of these unaudited condensed interim financial statements in accordance with standards established by the Canadian Chartered Professional Accountants for a review of interim financial statements by an entity's auditor.

OROFINO MINERALS INC.
 INTERIM STATEMENTS OF FINANCIAL POSITION
 (Unaudited, in Canadian dollars)

	Note	December 31, 2015	June 30, 2015
ASSETS			
CURRENT			
Cash		\$ 254,424	\$ 338,147
GST Receivable		4,621	1,852
Due from Related Parties		-	5,098
		259,045	345,097
Equipment	3	156	244
		\$ 259,201	\$ 345,341

LIABILITIES AND SHAREHOLDERS' EQUITY

CURRENT

Accounts Payable		\$ 75,902	\$ 810
Accrued Liabilities		-	7,500
Loan Payable	6	-	53,442
		75,902	61,752

SHAREHOLDERS' EQUITY

Share Capital	7	1,484,862	1,484,862
Reserves	7	368,628	368,628
Deficit		(1,670,191)	(1,569,901)
		183,299	283,589
		\$ 259,201	\$ 345,341

Nature and continuance of operations 1

Approved on behalf of the Board:

"Sonny Janda"
 Sonny Janda - Director

"Eugene Beukman"
 Eugene Beukman - Director

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

OROFINO MINERALS INC.
INTERIM STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
FOR THE THREE- AND SIX-MONTH PERIODS ENDED DECEMBER 31,
(Unaudited, in Canadian dollars)

	Note	Three months ended December 31,		Six months ended December 31,	
		2015	2014	2015	2014
EXPENSES					
Amortization	3	\$ 39	\$ 45	\$ 88	\$ 90
Bank Charges		108	196	149	266
Consulting Fees	8	72,000	-	72,000	2,500
Foreign Exchange Loss		-	217	-	217
Interests		103	-	1,353	-
Office & Miscellaneous		-	2,688	-	2,688
Professional Fees		1,540	2,010	5,640	2,820
Rent	8	9,000	9,000	18,000	17,000
Transfer Agent & Filing Fees		1,642	1,635	3,060	2,030
LOSS BEFORE OTHER ITEMS		84,432	15,791	100,290	27,611
OTHER INCOME (EXPENSES)					
Interest Income		-	-	-	43
Impairment of Exploration & Evaluation Assets	5	-	-	-	-
NET AND COMPREHENSIVE LOSS		\$ 84,432	\$ 15,791	\$ 100,290	\$ 27,568
BASIC AND DILUTED LOSS PER SHARE					
		\$ (0.01)	\$ (0.01)	\$ (0.01)	\$ (0.01)
WEIGHTED AVERAGE NUMBER OF SHARES					
OUTSTANDING - BASIC AND DILUTED		7,484,414	3,122,770	7,484,414	3,122,770

The accompanying notes are an integral part of these financial statements

OROFINO MINERALS INC.

INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

(Unaudited, in Canadian dollars, except share number)

	Share Capital		Share-Based Payment Reserve	Warrant Reserve	Defi
	Number	Amount			
Balance at June 30, 2014	3,122,770	\$ 1,084,862	\$ 317,789	\$ 50,839	\$ (1,
Net Loss	-	-	-	-	
Balance at December 31, 2014	3,122,770	1,084,862	317,789	50,839	(1,
Private Placement	8,000,000	400,000	-	-	
Net Loss	-	-	-	-	(
Balance at June 30, 2015	11,122,770	1,484,862	317,789	50,839	(1,
Net Loss	-	-	-	-	(
Balance at December 31, 2015	11,122,770	\$ 1,484,862	\$ 317,789	\$ 50,839	\$ (1,

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

OROFINO MINERALS INC.
INTERIM STATEMENTS OF CASH FLOWS
FOR THE THREE- AND SIX-MONTH PERIODS ENDED DECEMBER 31,
(Unaudited, in Canadian dollars)

	Three months ended December 31,		Six months ended December 31,	
	2015	2014	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES				
Net Loss for the Period	(84,432)	(15,791)	\$ (100,290)	\$ (27,568)
Adjustments for Items not involving Cash:				
Amortization	39	45	88	90
Changes in Non-Cash Working Capital Items:				
GST Receivable	(3,914)	(315)	(2,769)	(148)
Accounts Payable	75,342	(7,303)	75,092	(8,616)
Accrued Liabilities	(9,495)	-	(7,500)	-
Due from Related Parties	-	(103,500)	-	(103,500)
Due to Related Parties	(54,692)	50,000	(48,344)	50,000
Cash Flows Used in Operating Activities	(77,152)	(76,864)	(83,723)	(89,742)
CASH FLOWS FROM INVESTING ACTIVITIES				
Exploration & Evaluation Additions	-	-	-	-
Deposit on Exploration & Evaluation Asset	-	-	-	16,523
Cash Flows Used in Investing Activities	-	-	-	16,523
INCREASE (DECREASE) IN CASH	(77,152)	(76,864)	(83,723)	(73,219)
CASH, BEGINNING OF PERIOD	331,576	77,808	338,147	74,163
CASH, END OF PERIOD	\$ 254,424	\$ 944	\$ 254,424	\$ 944

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

1. NATURE AND CONTINUANCE OF OPERATIONS

Orofino Minerals Inc. (the “Company”) was incorporated on October 9, 2008 under the laws of British Columbia. The Company’s common shares are listed on the TSX Venture Exchange under the symbol “ORR”. The Company is engaged in the acquisition and exploration of mineral resource properties.

The Company’s head office and principal address is located at 8338 – 120th Street, Surrey, British Columbia, Canada.

These condensed interim financial statements have been prepared on the assumption that the Company will continue as a going concern, which assume that the Company will continue its operations for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations. Different bases of measurement may be appropriate if the Company is not expected to continue operations for the foreseeable future. As at December 31, 2015, the Company had not advanced its property to commercial production and was not able to finance day-to-day activities through operations. The Company’s continuation as a going concern is dependent upon the successful results from its mineral property exploration activities and its ability to attain profitable operations and generate funds therefrom and/or raise equity capital or borrowings sufficient to meet current and future obligations. These factors indicate the existence of a material uncertainty that may cast significant doubt about the Company’s ability to continue as a going concern. Management intends to finance operating costs over the next twelve months with cash on hand.

During the year ended June 30, 2015, the Company completed a share consolidation of its share capital on the ratio of 1 new share for 3 old shares. All share and per share amounts have been adjusted to reflect this share consolidation.

These financial statements were approved and authorized for issue by the Board of Directors on February 26, 2016.

2. BASIS OF PRESENTATION

Statement of Compliance

These condensed interim financial statements of the Company have been prepared in accordance with International Accounting Standards (“IAS”) 34 *Interim Financial Reporting* and should be read in conjunction with the annual financial statements for the year ended June 30, 2015, which have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”).

2. BASIS OF PRESENTATION (Continued)

Basis of Preparation

The financial statements of the Company have been prepared on an accrual basis and are based on historical costs, modified where applicable. The financial statements are presented in Canadian dollars unless otherwise noted.

On November 4, 2014, the Company acquired a wholly owned subsidiary, British Crown & Milling S.A. (“British Crown”). During the year ended June 30 2015, the Company abandoned this subsidiary, and no longer holds an interest in British Crown. As a result, these financial statements have been prepared on a non-consolidated basis.

Significant Estimates and Assumptions

The preparation of these condensed interim financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, profit 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 judgments 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 it affects both current and future periods.

Estimates and assumptions where there is significant risk of material adjustments to assets and liabilities in future accounting periods include the recoverability and measurement of deferred tax assets, and provisions for restoration and environmental obligations.

Significant Judgments

The Preparation of these financial statements in accordance with IFRS requires the Company to make judgments, apart from those involving estimates, in applying accounting policies. The most significant judgments in applying the Company’s financial statements include:

- The assessment of the Company’s ability to continue as a going concern and whether there are events or conditions that may give rise to significant uncertainty; and
- The classification/allocation of expenditures as exploration and evaluation expenditures or operating expenses.

OROFINO MINERALS INC.
 NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
 DECEMBER 31, 2015
 (Unaudited, expressed in Canadian dollars)

2. BASIS OF PRESENTATION (Continued)

Significant Accounting Policies

The Company's accounting policies applied to all periods presented in these interim financial statements are the same as those applied by the Company in its financial statements as at and for the year ended June 30, 2015.

3. EQUIPMENT

	Office Equipment	
Cost		
At June 30, 2015 and December 31, 2015	\$	2,016
Amortization		
At June 30, 2014	\$	1,592
Charge for the period		180
At June 30, 2015		1,772
Charge for the period		88
At December 31, 2015	\$	1,860
Net Book Value		
At June 30, 2015	\$	244
At December 31, 2015	\$	156

4. EXPLORATION AND EVALUATION ASSETS

	Independence and Homestead Claim	
Balance, June 30, 2014	\$	5,770
Impairment		(5,770)
Balance, June 30, 2015 and December 31, 2015	\$	-

Independence and Homestead Claim

During the year ended June 30, 2014, the balance of the Homestead claim was determined to be impaired and the Company wrote down \$590 in related acquisition costs. During the year ended June 30, 2015, the Company decided not to continue exploring the Independence claims, and the balance of the remaining claims were written down by \$5,770 to \$nil.

On May 22, 2014, the Company announced that it had entered into an assignment agreement to acquire an option for the acquisition of certain staked mineral claims in Montana, USA. On May 30, 2014, the agreement was cancelled and on July 16, 2014, the Company was reimbursed the \$16,523 deposit it had made towards the acquisition.

5. ACQUISITION

On November 4, 2014, the Company completed the purchase of British Crown and Milling S.A. ("British Crown"). The Company purchased 100% of the outstanding shares of British Crown for \$1, with the effect that British Crown will become a wholly owned subsidiary of the Company. The acquisition was considered an asset acquisition, and was measured at the fair value of the consideration given. British Crown is a Peruvian company holding certain mining concessions. In conjunction with the acquisition, the Company advanced British Crown \$103,500.

Subsequent to the acquisition, during the year ended June 30, 2015, the Company abandoned British Crown. As a result, the Company recognized a loss on the abandonment of the subsidiary of \$103,500, and impaired the properties acquired by \$1.

6. LOAN PAYABLE

During the year ended June 30, 2015, the Company received an unsecured loan of \$50,000, payable on demand, with an interest rate of 10% per annum. As at December 31, 2015, the Company has fully repaid \$50,000 plus accrued interest of \$4,795 (June 30, 2015 - \$3,442) owing on this note.

7. SHARE CAPITAL

Authorized

Unlimited number of common shares without par value.

Consolidation

On April 28, 2015, the Company completed a share consolidation of its share capital on the ratio of 1 new share for 3 old shares. All share and per share amounts have been adjusted to reflect this share consolidation.

Private Placement

In June 2015, a private placement was completed for 8,000,000 units for total proceeds of \$400,000. Each unit consists of one common share and one share-purchase warrant. Each warrant has a term of 5 years at an exercise price of \$0.05 per share. Using the residual method, the Company allocated \$400,000 to common shares and \$nil to warrants.

7. SHARE CAPITAL (Continued)

Stock Options

The Company has adopted a stock option plan whereby the Company may grant to directors, officers, employees and consultants, options to purchase common shares of the Company provided that the number of options granted, including all options granted by the Company to date, does not exceed 10% of the Company's common shares issued and outstanding at the time of granting stock options. Options may be exercised no later than 90 days following cessation of the optionee's position with the Company or 30 days following cessation of an optionee conducting investor relations activities' position. All options vest immediately as per the Company's stock option plan.

On February 26, 2014, the Company issued 183,333 stock options having an exercise price of \$0.15 per common share to directors and officers exercisable until February 26, 2019. Using the Black-Scholes option valuation method with the parameters indicated below, the fair value of the grant was determined to be \$17,050.

	February 26, 2014
Expected Life	5 years
Risk-Free Interest	1.63%
Volatility	113%
Dividend Yield	0%

A summary of the Company's stock options as at December 31, 2015 and June 30, 2015 are as follow:

Number of Options	Exercise Price	Expiry Date
183,333	\$0.15	February 26, 2019

The weighted average remaining contractual life of the outstanding stock options at December 31, 2015 was 3.16 years (June 30, 2015 – 3.66 years).

Warrants

In June 2015, a private placement was completed for 8,000,000 units. Each unit consists of one common share and one share-purchase warrant. Details of the warrants outstanding as at December 31, 2015 are as follows:

Number of Warrants	Exercise Price	Expiry Date
8,000,000	\$0.05	June 16, 2020

7. SHARE CAPITAL (Continued)

Warrants (Continued)

The weighted average remaining contractual life of the outstanding warrants at September 30, 2015 was 4.46 years (June 30, 2015 – 4.96 years).

Share-Based Payment Reserve

The share-based payment reserve records items recognized as share-based compensation expense and other share-based payments until such time that the stock options or warrants are exercised, at which time the corresponding amount will be transferred to share capital.

8. RELATED PARTY TRANSACTIONS

Related parties include the Board of Directors, officers, key management personnel, close family members and enterprises that are controlled by these individuals. Key management personnel are those having authority and responsibility for planning and controlling the activities of the Company directly or indirectly, including any directors (executive and non-executive) of the Company.

The Company incurred the following fees to related parties:

- Consulting fees of \$72,000 (December 31, 2014 - \$nil) to a company controlled by a relative of a director of the Company;
- Consulting fees of \$nil (December 31, 2014 - \$2,500) to a director;
- Professional fees of \$nil (December 31, 2014 - \$1,320) to the Company's former Chief Financial Officer;
- Rent and administration expenses of \$18,000 (December 31, 2014 - \$17,000) to a company controlled by a relative of a director of the Company.

As at December 31, 2015, \$nil (June 30, 2015 - \$5,098) was due from companies having common management.

As at December 31, 2015, \$nil (June 30, 2015 - \$250) was owing to a company controlled by a relative of a director of the Company.

The amounts due to and from related parties are unsecured, non-interest bearing, and have no fixed term of repayment.

9. SUBSEQUENT EVENTS

Private Placement

On February 10, 2016, the Company announced it will conduct a non-brokered private placement of up to 3 million common shares at a price of CAD \$0.10 per share to raise up to an aggregate total of \$300,000. There will be no warrants accompanying the shares, and the Company may pay a finder's fee in regard to this financing.

The proceeds from this financing will be used for working capital purposes. The private placement is subject to TSX Venture Exchange approval.

Director Resignation

On February 22, 2016, Mr. Curt Huber, a director from the Company's Board, resigned. Mr. Steven Bicego will replace Mr. Huber as the new director.