

OREFINDERS

RESOURCES INC.



**UNAUDITED CONDENSED INTERIM
FINANCIAL STATEMENTS**
For the Three and Nine Month Periods Ended July 31, 2015 and 2014
(Expressed in Canadian Dollars unless otherwise indicated)

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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 condensed interim financial statements, they must be accompanied by a notice indicating that the 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 and include the selection of appropriate accounting principles, judgements and estimates necessary to prepare these condensed interim financial statements in accordance with International Financial Reporting Standards for interim condensed financial statements.

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

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying financial statements for Orefinders Resources Inc. were prepared by management in accordance with International Financial Reporting Standards (IFRS). Management acknowledges responsibility for the preparation and presentation of the financial statements, including responsibility for significant accounting judgments and estimates and the choice of accounting principles and methods that are appropriate to the Company's circumstances. The significant accounting policies of the Company are summarized in Note 3 to the financial statements.

Management has established processes, which are in place to provide them with sufficient knowledge to support management representations that they have exercised reasonable diligence that (i) the financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the periods presented by the financial statements and (ii) the financial statements fairly present in all material respects the financial condition, results of operations and cash flows of the Company, as of the date of and for the periods presented by the financial statements.

The Board of Directors is responsible for reviewing and approving the financial statements together with other financial information of the Company and for ensuring that management fulfills its financial reporting responsibilities. An Audit Committee assists the Board of Directors in fulfilling this responsibility. The Audit Committee meets with management as well as with the independent auditors to review the financial reporting process and the financial statements together with other financial information of the Company. The Audit Committee reports its findings to the Board of Directors for its consideration in approving the financial statements together with other financial information of the Company for issuance to the shareholders.

Management recognizes its responsibility for conducting the Company's affairs in compliance with established financial standards, and applicable laws and regulations, and for maintaining proper standards of conduct for its activities.

(signed)
Stephen Stewart
Chief Executive Officer

(signed)
Kirk Boyd
Chief Financial Officer

September 28, 2015
Toronto, Canada

OREFINDERS RESOURCES INC.
Condensed Interim Statements of Financial Position
(Unaudited - Prepared by Management)
(Expressed in Canadian Dollars)

As at,	July 31	October 31
	2015	2014
	(unaudited)	(audited)
ASSETS		
Current Assets		
Cash and cash equivalents (note 12 & 13)	\$ 302,620	\$ 93,898
Short-term investments (note 4 & 13)	-	611,500
Amounts receivable (note 5)	51,556	61,489
Prepaid expenses and deposits	5,670	1,744
	359,846	768,631
Non-Current Assets		
Equipment and software (note 6)	7,304	19,205
Exploration and evaluation assets (note 7)	8,034,034	7,706,807
	8,041,338	7,726,012
Total Assets	\$ 8,401,184	\$ 8,494,643
LIABILITIES		
Current Liabilities		
Amounts payable and other liabilities (note 8)	29,734	88,361
Premium on flow-through private placement (note 10)	33,784	-
Total Liabilities	63,518	88,361
SHAREHOLDERS' EQUITY		
Capital stock (note 10)	13,246,999	13,027,749
Share-based payments (note 10)	2,261,527	2,201,497
Accumulated deficit	(7,170,860)	(6,822,964)
Total Equity	8,337,666	8,406,282
Total Liabilities and Shareholders' Equity	\$ 8,401,184	\$ 8,494,643

Nature of operations and going concern (note 1)

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

OREFINDERS RESOURCES INC.
Condensed Interim Statements of Changes in Equity
For The Periods Ended July 31, 2015 and 2014

(Expressed in Canadian Dollars)

(Unaudited - Prepared by Management)

	Capital Stock No. Shares	Amount	Share Based Payments	Deficit	Total
Balance October 31, 2013	47,931,143	\$ 13,019,199	\$ 2,185,700	\$ (6,072,322)	\$ 9,132,577
Shares issued for property acquisitions	50,000	6,750			6,750
Share-based payments expense on vested stock options			5,586		5,586
Net loss and Comprehensive loss for period				(623,062)	(623,062)
Balance July 31, 2014	47,981,143	\$ 13,025,949	\$ 2,191,286	\$ (6,695,384)	\$ 8,521,851
Balance October 31, 2014	48,001,143	\$ 13,027,749	\$ 2,201,497	\$ (6,822,964)	\$ 8,406,282
Flow-through financing	3,000,000	\$ 300,000			\$ 300,000
Less: cash share issuance costs		(7,250)			(7,250)
Shares issued for exploration and evaluation assets	50,000	1,500			1,500
Premium on flow-through financing		(75,000)			(75,000)
Share-based payments expense on vested stock options			\$ 60,030		60,030
Net loss and Comprehensive loss for period				(347,896)	(347,896)
Balance July 31, 2015	51,051,143	\$ 13,246,999	\$ 2,261,527	\$ (7,170,860)	\$ 8,337,666

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

OREFINDERS RESOURCES INC.**Condensed Interim Statements of Operations and Comprehensive Loss****For The Three and Nine Month Periods Ended July 31, 2015 and 2014**

(Expressed in Canadian Dollars)

(Unaudited - Prepared by Management)

	3 months ended		9 months ended	
	July 31	July 31	July 31	July 31
	2015	2014	2015	2014
Expenses				
Amortization	2,710	4,599	11,901	18,396
Consulting	50,750	51,000	147,878	271,606
Office, rent and general	12,295	22,459	32,086	61,819
Professional fees	20,391	2,035	52,085	43,280
Share-based payments	-	3,798	60,030	5,586
Transfer agent, filing fees and shareholder communications	8,599	20,392	70,799	86,965
Travel and related costs	8,379	2,081	20,007	15,907
Loss before income taxes	103,124	106,364	394,786	503,559
Other Items				
Interest income	2,657	4,322	5,675	27,390
Write-off of exploration and evaluation assets		-		146,893
Deferred income tax expense/(recovery)	17,379	-	41,215	-
Net loss and Comprehensive loss for the period	\$ 83,088	\$ 102,042	\$ 347,896	\$ 623,062
Comprehensive loss per weighted average				
number of common shares - basic and diluted	\$ 0.001	\$ 0.00	\$ 0.00	\$ 0.01
Weighted average number of				
common shares - basic and diluted	74,753,430	47,981,143	74,753,430	47,981,143

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

OREFINDERS RESOURCES INC.
Condensed Interim Statements of Cash Flows
For the Nine Month Period Ended July 31, 2015 and 2014

(Expressed in Canadian Dollars)

(Unaudited - Prepared by Management)

	July 31 2015	July 2014
Operations		
Net Loss and Comprehensive loss	\$ (347,896)	\$ (517,633)
Adjustments for non-cash items:		
Share-based payments expense	60,030	5,586
Depreciation	11,901	13,796
Accrued interest	-	13,435
Write off of exploration and evaluation assets	-	146,893
Deferred income tax recovery	(41,215)	-
Net change in non-cash operating working capital items:		
Amounts payable and other liabilities	(58,627)	(124,055)
Amounts receivable	9,933	27,748
Prepaid expenses and deposits	(3,926)	45,851
Cash Flow From Operating Activities	(369,800)	(388,379)
Investing		
Expenditures on exploration and evaluation assets	(325,728)	(759,935)
Cash Flow Used in Investing Activities	(325,728)	(759,935)
Financing		
Issuance of common shares	300,000	-
Share issuance costs	(7,250)	-
Cash Flow from Financing Activities	292,750	-
Decrease in Cash and Cash Equivalents for the Period	(402,778)	(1,148,314)
Cash and Cash Equivalents at Beginning of Year	705,398	2,229,781
Cash and Cash Equivalents at End of Period	\$ 302,620	\$ 1,081,467

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

OREFINDERS RESOURCES INC.

Notes to the Condensed Interim Financial Statements

For the Three and Nine Month Periods Ended July 31, 2015 and 2014

(Unaudited - Prepared by Management)

(Expressed in Canadian dollars)

1. NATURE AND CONTINUANCE OF OPERATIONS

Orefinders Resources Inc. (the "Company") was incorporated under the Business Corporations Act (British Columbia) on July 26, 2011 and its principal activity is the exploration and development of exploration and evaluation assets in Canada. On December 17, 2012, the Company completed an Initial Public Offering ("Offering") and its shares were listed for trading on the TSX Venture Exchange ("TSX-V").

The Company's head office is located at Suite 2500 - 120 Adelaide Street West, Toronto, Ontario, Canada, M5H 1T1. The registered address and records office of the Company is located at 10th floor - 595 Howe Street, Vancouver, British Columbia, Canada, V6C 2T5. The Company has no subsidiaries.

These unaudited condensed interim financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary 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 July 31, 2015, the Company had not advanced its property to commercial production and is not able to finance day to day activities through operations. The Company has sufficient funds to finance operating costs over the next twelve months, however, 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 there from and/or raise equity capital or borrowings sufficient to meet future obligations.

2. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PREPARATION

The condensed interim financial statements were authorized for issue on September 28, 2015 by the directors of the Company.

Statement of compliance

The Company applies International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"),. These unaudited condensed interim financial statements have been prepared in accordance with and fully comply with International Accounting Standard 34 ("IAS 34"), Interim Financial Reporting. Accordingly, certain information and disclosures included in annual financial statements prepared in accordance with IFRS, as issued by the IASB, have been omitted or condensed. These interim condensed consolidated financial statements should be read in conjunction with the annual financial statements of the Company for the year ended October 31, 2014, which are available on SEDAR at www.sedar.com and on the Corporation's website at www.orefinders.com

The policies applied in these unaudited condensed interim financial statements are based on IFRSs issued and outstanding as of September 28, 2015, the date the Board of Directors approved the statements. The same accounting policies and methods of computation are followed in these unaudited condensed interim financial statements as compared with the most recent annual financial statements as at and for the year ended October 31, 2014, and were consistently applied to all the periods presented unless otherwise noted. Any subsequent changes to IFRS that are given effect in the Company's annual financial statements for the year ending October 31, 2015 could result in restatement of these unaudited condensed interim financial statements.

OREFINDERS RESOURCES INC.

Notes to the Condensed Interim Financial Statements

For the Three and Nine Month Periods Ended July 31, 2015 and 2014

(Unaudited - Prepared by Management)

(Expressed in Canadian dollars)

3. ADOPTION OF NEW ACCOUNTING STANDARDS

On November 1, 2014, the Company adopted the “Amendment to IAS 32 Financial Instruments: Presentation”. There were no adjustments required on the adoption of this amendment.

Other accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company’s financial statements.

4. SHORT-TERM INVESTMENTS

Short-term investments consist of highly liquid Canadian dollar dominated guaranteed investment certificates (“GIC’s”) that are readily convertible to contracted amounts of cash.

During the nine months ended July 31, 2015, the GIC’s earned a variable interest of prime less 1.80%. The GICs allow for early redemption after the first 30 days of investment.

5. RECEIVABLES

Receivables consist of the following:

	July 31, 2015	October 31, 2014
GST/HST receivable	\$ 43,757	\$ 49,259
Interest receivable	7,799	12,230
	\$51,556	\$ 61,489

6. EQUIPMENT AND SOFTWARE

	Equipment	Software	Total
Cost			
Balance, October 31, 2014 and July 31, 2015	\$ 26,560	\$ 41,570	\$ 68,130
Accumulated amortization			
Balance, October 31, 2014	\$ 13,280	\$ 35,645	\$ 48,925
Amortization	5,976	5,925	11,901
Balance, July 31, 2015	19,256	41,570	60,826
Net book value, October 31, 2014	\$ 13,280	\$ 5,925	\$ 19,205
Net book value, July 31, 2015	\$ 7,304	\$ -	\$ 7,304

OREFINDERS RESOURCES INC.

Notes to the Condensed Interim Financial Statements

For the Three and Nine Month Periods Ended July 31, 2015 and 2014

(Unaudited - Prepared by Management)

(Expressed in Canadian dollars)

7. EXPLORATION AND EVALUATION ASSETS

The following are details of the Company's exploration and evaluation assets:

	Derlak	Mirado	MZ Claims	South Break Project	Gold Hill Project	Total
	\$	\$	\$	\$	\$	\$
Balance, July 31, 2013	2,183,435	3,870,190	105,689	124,954	-	6,284,268
Acquisition costs	36,209	127,130	31,750	1,040	28,800	224,929
Exploration costs						
Assays and drilling	-	140,736	17,024	1,049	-	158,809
Consulting	-	239,702	247,985	4,500	-	492,187
Field expenses	-	513,429	128,988	15,350	35,740	693,507
	-	893,867	393,997	20,899	35,740	1,344,503
Impairment	-	-	-	(146,893)	-	(146,893)
Balance, October 31, 2014	2,219,644	4,891,187	531,436	-	64,540	7,706,807
Acquisition costs	-	-	31,500	-	78,478	109,978
Exploration costs						
Consulting	-	94,332	49,600	-	2,000	145,932
Field expenses	-	65,130	5,643	-	544	71,317
	-	159,462	55,243	-	2,544	217,249
Balance, July 31, 2015	2,219,644	5,050,649	618,179	-	145,562	8,034,034

OREFINDERS RESOURCES INC.

Notes to the Condensed Interim Financial Statements

For the Three and Nine Month Periods Ended July 31, 2015 and 2014

(Unaudited - Prepared by Management)

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7. EXPLORATION AND EVALUATION ASSETS (cont'd)**Derlak Red Lake Project (“Derlak”) and Mirado Gold Project (“Mirado”)**

On January 25, 2012 (amended on January 17, 2014 and October 23, 2014), the Company entered into an agreement with Fechi, Inc. (“Fechi”) whereby Fechi agreed to transfer all its right, title and interest in an option agreement (the “Micon/Fechi Agreement”) with Micon Gold Inc. (“Micon”) to the Company. Micon subsequently changed its name to Jubilee Gold Exploration Ltd. (“Jubilee”).

The terms of the Jubilee/Fechi Agreement provide for the granting of an option by Jubilee to Fechi for the acquisition of a 100% interest in the Derlak and twelve claims comprising part of the Mirado. The claims are located in the Catherine, McElroy, Baird and Heyson Townships, Ontario.

To exercise the Jubilee/Fechi Agreement, the Company must make cash payments to Jubilee and incur exploration expenditures as follows:

Derlak, Baird and Heyson Townships, Ontario

Due Date	Cash Payments \$	Cumulative Expenditures \$
January 19, 2012 (paid)	10,000	-
January 19, 2013 (paid and incurred)	20,000	200,000
January 19, 2014 (paid and incurred)	30,000	300,000
January 19, 2017	-	500,000
	60,000	1,000,000

Mirado, Catherine and McElroy Townships, Ontario

Due Date	Cash Payments \$	Cumulative Expenditures \$
January 19, 2012 (paid)	25,000	-
January 19, 2013 (paid and incurred)	50,000	300,000
January 19, 2014 (paid and incurred)	75,000	500,000
January 19, 2015 (incurred)	-	1,200,000
	150,000	2,000,000

The Jubilee/Fechi Agreement also provided for the issuance to Jubilee of the number of common shares of the Company which will result in Jubilee owning 30% of the outstanding common shares of the Company at the time the Company has raised aggregate proceeds of \$5,000,000. The Company had also agreed to issue to Jubilee warrants equal to 30% of the number of incentive options issued to directors and officers of the Company at the completion of the \$5,000,000 financing, on the same terms applicable to the incentive options. Concurrent with the completion of the Company’s Offering on December 17, 2012, the Company issued 14,117,143 shares, 291,000 warrants and 1,403,571 option warrants to Jubilee pursuant to this agreement.

The Derlak and the Mirado are subject to a 3% net smelter return royalty (“NSR”) payable to Jubilee, of which the first 1% of the Derlak NSR may be purchased by the Company for \$1,000,000 and the first 1% of the Mirado NSR may be purchased by the Company for \$1,000,000, the second 1% for \$2,000,000, and the third 1% for \$3,000,000. In August 2015 the Company amended the agreement eliminating the second and third NSR – see Subsequent Events (**note 14**)

In August, 2013, the Company completed its work obligation of \$2,000,000 and made the final payment of \$75,000 to Micon and acquired a 100% interest in the 12 patented claims of the Mirado gold project, subject to a 3% NSR. The Mirado patent claims were transferred to the Company.

OREFINDERS RESOURCES INC.

Notes to the Condensed Interim Financial Statements

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(Unaudited - Prepared by Management)

(Expressed in Canadian dollars)

7. EXPLORATION AND EVALUATION ASSETS (cont'd)**MZ Claims Comprising Part of the Mirado**

On February 9, 2012, as amended March 27, 2012, the Company entered into an agreement with Fechi whereby Fechi agreed to transfer all right, title and interest in an option agreement for the MZ Claims (the "MZ/Fechi Agreement") to the Company.

The terms of the MZ/Fechi Agreement provides an option for the acquisition of a 100% interest in mining claims in Catherine and McElroy Townships, Ontario, which are contiguous to the Mirado. To exercise the option, the Company must make cash payments, issue common shares and incur exploration expenditures as follows:

<u>Due Date</u>	<u>Cash Payments \$</u>	<u>Cumulative Expenditures \$</u>	<u>Share Issuances</u>
February 8, 2012 (paid)	20,000	-	-
On April 8, 2012 (shares issued with a fair value of \$7,500)	-	-	75,000
February 8, 2013 (paid and incurred; shares issued with a fair value of \$13,750)	25,000	50,000	25,000
February 8, 2014 (paid and incurred; shares issued with a fair value of \$6,750)	25,000	75,000	50,000
February 8, 2015 (paid and incurred; shares issued with a fair value of \$1,500)	30,000	100,000	50,000
February 8, 2016	40,000	200,000	50,000
	<u>140,000</u>	<u>425,000</u>	<u>250,000</u>

The Company has met all of its expenditure requirements by July 31, 2015. The MZ Claims are subject to a 2% NSR payable to the vendors of which 1% of the NSR may be purchased by the Issuer for \$1,000,000, and the second 1% of the NSR may be purchased for \$2,000,000.

Gold Hill project, Kirkland Lake, Ontario

On September 19, 2014, the Company entered into an option agreement with Allan Legros, to acquire 9 patented claims encompassing the past producing Gold Hill mine. In order to earn a 100% interest in the claims, the Company was required to make a cash payment of \$27,000 (paid) and issue 20,000 shares (issued with a fair value of \$1,800) upon acceptance for filing by the TSX-V.

There is a 1.5% NSR payable to the vendor which can be purchased for \$500,000.

The Company retains the exclusive rights to purchase the surface rights for a period of two years from the date of closing on September 29, 2014.

OREFINDERS RESOURCES INC.

Notes to the Condensed Interim Financial Statements

For the Three and Nine Month Periods Ended July 31, 2015 and 2014

(Unaudited - Prepared by Management)

(Expressed in Canadian dollars)

7. EXPLORATION AND EVALUATION ASSETS (cont'd)**South Break project, Kirkland Lake, Ontario**

In March 2013, the Company entered into agreements to acquire several properties along a major structure which is called the "South Break Project" in the Kirkland Lake- Larder Lake gold district.

This land package included patent claims optioned from the "Yost" estate which have not been optioned or explored since the late 1940's. To exercise the option, the Company was required to make cash payments and incur exploration expenditures as follows:

Due Date	Cash Payments \$	Cumulative Expenditures \$
February 20, 2013 (paid)	50,000	-
March 8, 2014	50,000	200,000
March 8, 2015	75,000	350,000
March 8, 2016	100,000	350,000
	275,000	900,000

A second option was obtained from Misema Holdings Ltd. with regard to four leased mining claims located along the eastern extension of the Yost patent claims, providing four kilometers of strike along the South Break. In order to exercise the option and earn in 100% ownership of the Misema Holdings leased mining claims, the Company was required to make cash payments, issue common shares and incur exploration expenditures as follows:

Due Date	Cash Payments \$	Cumulative Expenditures \$	Share Issuances
March 8, 2013 (paid; issued with a fair value of \$16,000)	15,000	-	40,000
March 8, 2014	15,000	50,000	10,000
March 8, 2015	15,000	50,000	10,000
March 8, 2016	15,000	50,000	10,000
March 8, 2017	20,000	50,000	10,000
	80,000	200,000	80,000

The Company elected not to make the option payments of \$50,000 and \$15,000 or other commitments when due on March 8, 2014 and, as a result, the properties comprising the South Break project were abandoned, with all related costs (\$146,893) being fully impaired during the fiscal period ended October 31, 2014.

8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities consist of the following:

	July 31, 2015	October 31, 2014
Trade payables	\$ 29,734	\$ 73,361
Accruals	-	15,000
	\$ 29,734	\$ 88,361

OREFINDERS RESOURCES INC.

Notes to the Condensed Interim Financial Statements

For the Three and Nine Month Periods Ended July 31, 2015 and 2014

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(Expressed in Canadian dollars)

9. RELATED PARTY TRANSACTIONS***Key management personnel compensation***

The Company's related parties include key management. Key management includes executive directors and non-executive directors. The remuneration of the key management of the Company during the nine months ended July 31, 2015 and 2014 was as follows:

	2015	2014
Consulting fees	\$ 111,128	\$ 197,106
Geological consulting capitalized	145,932	279,097
	\$ 257,060	\$ 476,203

These transactions were in the normal course of operations and were measured at the exchange amount as agreed to by the related parties.

10. SHARE CAPITAL***Authorized share capital***

Unlimited number of voting common shares without par value.

Issued share capital

At July 31, 2015, there were 51,051,143 issued and fully paid common shares.

On February 11, 2015, the Company issued 50,000 shares, valued at \$1,500, to the vendors of the MZ claims pursuant to an agreement dated February 9, 2012, as amended March 27, 2012 (see note 7).

On December 24, 2014, the Company completed a private placement of 3,000,000 flow-through shares at a price of \$0.10 per share for gross proceeds of \$300,000. The shares are subject to a hold period expiring on April 25, 2015. No finders fees were payable in conjunction with this placement. The Company incurred share issuance costs of \$7,250.

Flow-through common shares require the Company to incur an amount equivalent to the proceeds of the issued flow-through common shares on Canadian qualifying exploration expenditures. The Company may be required to indemnify the holders of such shares for any tax and other costs payable by them in the event the Company has not incurred the required exploration expenditures. Under the IFRS framework, the increase to share capital when flow-through shares are issued is measured based on the current market price of the common shares. The incremental proceeds, or "premium", are recorded as a flow-through liability. Upon issuance of the flow-through shares in December 2014, the Company recorded a flow-through liability of \$75,000. As expenditures are incurred, the flow-through share liability is reversed. To July 31, 2015, the Company incurred \$243,340 in eligible exploration expenditures and, accordingly, the flow-through share liability was reduced to \$14,164 and the reduction of \$60,835 has been recognized in the Statement of Comprehensive Loss.

On September 29, 2014, the Company issued 20,000 common shares at a fair value of \$0.09 per share to the vendors of the Gold Hill project pursuant to an agreement dated September 19, 2014.

On February 2, 2014, the Company issued 50,000 common shares at a fair value of \$0.135 per share to the vendors of the MZ claims pursuant to an agreement dated February 9, 2012, as amended March 27, 2012 (see note 7).

Escrow shares

As at July 31, 2015, there were 3,167,572 common shares held in escrow which are subject to release under the policies of the TSX-V at the rate of 3,167,572 common shares every six months to December 17, 2015.

OREFINDERS RESOURCES INC.

Notes to the Condensed Interim Financial Statements

For the Three and Nine Month Periods Ended July 31, 2015 and 2014

(Unaudited - Prepared by Management)

(Expressed in Canadian dollars)

10. SHARE CAPITAL (cont'd)*Stock options*

The Board of Directors of the Company has adopted a stock option plan which permits the Company to grant to directors, officers and consultants of the Company, non-transferable options to purchase common shares, provided that the number of common shares reserved for issuance will not exceed 10% of the issued and outstanding common shares and be exercisable for a period of up to five years from the date of grant. The number of common shares reserved for issuance to any individual director or officer will not exceed 5% of the issued and outstanding common shares and the number of common shares reserved for issuance to any one consultant or individual conducting investor relations activities will not exceed 2% of the issued and outstanding shares. Options typically vest on the date of grant.

The changes in options during the nine months ended July 31, 2015, and during the fifteen month period ended October 31, 2014 were as follows:

	Nine Months Ended July 31, 2015			Fifteen Months Ended October 31, 2014	
	Number of options	Weighted average exercise price	Weighted average life (years)	Number of options	Weighted average exercise price
Options outstanding, beginning of period	3,575,000	\$ 0.49	2.25	3,375,000	\$ 0.50
Options granted	1,525,114	0.10	-	200,000	0.20
Options expired/cancelled	2,600,000	0.46		-	
Options outstanding, end of period	2,500,114	\$ 0.26	3.55	3,575,000	\$ 0.49
Options exercisable, end of period	2,500,114	\$ 0.26	3.55	3,575,000	\$ 0.50

On February 4, 2015 the Company granted stock options to purchase 1,125,114 common shares at a price of \$0.10 per share, exercisable for a period of 5 years from the date of grant. The fair value of \$44,272 was estimated using the Black-Scholes option pricing model assuming an expected life of 5 years, a risk-free rate of 0.62%, and an expected volatility of 229%. The options vested 100% on grant.

On January 22, 2015, the Company granted, to a director of the Company, an option to purchase 400,000 common shares at a price of \$0.10 per share, exercisable for a period of 5 years from the date of grant. The fair value of \$15,322 was estimated using the Black-Scholes option pricing model assuming an expected life of 5 years, a risk-free rate of 1.54%, and an expected volatility of 196%. The options vested 100% on grant.

On May 7, 2014, the Company granted 200,000 stock options with an exercise price of \$0.20 and a term of five years. These options vested 25% upon grant and 25% every 3 months thereafter. The total fair value of \$21,464 was estimated using the Black-Scholes option pricing model assuming an expected life of 5 years, a risk-free interest rate of 1.50% and an expected volatility of 140%. As at July 31, 2015 these options have expired.

OREFINDERS RESOURCES INC.

Notes to the Condensed Interim Financial Statements

For the Three and Nine Month Periods Ended July 31, 2015 and 2014

(Unaudited - Prepared by Management)

(Expressed in Canadian dollars)

10. SHARE CAPITAL (cont'd)*Stock options (cont'd)*

The following incentive stock options were outstanding and exercisable at July 31, 2015:

Number of options outstanding	Number of options exercisable	Exercise Price	Expiry Date
975,000	975,000	\$ 0.50	April 3, 2017
400,000	400,000	\$ 0.10	January 21, 2020
1,125,114	1,125,114	\$ 0.10	February 4, 2020
2,500,114	2,500,000	\$ 0.26	

Warrants

Warrant transactions are summarized as follows:

	Number of Warrants	Weighted Average Exercise Price	Weighted Average Life (years)
Balance as at July 31, 2013	1,021,380	\$ 0.50	2.50
Expired	(1,021,380)	0.50	-
Balance as at October 31, 2014 and July 31, 2015	-	\$ 0.50	-

11. SHARE-BASED PAYMENT RESERVE

The share-based payment reserve records items recognized as stock-based compensation expense until such time that the stock options are exercised, at which time the corresponding amount will be transferred to share capital. If the options expire unexercised, the amount remains in share-based payment reserve.

12. FINANCIAL RISK MANAGEMENT

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

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12. FINANCIAL RISK MANAGEMENT (Cont'd)

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its cash held in bank accounts and short term investment. The majority of cash is deposited in bank accounts held with major banks in Canada. As all of the Company's cash is held by one bank there is a concentration of credit risk. This risk is managed by using a major bank that is a high credit quality financial institution as determined by rating agencies. As at July 31, 2015, the Company had cash of \$302,620. Management assesses credit risk of cash and short term investment as low.

The Company's secondary exposure to risk is on its other receivables. This risk is minimal as receivables consist primarily of refundable government goods and services taxes.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. The Company ensures that there are sufficient funds to meet its short-term business requirements, taking into account its anticipated cash flows from operations and its holdings of cash.

To date, the Company's sole source of funding has been the issuance of equity securities for cash. The Company's access to financing is always uncertain. There can be no assurance of continued access to significant equity funding.

Foreign exchange risk

Foreign currency risk is the risk that a variation in exchange rates between the Canadian dollar and foreign currencies will affect the Company's operations and financial results. The Company's functional currency is the Canadian dollar. All expenses are transacted in Canadian dollars. The Company maintains all of its cash in Canadian dollars.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk as its bank account and short-term investments earn interest income at variable rates. The income earned on the bank account and short-term investments is subject to the movements in interest rates. Due to the short-term maturity, the fair value of its short-term investments is relatively unaffected by changes in short term interest rates. A 1% change in interest rates will not have a material effect to the Company.

Capital Management

The Company's policy is to maintain a strong capital base so as to maintain investor and creditor confidence and to sustain future development of the business. The capital structure of the Company consists of equity, comprising share capital, net of accumulated deficit.

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

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12. FINANCIAL RISK MANAGEMENT (cont'd)*Fair value*

The fair value of the Company's financial assets and liabilities approximates the carrying amount.

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 July 31, 2015:

	As at July 31, 2015		
	Level 1	Level 2	Level 3
Cash	\$ 302,620	\$ -	\$ -
Short-term investments	\$ -	\$ -	\$ -

The following is an analysis of the Company's financial assets measured at fair value as at October 31, 2014:

	As at October 31, 2014		
	Level 1	Level 2	Level 3
Cash	\$ 93,898	\$ -	\$ -
Short-term investments	\$ 611,500	\$ -	\$ -

13. SUPPLEMENTAL CASH FLOW INFORMATION

During the nine months ended July 31, 2015 and 2014, the Company incurred the following non-cash transactions that are not reflected in the statement of cash flows:

	July 31, 2015	July 31, 2014
Exploration expenditures included in accounts payable and accrued liabilities	\$ -	\$ 47,663
Flow-through share liability	\$ 75,000	\$ -
Shares issued for exploration and evaluation assets	\$ 1,500	\$ 6,750

Cash and short-term investments consist of the following:

	July 31, 2015	October 31, 2014
Cash and short-term investments	\$ 167,482	\$ 705,398
Restricted cash *	135,138	-
	\$ 302,620	\$ 705,398

*The Company has restricted cash of \$135,138 relating to the unspent balance from the \$300,000 flow-through private placement that closed during the nine months ended July 31, 2015 (Note 10). The Company's unspent flow-through funds are required to be spent on qualified mineral exploration expenditures by December 31, 2015.

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14. SUBSEQUENT EVENTS

The Company announced that it has signed an agreement with Jubilee Gold Exploration Ltd. (“Jubilee”), Derlak’s vendor and former optionor, that gives Orefinders’ an immediate 100% interest in the Derlak Project located in Red Lake Ontario. In exchange for the fully vested interest in Derlak, Orefinders agreed to amend its existing 3% Net Smelter Royalty agreement with Jubilee on its Mirado Project in Kirkland lake to include only a 1% buy back for Orefinders at a cost of \$1,000,000.

Under the terms of the original option agreement as amended, Orefinders was required to spend a further \$500,000 in work obligations on Derlak prior to January 19, 2017 in order to own 100% of the Derlak property and had the option to buy back the entire 3% NSR on the Mirado Project at \$1,000,000 for the first percent, \$2,000,000 for the second percent and \$3,000,000 for the final third percent (**note 7**)