



ORCA GOLD INC.

FIRST QUARTER REPORT

For the Three Months Ended

March 31, 2015

ORCA GOLD INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS
THREE MONTHS ENDED MARCH 31, 2015
(Amounts in Canadian Dollars unless otherwise indicated)

The following management's discussion and analysis ("MD&A") of Orca Gold Inc. ("Orca" or the "Company") should be read in conjunction with the unaudited condensed interim consolidated financial statements for the three months ended March 31, 2015 and the December 31, 2014 year end audited consolidated financial statements and related notes therein. The financial information in this MD&A is reported in Canadian dollars unless otherwise indicated and is partly derived from the Company's condensed interim consolidated financial statements prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board. The effective date of this MD&A is May 27, 2015. Additional information about the Company and its business activities is available on SEDAR at www.sedar.com and the Company's website www.orcagold.com.

Orca is a junior exploration company focused on the acquisition and exploration of mineral properties in Africa. Its current exploration focus is on the Arabian Nubian Shield in the north of Sudan, where it holds the Block 14 prospecting license. This property is located close to the Egyptian border, 700 km north of Khartoum and 300 km west of the Red Sea. The nearest significant population centre is the town of Abu Hamad located 160 km due south of the Block 14 prospecting license perimeter. Block 14's total area is 7,046 km².

All exploration and mining projects in Sudan are subject to The Mineral Resources Development and Mining Act, 2007, which sets forth the legal and fiscal framework for the administration of the country's mineral industry by the Ministry of Energy and Mining ("MEM"). Industrial levels of exploration and mining rights are provided for in the Mining Code, defined by concession agreements and granted under exclusive prospecting licenses and the mining leases (the "Concession Agreement").

The license for Block 14 was originally granted to Orca's partner, Meyas Nub Multiactivities Co. Ltd. ("Meyas Nub") under a Concession Agreement dated May 19, 2010. The license is currently held by Meyas Sand Minerals Company Ltd ("MSMCL"). Sand Metals Company Ltd. ("SMCL"), a 100% owned subsidiary of Orca, and Meyas Nub own 70% and 30% of MSMCL respectively. Under the Concession Agreement, MEM has a right to a 20% free-carried interest in any mining operation developed on Block 14. Under an agreement between SMCL and Meyas Nub, MEM's 20% interest will come from Meyas Nub's current 30% ownership interest in MSMCL. As provided under the Concession Agreement, the Company has provided the relevant government authority with written notice of the exercise of its option to renew the Block 14 exploration license for a further two years and the approximately 50% area of the license that it has elected to retain during the renewal period based on an assessment of prospectivity. Formal government finalization of the renewal is expected shortly.

The technical contents of this MD&A have been reviewed by Hugh Stuart, CGeol., FGS, a Qualified Person pursuant to NI 43-101. Mr. Stuart holds the position of President and CEO of the Company. Some of the statements in this MD&A are forward-looking statements that are subject to risk factors set out in the cautionary note contained herein.

FIRST QUARTER OPERATING HIGHLIGHTS

Update on Mineral Resource Estimate

Orca's sole mineral exploration license at March 31, 2015 is Block 14. Following the identification of its initial NI 43-101 compliant mineral resource estimate at the Galat Sufar South ("GSS") target in early 2014, Orca's exploration efforts have been focused on extending the existing resource through drilling and geophysics, on evaluating other targets on Block 14, and on hydrological studies, all of which are designed to further enhance the prospectivity of Block 14.

In Q1 2015, as a result of successfully completing the 2014 exploration program on Block 14, Orca announced an update to its NI 43-101 compliant mineral resource estimate, which saw increases to the indicated and inferred resources by 24% and 48%, respectively. Using a cut-off grade of 1.0 Au g/t the indicated resource is now estimated to be 27.6Mt at 1.83 Au g/t for 1,625,000 ounces of gold with an inferred resource of 10.3Mt at 1.8 Au g/t for an additional 594,000 ounces of gold (see News Release dated February 4, 2015). This updated mineral resource estimate now includes resources from both GSS and Wadi Doum, a target initially discovered in 2014 and previously known as EG3.2, which is located approximately 55km east of GSS. Approximately 87% of the indicated mineral resource and 54% of the inferred mineral resource lie within 150 metres of surface.

The Company continues to be encouraged by these developments and its growing understanding of the geology at Block 14. The update to the mineral resource estimate that was announced in February 2015 was based on the results of 2014 exploration program and include the following highlights:

- The addition of Wadi Doum as a new resource, which boasts high grade intercepts including 21 metres at 19.35 Au g/t (4.94 Au g/t cut), 22 metres at 7.17 Au g/t (4.15 Au g/t cut), 28 metres at 16.52 Au g/t (3.11 Au g/t cut), and 31 metres at 6.08 Au g/t (4.21 Au g/t cut).
- The addition of previous and newly identified mineralized zones to the existing GSS resource as a result of targeted drilling in and around GSS. Additions include the high grade J Zone, located south of the Main Zone resource at GSS, which has yielded intercepts including 22 metres at 3.65 Au g/t (3.21 Au g/t cut), 17 metres at 5.04 Au g/t (4.18 Au g/t cut), and 16 metres at 6.13 Au g/t (5.47 Au g/t cut).

The updated mineral resource has been estimated using the results of 71,072 metres of drilling (5,060 metres of diamond drilling and 66,012 metres of reverse circulation drilling, including 8,751 meters at Wadi Doum) completed between November 2012 and December 2014.

Exploration on Block 14 has continued through Q1 2015 with a suspension in drilling activities and efforts shifted to the identification of new targets that will add satellite resources to GSS and Wadi Doum, and the continuation of metallurgical test work to determine the optimum process route ahead of scoping studies. Prospecting activities in Q1 2015 have principally consisted of analysis of previous artisanal mining workings and trench, channel, and chip sampling on new prospective targets, including Target P, located 10 kilometers southeast of GSS, and the Liseiwi prospect, located 17 kilometers north of Wadi Doum.

To date, metallurgical test work and direct leach test work has returned recoveries of 92% for oxide, 87% for transition, and 79% from fresh rock. Oxide material comprises approximately 20% and 9% of the indicated and inferred mineral resource, respectively. Metallurgical test work is ongoing to maximize recoveries.

Hydrological Studies

No significant work with respect to hydrological studies has been currently scheduled for 2015 in an effort to control costs and properly manage the treasury during difficult capital market conditions in the resource sector, and for junior gold exploration companies in particular. That notwithstanding however, the Company is well positioned to resume these efforts in the future if and when Orca's strategy and/or market conditions support furthering of this work. Subsequent to Q1 2015, Orca was granted a water exploration license from MEM, which permits exploration in an area north of Block 14.

RESULTS FROM OPERATIONS

As a junior exploration company, Orca has no expectation of generating operating profits until it identifies and develops a commercially viable mineral deposit. Orca incurred a net loss of \$2.5 million (2014: \$4.1 million) during the three months ended March 31, 2015. Exploration and administration expenses account for approximately 77% and 30% of the loss, respectively (2014: 80% and 25%). The reported net loss for the Company is net of \$94,000 of interest income (2014: \$173,000) and \$60,000 in other income (2014: \$15,000) generated by management and administrative services to a third party.

Exploration costs are the most significant expenditure of the Company and have been expensed in accordance with its accounting policy. Detailed breakdowns of exploration costs for the three months ended March 31, 2015 and 2014 are provided in the notes to the unaudited condensed interim consolidated financial statements. Exploration staff compensation cost was the largest component of exploration costs and accounted for approximately 42% of exploration costs. Drilling and other technical geological costs, such as assays, were the second largest cost category and accounted for approximately 28% of Q1 2015 exploration costs, which has decreased in comparison to Q1 2014, a period that was characterized by much higher levels of drilling activity. In addition, consistent with prior periods, costs related to logistics and infrastructure remain high due to the remoteness of Block 14. As fully described under the section "Q1 2015 Operating Highlights", the focus of activities during Q1 2015 was Block 14, accounting for approximately 94% of Orca's year-to-date exploration costs.

Excluding stock-based compensation of \$0.1 million (2014: \$0.4 million), administration costs were \$0.6 million (2014: \$0.6 million) for the three months ended March 31, 2015. Stock-based compensation, a non-cash cost, reflects the amortization of the estimated fair value of options over their vesting period. The calculation of the fair value of options is based to a large degree on the Company's share price and its volatility. The actual future value to the option holders may differ materially from these estimates as it depends on the trading price of Orca's shares if and when the options are exercised. In addition, as the granting of options and their vesting is at the discretion of the Board, the related expense is unlikely to be uniform across quarters or financial years.

Interest income of \$94,000 (2014: \$173,000) reflects the interest earned from cash held on deposit and invested in short-term money market instruments. Foreign exchange gains or losses reflect the short-term fluctuations of foreign currencies used in operations against the Canadian dollar.

No tax recovery is recognized as a result of the nature of activities and lack of expectations of profits in the near term.

In other comprehensive income, the Company also reported a foreign exchange translation loss of \$0.1 million (2014: gain of \$0.1 million) for the three months ended March 31, 2015 on translation of subsidiary company accounts from their functional currency to the Canadian dollar presentation currency. This is principally the result of the strengthening of the Canadian dollar against the Euro during Q1 2015.

Key operating statistics and financial results for the last eight quarters are provided in the table below.

Three Months Ended	Mar-15	Dec-14	Sep-14	Jun-14	Mar-14	Dec-13	Sept-13	Jun-13
Exploration costs (\$000's)	1,944	4,515	2,983	3,158	3,289	4,692	2,487	4,557
Total loss (\$000's)	2,529	5,482	3,709	3,831	4,124	5,474	3,501	7,230
Net loss attributed to the Company's shareholders (\$000's)	1,996	4,186	2,579	2,445	2,654	3,370	2,435	4,746
Net loss per share attributed to the Company's shareholders, basic and diluted (\$)	0.02	0.04	0.02	0.02	0.02	0.03	0.02	0.05

The nature and extent of exploration activities carried out under specific work programs affect the costs incurred and loss reported in any given quarter. Over the last eight quarters, Orca has been focused on exploration in Sudan as it advanced the evaluation of some of its properties to the drilling and resource definition phase.

Under its accounting policies, Orca capitalizes the acquisition cost of mining and exploration rights. The loss in the second quarter of 2013 also includes higher stock-based compensation expense due to the immediate partial vesting of newly granted options during the period and the expensing of the listing acquired on April 4, 2013.

LIQUIDITY AND CAPITAL RESOURCES

At March 31, 2015, the Company had cash and cash equivalents of \$21.9 million, fixed income short-term investments of \$3.0 million and working capital of \$23.7 million as compared to cash and cash equivalents of \$24.7 million, fixed income short-term investments of \$3.0 million and working capital of \$25.9 million at December 31, 2014. Other than for general corporate and administrative costs, the majority of funds spent by Orca are directed towards exploration in Sudan. The short-term investments have a maturity of approximately six months from the date of purchase, and were redeemed in full subsequent to Q1 2015.

Orca's interest on its Block 14 license was acquired on March 1, 2012 when SMCL acquired the right and option to a 70% interest in MSMCL from Meyas Nub. Under the purchase agreement, SMCL agreed to pay USD \$9.5 million in three installments in exchange for an increasing ownership interest in MSMCL, as follows:

Date	Payment	Total ownership interest
March 1, 2012	USD \$3.5 million	35.0%
September 30, 2013	USD \$3.0 million	52.5%
September 30, 2014	USD \$3.0 million	70.0%

On August 28, 2014, the Company made its third and final installment payment of USD \$3.0 million and crystallized its 70% interest in MSMCL.

Under the agreement, the Company must fund all exploration, development and construction costs to commercial production in accordance with the purchase agreement. Based on the Company's financial position at March 31, 2015, the Company has a strong treasury to support its ongoing exploration expenditures in Sudan and general corporate activities.

RELATED PARTY TRANSACTIONS

The related parties with which the Company has transacted during the year ended December 31, 2014, were Hugh Stuart Exploration Consultants Ltd. ("HSEC"), RB Energy Inc. ("RB Energy"), Meyas Nub Multiactivities Company Limited ("Meyas Nub") and SinoTech (Hong Kong) Corporate Limited ("SinoTech"). Other than Meyas Nub and SinoTech, these companies are related by way of directors, officers and shareholders in common. Meyas Nub is identified as a related party as a result of its ability to exert significant influence on MSMCL through its non-controlling equity interest. SinoTech is related by virtue of its greater than 10% shareholding in the Company. Related party transactions are recorded at the exchange amounts.

Services received from related parties

		Three months ended March 31,	
	Related party	2015	2014
Drilling and exploration support	Meyas Nub	23,118	210,921
Geological consulting	SinoTech	24,704	14,597
Geological consulting	HSEC	240,080	142,141
Support and administration	RB Energy	45,000	111,000
Support and administration	SinoTech	7,500	7,500
Total services received from related parties		340,402	486,159

Related party balances

The amounts due from (to) related parties by the Company, and the components of the consolidated statement of financial position in which they are included, are as follows:

	Related party	December 31, 2014	December 31, 2014
Accounts payable and accrued liabilities	Meyas Nub	(8,770)	(28,072)
Accounts payable and accrued liabilities	RB Energy	(75,365)	(75,365)
Accounts payable and accrued liabilities	HSEC	(133,210)	(121,587)
Accounts payable and accrued liabilities	SinoTech	(31,724)	(31,575)

Key management compensation

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. Key management personnel include the Company's executive officers and vice-presidents.

The remuneration of key management personnel were as follows:

	Three months ended March 31,	
	2015	2014
Salaries and management fees	82,743	123,027
Short term benefits	284	2,924
Stock-based compensation	54,272	198,402
Total key management compensation	137,299	324,353

CRITICAL ACCOUNTING ESTIMATES

The preparation of consolidated financial statements in accordance with IFRS requires the use of certain critical accounting estimates and judgments. It also requires management to exercise judgment in applying the Company's accounting policies. These judgments and estimates are based on management's best knowledge of the relevant facts and circumstances taking into account previous experience, but actual results may differ from amounts included in the financial statements. There have been no material changes to the critical accounting estimates discussed in the annual MD&A filed on Sedar on April 30, 2015.

SIGNIFICANT ACCOUNTING POLICIES

Other than for the adoption of International Accounting Standards Board's Annual Improvements 2010-2012 and 2011-2013 cycles, Orca continues to follow the accounting policies described in Note 4 of the Company's December 31, 2014 audited consolidated financial statements that were filed on Sedar on April 30, 2015. The Company has determined that the adoption of the Annual Improvements 2010-2012 and 2011-2013 cycles has resulted in no material impact on the Company's consolidated financial statements:

FINANCIAL INSTRUMENTS

The Company's financial instruments consist of cash and cash equivalents, accounts receivable, short-term investments, and accounts payable and accrued liabilities. The carrying amounts reported in the consolidated balance sheets for cash and cash equivalents, accounts receivable, short-term investments, accounts payable and accrued liabilities approximate their fair value because of the immediate or short-term maturity of these financial instruments.

The Company's financial instruments are exposed to certain financial risks, including currency, credit and liquidity risk.

Currency risk

Foreign currency risk can arise when the Company or its subsidiaries transact in currencies other than their functional currencies.

(i) Sudanese operations

The Company's Sudanese operating subsidiaries, including SMCL and MSMCL, incur costs in multiple foreign currencies and, therefore, they are exposed to foreign exchange risks arising from these transactions. A significant change in the currency exchange rates could have an effect on the Company's results of operations, financial position and cash flows. The Company has not hedged its exposure to currency fluctuations. Based on the approximate costs incurred during the three months ended March 31, 2015 in the three foreign currencies outlined below, a 10% variation in the exchange rate between these currencies and the European Euro, the functional currency of the Company's Sudanese operating subsidiaries, would have resulted in the following change in costs:

		In thousands of dollars
	Percentage of total costs	Change in costs resulting from a 10% variation in exchange rates
Sudanese pound	41%	69
US dollar	12%	21
British pound	38%	63

As at March 31 2015, the Company's Sudanese operating subsidiaries' largest material foreign currency risk exposure is a British pound net financial liability with an equivalent of approximately \$163,000 Canadian dollars. A 10% change in the foreign exchange rate between the British pound and the European Euro would give rise to increases/decreases of approximately \$16,000 in financial position/comprehensive loss.

ii) Canadian head office operations

At March 31, 2015, the Company's Canadian head office also held cash in foreign currencies and had net foreign currency financial assets and liabilities. The estimated impacts of relative currency rate fluctuations between the foreign currencies and the Canadian dollar, the Company's functional currency, based on these total foreign currency exposures are as follows:

	In thousands of dollars		
	Foreign currency cash held (in source currency)	Net financial asset (liability) position	Change in net financial position from a 10% variation in exchange rates
US dollar	22	28	3
British pounds	-	(53)	(5)

Credit risk

At March 31, 2015, the majority of the Company's cash and short-term investments were held through Canadian institutions with high investment grade ratings.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. Liquidity requirements are managed based on expected cash flow to ensure that there is capital to meet short term and long term obligations.

The maturities of the Company's financial liabilities are as follows:

	In thousands of dollars			
	Total	Less than 1 year	1-5 years	More than 5 years
Accounts payable and accrued liabilities	1,427	1,427	-	-
Total	1,427	1,427	-	-

OUTSTANDING SHARE DATA

As at May 27, 2015, the Company had 107,405,754 common shares outstanding and 8,958,335 share options outstanding under its stock-based incentive plan and no share purchase warrants outstanding.

RISKS AND UNCERTAINTIES

The operations of the Company are speculative due to the high risk nature of its business which includes the acquisition, financing, exploration, development and operation of mining properties. These risk factors could materially affect the Company's future operations and could cause actual events to differ materially from those described in forward-looking statements relating to the Company. There have been no material changes in the risks and uncertainties affecting the Company that were discussed in the Company's 2014 MD&A that was filed on Sedar on April 30, 2015.

OUTLOOK

Orca is a Canadian resource company focused on exploration opportunities in Africa with an experienced board of directors and management team and a strong balance sheet which includes \$21.9 million in cash, \$3.0 million in short-term investments, and net working capital of \$23.7 million. Management and board continue to be mindful of the subdued equity market conditions in the resource sector and for junior gold exploration companies in particular and the importance of properly managing the treasury. Future exploration programs will continue to be guided by results and prospectivity.

Following the execution of the 2014 work program designed to expand the resource at GSS and add an additional resource through drilling of new prospective targets on Block 14, in Q1 2015, the Company confirmed that the indicated resource estimate on Block 14 has increased to 1.6 million ounces at 1.83 Au g/t (see News Release dated February 4, 2015).

Orca continues to be encouraged by Block 14's exploration results to date, and its planned work program is now focused on further exploration on the license with the goal of identifying new targets that will add satellite resources to the main resource, GSS, and the newly confirmed Wadi Doum resource. Metallurgical test work is also planned to continue in 2015 to determine the optimum process route ahead of scoping studies.

Although in an effort to control costs and properly manage the treasury, no significant work with respect to hydrological studies is currently planned for 2015, the Company is strategically positioned to resume these efforts in the future. Subsequent to Q1 2015, Orca was granted a water exploration license from MEM, which permits water exploration in an area north of Block 14.

With a strong treasury, and having crystallized its 70% interest in Block 14, Orca is well poised to remain flexible and adaptable to resource sector market conditions, while continuing to focus on enhancing the prospectivity of the Block 14 license. In addition, the Company actively pursues future growth opportunities by evaluating other exploration, development or production assets on an on-going basis with a view to building a diversified, African focused exploration company. While at any given time discussions and activities may be in progress on a number of initiatives, Orca currently does not have any binding agreements or binding commitments to enter into any such transactions. There is no assurance that these corporate activities will ever progress to the stage where a potential transaction might be successfully completed.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

Certain statements made and contained herein in the MD&A and elsewhere may contain statements of forward-looking information. Forward-looking statements are frequently, but not always, identified by words or statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, identified by words or phrases such as "expects", "is expected", "anticipates", "believes", "plans", "projects", "estimates", "assumes", "intends", "strategy", "goals", "objectives", "potential", "possible" or variations thereof or stating that certain actions, events, conditions or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved, or the negative of any of these terms and similar expressions) are not statements of historical fact and may be forward-looking statements.

Forward-looking information is based on reasonable assumptions that have been made by the Company as at the date of such information and is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking information, including but not limited to: risks associated with mineral exploration and development; metal and mineral prices; availability of capital; accuracy of projections and estimates; interest and exchange rates; competition; stock price fluctuations; availability of drilling equipment and access; actual results of current exploration activities; government regulation; political or economic developments; environmental risks; insurance risks; capital expenditures; operating or technical difficulties in connection with

development activities; personnel relations; the speculative nature of strategic metal exploration and development including the risks of diminishing quantities of grades of resources; contests over title to properties; and changes in project parameters as plans continue to be refined.

Forward-looking statements are based on a number of material assumptions, including those listed below, which could prove to be significantly incorrect:

- our ability to achieve exploration targets;
- estimated future mineral prices, capital and operating costs, production and economic returns;
- assumptions underlying the Company's potential future resource estimates;
- our expected ability to develop adequate infrastructure and that the cost of doing so will be reasonable;
- assumptions that all necessary permits and governmental approvals will be obtained;
- assumptions made in the interpretation of drill results, the geology, grade and continuity of the Company's mineral deposits;
- our expectations regarding demand for equipment, skilled labour and services needed for exploration, development and operations of mineral properties; and
- our assumption that activities will not be adversely disrupted or impeded by development, operating or regulatory risks.

Forward-looking statements are statements about the future and are inherently uncertain. The actual results and achievements of the Company or other future events or conditions may differ materially from those reflected in the forward-looking statements due to a variety of risks, uncertainties and other factors, including, without limitation, those referred to in the "Risks and Uncertainties" section of the MD&A. Such factors include, without limitation:

- uncertainty relating to the estimation of the mineralization, resources and reserves;
- risks related to lack of infrastructure, or interference with access to existing infrastructure or other unanticipated difficulties with or interruptions in exploration, development, construction or production;
- uncertainty related to title to the Company's mineral properties;
- risks related to the competitive nature of the mining industry;
- fluctuations in interest rates, foreign currency exchange rates, the supply and demand of mineral products, marketability, commodity prices and the general volatility of the securities markets;
- risks related to the Company's ability to finance the exploration and development of its mineral properties through external financing, strategic alliances, the sale of property interests or otherwise;
- the presence of potentially uninsurable risks;
- acts of the governments of the jurisdictions in which the Company's operations and properties are located and other risks associated with operations in foreign jurisdictions;
- risks related to the third parties on which the Company depends for its exploration, development and operating activities as well as the inherent hazards and risks associated with mining operations;
- risks related to governmental regulation and permits, including environmental regulation;
- risks related to hedging of commodity prices and exchange rates should the Company choose or need to do so; and
- conflicts of interest as well as the Company's dependence on its management and technical teams.

This is not meant to be an exhaustive list of the factors that may affect any of the Company's forward-looking statements. Further, the Company's forward-looking statements are based on the beliefs, expectations and opinions of management on the date the statements are made, and the Company does not assume any obligation to update forward-looking statements if circumstances or management's beliefs, expectations or opinions should change, except as required by law. Accordingly, for the reasons set forth above, readers are cautioned not to place undue reliance on these forward-looking statements.

Orca Gold Inc.

Condensed Interim Consolidated Financial Statements
For the three months ended March 31, 2015 and 2014

Orca Gold Inc.
Condensed Interim Consolidated Statements of Financial Position
(All amounts expressed in Canadian Dollars, unless otherwise indicated)
(Unaudited)

	<u>March 31, 2015</u>	<u>December 31, 2014</u>
ASSETS		
Current assets		
Cash and cash equivalents	\$ 21,944,374	\$ 24,701,443
Short-term investments	3,010,382	2,996,415
Receivables and other assets (Note 4)	127,403	176,488
	<u>25,082,159</u>	<u>27,874,346</u>
Equipment (Note 5)	1,170,025	1,329,132
Mineral properties (Note 6)	3,833,351	3,950,127
	<u>\$ 30,085,535</u>	<u>\$ 33,153,605</u>
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities	\$ 1,426,536	\$ 1,998,823
	<u>1,426,536</u>	<u>1,998,823</u>
EQUITY		
Equity attributed to common shareholders		
Share capital (Note 7)	82,739,268	82,739,268
Contributed surplus	4,711,022	4,530,018
Accumulated other comprehensive income (loss)	(256,278)	132,350
Deficit	(49,463,941)	(47,467,999)
	<u>37,730,071</u>	<u>39,933,637</u>
Non-controlling interest (Note 13)	<u>(9,071,072)</u>	<u>(8,778,855)</u>
	<u>28,658,999</u>	<u>31,154,782</u>
	<u>\$ 30,085,535</u>	<u>\$ 33,153,605</u>

Approved by the Board of Directors

(signed) "Robert F. Chase"
Director

(signed) "Alex Davidson"
Director

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

Orca Gold Inc.
Condensed Interim Consolidated Statements of Comprehensive Loss
(All amounts expressed in Canadian Dollars, unless otherwise indicated)
(Unaudited)

	3 months ended March 31, 2015	3 months ended March 31, 2014
Administration costs (Note 9)	\$ 761,897	\$ 1,014,499
Exploration and project investigation costs (Note 10)	1,943,954	3,289,068
Foreign exchange loss (gain)	(22,678)	8,704
Interest income	(93,856)	(173,190)
Other income	(60,000)	(15,000)
Net loss for the period	<u>\$ 2,529,317</u>	<u>\$ 4,124,081</u>
Net loss for the period attributed to:		
Common shareholders of the Company	1,995,942	2,654,396
Non-controlling interest (Note 13)	533,375	1,469,685
	<u>\$ 2,529,317</u>	<u>\$ 4,124,081</u>
Net loss for the period	\$ 2,529,317	\$ 4,124,081
Items that may be subsequently reclassified to net loss:		
Loss (gain) on translation to presentation currency	147,470	(124,463)
Comprehensive loss for the period	<u>\$ 2,676,787</u>	<u>\$ 3,999,618</u>
Comprehensive loss for the period attributed to:		
Common shareholders of the Company	2,384,570	2,263,294
Non-controlling interest (Note 13)	292,217	1,736,324
	<u>\$ 2,676,787</u>	<u>\$ 3,999,618</u>
Basic and diluted loss per common share	<u>\$ 0.02</u>	<u>\$ 0.02</u>
Basic and diluted weighted average number of shares outstanding	<u>107,405,790</u>	<u>107,405,790</u>

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

Orca Gold Inc.
Condensed Interim Consolidated Statements of Changes in Equity
(All amounts expressed in Canadian Dollars, unless otherwise indicated)
(Unaudited)

	Equity Attributed to Common Shareholders						Non-controlling Interest	Total
	Number of Shares Issued and Outstanding	Share Capital	Contributed Surplus	Comprehensive Income (Loss)	Deficit	Total		
Balance January 1, 2015	107,405,790	82,739,268	4,530,018	132,350	(47,467,999)	39,933,637	(8,778,855)	31,154,782
Stock-based compensation expense (Note 8)	-	-	181,004	-	-	181,004	-	181,004
Net loss for the period	-	-	-	-	(1,995,942)	(1,995,942)	(533,375)	(2,529,317)
Gain (loss) on translation to presentation currency	-	-	-	(388,628)	-	(388,628)	241,158	(147,470)
Balance March 31, 2015	107,405,790	\$ 82,739,268	\$ 4,711,022	\$ (256,278)	\$ (49,463,941)	\$ 37,730,071	\$ (9,071,072)	\$ 28,658,999
Balance January 1, 2014	107,405,790	82,739,268	3,352,497	841,045	(28,179,356)	58,753,454	(8,187,593)	50,565,861
Stock-based compensation expense	-	-	463,563	-	-	463,563	-	463,563
Net loss for the period	-	-	-	-	(2,654,396)	(2,654,396)	(1,469,685)	(4,124,081)
Gain (loss) on translation to presentation currency	-	-	-	391,102	-	391,102	(266,639)	124,463
Balance March 31, 2014	107,405,790	\$ 82,739,268	\$ 3,816,060	\$ 1,232,147	\$ (30,833,752)	\$ 56,953,723	\$ (9,923,917)	\$ 47,029,806

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

Orca Gold Inc.
Notes to the Condensed Interim Consolidated Financial Statements
For the three months ended March 31, 2015 and 2014
(All amounts expressed in Canadian Dollars, unless otherwise indicated)
(Unaudited)

1. NATURE OF OPERATIONS

Orca Gold Inc. ("Orca" or the "Company") is a resource company engaged in the acquisition and exploration of mineral properties in Africa. As an exploration-stage company with no current sources of revenues, it is dependent on its ability to raise funds through the equity markets to support its future activities. Orca is a public company listed on the TSX-V and trades under the symbol "ORG.V".

Orca was incorporated under the Business Corporations Act (British Columbia) on January 13, 1987 and its registered office is located at Suite 2600, 595 Burrard Street, Vancouver, British Columbia, Canada, V7X 1L3. The Company's significant subsidiaries are Sand Metals Company Limited ("SMCL") and Meyas Sand Minerals Company Limited ("MSMCL"), which are located and operate in the Republic of the Sudan.

2. BASIS OF PRESENTATION

These condensed interim consolidated financial statements have been prepared in accordance with IAS 34, *Interim Financial Reporting*. As such, certain disclosures included in the annual financial statements prepared in accordance with IFRS, as issued by the International Accounting Standards Board ("IASB"), have been condensed or omitted. Accordingly, these condensed interim consolidated financial statements should be read in conjunction with the Company's audited financial statements for the year ended December 31, 2014. Other than for the adoption of the accounting policies disclosed in Note 3 below, the Company has consistently applied the same accounting policies disclosed in Note 4 to the audited financial statements for the year ended December 31, 2014.

These condensed interim consolidated financial statements were approved for issue by Orca's board of directors on May 27, 2015.

3. ADOPTION OF NEW ACCOUNTING POLICIES

The Company has adopted the IASB's Annual Improvements 2010-2012 and 2011-2013 cycles and has determined that adoption has resulted in no impact on its consolidated financial statements.

4. RECEIVABLES AND OTHER ASSETS

	March 31, 2015	December 31, 2014
Prepaid expenses	69,220	113,826
Other receivables	58,183	62,662
Total receivables and other assets	127,403	176,488

Orca Gold Inc.
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5. EQUIPMENT

Cost	Computer Office Furniture Equipment and Equipment		Vehicles and Mobile Equipment	Field and Camp Equipment	Total
As at January 1, 2014	248,824	61,952	891,368	899,843	2,101,987
Additions	33,958	10,040	200,123	226,299	470,420
Disposal of equipment	(100,862)	(996)	-	(5,868)	(107,726)
Effects of foreign exchange on translation to presentation currency	(7,535)	(2,582)	(46,071)	(35,252)	(91,440)
As at December 31, 2014	174,385	68,414	1,045,420	1,085,022	2,373,241
Additions	2,247	-	-	-	2,247
Effects of foreign exchange on translation to presentation currency	(5,095)	(2,022)	(30,905)	(32,076)	(70,098)
As at March 31, 2015	171,537	66,392	1,014,515	1,052,946	2,305,390
Accumulated depreciation					
As at January 1, 2014	(106,820)	(13,590)	(224,646)	(286,336)	(631,392)
Depreciation for the period	(82,734)	(11,614)	(165,163)	(269,627)	(529,138)
Write-off and disposal of equipment	83,271	-	-	-	83,271
Effects of foreign exchange on translation to presentation currency	4,459	655	16,508	11,528	33,150
As at December 31, 2014	(101,824)	(24,549)	(373,301)	(544,435)	(1,044,109)
Depreciation for the period	(14,897)	(1,701)	(41,098)	(67,439)	(125,135)
Effects of foreign exchange on translation to presentation currency	3,355	767	12,032	17,725	33,879
As at March 31, 2015	(113,366)	(25,483)	(402,367)	(594,149)	(1,135,365)
Net book amount					
As at December 31, 2014	72,561	43,865	672,119	540,587	1,329,132
As at March 31, 2015	58,171	40,909	612,148	458,797	1,170,025

Orca Gold Inc.
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6. MINERAL PROPERTIES

Cost	Sudan		Total
	Northern Blocks Block 14	Block 68	
As at January 1, 2014	4,123,743	14,656	4,138,399
Write-off of mineral properties	-	(14,664)	(14,664)
Effects of foreign exchange on translation to presentation currency	(173,616)	8	(173,608)
As at December 31, 2014	3,950,127	-	3,950,127
Effects of foreign exchange on translation to presentation currency	(116,776)	-	(116,776)
As at March 31, 2015	3,833,351	-	3,833,351

The Company's sole mineral project as at March 31, 2015 is Block 14, located in the northern part of the Republic of Sudan.

Block 14 was originally granted under a Concession Agreement dated May 19, 2010. As provided under the Concession Agreement, the Company has provided the relevant government authority with written notice of the exercise of its option to renew the Block 14 exploration license for a further two years and the approximately 50% area of the license that it has elected to retain during the renewal period based on an assessment of prospectivity. Formal government finalization of the renewal is expected shortly.

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7. SHARE CAPITAL

The authorized share capital consists of an unlimited number of common shares, with no par value.

The Company's issued and outstanding stock options were not included in the calculation of diluted earnings per share because they are anti-dilutive for the three months ended March 31, 2015 and 2014.

8. STOCK OPTIONS

a) Stock option plan

The Company has a stock option plan (the "Plan") in which common shares have been made available for the Company to grant incentive stock options to certain directors, officers, employees and consultants of the Company. Under the Plan, the total number of options outstanding at any given point in time cannot exceed 10% of the issued and outstanding common shares of the Company. Vesting and terms of the option agreement are at the discretion of the Board of Directors.

The total stock-based compensation for the three months ended March 31, 2015 was \$181,000 (2014: \$464,000). Stock-based compensation of \$146,000 (2014: \$418,000) has been allocated to administration costs and \$35,000 (2014: \$46,000) to exploration and project investigation costs for employees directly involved in exploration activities.

The unrecognized compensation cost for non-vested share options at March 31, 2015 was \$262,000 (December 31, 2014: \$443,000).

b) Stock options outstanding

Movements in the number of share options outstanding and their related weighted average exercise prices are as follows:

	Number of shares (In thousands)	Weighted average exercise price CDN\$
Outstanding at January 1, 2014	6,420	\$1.81
Granted	2,875	\$0.40
Forfeited	(67)	\$0.90
Outstanding at December 31, 2014	9,228	\$1.38
Forfeited	(100)	\$0.73
Outstanding at March 31, 2015	<u>9,128</u>	\$1.38
Exercisable at March 31, 2015	<u>5,445</u>	\$1.88

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The following summarizes information about the stock options outstanding and exercisable at March 31, 2015:

Exercise prices (CDN\$)	Outstanding options			Exercisable options		
	Number of options outstanding (In thousands)	Weighted average remaining contractual life (Years)	Weighted average exercise price (CDN\$)	Number of options exercisable (In thousands)	Weighted average remaining contractual life (Years)	Weighted average exercise price (CDN\$)
\$0.40	2,842	2.67	\$0.40	958	2.67	\$0.40
\$0.90	5,533	1.06	\$0.90	3,734	1.06	\$0.90
\$1.20 – \$1.50	337	2.21	\$1.22	337	2.21	\$1.22
\$14.52 – \$14.64	416	0.68	\$14.64	416	0.68	\$14.64
	<u>9,128</u>	1.58	\$1.38	<u>5,445</u>	1.38	\$1.88

9. ADMINISTRATION COSTS

	Three months ended March 31,	
	2015	2014
Office and administration	97,649	139,324
Management and consulting fees	255,279	222,897
Salaries and benefits	153,688	170,789
Stock based compensation expense	146,031	417,904
Travel and promotion	88,558	46,051
Professional fees	20,440	17,534
Depreciation	252	-
Total administration costs	761,897	1,014,499

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10. EXPLORATION AND PROJECT INVESTIGATION COSTS

	Three months ended March 31,	Sudan		
		Northern Blocks	Other	Total
	2015			
Drilling		64,615	-	64,615
Salaries and benefits		786,609	36,923	823,532
Stock-based compensation expense		33,405	1,568	34,973
Sampling, satellite and geological costs		230,040	183	230,223
Field operation and consumables		183,491	-	183,491
Exploration support and administration		131,159	7,621	138,780
Travel and accommodation		73,343	-	73,343
Geological consulting		213,521	26,559	240,080
Permitting and licensing fees		30,034	-	30,034
Depreciation		78,378	46,505	124,883
		1,824,595	119,359	1,943,954
	2014			
Drilling		1,183,685	-	1,183,685
Salaries and benefits		580,468	1,012	581,480
Stock-based compensation expense		45,578	81	45,659
Sampling, satellite and geological costs		584,361	-	584,361
Field operation and consumables		326,735	-	326,735
Exploration support and administration		134,083	152	134,235
Travel and accommodation		100,821	-	100,821
Geological consulting		109,965	25,352	135,317
Permitting and licensing fees		72,359	-	72,359
Depreciation		100,517	23,899	124,416
		3,238,572	50,496	3,289,068

Orca Gold Inc.
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11. RELATED PARTY TRANSACTIONS

The related parties with which the Company has transacted during the three months ended March 31, 2015, were Hugh Stuart Exploration Consultants Ltd. ("HSEC"), RB Energy Inc. ("RB Energy"), Meyas Nub Multiactivities Company Limited ("Meyas Nub") and SinoTech (Hong Kong) Corporate Limited ("SinoTech"). Other than Meyas Nub and SinoTech, these companies are related by way of directors, officers and shareholders in common. Meyas Nub is identified as a related party as a result of its ability to exert significant influence on MSMCL through its non-controlling equity interest (Note 13). SinoTech is related by virtue of its greater than 10% shareholding in the Company. Related party transactions are recorded at the exchange amounts.

a) Services received from related parties

		Three months ended	
		March 31,	
	Related party	2015	2014
Drilling and exploration support	Meyas Nub	23,118	210,921
Geological consulting	SinoTech	24,704	14,597
Geological consulting	HSEC	240,080	142,141
Support and administration	RB Energy	45,000	111,000
Support and administration	SinoTech	7,500	7,500
Total services received from related parties		340,402	486,159

b) Related party balances

The amounts due from (to) related parties by the Company, and the components of the consolidated statement of financial position in which they are included, are as follows:

		March 31,	December 31,
	Related party	2015	2014
Accounts payable and accrued liabilities	Meyas Nub	(8,770)	(28,072)
Accounts payable and accrued liabilities	RB Energy	(75,365)	(75,365)
Accounts payable and accrued liabilities	HSEC	(133,210)	(121,587)
Accounts payable and accrued liabilities	SinoTech	(31,724)	(31,575)

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c) Key management compensation

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. Key management personnel include the Company's executive officers and vice-presidents.

The remuneration of key management personnel were as follows:

	Three months ended	
	March 31,	
	2015	2014
Salaries and management fees	82,743	123,027
Short term benefits	284	2,924
Stock-based compensation	54,272	198,402
Total key management compensation	137,299	324,353

12. SEGMENT INFORMATION

The Company's operations currently consist of the acquisition and exploration of mineral resources in the Republic of the Sudan. Materially all of the Company's equipment and exploration and project investigation costs are located and incurred in the Republic of the Sudan, whereas materially all of the Company's cash is held by the Canadian parent.

13. NON-CONTROLLING INTEREST

On March 1, 2012, an indirect wholly owned subsidiary of Orca, SMCL, closed a transaction whereby it acquired the right and option to a 70% interest in MSMCL, a Sudanese company incorporated to hold the Block 14 exploration license in the Republic of the Sudan. Under the purchase agreement, SMCL agreed to pay the holder of the license a total of USD \$9.5 million in three installments, in exchange for an increasing ownership interest in MSMCL, as follows:

Date	Payment	Total ownership interest
March 1, 2012	USD \$3.5 million	35.0%
September 30, 2013	USD \$3.0 million	52.5%
September 30, 2014	USD \$3.0 million	70.0%

On August 28, 2014, the Company made its third and final installment payment of USD \$3.0 million and crystalized its 70% interest in MSMCL.

Under the agreement, the Company must fund all exploration, development and construction costs to commercial production in accordance with the purchase agreement.



CORPORATE DIRECTORY

OFFICERS

Richard Clark
Chairman of the Board
Hugh Stuart
President/Chief Executive Officer
Alessandro Bitelli
Chief Financial Officer
Rashida McLean
Corporate Secretary

DIRECTORS

Richard Clark
Compensation Committee
Corporate Governance and Nominating
Committee
L. Simon Jackson
Dr. Jingbin Wang
Audit Committee
Compensation Committee
Shuixing Fu
Corporate Governance and Nominating
Committee
Robert F. Chase
Audit Committee
Corporate Governance and Nominating
Committee
Alexander Davidson
Audit Committee
Compensation Committee
Hugh Stuart

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REGISTRAR AND TRANSFER AGENT

Computershare Trust Company of Canada
Vancouver, British Columbia
Canada

SHARE LISTING

TSX Venture Exchange
Symbol: ORG
CUSIP No.: 68558N102
ISIN: CA68558N1024