

CARIBOO ROSE RESOURCES LTD.

Condensed Interim Financial Statements
For the Nine Months Ended November 30, 2016
(Unaudited)
(Expressed in Canadian Dollars)

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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 Cariboo Rose 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.

Cariboo Rose Resources Ltd.
Condensed Interim Statements of Financial Position
(Unaudited – Expressed in Canadian Dollars)

	November 30, 2016	February 29, 2016
Assets		
Current Assets		
Cash and cash equivalents	\$ 164,424	\$ 302,956
Accounts receivable	51,509	39,553
Investments (Note 6)	603,235	4,242
	819,168	346,751
Receivable from Lorraine Copper Corp. (Note 9)	12,000	12,000
Project Deposits	10,500	10,500
Exploration and Evaluation Assets (Note 7)	191,902	467,251
Equipment (Note 8)	1,056	1,056
	\$ 1,034,626	\$ 837,558
Liabilities and Shareholders' Equity		
Current Liabilities		
Accounts payable and accrued liabilities (Note 9)	\$ 41,892	\$ 43,629
Payable to related parties (Note 9)	12,304	12,304
Project Deposits Payable	-	-
	54,196	55,933
Shareholders' Equity		
Share Capital (Note 10)	1,965,676	1,708,376
Warrants Reserve (Note 10)	121,059	121,059
Share-based Compensation Reserve (Note 10)	241,536	204,036
Deficit	(1,324,470)	(1,228,475)
Accumulated Other Comprehensive Loss	(23,371)	(23,371)
	980,430	781,625
	\$ 1,034,626	\$ 837,558

Nature of Operations (Note 1)

Approved on behalf of the Board:

"Donald Sharp" Director
Donald Sharp

"J. William Morton" Director
J. William Morton

See notes to condensed interim financial statements.

Cariboo Rose Resources Ltd.
Condensed Interim Statements of 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				
Amortization	\$ -	-	\$ -	-
Bank Charges	104	79	366	308
Consulting	2,100	2,336	8,493	8,154
Dues and licenses	665	102	665	608
Investor relations	24,429	5,630	40,824	18,078
Professional fees	5,395	15,395	15,395	15,706
Office	1,034	786	2,689	2,614
Rent	6,217	5,912	17,452	17,802
Salaries and benefits	4,410	4,356	12,630	12,732
Share-based compensation	-	-	17,500	-
Telephone	423	398	1,253	1,218
Transfer and filing fees	1,645	3,591	7,941	8,741
Loss before the following	46,422	38,585	125,208	85,961
Other (Income) Expense				
Interest Income	(644)	(95)	(685)	(152)
Mineral property option proceeds	-	-	-	-
Impairment of mineral property interests	-	-	-	-
(Gain) loss on sale of investments	(25,293)	-	(28,528)	(622)
	(25,937)	(95)	(29,213)	(774)
Net Loss	20,485	38,490	95,995	85,187
Other Comprehensive (income) loss				
Unrealized (gain) loss on investments, net of realized amounts	-	185	-	3,976
Comprehensive Loss	\$ 20,485	38,675	\$ 95,995	89,163
Loss Per Share, basic and fully diluted	\$ 0.001	0.001	\$ 0.003	0.003
Weighted Average Number of Common Shares Outstanding	34,507,688	31,516,577	34,507,688	31,516,577

See notes to condensed interim financial statements.

Cariboo Rose Resources Ltd.
Condensed Interim Statements of 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	\$ 1,303,985	1,109,476	\$ 1,228,475	1,062,779
Net loss / (income)	20,485	38,490	95,995	85,187
Deficit, End of Period	\$ 1,324,470	1,147,966	\$ 1,324,470	1,147,966
Accumulated Other Comprehensive Income (Loss), Beginning of Period	\$ (23,371)	(34,199)	\$ (23,371)	(37,990)
Change in unrealized income (loss) on investments	-	185	-	3,976
Accumulated Other Comprehensive Income (Loss), End of Period	\$ (23,371)	(34,014)	\$ (23,371)	(34,014)

See notes to condensed interim financial statements.

Cariboo Rose Resources Ltd.
Condensed Interim Statement of Shareholders' Equity
(Unaudited – Expressed in Canadian Dollars)

	Number of Common Shares	Amount	Warrants Reserve	Share-Based Compensation Reserve	Deficit	Accumulated Other Comprehensive Income (Loss)	Total Equity
Balance, February 28, 2015	28,516,577	\$ 1,558,376	\$ 121,059	\$ 204,036	\$ (1,062,779)	\$ (37,990)	\$ 782,702
Issued for cash	-	-	-	-	-	-	-
Private placement, net of issue cost	3,000,000	150,000	-	-	-	-	150,000
Other Comprehensive income (loss)	-	-	-	-	-	3,976	3,976
Net (loss) for period	-	-	-	-	(85,187)	-	(85,187)
Balance, November 30, 2015	31,516,577	\$ 1,708,376	\$ 121,059	\$ 204,036	\$ (1,147,966)	\$ (34,014)	\$ 851,491
Exercise of stock options	-	-	-	-	-	-	-
Exchanged for new common shares and reorganization shares (Note 1)	-	-	-	-	-	-	-
New common shares issued on exchange of common shares (Note 1)	-	-	-	-	-	-	-
Reorganization shares issued on exchange of common shares (Note 1)	-	-	-	-	-	-	-
Reorganization shares redeemed and cancelled (Note 1)	-	-	-	-	-	-	-
Net realized gains included in operations	-	-	-	-	-	-	-
Change in unrealized gains and losses on investments	-	-	-	-	-	10,643	10,643
Share-based compensation	-	-	-	-	-	-	-
Net (loss) for period	-	-	-	-	(80,509)	-	(80,509)
Balance, February 29, 2016	31,516,577	\$ 1,708,376	\$ 121,059	\$ 204,036	\$ (1,228,475)	\$ (23,371)	\$ 781,625
Issued for cash	-	-	-	-	-	-	-
Private placement, net of issue cost	2,991,111	257,300	-	37,500	-	-	294,800
Other Comprehensive income (loss)	-	-	-	-	-	-	-
Share Capital Reduced on Plan of Arrangement	-	-	-	-	-	-	-
Net (loss) for period	-	-	-	-	(95,995)	-	(95,995)
Balance, November 30, 2016	34,507,688	\$ 1,965,676	\$ 121,059	\$ 241,536	\$ (1,324,470)	\$ (23,371)	\$ 980,430

See notes to condensed interim financial statements.

Cariboo Rose Resources Ltd.
Condensed Interim Statements of Cash Flows
(Unaudited – Expressed in Canadian Dollars)

	For the Nine Months Ended	
	2016	2015
Cash provided by (used in) Operating Activities		
Net Gain (Loss)	\$ (95,995)	\$ (85,187)
Items not affecting cash		
Share-based compensation	-	-
	(95,995)	(85,187)
Changes in non-cash working capital		
Term Deposits	-	-
Accounts receivable	(11,955)	28,647
Prepaid expenses and deposits	-	-
Investments – Short Term	(598,993)	(1,157)
Accounts payable and accrued liabilities	(1,737)	9,329
	(708,680)	(48,368)
Investing Activities		
Computer software	-	-
Reclassification of OCI	-	3,976
Mineral property option proceeds	575,000	-
Mineral property acquisition costs	(103)	(16,312)
Mineral properties written off	-	-
Expenditures on Mineral Properties	(299,549)	(112,737)
Project deposits	-	-
	275,348	(125,073)
Financing Activity		
Write down of market securities	-	-
Shares issued for cash, net of issue costs	294,800	150,000
	294,800	150,000
(Decrease) Increase in Cash and Cash Equivalents	(138,532)	(23,441)
Cash and Cash Equivalents, Beginning of Period	302,956	366,303
Cash and Cash Equivalents, End of Period	\$ 164,424	\$ 342,862

See notes to condensed interim financial statements

Cariboo Rose Resources Ltd.
Notes to Condensed Interim Financial Statements
For the Nine Months Ended November 30, 2016
(Unaudited – Expressed in Canadian Dollars)

1. NATURE AND CONTINUANCE OF OPERATIONS

Cariboo Rose Resources Ltd. (the “Company”) is incorporated in the Province of British Columbia. Its principal business activities are the acquisition and exploration of gold, copper and other precious and base metal properties in Canada, and the common shares were listed for trading on the TSX Venture Exchange – Tier 2: Symbol: CRB. 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 flows.

The Company’s shares are listed for trading on the TSX Venture Exchange (the “Exchange”) under the symbol: CRB. Its registered office is located at 110-325 Howe Street, Vancouver, British Columbia V6C 1Z7.

These condensed interim financial statements have been prepared on the basis 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 condensed interim financial statements were authorized for issue on January 11, 2016 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 condensed 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 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 two Canadian financial institutions.

	November 30, 2016	February 29, 2016
Cash held in account with Bank of Montreal	\$159,889	\$302,956
Cash held in account with Haywood Securities	\$ 4,535	\$ -

(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 \$164,424, receivables of \$51,509 and investments of \$603,235 in order to meet short-term liabilities. At November 30, 2016, the Company had accounts payable and accrued liabilities of \$54,196, 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

	August 31, 2016 Fair Value	February 29, 2016 Fair Value
Consolidated Woodjam Copper Corp.	\$ 2,942	\$ 1,742
Western Copper and Gold	600,293	-
Black Mammoth Metals Corp.	-	2,500
	<u>\$ 603,235</u>	<u>\$ 4,242</u>

During the three months ended May 31, 2016, the Company sold 71,429 shares of Black Mammoth Metals Corp. for proceeds of \$4,535. On November 30, 2016, the Company received 500,000 shares of Western Copper and Gold in exchange for eight of the 55 Casino B claims which were then valued at \$575,000.

7. EXPLORATION AND EVALUATION ASSETS

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

	<u>Carruthers</u> <u>Pass</u>	<u>Canadian</u> <u>Creek</u>	<u>Pat</u>	<u>Cowtrail</u>	<u>Other*</u>	<u>Total</u>
<u>Acquisition Costs</u>						
Balance, beginning of period	\$ 99,990	\$ 46,245	\$ 414	\$ -	\$ 30,095	\$ 176,744
Incurred during period	-	103	-	-	-	103
Mineral properties abandoned	-	-	-	-	-	-
Balance, end of period	<u>99,990</u>	<u>46,348</u>	<u>414</u>	<u>-</u>	<u>30,095</u>	<u>176,847</u>
<u>Exploration Expenditures</u>						
Professional fees, field crews	1,600	137,110	-	-	21,040	159,750
Trenching	-	18,750	-	-	-	18,750
Fees, Permits & Assessments	-	250	-	-	-	250
Transportation & Fuel	-	63,119	-	-	267	63,386
Field Equipment	-	4,352	-	-	38	4,390
Rental of Vehicles & Equipment	-	41,550	-	-	436	41,986
Communications	-	4,358	-	-	-	4,358
Food and Accommodation	-	9,263	-	-	95	9,358
Freight	-	2,870	-	-	-	2,870
Assaying	-	12,050	-	-	246	12,296
Project Admin	-	25,038	-	-	-	25,038
Total Expenditures for the period	<u>1,600</u>	<u>318,710</u>	<u>-</u>	<u>-</u>	<u>22,244</u>	<u>342,554</u>
Balance, beginning of the period	64,455	198,513	60,337	56,912	217,052	597,269
Written off during the period	-	-	-	-	-	-
Total Expenditures	<u>66,055</u>	<u>517,223</u>	<u>60,337</u>	<u>56,912</u>	<u>239,296</u>	<u>939,823</u>
<u>Option Proceeds</u>						
Balance, beginning of period	(82,274)	(123,073)	(44,502)	(56,912)	-	(306,761)
Additions	-	(575,000)	-	-	-	(575,000)
Balance, end of period	<u>(82,274)</u>	<u>(698,073)</u>	<u>(44,502)</u>	<u>(56,912)</u>	<u>-</u>	<u>(306,761)</u>
Mineral Property (METC)	<u>(480)</u>	<u>(40,000)</u>	<u>-</u>	<u>-</u>	<u>(2,527)</u>	<u>(43,007)</u>
Cumulative mineral property Costs	<u>\$ 83,291</u>	<u>\$ (174,502)</u>	<u>\$ 16,249</u>	<u>\$ -</u>	<u>\$ 266,864</u>	<u>\$ 191,902</u>

*Other includes Koster Dam, CHG, Carlinton & Goofy Newfie, Canim & Torrential

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:

	<u>Carruthers</u> <u>Pass</u>	<u>Canadian</u> <u>Creek</u>	<u>Pat</u>	<u>Cowtrail</u>	<u>Other</u>	<u>Total</u>
<u>Acquisition Costs</u>						
Balance, beginning of period	\$ 99,990	\$ 46,245	\$ 414	\$ -	\$ 14,675	\$ 161,324
Incurred during period	-	-	-	-	16,312	16,312
Mineral properties abandoned	-	-	-	-	-	-
Balance, end of period	<u>99,990</u>	<u>46,245</u>	<u>414</u>	<u>-</u>	<u>30,987</u>	<u>177,636</u>
<u>Exploration Expenditures</u>						
Professional fees, field crews	2,400	6,800	14,630	800	51,280	75,910
Rental of Vehicles & Equipment	-	-	1,885	-	7,350	9,235
Transport & Fuel	-	-	1,145	-	2,956	4,101
Field Equipment	-	-	311	-	667	978
Communications	-	363	-	-	716	1,079
Food & Accommodation	-	-	1,862	-	4,773	6,635
Freight	-	-	82	-	528	610
Assaying	-	-	2,283	-	11,902	14,185
Other	-	-	-	-	5	5
Total Expenditures for the period	<u>2,400</u>	<u>7,163</u>	<u>22,199</u>	<u>800</u>	<u>80,176</u>	<u>112,738</u>
Balance, beginning of the period	76,964	180,950	55,117	60,616	277,550	651,197
Written off during the period	-	-	-	-	-	-
Total Expenditures	<u>79,364</u>	<u>188,113</u>	<u>77,316</u>	<u>61,416</u>	<u>357,726</u>	<u>763,935</u>
<u>Option Proceeds</u>						
Balance, beginning of period	(82,275)	(123,073)	(44,502)	(56,913)	-	(306,761)
Additions	-	-	-	-	-	-
Balance, end of period	<u>(82,275)</u>	<u>(123,073)</u>	<u>(44,502)</u>	<u>(56,913)</u>	<u>-</u>	<u>(306,763)</u>
Mineral Property (METC)	<u>(15,470)</u>	<u>-</u>	<u>(17,690)</u>	<u>(3,943)</u>	<u>(107,318)</u>	<u>(144,421)</u>
Cumulative mineral property Costs	<u>\$ 81,609</u>	<u>\$ 111,284</u>	<u>\$ 15,538</u>	<u>\$ 560</u>	<u>\$ 275,254</u>	<u>\$ 490,389</u>

*Other included Monte Christo, Koster Dam, Carlinton & Goofy Newfie

Jointly Controlled Exploration and Evaluation Assets

***Cowtrail Property, Cariboo Mining Division, British Columbia
(32 claims covering 4,600 hectares)***

The Company has granted an option to Dajin Resources Corp. ("Dajin") to earn a 65% interest in the Cowtrail property. Dajin can exercise the option by completing \$1,000,000 (completed) in exploration expenditures, issuing 50,000 shares (received) and paying \$110,000 in cash (received) on or before November 30, 2011.

By an amendment dated November 25, 2009, the Company and Dajin agreed to eliminate that portion of the area of influence which extended beyond the boundary of the Cowtrail property in consideration of deferral of the \$20,000 option payment due on November 30, 2009 until November 30, 2010.

In fiscal 2012, the Company received the final option payment from Dajin (\$25,000) and received notification from Dajin that it had completed the required exploration expenditures to exercise the option. No further exploration has been performed on the Cowtrail Property since and in fiscal 2013, the Company wrote off all remaining capitalized costs on the property.

7. EXPLORATION AND EVALUATION ASSETS (continued)

Other Exploration and Evaluation Assets

Canadian Creek Project, Whitehorse Mining District, Yukon (320 claims covering 6,180 hectares)

The Company holds a 100% interest in the Ana, Aztec, Koffee, Nice, Kana, Berg and Maya claims in the Whitehorse Mining District, subject to a requirement to pay 10% of all option payments and monetary benefits received from the Ana and Koffee claims to an underlying purchaser and a 5.0% net profits interest in the Ana claims to Casino Mining Corp.

Carruthers Pass, Omineca Mining Division, British Columbia (8 claims covering 3,250 hectares)

The Company had an option from Phelps Dodge Corporation of Canada Limited, now Freeport McMoran Exploration, ("Freeport") to earn a 100% interest in the 3,250-hectare Carruthers Pass property. The Company had exercised the option by completing \$750,000 in exploration expenditures (completed) and issuing \$120,000 (completed) in shares or cash on or before May 31, 2012. Freeport retains a 2.5% net smelter royalty interest, which may be reduced to 1% with a cash payment by the Company of \$1,500,000. Freeport retains certain back-in and other royalty privileges with respect to the property.

Pat Claims, Cariboo Mining Division, British Columbia (2 claims covering 1,330 hectares)

The Company owns an undivided 100% interest in the Pat claims.

Others

On April 28, 2015, the Company purchased a 30% interest in the Big Valley and Koster Dam projects from Badger Minerals Ltd. ("Badger"). The Company sold the 30% interest it acquired from Badger in the Big Valley project to Eastfield Resources Ltd., a related company for \$40,000. In addition, the Company terminated its joint venture agreement with Badger on the Koster Dam project.

The Koster Dam project, Clinton Mining Division, British Columbia (6 claims, 3,286 hectares) was optioned on June 28, 2016 to ALQ Gold Corp. who may earn an initial 50% interest by matching Cariboo Rose's prior expenses of \$110,495 within a 12 month term. ALQ may thereafter, at its sole discretion, purchase the remaining 50% interest in the project by paying \$400,000 within 20 days of completing the initial option or proceed with a joint venture interest of 50%

CHG (Carbonate Hosted Gold), Clinton Mining Division (ten claims covering 5,453 hectares).

Cariboo Rose owns a 100% interest in this project, having staked the initial claims in 2013. The project consists of three blocks names the Carlinton Block, The Goofy Newfie Block and the Powder Canyon Block. The exploration target on this project is for carbonate (limestone or limy sedimentary rock) hosted gold. On October 18, 2016, JM Capital II Corp. announced that it had entered into a letter of intent to acquire an 80% interest in the CHG property by making payments of \$15,000, issuing 750,000 common shares and completing \$2,850,000 in exploration by September 30, 2019.

During the year ended February 29, 2016, the Company recognized mineral property interest impairment of \$36,827 on its other properties. The carrying values of these other properties were reduced to their estimated recoverable values of \$nil.

8. EQUIPMENT

	November 30, 2016			February 29, 2016		
	Cost	Accumulated Amortization	Net Book Value	Cost	Accumulated Amortization	Net Book Value
Office equipment	\$ 2,499	\$ 1,866	\$ 632	\$ 2,499	\$ 1,866	\$ 632
Computer software	3,297	2,873	424	3,297	2,873	424
	<u>\$ 5,796</u>	<u>\$ 3,736</u>	<u>\$ 1,056</u>	<u>\$ 5,796</u>	<u>\$ 3,736</u>	<u>\$ 1,056</u>

9. RELATED PARTY TRANSACTIONS

During the quarter ended November 30, 2016 geological services totaling \$47,860 [year ended February 29, 2016 - \$109,475] were provided to the Company by Mincord Exploration Consultants Ltd. ("Mincord"), a geological service company owned by two directors of the Company. Mincord's relationship with the Company is non-exclusive and without retainer, and Mincord is used on a project by project basis.

In the normal course of business, the Company enters into transactions with a related company for the use of equipment, services and rental of office space. The Company is related to Eastfield Resources Ltd. ("Eastfield") through common directors. These transactions were measured at the exchange amounts agreed to by the parties.

10. CAPITAL STOCK

Authorized

Unlimited common shares without par value of which 34,507,688 shares were issued as of November 30, 2016
Unlimited preferred shares without par value

On July 29, 2016, the Company completed a private placement of 2,991,111 common shares for proceeds of \$257,300 of which \$243,800 were proceeds from Flow-Through shares and \$10,640 were issued with respect to finder's fees.

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 on 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).

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 (\$)
13-Dec-21	2,575,000	0.10	5.04	2,575,000	0.10
29-Aug-26	750,000	0.105	9.70	750,000	0.105

11. SEGMENTED DISCLOSURES

The Company operates in one industry segment (Note 1). Mineral properties and other capital assets are located in Canada and all exploration expenditures have been incurred in Canada.

12. SUBSEQUENT EVENTS

Subsequent to the end of the quarter, the Company completed a private placement for the issue of 10,025,800 shares for gross proceeds of \$836,700 including flow-through shares for proceeds of \$615,150.

