

EASTFIELD RESOURCES LTD.

(An Exploration Stage Company)

Condensed Consolidated Interim Financial Statements

November 30, 2016

(Unaudited)

(Expressed in Canadian Dollars)

<u>Index</u>	<u>Page</u>
Condensed Consolidated Interim Financial Statements	
Condensed Consolidated Interim Statements of Financial Position	3
Condensed Consolidated Interim Statements of Loss and Comprehensive Loss	4-5
Condensed Consolidated Interim Statement of Changes in Shareholders' Equity	6
Condensed Consolidated Interim Statements of Cash Flows	7
Notes to Consolidated Interim Financial Statements	8-13

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a member of **THE EASTFIELD GROUP**

NOTICE TO READER

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

The accompanying unaudited condensed consolidated interim financial statements of Eastfield Resources Ltd. as at November 30, 2016 and 2015, notes to interim condensed consolidated financial statements and related Management Discussion and Analysis have been prepared by and are the responsibility of management.

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

Eastfield Resources Ltd.
(An Exploration Stage Company)
Condensed Consolidated Interim Statements of Financial Position
(Unaudited – Expressed in Canadian Dollars)

	November 30, 2016	February 29, 2016
		(Audited)
Assets		
Current Assets		
Cash and cash equivalents	\$ 655,058	\$ 687,723
Accounts receivable	34,629	81,694
Receivable from related parties	18,535	49,039
Investments (Note 6)	328,677	167,589
	1,036,899	986,045
Project Deposits (Note 4)	70,500	68,000
Mineral Property Interests (Note 7)	1,027,789	1,010,573
Promissory note receivable	417,072	287,238
Equipment (Note 8)	2,695	2,695
	\$ 2,554,955	\$ 2,354,551
Liabilities and Shareholders' Equity		
Current Liabilities		
Accounts payable and accrued liabilities	60,837	67,541
Payable to related parties	16,519	36,934
Project Deposits Payable (Note 4)	6,500	6,500
	\$ 83,856	\$ 110,975
Shareholders' Equity		
Share Capital (Note 9)	4,220,272	4,220,272
Warrant reserve (Note 9)	57,168	57,168
Options reserve (Note 9)	786,527	786,528
Deficit	(2,276,241)	(2,333,822)
Accumulated Other Comprehensive Income	(316,627)	(486,570)
	\$ 2,471,099	\$ 2,243,576
	\$ 2,554,955	\$ 2,354,551

Approved on behalf of the Board:

"Donald Sharp" Director
Donald Sharp

"J. William Morton" Director
J. William Morton

See notes to condensed consolidated interim financial statements.

Eastfield Resources Ltd.
(An Exploration Stage Company)
Condensed Consolidated Interim Statements of Loss and Comprehensive Loss
(Unaudited – Expressed in Canadian Dollars)

	For the Three Months Ended November 30		For the Nine Months Ended November 30	
	2016	2015	2016	2015
General and Administrative Expenses				
Bank Charges	\$ 300	\$ 366	\$ 1,294	\$ 1,326
Consulting	2,099	2,336	12,788	8,154
Dues and licenses	165	341	815	997
Investor relations	1,347	5,551	14,625	18,552
Legal and Audit	7,500	22,500	22,854	22,858
Office	1,306	820	2,973	2,649
Rent	6,217	5,912	17,452	17,802
Salaries and benefits	4,410	4,356	12,630	12,732
Telephone	423	398	1,253	1,218
Transfer and filing fees	2,172	1,622	7,132	6,559
	25,939	44,203	93,816	92,847
Loss before the following				
Other (Income) Expense				
Interest Income	(5,577)	(8,384)	(25,444)	(21,531)
Other (income)	-	-	(953)	(30)
(Gain) loss on sale of properties	-	-	(125,000)	-
	(5,577)	(8,384)	(151,397)	(21,561)
Net (Income) Loss	20,362	35,819	(57,581)	71,286
Other Comprehensive (income) loss				
Unrealized (gain) loss on investments, net of realized amounts	(1,639)	65,575	(169,943)	88,339
Comprehensive (Income) Loss	\$ 18,723	\$ 101,394	\$ (227,524)	\$ 159,625
(Gain) Loss Per Share, basic and fully diluted	\$ 0.0003	\$ 0.002	\$ (0.005)	\$ 0.004
Weighted Average Number of Common Shares Outstanding - basic	44,894,919	44,894,919	44,894,919	44,894,919
Weighted Average Number of Common Shares Outstanding - diluted	49,324,919	49,324,919	49,324,919	49,324,919

See notes to condensed consolidated interim financial statements.

Eastfield Resources Ltd.
(An Exploration Stage Company)
Condensed Consolidated Interim Statements of Operations and Comprehensive Loss
(Unaudited – Expressed in Canadian Dollars)

	For the Three Months Ended November 30		For the Nine Months Ended November 30	
	2016	2015	2016	2015
Deficit, Beginning of Period	\$ 2,255,879	\$ 2,238,489	\$ 2,333,822	\$ 2,203,022
Net loss / (income)	20,362	35,819	(57,581)	71,286
Deficit, End of Period	\$ 2,276,241	\$ 2,274,308	\$ 2,276,241	\$ 2,274,308
Accumulated Other Comprehensive Income (Loss), Beginning of Period	\$ (318,266)	\$ (412,155)	\$ (486,570)	\$ (389,391)
Change in unrealized income (loss) on investments	1,639	(65,575)	169,943	(88,339)
Accumulated Other Comprehensive Income (Loss), End of Period	\$ (316,627)	\$ (477,730)	\$ (316,627)	\$ (477,730)

See notes to condensed consolidated interim financial statements.

Eastfield Resources Ltd.
(An Exploration Stage Company)
Condensed Consolidated Interim Statement of Changes in Shareholders' Equity
(Unaudited – Expressed in Canadian Dollars)

	Number of Common Shares	Amount	Warrants Reserve	Share-based Payments Reserve	Deficit	Accumulated Other Comprehensive Income (Loss)	Total Equity
Balance, February 28, 2015	44,894,919	\$ 4,220,272	\$ 57,168	\$ 786,528	\$ (2,203,022)	\$ (389,391)	\$ 2,471,555
Issued for mineral properties	-	-	-	-	-	-	-
Other Comprehensive income (loss)	-	-	-	-	-	(88,339)	(88,339)
Net income (loss) for period	-	-	-	-	(71,286)	-	(71,286)
Balance, November 30, 2015	44,894,919	\$ 4,220,272	\$ 57,168	\$ 786,528	\$ (2,274,308)	\$ (477,730)	\$ 2,311,930
Share-based compensation	-	-	-	-	-	-	-
Net realized gain included in operations	-	-	-	-	-	-	-
Other Comprehensive income (loss)	-	-	-	-	-	(8,840)	(8,840)
Net income (loss) for period	-	-	-	-	(59,514)	-	(59,514)
Balance, February 29, 2016	44,894,919	\$ 4,220,272	\$ 57,168	\$ 786,528	\$ (2,333,822)	\$ (486,570)	\$ 2,243,576
Issued for mineral properties	-	-	-	-	-	-	-
Other Comprehensive income (loss)	-	-	-	-	-	169,943	169,943
Net income (loss) for period	-	-	-	-	57,581	-	57,581
Balance, November 30, 2016	44,894,919	\$ 4,220,272	\$ 57,168	\$ 786,527	\$ (2,276,241)	\$ (316,627)	\$ 2,471,099

See notes to condensed consolidated interim financial statements.

Eastfield Resources Ltd.
(An Exploration Stage Company)
Condensed Consolidated Interim Statement of Cash Flows
(Unaudited – Expressed in Canadian Dollars)

	For the Nine Months Ended November 30	
	2016	2015
Cash provided by (used in)		
Operating Activities		
Net income (loss)	\$ 57,581	\$ (159,625)
Items not requiring (providing) cash		
Mineral property option proceeds	-	-
Mineral properties written off	-	-
	57,581	(159,625)
Changes in non-cash working capital		
Accounts receivable	20,511	(23,013)
Investments – Short Term	(161,088)	55,977
Accounts payable and accrued liabilities	(27,120)	15,007
	(110,116)	(111,654)
Investing Activities		
Project deposits	(2,500)	-
Mineral property acquisition costs	42,627	(40,483)
Option payments received and METC recovery accrual	38,342	-
Expenditures on mineral properties	(98,187)	(136,798)
	(19,718)	(177,241)
Financing Activity		
Loan to related party	(129,834)	-
(Decrease) Increase in Cash and Cash Equivalents	(32,665)	(288,895)
Cash and Cash Equivalents, Beginning of Period	687,723	1,031,094
Cash and Cash Equivalents, End of Period	\$ 655,058	\$ 742,199

See notes to condensed consolidated interim financial statements

Eastfield Resources Ltd.
Notes to Condensed Consolidated Interim Financial Statements
For the Six Months Ended August 31, 2016
(Unaudited – Expressed in Canadian Dollars)

1. NATURE AND CONTINUANCE OF OPERATIONS

Eastfield Resources Ltd. (the “Company”) was incorporated in British Columbia, and the common shares are listed for trading on the TSX Venture Exchange – Tier One: symbol: ETF. The Company is in the process of actively exploring its mineral properties and has not yet determined whether these properties contain ore reserves that are economically recoverable. The Company is considered to be in the exploration stage and does not have operating cash flow. The Company’s head office and principal address is 110-325 Howe Street, Vancouver, British Columbia V6C 1Z7.

These consolidated interim financial statements have been prepared on the basis of accounting principles applicable to a going concern which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of operations. The ability of the Company to fund its potential future operations and commitments is dependent upon the ability of the Company to obtain additional financing. There is a risk that additional financing will not be available on a timely basis or on terms acceptable to the Company. These financial statements do not reflect the adjustments or reclassifications that would be necessary if the Company was unable to continue operations. Such adjustments and reclassifications could be material.

2. BASIS OF PREPARATION

These consolidated interim financial statements were authorized for issue on January 11, 2017 by the directors of the Company.

Statement of Compliance

These condensed interim financial statements for the Company’s reporting period ended November 30, 2016 have been prepared in accordance with and using accounting policies which are, without reservation, in full compliance with IAS 34 as issued by the International Accounting Standards Board (“IASB”) as required by National Instrument 52-107 sec. 3.2(1)(b)(ii) and interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”), and as set out in the Handbook of the Chartered Professional Accountants of Canada (“CPA Handbook”).

Basis of Measurement

These consolidated interim financial statements have been prepared on a historical cost basis, except for cash and cash equivalents and other financial instruments classified as fair value through profit or loss or available-for-sale that have been measured at fair value, and are presented in Canadian dollars, the Company’s reporting currency and the functional currency of all of its operations.

3. SIGNIFICANT ACCOUNTING POLICIES

These consolidated condensed interim financial statements have been prepared in accordance with IFRS, and reflect the accounting policies, which have been applied consistently with those of the previous financial year.

4. RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

The Company has classified its financial instruments as follows:

- Cash and cash equivalents as FVTPL
- Accounts receivable (excluding taxes receivable) as loans and receivables
- Deposits for reclamation as held-to-maturity
- Accounts payable and accrued liabilities and flow-through share premium as other financial liabilities.

The carrying values of cash and cash equivalents, accounts receivables and accounts payable (excluding due to related parties) approximate their fair values due to the short-term maturity of these financial instruments. The carrying value of reclamation deposits approximates fair value since amounts held earn interest at market rates. The fair value of amounts due to related parties included in accounts payable and accrued liabilities have not been disclosed as their fair values cannot be reliably measured since there is no quoted market prices for such instruments. The Company’s risk exposure and the impact on the Company’s financial instruments are summarized below:

(a) Credit risk

Credit risk refers to the potential that a counter party to a financial instrument will fail to discharge its contractual obligations and arises principally from the Company's holdings of cash and cash equivalents. The Company manages credit risk, in respect of cash and cash equivalents, by holding these at major Canadian financial institutions. In regards to accounts receivable, the Company is not exposed to significant credit risk. Concentration of credit risk exists with respect to the Company's cash and cash equivalents as all amounts are held at a major Canadian financial institution.

	November 30, 2016	February 29, 2016
Cash held in accounts with Bank of Montreal	\$ 655,058	\$ 687,723

(b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in satisfying financial obligations as they become due. The Company manages its liquidity risk by forecasting cash flows from operations and anticipated investing and financing activities. The Company maintains sufficient cash at November 30, 2016 in the amount of \$655,058, receivables of \$53,164 and marketable investments valued at \$328,677 in order to meet short-term liabilities. At November 30, 2016, the Company had accounts payable and accrued liabilities of \$77,356, which are expected to be paid within the next 90 days.

(c) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The Company is exposed to interest rate and foreign currency risk as follows:

(i) Interest rate risk

The Company's cash held in bank accounts earns interest at variable interest rates. Due to the short-term nature of these financial instruments and the prevailing interest rate environment, fluctuations in market rates do not have a significant impact on estimated fair values as of November 30, 2016.

(ii) Foreign currency risk

The Company's operations are located in Canada with substantially all transactions denominated in Canadian dollars and, accordingly, the Company is not exposed to significant foreign currency risk.

5. CAPITAL MANAGEMENT

The Company's primary source of funds has been obtained through the issuance of capital stock. The Company does not use other sources of financing that require fixed payments of interest and principal and is not subject to any externally imposed capital requirements.

The Company defines its capital as all components of shareholders' equity. Capital requirements are determined by the Company's exploration activities on its mineral property interests and administrative overhead. To effectively manage the Company's capital requirements, the Company has a planning and budgeting process in place to ensure that adequate funds are available to meet strategic goals.

The Company periodically invests its capital in liquid investments to obtain returns that are considered reasonable under prevailing market conditions. The investment decision is based on cash management to ensure working capital is available to meet the Company's short-term obligations while maximizing liquidity and returns of unused capital.

Although the Company has been successful at raising funds in the past through the issuance of capital stock, there can be no assurance that it will continue into the future.

6. INVESTMENTS

	Nov. 30, 2016 No. of shares	Nov. 30, 2016 Market Price \$	Nov. 30, 2016 Fair Value \$	Feb. 29, 2016 Fair Value \$
Bearing Resources Ltd.	50,000	0.175	8,750	1,000
Cariboo Rose Resources Ltd.	108,000	0.09	9,720	3,780
Consol. Woodjam Copper Corp.	3,229,245	0.065	211,684	116,524
Fort St. James Nickel Corp.	57	0.235	13	3
Lorraine Copper Corp.	1,094,560	0.09	98,510	43,782
Spanish Mountain Gold Ltd.	-	-	-	2,500
			<u>\$ 328,677</u>	<u>\$ 167,589</u>

During the three months ended August 31, 2016, the Bearing shares were consolidated 4 to 1 and the Fort St. James Nickel shares were consolidated 10 to 1. During the prior quarter 100,000 shares of Consolidated Woodjam were sold for proceeds of \$6,355. The increase in fair value from August 31, 2016 to November 30, 2016 required a write-up in fair values of \$1,639.

7. EXPLORATION AND EVALUATION ASSETS

Acquisition and exploration expenditures incurred on mineral properties for the nine months ended November 30, 2016 are as follows:

	Nine Months Ended November 30, 2016			
	<u>Indata</u>	<u>Zymo</u>	<u>Other*</u>	<u>Total</u>
<u>Acquisition Costs</u>				
Balance, beginning of period	\$ 140,483	\$ 310,985	\$ 106,559	\$ 558,027
Incurred during period	-	-	872	872
Mineral properties sold	-	-	<u>(43,500)</u>	<u>(43,500)</u>
Balance, end of period	<u>140,483</u>	<u>310,985</u>	<u>63,931</u>	<u>515,399</u>
<u>Exploration Expenditures</u>				
Professional fees, field crews	5,600	20,635	48,400	74,635
Geological	72	-	49	121
Rental of Vehicles & Equipment	-	5,291	4,263	9,554
Transport & Fuel	-	798	747	1,545
Field Equipment	-	106	144	250
Communication	363	-	-	363
Food & Accommodation	-	430	2,248	2,678
Freight	-	9	-	9
Assaying	-	168	8,895	9,063
Other	-	-	-	-
Total Expenditures for the period	<u>6,035</u>	<u>27,437</u>	<u>64,746</u>	<u>98,218</u>
Balance, beginning of the period	127,385	416,033	720,345	1,263,763
Written off during the period	-	-	-	-
Total Expenditures	<u>133,420</u>	<u>443,470</u>	<u>785,091</u>	<u>1,361,981</u>
<u>Option Proceeds</u>				
Balance, beginning of period	(181,250)	(461,000)	(168,967)	(811,217)
Additions	<u>(30,000)</u>	-	-	<u>(30,000)</u>
Balance, end of period	<u>(211,250)</u>	<u>(461,000)</u>	<u>(168,967)</u>	<u>(841,217)</u>
Mineral Property (METC)	<u>(1,570)</u>	<u>(2,353)</u>	<u>(4,451)</u>	<u>(8,374)</u>
Cumulative mineral property Costs	<u>\$ 61,083</u>	<u>\$ 291,101</u>	<u>\$ 675,605</u>	<u>\$ 1,027,789</u>

7. EXPLORATION AND EVALUATION ASSETS (continued)

Acquisition and exploration expenditures incurred on mineral properties for the nine months ended November 30, 2015 are as follows:

	Nine Months Ended November 30, 2015			
	<u>Indata</u>	<u>Zymo</u>	<u>Other*</u>	<u>Total</u>
<u>Acquisition Costs</u>				
Balance, beginning of period	\$ 140,000	\$ 310,984	\$ 66,490	\$ 517,474
Incurred during period	483	-	40,000	40,483
Mineral properties abandoned	-	-	-	-
Balance, end of period	<u>140,483</u>	<u>310,984</u>	<u>106,490</u>	<u>557,957</u>
<u>Exploration Expenditures</u>				
Professional fees, field crews	7,200	15,200	84,190	106,590
Trenching	-	-	6,270	6,270
Rental of Vehicles and Equipment	-	4,805	11,050	15,855
Transportation & Fuel	-	-	4,208	4,208
Field Equipment	310	-	1,227	1,537
Communication	363	-	-	363
Food & Accommodation	-	-	6,227	6,227
Freight	-	-	779	779
Assaying	-	-	18,005	18,005
Other	-	63	52	115
Total Expenditures for the period	7,873	20,067	132,009	159,949
Balance, beginning of the period	167,823	519,830	846,222	1,533,874
Written off during the period	-	-	-	-
Total Expenditures	<u>175,696</u>	<u>539,897</u>	<u>978,231</u>	<u>1,693,823</u>
<u>Option Proceeds</u>				
Balance, beginning of period	(161,250)	(461,000)	(168,967)	(791,217)
Additions	<u>(20,000)</u>	<u>-</u>	<u>-</u>	<u>(20,000)</u>
Balance, end of period	<u>(181,250)</u>	<u>(461,000)</u>	<u>(168,967)</u>	<u>(811,217)</u>
Mineral Property (METC)	(50,601)	(126,485)	(273,947)	(451,033)
Cumulative mineral property Costs	<u>\$ 84,328</u>	<u>\$ 263,396</u>	<u>\$ 641,806</u>	<u>\$ 989,530</u>

* Other projects include the Iron Lake, OK, Hidden One, Naggie, Hedge Hog, Antler Gold, CR and Tonopah properties

Jointly Controlled Exploration and Evaluation Assets Okeover Property, Vancouver Mining Division, British Columbia

On October 31, 2008, the Company earned a 100% interest in the property, subject to a 2.5% net smelter royalty. On March 8, 2006 the Company entered into an option agreement with Prophecy Coal Corp. ("Prophecy"), which allowed Prophecy to earn a 60% interest in the property by incurring an additional \$1,000,000 in mineral exploration costs by March 8, 2010 (completed) and making \$110,000 in cash or share option payments (received). On March 8, 2010, Prophecy fulfilled all the terms of its option agreement and earned a 60% interest in the Okeover property. In September 2016 Prophecy sold its 60% interest in the Okeover property to Lorraine Copper Corp. for 2,200,000 Lorraine shares and other consideration.

On April 28, 2016, Lorraine Copper Corp entered into an agreement with the Company to acquire the Company's 40% interest in the OK (Okeover) copper molybdenum project located near Powell River on the southern British Columbia coast. Under the terms of the agreement Lorraine Copper will issue \$40,000 payable in cash and/or shares (valued at \$0.05/share) to the Company and assume responsibilities to cover its proportionate share of assessment work requirements on the property. The Company will additionally be entitled to 20% of any option payments resulting from third party agreements with the project for a period of three years. The OK project consists of 17 mineral claims dating to 1966 encompassing 6,313 hectares. Central to the claims is a north-south trending zone of porphyry mineralization extending approximately 6.0 km. One of these zones, the North Lake Zone, hosts an NI 43-101 compliant inferred mineral resource of 86.8 million tonnes grading 0.31% copper and 0.014% Mos2 (0.009% Molybdenum) [N.C. Carter, P.Eng, 2006, filed on SEDAR].

7. EXPLORATION AND EVALUATION ASSETS (continued)

Other Exploration and Evaluation Assets

Iron Lake Property, Clinton Mining Division, British Columbia

The Company acquired 100% of the Iron Lake property from Canevex Resources Ltd., and a director of the Company. Canevex Resources Ltd. is owned by two other directors of the Company. The Company has reserved a 1.5% net smelter royalty for the vendors. The Company has also entered into an option agreement, as amended on February 21, 2010, under which Calico Resources Corp. (“Calico”) has the option to earn a 60% interest in the Iron Lake property by making staged share issuances totalling \$100,000 in value and 666,666 shares (633,333 now issued), option payments totalling \$175,000 (\$45,000 received to date) in cash and completing exploration work totalling \$1,600,000 over a five-year term to September 1, 2013 (\$175,000 received to date). On May 21, 2012, Calico terminated its option agreement.

Zymo Property, Skeena Mining Division, British Columbia

On June 20, 2011, the Company entered into an option agreement with Bearing Resources Ltd. (“Bearing”). Under the terms of the agreement, Bearing had an option to earn 65% interest in the Zymo property. To earn an initial 51% interest, Bearing could make cash payments totaling \$500,000 (\$200,000 received), issue 500,000 shares (200,000 shares received) and complete exploration expenditures of \$8,000,000 over a five year period. Assessment work has now been filed to keep the property in good standing until 2022. On November 5, 2012, Bearing delivered to the Company a notice of termination of the Zymo option agreement. The Company now holds a 100% interest in the Zymo property and is seeking an option partner to continue exploration at Zymo.

Indata Property, Omineca Mining Division, British Columbia

The Company has a 90.7% interest in the Indata property located northwest of Fort St. James in central British Columbia.. Another company, Imperial Metals Corporation (“Imperial Metals”), owns the remaining 9.3% interest in the Indata property; this interest will be reduced if Imperial Metals fails to make its proportionate share of exploration and other payments on the property.

In 2015 the Company granted Rise Resources Inc. (“Rise”) an option on the 91% owned Indata property. The option allows Rise to earn an initial 60% interest by paying \$350,000 and completing exploration expenditures of \$2,000,000 over a four-year period. Rise may earn a further 15% interest (75% total) by paying an additional \$100,000 and completing a feasibility study. Rise recently made the 2016 option payment of \$30,000 and is planning a field program budgeted at \$200,000.

Other Properties, British Columbia

In fiscal 2013, the Company staked claims on the Naggie and Hidden One properties. In 2014, the Company staked claims on the Hedge Hog property and entered into a joint venture agreement with a private company, Badger Minerals Ltd. in which Badger participated as to 30% of the joint venture until this joint venture was terminated in April, 2015.

Patented Claim Assets

Tonopah Project, Nevada

The Company holds a 100% interest in 25 patented claims in the Tonopah district, Nevada, U.S.A., subject to certain royalty interests. The Company recently received a \$125,000 payment from West Kirkland Mining Ltd. in partial compensation for the sale of eight of Eastfield’s claims adjacent to West Kirkland’s Three Hills gold deposit located near Tonopah Nevada. A further \$125,000 is due to complete the sale. This payment has been increased to \$130,000 and has been deferred to January 11, 2017. Eastfield maintains a 100% interest in the remaining 18 patented claims. In 1997, Eastfield completed drill hole TH-97-16, collared on its Protection claim which returned two separate intercepts of 7.55 g/t gold and 288.0 g/t silver over 3.1 m and 1.89 g/t gold and 102.9 g/t silver over 3.1 m.

8. EQUIPMENT	<u>Technical Equipment</u>	<u>Office Equipment</u>	<u>Computer Software</u>	<u>Furniture and Fixtures</u>	<u>Total</u>
COST					
Balance, February 28, 2014	\$ 8,936	\$ 49,759	\$ 696	\$ 19,654	\$ 79,045
Additions	-	-	846	-	846
Balance, February 28, 2015	8,936	49,759	1,542	19,654	79,891
Additions	-	-	848	-	848
Balance, February 29 and November 30, 2016	8,936	49,759	2,390	19,654	80,739
ACCUMULATED AMORTIZATION					
Balance, February 28, 2014	8,118	47,460	349	19,221	75,148
Amortization	164	460	770	87	1,481
Balance, February 28, 2015	8,282	47,920	1,119	19,308	76,629
Amortization	131	368	847	69	1,415
Balance, February 29 and November 30, 2016	8,413	48,288	1,966	19,377	78,044
Net Book Value, February 28, 2015	\$ 654	\$ 1,839	\$ 423	\$ 346	\$ 3,262
Net Book Value, February 29 and Nov. 30, 2016	\$ 523	\$ 1,471	\$ 424	\$ 277	\$ 2,695

9. SHARE CAPITAL

Authorized: Unlimited common shares without par value. Unlimited preferred shares without par value.

Share Purchase Options

The Company issues options to directors, officers, and employees of the Company, and persons who provide ongoing services to the Company, under an incentive stock option plan. Under the plan, the Company has reserved up to 10% of issued share capital for the grant of options. Options will normally vest entirely at the date of grant for directors, officers and employees and at the rate of 25% on the date of the grant and 25% every three months thereafter for consultants. Options will expire no later than five years from the grant date, except that they will expire within thirty days when the holder is no longer qualified to hold the option (other than for cause, when the option will expire immediately).

Common share purchase options outstanding during the period were:

	2016		2015	
	Number of Shares	Weighted Average Exercise Price	Number of Shares	Weighted Average Exercise Price
Balance, beginning of the year	4,430,000	\$ 0.098	4,245,000	\$ 0.11
Granted	-	-	1,000,000	0.05
Expired	220,000	0.09	(815,000)	0.10
Balance, end of the year and quarter	4,210,000	0.098	4,430,000	0.11
Options exercisable, end of the year and quarter	4,210,000	\$ 0.098	4,430,000	\$ 0.098

The following common share purchase options are outstanding at November 30, 2016:

Expiry Date	Options Outstanding			Options Exercisable	
	Number of shares	Exercise price (\$)	Weighted Average Remaining Life	Number of shares	Exercise price (\$)
24-Nov-24	950,000	0.05	8.75	950,000	0.05
19-Dec-18	1,300,000	0.10	2.81	1,300,000	0.10
31-Jul-21	1,260,000	0.13	5.42	1,260,000	0.13
30-Apr-23	700,000	0.10	7.17	700,000	0.10
	4,210,000		4.61	4,210,000	

10. SEGMENTED DISCLOSURES

The Company operates in one industry segment within two geographical areas, Canada and the United States (Note 1).