INTERNATIONAL BARRIER TECHNOLOGY INC.

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2015

(Stated in US Dollars)

(Unaudited)

INTERNATIONAL BARRIER TECHNOLOGY, INC.

INTERIM CONDENSED CONSOLIDATED BALANCE SHEETS

March 31, 2015 and June 30, 2014

(Stated in US Dollars)

(Unaudited)

	March 31, 2015	June 30, 2014 (audited)
ASSETS		
Current assets		
Cash and cash equivalents	$ 624,757	$ 708,926
Accounts receivable	440,665	235,714
Inventory - Note 3	609,836	448,490
Prepaid expenses and deposits	52,582	46,655
Total Current Assets	1,727,840	1,439,785
Property, plant and equipment	3,016,835	2,877,530
Total Assets	$ 4,744,675	$ 4,317,315
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities	$ 639,607	$ 714,994
Current portion of long term debt - Note 4	264,720	63,650
Obligation under capital leases	68,062	75,494
Total Current Liabilities	972,389	854,138
Long-term debt - Note 4	-	248,460
Convertible debentures - Note 5	240,000	240,000
Obligation under capital leases	43,340	59,473
Total Liabilities	1,255,729	1,402,071
STOCKHOLDERS' EQUITY		
Common Stock - Note 6		
Authorized:		
100,000,000 common shares without par value		
Issued:		
44,554,926 common shares (June 30, 2014: 44,554,926)	15,478,926	15,478,926
Additional paid-in capital	1,639,363	1,639,363
Accumulated deficit	(13,629,343)	(14,203,045)
Total Stockholders' Equity	3,488,946	2,915,244
Total Liabilities and Stockholders' Equity	$ 4,744,675	$ 4,317,315

APPROVED BY THE BOARD OF DIRECTORS

"David Corcoran"
David Corcoran Director

"Victor Yates"
Victor Yates Director

See accompanying notes.

INTERNATIONAL BARRIER TECHNOLOGY, INC.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS AND COMPREHENSIVE INCOME

for the three and nine months ended March 31, 2015 and 2014

(Stated in US Dollars)

(Unaudited)

	Three months ended March 31,		Nine months ended March 31,	
	2015	2014	2015	2014
Sales - Note 8	$ 1,964,711	$ 1,700,170	$ 6,273,121	$ 5,375,960
Cost of Sales	1,603,767	1,437,571	5,002,018	4,527,054
Gross Profit	360,944	262,599	1,271,103	848,906
Expenses				
Accounting and audit fees	12,476	14,763	69,375	76,495
Filing Fees	3,353	1,396	21,355	20,417
Insurance	19,350	17,875	60,319	51,666
Bank charges and interest	40	40	112	57
Legal fees	9,147	8,830	60,488	44,327
Office and miscellaneous	13,842	16,446	56,771	56,462
Sales, marketing, and investor relations	15,496	4,315	37,106	15,993
Telephone	2,932	3,197	9,450	9,163
Transfer agent fees	1,966	2,444	4,563	7,000
Wages and management fees	117,260	107,856	338,225	391,037
Total Administrative Expenses	195,862	177,162	657,764	672,617
Operating Income	165,082	85,437	613,339	176,289
Foreign exchange gain (loss) and other income	222	1,622	874	(432)
Interest on long-term obligations	(11,781)	(14,785)	(40,511)	(46,572)
Total Other Expense	(11,559)	(13,163)	(39,637)	(47,004)
Net income for the period	$ 153,523	$ 72,274	$ 573,702	$ 129,285
Basic and diluted income per share	$ 0.00	$ 0.00	$ 0.01	$ 0.00
Weighted average number of shares outstanding:				
Basic	44,554,926	44,554,926	44,554,926	44,486,676
Diluted	51,715,536	48,893,996	51,477,411	48,530,747

See accompanying notes.

INTERNATIONAL BARRIER TECHNOLOGY, INC.

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY

for the period ended March 31, 2015

(Stated in US Dollars)

(Unaudited)

	Common Stock				
	Issued Shares	Amount	Additional Paid-in Capital	Accumulated Deficit	Total
Balance, June 30, 2013	44,454,926	15,463,675	1,579,555	(14,788,993)	2,254,237
Stock Based Compensation	-	-	65,359	-	65,359
Exercise of options	100,000	9,700	-	-	9,700
Fair value of stock options exercised		5,551	(5,551)	-	-
Net income for the period	-	-	-	585,948	585,948
Balance, June 30, 2014	44,554,926	15,478,926	1,639,363	(14,203,045)	2,915,244
Net Income for the period	-	-	-	573,702	573,702
Balance, March 31, 2015	44,554,926	15,478,926	1,639,363	(13,629,343)	3,488,946

See accompanying notes.

INTERNATIONAL BARRIER TECHNOLOGY, INC.
INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
for the nine months ended March 31, 2015 and 2014
(Stated in US Dollars)
(Unaudited)

	Nine months ended March 31, 2015	Nine months ended March 31, 2014
Operating Activities		
Net income for the period	$ 573,702	$ 129,285
Items not involving cash:		
Depreciation - plant and equipment	250,647	236,826
Stock-based compensation - consulting	-	2,220
Stock-based compensation - wages	-	63,139
Changes in non-cash working capital balances related to operations:		
Accounts receivable	(204,951)	19,825
Inventory	(161,346)	(112,482)
Prepaid expenses and deposits	(5,927)	53,372
Accounts payable and accrued liabilities	(75,389)	(157,984)
Deferred Revenue	-	100,000
Net cash provided by operating activities	376,736	334,201
Cash Flows used in Financing Activities		
Issuance of Common Shares	-	9,700
Repayment on long term debt	(47,390)	(44,504)
Repayment of obligations under capital lease	(57,968)	(51,366)
Net cash used in financing activities	(105,358)	(86,170)
Cash Flows used in Investing Activities		
Acquisition of equipment	(355,547)	(96,078)
Net cash used in investing activities	(355,547)	(96,078)
Increase (decrease) in cash and cash equivalents during the period	(84,169)	151,953
Cash and cash equivalents, beginning of the period	708,926	179,578
Cash and cash equivalents, end of the period	$ 624,757	$ 331,531
Supplemental Cash Flow Information		
Cash paid for interest	$ 40,511	$ 46,572
Cash paid for income taxes	$ 800	$ -

See accompanying notes.

Note 1 Basis of Presentation

The accompanying unaudited condensed financial statements of International Barrier Technology Inc. (the "Company") have been prepared in accordance with U.S. generally accepted accounting principles ("GAAP") for interim financial information and with the instructions to Form 10-Q and Article 8 of the Securities and Exchange Commission ("SEC") Regulation S-X. Accordingly, they should be read in conjunction with the audited consolidated financial statements and notes thereto for the fiscal year ended June 30, 2014 included in the Annual Report on Form 10-K filed with the SEC on September 29, 2014. The unaudited condensed consolidated interim financial statements contain all normal recurring accruals and adjustments that, in the opinion of management, are necessary to present fairly the consolidated financial position of the Company at March 31, 2015, and the consolidated results of operations and cash flows for the three and nine months ended March 31, 2015. All intercompany accounts and transactions have been eliminated. It should be understood that accounting measures at interim dates inherently involve greater reliance on estimates than at year end. The results of operations for the three and nine months ended March 31, 2015 are not necessarily indicative of the results to be expected for the full year or any future interim periods.

Earnings per Share

Basic and diluted earnings per share ("EPS") are computed using the weighted-average number of common shares outstanding during the period. Basic EPS is calculated by dividing the net income or loss by the weighted-average number of common shares outstanding for the period, without consideration for common stock equivalents. Diluted EPS is computed by dividing the net income or loss by the weighted-average number of common shares, plus the dilutive effect of common stock equivalents outstanding for the period.

The treasury stock method is used in calculating diluted EPS for potentially dilutive stock options which assumes that any proceeds received from the exercise of in-the-money stock options would be used to purchase common shares at the average market price for the period.

EPS for convertible debt is calculated under the "if-converted" method. Under the "if converted" method, EPS is calculated as the more dilutive of EPS (i) including all interest (both cash interest and non-cash discount amortization) and excluding all shares underlying the convertible debt or; (ii) excluding all interest (both cash interest and non-cash discount amortization) and including all shares underlying the convertible debt.

Note 2 Fair Value Measurements

The book value of cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities approximate their fair values due to the short term maturity of those instruments. Based on borrowing rates currently available to the Company under similar terms, the book value of long term debt and capital lease obligations approximate their fair values. The fair value hierarchy under GAAP is based on three levels of inputs, of which the first two are considered observable and the last unobservable, that may be used to measure fair value which are the following:

Level 1- quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 - observable inputs other than Level I, quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets and liabilities in markets that are not active, and model-derived prices whose inputs are observable or whose significant value drivers are observable; and

Level 3 - assets and liabilities whose significant value drivers are unobservable by little or no market activity and that are significant to the fair value of the assets or liabilities.

Note 2 Fair Value Measurements – (cont'd)

Certain of the Company's cash equivalents, consisting of short-term term deposits, are based on Level 2 inputs in the ASC 820 fair value hierarchy.
The Company's long-term debt is based on Level 2 inputs in the ASC 820 fair value hierarchy. Based on the borrowing rates currently available to the Company for bank loans with similar terms and average maturities, the fair value of the long-term debt is $264,720 (June 30, 2014: $312,110).

The Company's convertible debentures are based on Level 2 inputs in the ASC 820 fair value hierarchy. The Company calculated the fair value of these instruments by discounting future cash flows using rates representative of current borrowing rates. At March 31, 2015, the convertible debentures had a fair value of $1,161,731 (June 30, 2014: $779,196).

The Company's capital lease obligations are based on Level 2 inputs in the ASC 820 fair value hierarchy. The fair value of the capital lease obligations is $111,402 (June 30, 2014: $134,967).

As at March 31, 2015, the Company has no assets or liabilities that have fair values measured using Level 3 inputs.

Note 3 Inventory

	March 31, 2015	June 30, 2014
Raw materials	$ 293,294	$ 365,414
Finished goods	316,542	83,076
	$ 609,836	$ 448,490

Note 4 Long-term Debt

	March 31, 2015	June 30, 2014
Term bank loan facility in the amount of $450,000 bearing interest at 6.25% and collateralized by a security interest in inventory, accounts receivable, equipment and all intangibles of the Company as well as an assignment of the building lease. The facility is being amortized over 4 years with fixed monthly blended payments of principal and interest totaling $6,800 with a balloon payment due on January 1, 2016	264,720	312,110
	264,720	312,110
Less: current portion	(264,720)	(63,650)
	$ -	$ 248,460

The Company has a $200,000 revolving credit facility with terms that include an interest rate of 6.25% per annum and a maturity date of June 13, 2015. The Company has not drawn any funds on this facility.

Note 5 Convertible Debt

During the year ended June 30, 2012, the Company approved the issuance of two convertible debentures to a director and a company controlled by a director in the amount of $300,000. The debentures are being issued in tranches from $10,000-$50,000 and as at March 31, 2015 the Company had received $240,000 (2014: $240,000) in respect of these debentures. The debentures bear interest at 12% per annum, payable quarterly, and are collateralized by a third charge over the Company's plant and equipment as well as a charge against the Company's patents. At any time, the notes are convertible into units of the Company at a price of $0.10 per unit. Each unit will consist of one common share and one common share purchase warrant entitling the holder the right to purchase one additional share for $0.10 for a period of two years from the conversion date. During the three and nine month periods ended March 31, 2015, the Company incurred interest charges of $7,200 and $21,600 respectively (2014: $7,200 and $21,600) on these convertible debentures. The convertible debentures mature on January 30, 2017.

Note 6 Common Stock

Escrow:

At March 31, 2015, there are 48,922 (2014 – 48,922) common shares held in escrow by the Company's transfer agent, the release which is subject to the approval of the regulatory authorities. As at March 31, 2015 and June 30, 2014, all of these shares held in escrow are issuable but the Company has yet to request their release.

Commitments:

Stock-based Compensation Plan

At March 31, 2015, the Company has outstanding options that were granted to directors, officers, and consultants to purchase 4,330,000 common shares of the Company.

A summary of the status of the Company's share purchase option plan for the nine months ended March 31, 2015 is presented below:

	Number of Shares	Weighted Average Exercise Price
Outstanding, June 30, 2014	4,330,000	$ 0.099
Outstanding, March 31, 2015	4,330,000	$ 0.099
Exercisable, March 31, 2015	4,330,000	$ 0.099
Exercisable, June 30, 2014	4,330,000	$ 0.099

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

Number	Exercise Price	Expiry Date	Remaining Contractual Life
3,252,500	$0.10	May 15, 2015	0.12 years
1,077,500	$0.097	August 2, 2016	1.34 years
4,330,000			

Subsequent to March 31, 2015 there were a total of 3,252,500 stock options exercised at $0.10 each for a total of $325,250.

Note 6 Common Stock- (cont'd)

Commitments – (cont'd)

Stock-based Compensation Plan – (cont'd)

During the nine month period ended March 31, 2014, the Company granted 1,177,500 fully vested share purchase options having a fair value of $65,359. The fair value of options was calculated using the Black-Scholes option pricing model using the following weighted average assumptions: stock price - $0.058; exercise price - $0.097; expected life – 3.0 yrs; volatility – 246.16%; risk free discount rate – 0.59%; dividend rate 0.00%.

Stock-based compensation amounts for the nine month period ended March 31, 2015 are classified in the Company's Statement of Operations as follows:

	March 31, 2015	March 31, 2014
Wages and Management Fees	$ -	$ 63,139
Consulting	-	2,220
Total Stock Based Compensation	$ -	$ 65,359

Note 7 Non Cash Transactions

Investing and financing activities that affect recognized assets or liabilities but that do not result in cash receipts or cash payments are excluded from the consolidated statements of cash flows. During the nine months ended March 31, 2015, the Company acquired equipment totaling $33,726 by way of a capital lease.

During the nine months ended March 31, 2015, there were no non-cash investing and financing activities excluded from the condensed consolidated statement of cash flows.

Note 8 Segmented Information and Sales Concentration

The Company operates in one industry segment being the manufacturing and marketing of fire resistant building materials. Substantially all of the Company's revenues and long-term assets are located in the United States.

During the nine months ended March 31, 2015, two customers accounted for 100% of total sales revenue:

	Three months ended		Nine months ended	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
Customer #1	77%	70%	74%	72%
Customer #2	23%	30%	26%	27%

The accounts receivable from each of these customers at March 31, 2015 were $297,597 and $143,068, respectively (2014: $126,742 and $32,352, respectively).

The loss of either of these customers or the curtailment of purchases by such customers could have material adverse effects on the Company's financial condition and results of operations.

INTERNATIONAL BARRIER TECHNOLOGY INC.
QUARTERLY REPORT
for the period ended March 31, 2015

Management Discussion & Analysis

Date of Report – May 15, 2015

Description of Business
International Barrier Technology Inc. (Barrier) manufactures and sells fire-rated building materials. Barrier's primary business is in the United States, but also has a license agreement with a major OSB producer in the European Union. In addition, Barrier is working to develop distribution partnerships and manufacturing technology license agreements is successfully endeavoring to enter building products markets in Australia, Europe, and South America. Barrier possesses a proprietary fire resistive material technology (Pyrotite®) and a patented manufacturing process that when applied to building materials their respective fire resistant properties are significantly enhanced. Many of the top multifamily and wood frame commercial builders in the United States utilize Barrier's fire-rated structural panels in areas where the building code requires the use of a fire-rated building panel.

Barrier's financial statements are filed with both the SEC (USA) and SEDAR (Canada) and are disclosed in US dollars utilizing US generally accepted accounting principles. Barrier's filings with the SEC consist of quarterly reviewed financial statements on Form 10-Q and annual audited financial statements on Form 10-K. Barrier continues to file the above financial statements with SEDAR in Canada.

Sales revenue reported for the quarter ended March 31, 2015 was up 16% to $1,964,711 in comparison to $1,700,170 generated in the same comparable period in 2014. Year-to date sales have increased 17% to $6,273,121 vs. $5,375,960. Total sales volume, as measured by surface volume of product shipped, was 5,268,800 sq. ft. for the quarter. This is a 26% increase from the 4,169,200 sq. ft. shipped during the same quarterly period last year. Sales for the nine months ending March 31, 2015 (fiscal year-to-date) are up 23% to 16,139,400 sq. ft. from 13,101,100 in the same period in 2014.

Shipments into the Residential Roof Deck, Wall Assembly, and Structural Insulated Panel Market Sectors (trademarked as LP FlameBlock) during the quarter increased 40% over shipments in the comparable quarter last year and 25% during the nine month period. Sales into the Commercial Modular Market (trademarked as both MuleHide and Blazeguard® FR Deck Panel) decreased 5% in comparison to Q3 a year ago but increased 18% year-to-date.

The manufacturing relationship Barrier enjoys with LP has contributed to an increase in sales volume to record levels and Barrier anticipates that sales will continue to grow substantially through the sustained efforts of LP's sales and marketing team. Reported sales revenue for LP products, include only the charges for treatment services, not the underlying OSB substrate or outbound freight as LP supplies its own OSB substrate and contracts for its own outgoing freight. The "pass through" of the OSB substrate and freight serves to lower reported "top line" sales revenue, but not gross profits since margins on substrate and freight have historically been restricted to handling costs only to help keep prices competitive. For the Commercial Modular market, Barrier purchases OSB from local distributors and invoices the cost of the substrate and outgoing freight to the customer, therefore the cost of the substrate and freight is included in revenue for Commercial Modular shipments.

Gross profit for the quarterly period ended March 31, 2015 was $360,944 vs. $262,599 in the previous year quarter and $1,271,103 for the fiscal year-to-date period (vs. $848,906 in 2014). The gross margin, as a percentage of sales revenue, increased to 18% from 15% for the quarterly period and increased to 20% from 16% for the year-to-date period. In the near term, gross margins are anticipated to remain relatively flat or perhaps to improve slightly based on continued gains in production efficiency. As upper limits to production capacity are approached at the current manufacturing facility in Watkins Minnesota, however, any significant improvement in gross profit will be restricted until additional production capacity is added. The development of additional manufacturing capability is anticipated sometime during 2016.

Cost of sales in the three and nine month periods increased to $1,603,767 and $5,002,018 from $1,437,571 and $4,527,054, respectively in the prior year comparable periods. The increases are attributable to the increase in volume produced. Barrier created gains in manufacturing efficiency as reflected in the three and nine month average cost per sq. ft. of production which decreased from $0.34 to $0.30 for the quarter and from $0.35 to $0.31 for the nine months.

Depreciation on plant and equipment is included in cost of sales category. Depreciation, which has non-cash impact on Barrier's actual cash flow, increased slightly from $236,826 to $250,647 in the first nine months of 2014-15. The expense reflects scheduled depreciation of the newer manufacturing line equipment and building expansion.

Administrative expenses for the quarter ended March 31, 2015 increased to $195,862 from $177,162 and decreased during the nine month period to $657,764 from $672,617. The administrative costs per sq. ft. decreased quarterly (from $0.042 to $0.037) and year-to-date (from $0.051 to $0.041). The positive impact of increased sales volume reducing administrative cost per square foot shipped was captured during this reporting period.

Accounting and Audit Fees decreased to $12,476 from $14,763 for the quarterly period and decreased to $69,375 from $76,495 year-to-date. A significant portion of the cost for accounting services are related to the year-end and audited review and publishing of Barrier's annual financials.

Insurance costs have increased for the quarter and the fiscal year-to-date periods (to $19,350 from $17,875 in the quarter and $60,319 from $51,666 year-to-date). The difference is due to annually adjusted premiums based on larger sales volume.

Legal fees increased from $8,830 in Q3 2014 to $9,147 in Q3 2015 and from $44,327 to $60,488 for the nine month period. Legal fees the past two years were expended on activities in support of developing strategic partners and technology licensees, the year-end Annual General Meeting, as well as in monitoring and protecting Pyrotite® patents and trademarks. Additional costs were incurred during the nine-month reporting period as Barrier applied for and received a provisional patent from the US Patent Office for the process of treating I-Joists with Pyrotite®

Barrier has four issued patents, two in the US, a patent in Australia, and a patent in Canada. These patents protect the manufacturing and process technology utilized in the production of fire-rated sheathing products utilizing Pyrotite®.

Sales, marketing, and investor relations expenses increased from $4,315 to $15,496 for the current quarter and from $15,993 to $37,106 for the nine month reporting period. During the previous reporting period, Barrier was able to recoup any business travel associated with the transfer of technology to the licensee in Europe. During the months when technology was being transferred to that licensee, travel in support of sales and marketing would have been diminished.

Additionally, during this quarter Barrier joined the Modular Builder's Institute (MBI) and had a presence at their annual convention and tradeshow held in Las Vegas. Barrier's efforts with this association will aid us in transitioning to more direct sales distribution in the Commercial Modular business segment.

The majority of sales and marketing activities for traditional uses of Barrier's Pyrotite® treated structural wood panels continue to be performed by Louisiana Pacific, Inc. This helps Barrier keep the cost of sales and marketing as low as reasonably possible.

Wages and management fees increased to $117,260 from $107,856 during the quarter and decreased to $338,225 from $391,037 year-to-date. The decrease in year-to-date management fees between this reporting period and the last is attributed to the non-cash valuation of options granted during the prior year reporting period.

Operating Income of $165,082 is being reported for the quarterly period ending March 31, 2015, whereas in the same period in 2014, net income of $85,437 was reported. Operating income of $613,339 is reported for the year-to-date period vs. income of $176,289 in the comparable period in 2014.

The significant improvement in operating income is a result of increased sales volumes and focus on manufacturing efficiency. It is Barrier's fundamental belief that sustained increased sales volume coupled with an intense focus on manufacturing efficiency is the best pathway to long-term profitability.

Other items include income and costs not directly related to business operations. Other income items reported during the quarterly and nine month periods ended March 31, 2015 include interest/other income of $222 and $874, respectively. To compare, for the same reporting periods last year there was interest/other income of $1,622 (quarter) and foreign exchange/other income loss of $432 (nine months).

Interest on Long Term Debt has decreased from $14,785 to $11,781 for the 3-month reporting period and from $46,572 to $40,511 for the 9-month reporting period as a result of larger principal payments as long term debt ages and the majority of long-term debt is repaid by the end of calendar 2015.

Net Income. Net income of $153,523 is being reported for the quarter ended March 31, 2015, whereas in the same period in 2014, net income of $72,274 was reported. For the nine months ended March 31, 2015, net income is $573,702 vs. net income of $129,285 in the prior year.

Barrier remains focused on cutting costs and improving efficiencies wherever it can. This includes operating the manufacturing line with maximum efficiency. Keeping a vigilant handle on costs will help keep operational costs as low as possible and enable financial improvements to continue and at lower volumes than previously possible.

Summary of Quarterly Results. The following is a summary of the Company's financial results for the nine most recently completed quarters:

	Mar 31 2015	Dec 31 2014	Sept 30 2014	Jun 30 2014	Mar 31 2014	Dec 31 2013	Sept 30 2013	Jun 30 2013
Volume shipped (MSF)	5,268	4,516	6,355	6,650	4,169	3,371	5,561	5,162
Total Revenues (000)	$1,965	$1,836	$2,472	$2,778	$1,700	$1,394	$2,282	$2,426
Operating Income(loss) (000)	$165	$119	$329	$520	$85	($29)	$120	$218
Net income (loss) (000)	$154	$105	$315	$457	$72	($45)	$102	$201
EPS (Loss) Per Share	$0.00	$0.00	$0.01	$0.01	$0.00	$0.00	$0.00	$0.00

Selected Annual Information

The following financial data is for the three most recent years ended June 30:

	2014	2013	2012
Total Revenue	$8,154.0	$5,995.0	$4,144.8
Net income (loss)	$586.0	$(58.6)	$(139.7)
Per share	$0.01	$0.00	$0.00
Per share, fully diluted	$0.01	$0.00	$0.00
Total assets	$4,317.3	$3,921.9	$3,708.0
Total long-term financial liabilities	$687.1	$818.1	$900.0
Cash dividends declared per share	Nil	Nil	$Nil

New product and market development

Barrier continues to provide support to LP for a number of new product and market development initiatives including activity directed specifically toward applications in geographic areas where wildfires are prevalent and where building code development is becoming more restrictive with respect to designing for improved fire resistance. Focus has continued on developing products engineered to meet requirements established for Wildland/Urban Interface (WUI) zones. WUI zones are primarily located in the western US, and are areas where special building codes have been developed to help save homes if a brush fire should occur.

Enhanced focus has been made over this past year on developing products used in multifamily residential projects since the multifamily market is strong and is expected to stay vibrant over the next few years. In particular, Barrier and LP's introduction of a UL certified 2-hr exterior load bearing wall designed for use in wood-frame buildings of Type III construction is being well received by architects, building code professionals and builders alike. As more architects and specifying engineers become aware of this new design Barrier and LP are confident that considerable sales will result for these projects.

Barrier and LP continue exploring opportunities related to emerging code requirements for Engineered Wood Products (EWP) such as I-Joist and RimBoard. I-Joist and Rimboard produced using oriented strand board (OSB) technology are widely used in the building industry but have only recently been put under intense scrutiny for structural performance in a fire. Both Barrier and LP believe there is significant opportunity in developing EWP products that are rated for performance in a fire situation.

Preliminary fire tests have already provided positive results and have elicited increased enthusiasm for these projects. Pyrotite technology seems to provide EWP with sufficient improvement in fire resistance and structural integrity. Barrier and LP's EWP Division will be actively researching these exciting opportunities in the ensuing fiscal year. By working together we will endeavor to develop products that will meet code requirements being developed by the International Code Council (ICC), as well as production technology and capacity.

Global licensing opportunities

Barrier continues to explore manufacturing and distribution opportunities for Pyrotite® technology in geographies outside of the US. During the fiscal year ended June 30, 2014, Barrier announced a licensing agreement for the manufacture and distribution of Pyrotite® products in the European Union and Russia. Kronospan, a world-wide leader in OSB manufacturing, has officially added "OSB Pyrotite ECO" (a fire-resistant OSB panel) to their family of products. Barrier provided technical assistance in the design of their first manufacturing line, the transfer of production process technology, and material acquisition criteria. The manufacturing line is now fully operational. The license agreement provides for a payment made quarterly to Barrier by the Licensee of a royalty based on the volume of product produced. A minimum annual royalty fee was established along with an "up-front" license fee which was paid pursuant to the execution of the license agreement earlier in the year. The agreement contemplates the Licensee developing additional production facilities over the term of the license and making additional royalty payments to Barrier based on the additional plants' production. The license agreement follows standard licensing protocol, which allows for the audit of manufacturing process and financial revenue information.

The selection of Pyrotite® technology by the licensor after extensive research and testing of several other fire-resistant technologies adds additional credibility to our Pyrotite® technology and could lead to potential interest in other geographies. Particular interest in Barrier's Pyrotite® technology has been expressed by parties in China, Australia, and South America.

Financial position & financings

Barrier ended the period with a working capital surplus (current assets less current liabilities) of $755,451. Operating cash flow was $376,736 in comparison to $334,201 for the period ended March 31, 2014.

Barrier has a short term revolving line of credit ($200,000) at the local Farmers State Bank of Watkins, in Watkins, Minnesota. As of March 31, 2015 the balance owing on the revolving line of credit was $0 leaving an additional $200,000 available for use. In addition, two convertible debentures in the amount of $150,000 each were established in December 2011. To date, $240,000 has been used on these debentures with an additional $60,000 available for cash flow if needed.

Financing activities resulted in net cash outflow of $105,358 in the current reporting period compared to a net cash outflow of $86,170 for the comparable period.

Investing activities resulted in net cash outflow of $355,547 in the current period in comparison to a net cash outflow of $96,078 in the prior year. The cash outflow was the result of the acquisition of plant and equipment capital improvements.

There is no assurance that Barrier will operate profitably or will generate positive cash flow in the future. In addition, Barrier's operating results in the future may be subject to significant fluctuations due to many factors not within our control, such as the unpredictability of when customers will order products, the size of customers' orders, the demand for our products, the level of competition or general economic conditions.

Current and Future Financing Needs

At March 31, 2015, the current cash and cash equivalents totaled $624,757; there was $200,000 in available funds to draw on the revolving credit facility, and an additional $60,000 available from the convertible debentures.

The Company bases its estimate of future cash requirements on assumptions that may prove to be wrong and the requirements for cash are subject to factors, some of which are not within the control of the Company, including:

- Increased costs of general and administrative expenses
- Increased costs of raw materials and freight
- Costs associated with the research and development activities
- Costs associated with maintaining property, plant and equipment and intellectual property

Related Party Transactions

During the year ended June 30, 2012, the Company approved the issuance of two convertible debentures to a director and a company controlled by a director in the amount of $300,000. The debentures are being issued in tranches from $10,000 - $50,000 and as at March 31, 2015 the Company had received $240,000 (2014: $240,000) in respect of these debentures. The debentures bear interest at 12% per annum, payable quarterly, and are collateralized by a third charge over the Company's plant and equipment as well as a charge against the Company's patents. At any time, the notes are convertible into units of the Company at a price of $0.10 per unit. Each unit will consist of one common share and one common share purchase warrant entitling the holder the right to purchase one additional share for $0.10 for a period of two years from the conversion date. During the three and nine month periods ended March 31, 2015, the Company incurred interest charges of $7,200 and $21,600 respectively (2014: $7,200 and $21,600) on these convertible debentures.

Capitalization

Authorized: 100,000,000 common shares without par value.

Issued as of March 31, 2015: 44,554,926 common shares at $15,478,926
Issued as of May 15, 2015: 47,807,426 common shares at $15,804,176

Options outstanding:

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

Number	Exercise Price	Expiry Date
3,252,500	$0.10	May 15, 2015
1,077,500	$0.097	August 2, 2016
4,330,000		

Subsequent to March 31, 2015, 3,252,500 options were exercised at $0.10.

Other Matters

As at March 31, 2015 the Company did not have any off-balance sheet arrangements to report.

EXHIBIT 31.1

Certification of Chief Executive Officer
Pursuant to Section 302 (a) of the US Sarbanes-Oxley Act of 2002

I, Michael Huddy, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of International Barrier Technology Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a. designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
b. designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
c. evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
d. disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's Board of Directors:

a. all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
b. any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 15, 2015

/s/ Michael Huddy
Michael Huddy
President and Chief Executive Officer
(Principal Executive Officer)

EXHIBIT 32.1

SECTION 1350 CERTIFICATION

In connection with the Interim Report of International Barrier Technology Inc. (the "Company") on Form 10-Q for the fiscal quarter ended March 31, 2015 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Michael Huddy, Chief Executive Officer of the Company, certify, pursuant to Section 1350 of Chapter 63 of Title 18 of the United States Code, as adopted pursuant to Section 906 of the Sarbanes Oxley Act of 2002, that to the best of my knowledge:

1. The Report fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 15, 2015

/s/ Michael Huddy
Michael Huddy
Chief Executive Officer
(Principal Executive Officer)

This certification is being furnished as required by Rule 13a-14(b) under the Securities Exchange Act of 1934 (the "Exchange Act") and Section 1350 of Chapter 63 of Title 18 of the United States Code, and shall not be deemed "filed" for purposes of Section 18 of the Exchange Act or otherwise subject to the liability of that Section. This certification shall not be deemed to be incorporated by reference into any filing under the Securities Act of 1933 or the Exchange Act, except as otherwise stated in such filing.

EXHIBIT 31.2

Certification of Chief Financial Officer
Pursuant to Section 302 (a) of the US Sarbanes-Oxley Act of 2002

I, Melissa McElwee, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of International Barrier Technology Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a. designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
b. designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
c. evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
d. disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s Board of Directors:

a. all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and
b. any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: May 15, 2015

/s/ Melissa McElwee
Melissa McElwee
Chief Financial Officer
(Principal Financial Officer)

EXHIBIT 32.2

SECTION 1350 CERTIFICATION

In connection with the Interim Report of International Barrier Technology Inc. (the "Company") on Form 10-Q for the fiscal quarter ended March 31, 2015 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Melissa McElwee, Chief Financial Officer of the Company, certify, pursuant to Section 1350 of Chapter 63 of Title 18 of the United States Code, as adopted pursuant to Section 906 of the Sarbanes Oxley Act of 2002, that to the best of my knowledge:

1. The Report fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 15, 2015

/s/ Melissa McElwee
Melissa McElwee
Chief Financial Officer
(Principal Financial Officer)

This certification is being furnished as required by Rule 13a-14(b) under the Securities Exchange Act of 1934 (the "Exchange Act") and Section 1350 of Chapter 63 of Title 18 of the United States Code, and shall not be deemed "filed" for purposes of Section 18 of the Exchange Act or otherwise subject to the liability of that Section. This certification shall not be deemed to be incorporated by reference into any filing under the Securities Act of 1933 or the Exchange Act, except as otherwise stated in such filing.