

PLAYFAIR MINING LTD.

CONDENSED INTERIM FINANCIAL STATEMENTS
(Unaudited)
(Expressed in Canadian Dollars)

FOR THE NINE MONTH PERIOD ENDED NOVEMBER 30, 2016

**NOTICE OF NO AUDITOR REVIEW OF
CONDENSED INTERIM FINANCIAL STATEMENTS**

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

The accompanying unaudited condensed interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

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

PLAYFAIR MINING LTD.
CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION
(Unaudited - Expressed in Canadian Dollars)
AS AT

	November 30, 2016	February 29, 2016
ASSETS		
Current		
Cash	\$ 342,702	\$ -
Receivables	<u>39,220</u>	<u>12,163</u>
	381,922	12,163
Advances receivable (Note 3)	-	1,913
Equipment (Note 4)	457	543
Exploration and evaluation assets (Note 5)	<u>471,653</u>	<u>152,453</u>
	<u>\$ 854,032</u>	<u>\$ 167,072</u>
LIABILITIES AND SHAREHOLDERS' EQUITY(DEFICIENCY)		
Current		
Accounts payable and accrued liabilities	\$ 136,924	\$ 168,822
Shareholders' Equity (Deficiency)		
Share capital (Note 7)	29,924,249	28,648,137
Subscriptions receivable	(250,000)	-
Reserves (Note 7)	282,694	114,709
Deficit	<u>(29,239,835)</u>	<u>(28,764,596)</u>
	<u>717,108</u>	<u>(1,750)</u>
	<u>\$ 854,032</u>	<u>\$ 167,072</u>

Nature and continuance of operations (Note 1)

Approved and authorized by the Board on January 26, 2017.

Donald G. Moore

Director

D. Neil Briggs

Director

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

PLAYFAIR MINING LTD.
CONDENSED INTERIM STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(Unaudited - Expressed in Canadian Dollars)
FOR THE NINE MONTH PERIOD ENDED NOVEMBER 30

	For the Nine Month Period Ended November 30, 2016	For the Nine Month Period Ended November 30, 2015	For the Three Month Period Ended November 30, 2016	For the Three Month Period Ended November 30, 2015
GENERAL AND ADMINISTRATIVE EXPENSES				
Amortization (Note 4)	\$ 87	\$ 111	\$ 29	\$ 37
Filing fees	17,830	5,296	2,259	1,335
Financing costs	-	3,767	-	1,246
Office and miscellaneous	107,552	1,979	33,860	1,420
Professional fees	29,213	13,608	13,722	5,783
Rent	44,448	19,901	13,061	17,044
Shareholder communications	40,791	300	38,573	60
Stock-based compensation (Note 7)	184,916	-	184,916	-
Telephone	9,337	-	3,805	-
Transfer agent and regulatory fees	7,496	2,681	3,237	1,026
Travel and trade shows	50,500	-	46,137	-
Loss and comprehensive loss for the period	\$ (492,170)	\$ (47,643)	\$ (339,599)	\$ (27,951)
Basic and diluted loss per common share	\$ (0.01)	\$ (0.01)	\$ (0.01)	\$ (0.01)
Weighted average number of common shares outstanding	42,247,912	27,558,095	31,690,821	27,558,095

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

PLAYFAIR MINING LTD.
CONDENSED INTERIM STATEMENTS OF CASH FLOWS
(Unaudited - Expressed in Canadian Dollars)
FOR THE NINE MONTH PERIOD ENDED NOVEMBER 30

	2016	2015
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss for the period	\$ (492,170)	\$ (47,643)
Items not affecting cash:		
Amortization	86	111
Stock-based compensation (Note 7)	184,916	-
Changes in non-cash working capital items:		
Receivables	(27,057)	19,114
Advances receivable	1,913	10,717
Accounts payables and accrued liabilities	<u>(31,898)</u>	<u>6,887</u>
Net cash provided by (used in) operating activities	<u>(364,210)</u>	<u>(10,814)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Related party advances	-	882
Exploration and evaluation expenditures	(319,200)	-
Government rebates and recoveries	<u>-</u>	<u>-</u>
Net cash used in investing activities	<u>(319,200)</u>	<u>882</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Issuance of common shares	1,285,000	-
Subscriptions receivable	(250,000)	-
Subscriptions received in advance	-	10,000
Share issuance costs	<u>(8,888)</u>	<u>-</u>
Net cash provided by financing activities	<u>1,026,112</u>	<u>10,000</u>
Change in cash for the period	342,702	68
Cash, beginning of period	<u>-</u>	<u>-</u>
Cash, end of period	<u>\$ 342,702</u>	<u>\$ 68</u>

Supplemental disclosure with respect to cash flows (Note 8)

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

PLAYFAIR MINING LTD.
CONDENSED INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(Unaudited - Expressed in Canadian Dollars)

	<u>Share Capital</u>		Subscriptions Receivable	Reserves	Deficit	Total
	Number	Amount				
Balance at February 28, 2015	27,558,094	\$ 28,496,234	\$ -	\$ 638,315	\$ (26,194,592)	\$ 2,939,957
Issued for:						
Private placement	-	-	10,000	-	-	10,000
Expiry of options	-	-	-	(74,863)	74,863	-
Broker warrants expired	-	8,918	-	(8,918)	-	-
Loss for the period	-	-	-	-	(47,643)	(47,643)
Balance at November 30, 2015	27,558,094	\$ 28,505,152	\$ 10,000	\$ 554,534	\$ (26,167,372)	\$ 2,902,314
Issued for:						
Private placement	1,500,000	75,000	(10,000)	-	-	65,000
Shares issued as settlement of debt	1,360,000	68,000	-	-	-	68,000
Share issue costs	-	(15)	-	-	-	(15)
Options granted	-	-	-	98,962	-	98,962
Expiry of options	-	-	-	(538,787)	538,787	-
Loss for the period	-	-	-	-	(3,136,191)	(3,136,191)
Balance at February 29, 2016	30,418,094	\$ 28,648,137	\$ -	\$ 114,709	\$ (28,764,596)	\$ (1,750)
Issued for:						
Private placement	20,700,000	1,285,000	(250,000)	-	-	1,035,000
Share issue costs	-	(8,888)	-	-	-	(8,888)
Options granted	-	-	-	184,916	-	184,916
Expiry of options	-	-	-	(16,931)	16,931	-
Loss for the period	-	-	-	-	(492,170)	(492,170)
Balance at November 30, 2016	51,118,094	\$ 29,924,249	\$ (250,000)	\$ 282,694	\$ (29,239,835)	\$ 717,108

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

PLAYFAIR MINING LTD.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
(Unaudited - Expressed in Canadian Dollars)
FOR THE NINE MONTH PERIOD ENDED NOVEMBER 30, 2016

1. NATURE AND CONTINUANCE OF OPERATIONS

Playfair Mining Ltd. (the “Company”) is an exploration stage company incorporated under the laws of the Province of British Columbia on August 26, 1988. The Company has not yet determined whether its exploration and evaluation assets contain economic ore reserves.

The Company’s registered and records office is 2900-595 Burrard Street, Vancouver, British Columbia, Canada.

These financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The Company has incurred ongoing losses. A number of alternatives including, but not limited to completing a financing, are being evaluated with the objective of funding ongoing activities and obtaining additional working capital. The continuing operations of the Company are dependent upon its ability to continue to raise adequate financing and to commence profitable operations in the future and repay its liabilities arising from normal business operations as they become due. These material uncertainties may cast significant doubt about the Company’s ability to continue as a going concern.

The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue in existence.

2. BASIS OF PREPARATION

Statement of Compliance

These condensed consolidated interim financial statements, including comparatives, have been prepared in accordance with International Accounting Standards (“IAS”) 34 ‘Interim Financial Reporting’ (“IAS 34”) using accounting policies consistent with the International Financial Reporting Standards (“IFRS”) issued by the International Accounting Standards Board (“IASB”) and Interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”).

Basis of Presentation

These condensed interim financial statements have been prepared on the basis of accounting policies and methods of computation consistent with those applied in the Company’s February 29, 2016 annual financial statements.

PLAYFAIR MINING LTD.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
(Unaudited - Expressed in Canadian Dollars)
FOR THE NINE MONTH PERIOD ENDED NOVEMBER 30, 2016

2. BASIS OF PREPARATION (cont'd...)

New standards not yet adopted

The following new standard has been issued but is not effective during the three month period ended May 31, 2016.

IAS 16 & IAS 38	Amended to (i) clarify that the use of revenue-based depreciation and amortization method is not appropriated, and (ii) provided a rebuttable presumption for intangible assets ⁽ⁱ⁾
IAS 1	Amendments IAS 1 as part of overall disclosure initiative to improve the effectiveness of disclosure in financial statements ⁽ⁱ⁾
IAS 12	Amendments to IAS 12 to clarify the recognition of a deferred tax asset for unrealized losses ⁽ⁱⁱ⁾
IFRS 9	New financial instruments standard that replaces IAS 39 for classification and measurement of financial assets ⁽ⁱⁱⁱ⁾

(i) Effective date is January 1, 2016

(ii) Effective date is January 1, 2017

(iii) Effective date is January 1, 2018

The Company anticipates that the application of these standards, amendments and interpretations will not have a material impact on the results and financial position of the Company.

3. ADVANCES RECEIVABLE

The Company advances funds to a management company owned by a former officer. The management company incurs administration expenditures and settles certain exploration expenditures on behalf of the Company. At November 30, 2016 the Company had advanced \$Nil (February 29, 2016 - \$1,913). The advances were unsecured and non-interest bearing.

4. EQUIPMENT

	Office equipment	Computer equipment	Total
Cost			
Balance, February 28, 2015, February 28, 2016 and November 30, 2016	\$ 26,089	\$ 33,173	\$ 59,262
Accumulated amortization			
Balance, February 28, 2015	\$ 25,495	\$ 33,076	\$ 58,571
Amortization for the year	<u>119</u>	<u>29</u>	<u>148</u>
Balance, February 29, 2016	25,614	33,105	58,719
Amortization for the period	<u>71</u>	<u>15</u>	<u>86</u>
Balance, November 30, 2016	\$ 25,685	\$ 33,120	\$ 58,805
Carrying amounts			
As at February 29, 2016	\$ 475	\$ 68	\$ 543
As at November 30, 2016	<u>\$ 404</u>	<u>\$ 53</u>	<u>\$ 457</u>

PLAYFAIR MINING LTD.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
(Unaudited - Expressed in Canadian Dollars)
FOR THE NINE MONTH PERIOD ENDED NOVEMBER 30, 2016

5. EXPLORATION AND EVALUATION ASSETS

	Ox Mountain
Acquisition costs:	
Balance, beginning of period	\$ 150,000
Acquisition of exploration and evaluation assets	<u>230,000</u>
Balance, end of period	<u>380,000</u>
Exploration costs:	
Balance, beginning of period	2,453
Drilling	80,000
Travel	9,200
Write-off of exploration and evaluation assets	<u>-</u>
Balance, end of period	<u>91,653</u>
Balance, November 30, 2016	\$ 471,653

	Grey River	Ox Mountain	Total
Acquisition costs:			
Balance, beginning of year	\$ 313,330	\$ 150,000	\$ 463,330
Write-off of exploration and evaluation assets	<u>(313,330)</u>	<u>-</u>	<u>(313,330)</u>
Balance, end of year	<u>-</u>	<u>150,000</u>	<u>150,000</u>
Exploration costs:			
Balance, beginning of year	2,679,314	2,453	2,681,767
Fee & license	1,300	-	1,300
Write-off of exploration and evaluation assets	<u>(2,680,614)</u>	<u>-</u>	<u>(2,680,614)</u>
Balance, end of year	<u>-</u>	<u>2,453</u>	<u>2,453</u>
Balance, February 29, 2016	\$ -	\$ 152,453	\$ 152,453

Title to mineral properties

Title to mineral properties involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of many mineral properties. The Company has investigated title to all of its mineral properties and, to the best of its knowledge, title to all of its properties are in good standing.

Grey River property, Canada

The Company acquired a 100% interest in the Grey River property located in southern Newfoundland, Canada. The property is subject to a 4% NSR of which up to 2% may be purchased by the Company for up to \$2,000,000. The Company also acquired a 100% interest in certain claims in the Grey River area via staking. Due to a delay in future exploration activity on the property, the Company has recorded an impairment of \$2,993,944 during fiscal 2016.

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5. EXPLORATION AND EVALUATION ASSETS (cont'd...)

Ox Mountain Property, Ireland

During fiscal 2014, the Company entered into an Option Agreement to acquire up to a 100% interest in Bowpark Exploration (Ireland) Ltd. ("Bowpark"). Bowpark is a private company registered in Ireland and holds 3 contiguous prospecting licenses over the Ox Mountains in County Sligo, Ireland.

Under the terms of the option agreement, the Company may acquire a 90% interest in Bowpark by expending \$2,280,000 directly on exploration and delivering 1,800,000 shares of the Company to the current owners of Bowpark, exercisable over 4 stages. The Company may acquire the final 10% by paying the current owners \$1,000,000 in cash (or equivalent value of shares at the Company's election) and grant a 3% NSR, of which the Company may purchase up to 1% for \$500,000 per 0.5%. During the year ended February 28, 2015 the Company paid \$150,000 to Bowpark for exploration expenditures as per the agreement. During the nine month period ended November 30, 2016 the Company paid \$230,000 to Bowpark for exploration expenditures as per the agreement.

6. RELATED PARTY TRANSACTIONS

During the nine month period ended November 30, 2016, the Company entered into the following transactions with related parties and any key management personnel (senior officers and directors) not disclosed elsewhere in the financial statements:

- a) Paid or accrued management fees of \$40,000 (2015 - \$Nil) to a company controlled by a former officer of the Company.
- b) Paid or accrued professional fees and share issuance costs of \$783 (2015 - \$214) to a law firm in which a former director is a partner.
- c) Paid or accrued professional fees of \$19,000 (2015 - \$Nil) to an officer of the Company.

Included in accounts payable at November 30, 2016 is \$40,566 (February 29, 2016 - \$30,276) due to a law firm in which a director is a partner and \$739 (February 29, 2016 - \$739) due to directors of the Company. Included in advances receivable at November 30, 2016 is \$Nil (February 29, 2016 - \$1,913) due from a company owned by a former officer of the Company.

Included in accounts receivable at November 30, 2016 is \$39,220 (February 29, 2016 - \$9,162) due from a company with common directors.

The key management personnel of the company are the Directors, Chief Executive Officer, and the Chief Financial Officer.

Compensation of the Company's key management personnel is comprised of the following:

	November 30, 2016	February 29, 2016
Professional Fees	\$ 19,000	\$ -
Management Fees	40,000	-
Stock-based compensation	62,000	80,969
Total Expense	\$ 121,000	\$ 80,969

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NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
(Unaudited - Expressed in Canadian Dollars)
FOR THE NINE MONTH PERIOD ENDED NOVEMBER 30, 2016

7. SHARE CAPITAL AND RESERVES

Authorized share capital

As at November 30, 2016, the authorized share capital of the Company is an unlimited number of common shares without par value.

Issued share capital

As at November 30, 2016, the Company had 51,118,095 common shares issued and outstanding.

Share issuances

During the nine month period ended November 30, 2016, the Company issued 15,700,000 shares at a price of \$0.05 per share for gross proceeds consisting of \$785,000 of which \$102,500 is in subscription receivable and paid \$5,600 in finder's fees. The Company also issued 5,000,000 shares at a price of \$0.10 per share for gross proceeds consisting of \$500,000 of which \$250,000 is in subscription receivable.

During the year ended February 29, 2016, the Company issued 1,500,000 shares at a price of \$0.05 per share for gross proceeds consisting of \$75,000.

During the year ended February 29, 2016 the Company issued 1,360,000 common shares valued at \$68,000 as extinguishment of a loan payable of \$62,500 and accrued interest of \$5,500.

Stock options and warrants

Stock option and warrant transactions are summarized as follows:

	Warrants		Stock Options	
	Number	Weighted Average Exercise Price	Number	Weighted Average Exercise Price
Outstanding, February 28, 2015	144,000	\$ 0.075	577,500	\$ 1.76
Granted	-	-	2,200,000	0.05
Expired	(144,000)	0.075	(552,500)	1.79
Outstanding, February 29, 2016	-	-	2,225,000	0.06
Granted	-	-	2,400,000	0.10
Expired	-	-	(25,000)	1.00
Outstanding and exercisable, November 30, 2016	-	\$ -	4,600,000	\$ 0.08

The following stock options and warrants were outstanding at August 31, 2016:

	Number of Shares	Exercise Price	Expiry Date
Options	2,200,000	\$0.05	August 4, 2020
	2,400,000	\$0.10	September 26, 2021

PLAYFAIR MINING LTD.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
(Unaudited - Expressed in Canadian Dollars)
FOR THE NINE MONTH PERIOD ENDED NOVEMBER 30, 2016

7. SHARE CAPITAL AND RESERVES (cont'd...)

Share based payments

The Company has an incentive stock options plan in place under which it is authorized to grant options to directors and employees to acquire up to 10% of the Company's issued and outstanding common shares. Under the plan, the exercise price of each option may not be less than the market price of the Company's stock as calculated on the date of grant less the applicable discount. The options can be granted for a maximum term of 5 years and vesting periods are determined by the Board of Directors.

During the nine month period ended November 30, 2016, the Company granted 2,400,000 (February 29, 2016 – 2,200,000) options with a weighted-average fair value of \$0.08 per option (February 29, 2016 - \$0.05) to directors and consultants. Accordingly, using the Black-Scholes option pricing model, the stock options are recorded at fair value in the statement of loss. Total share-based payments recognized in the statement of loss during the nine month period ended November 30, 2016 was \$184,916 (February 29, 2016 – \$98,962) for incentive options granted, vested and amended. This amount was also recorded as reserves on the statement of financial position.

8. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

The significant non-cash transactions for the nine month period ended November 30, 2016 consisted of the Company reclassifying the expired 25,000 stock options valued at \$16,931 to deficit.

The significant non-cash transactions for the period ended November 30, 2015 consisted of the Company:

- a) wrote off the expiration of 144,000 broker warrants valued at \$8,918 as finder's fee;
- b) reclassifying the expired 473,000 stock options valued at \$308,224 to deficit.

9. SEGMENTED INFORMATION

The Company operates in one reportable operating segment, being the acquisition and exploration of mineral properties in Canada and Ireland. Geographic information is disclosed in Note 5.

10. FINANCIAL AND CAPITAL RISK MANAGEMENT

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values.

The fair value of the Company's receivables, advances receivable, and accounts payable and accrued liabilities approximate their carrying values due to their short-term nature. The Company's other financial instrument, being cash, is measured at fair value using Level 1 inputs. The loan payable has been valued using the effective interest rate method.

The Company is exposed to varying degrees to a variety of financial instrument related risks:

Credit risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. The Company's cash is held at large Canadian financial institution in interest bearing accounts. The Company has no investment in asset backed commercial paper. Receivables consist of receivables due from the government of Canada and amounts due from related parties.

Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when they come due. As at November 30, 2016, the Company had a cash balance of \$342,702 to settle

10. FINANCIAL AND CAPITAL RISK MANAGEMENT (cont'd...)

Liquidity risk (cont'd...)

current liabilities of \$136,924. To maintain liquidity, the Company is currently investigating financing opportunities and new exploration projects. Current market conditions make the present environment for raising additional equity financing unfavourable and there can be no assurance these efforts will be successful in the future. All of the Company's financial liabilities are subject to normal trade terms. The Company is exposed to liquidity risk.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices. These fluctuations may be significant.

a) Interest rate risk

The Company has a limited exposure to interest rate risk.

b) Foreign currency risk

The Company does not have any balances denominated in a foreign currency and believes it has no significant foreign currency risk.

c) Price risk

The Company is exposed to price risk with respect to commodity prices. Changes in commodity prices will impact the economics of development of the Company's mineral properties. The Company closely monitors commodity prices to determine the appropriate course of action to be taken.

Capital management

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition and exploration of mineral properties. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. The Company defines capital that it manages as shareholders' equity.

The properties in which the Company currently has an interest are in the exploration stage; as such the Company has historically relied on the equity markets to fund its activities. There is no certainty with respect to the Company's ability to raise capital. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

The Company currently is not subject to externally imposed capital requirements. There were no changes in the Company's approach to capital management.