

WESTMINSTER RESOURCES LTD.

CONDENSED CONSOLIDATED INTERIM
FINANCIAL STATEMENTS

NINE MONTHS ENDED FEBRUARY 28, 2017

(Unaudited)

(Expressed in Canadian dollars)

NOTICE OF NO AUDITOR REVIEW OF 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 interim financial statements, they must be accompanied by a notice indicating that an auditor has not reviewed the financial statements.

The accompanying unaudited 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.

WESTMINSTER RESOURCES LTD.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian dollars)

	February 28, 2017	May 31, 2016
	(unaudited)	(audited)
	- \$ -	- \$ -
ASSETS		
Current assets		
Cash	12,902	156,427
Amounts receivable	9,357	35,030
Prepaid expenses	30,738	4,584
	52,997	196,041
Deposits	37,722	66,561
Equipment and leaseholds	22,461	32,288
Amounts receivable	135,514	146,936
Exploration and evaluation assets (Note 3)	2,473,458	2,276,346
	2,722,152	2,718,172
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities (Note 5)	1,446,242	1,445,709
	1,446,242	1,445,709
SHAREHOLDERS' EQUITY		
Share capital (Note 4)	16,728,005	16,412,005
Reserves (Note 4)	1,911,454	1,911,454
Deficit	(17,363,549)	(17,050,996)
	1,275,910	1,272,463
	2,722,152	2,718,172

Subsequent events, Note 6

Approved on Behalf of the Board of Directors:

"Glen Indra"
Glen Indra
Director

"Glen MacDonald"
Glen MacDonald
Director

See Notes to Consolidated Financial Statements

WESTMINSTER RESOURCES LTD.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF COMPREHENSIVE INCOME
(Expressed in Canadian dollars)

	Three months ended February 28,		Nine months ended February 28,	
	2017	2016	2017	2016
	- \$ -	- \$ -	- \$ -	- \$ -
Expenses				
Consulting fees	19,925	42,827	69,925	110,701
Finance charges	-	-	10,000	-
Management fees	37,000	30,000	106,000	90,000
Office	5,059	10,846	8,189	70,995
Accounting, audit, and legal	4,083	25,440	77,076	104,577
Regulatory and filing fees	8,828	1,527	19,578	6,815
Travel and entertainment	5,424	-	15,073	-
Bank charges and interest	599	2,279	834	2,764
Conferences and investor relations	15,181	18,800	83,665	55,280
Amortization	3,183	3,183	9,827	9,718
	31,408	134,902	400,167	450,850
Other items				
Fair value adjustment on marketable securities (Note 5)	-	7,089	-	25,547
Foreign exchange loss	(29,356)	(91,510)	(87,514)	(4,754)
Interest income	(100)	-	(100)	(160)
Net loss and comprehensive loss	1,953	50,481	312,554	471,483
Basic and diluted loss per share	0.00	(0.00)	(0.01)	(0.02)
Weighted average common shares outstanding - basic and diluted	44,288,292	25,927,292	42,586,526	25,927,292

See Notes to Consolidated Financial Statements

WESTMINSTER RESOURCES LTD.
CONDENSED CONSOLIDATED INTERIM
STATEMENTS OF CHANGES IN SHAREHOLDER'S EQUITY
(Expressed in Canadian dollars)

	Share capital		Share-based payments reserve	Reserves		Total shareholder's equity
	Number of shares	- \$ -		Warrants reserve	Deficit	
Balance, May 31, 2015	25,927,292	15,600,705	1,116,906	672,920	(16,122,445)	1,268,086
Net loss	-	-	-	-	(471,483)	(471,483)
Balance, February 28, 2016	25,927,292	15,600,705	1,116,906	672,920	(16,593,928)	796,603
Balance, May 31, 2016	39,953,292	16,412,005	1,238,534	672,920	(17,050,996)	1,272,463
Share issued for acquisition of exploration assets	500,000	35,000	-	-	-	35,000
Shares issued for stock options exercised	2,050,000	102,500	-	-	-	102,500
Shares issued for warrants exercised	1,785,000	178,500	-	-	-	178,500
Net loss	-	-	-	-	(312,554)	(312,554)
Balance, February 28, 2017	44,288,292	16,728,005	1,238,534	672,920	(17,363,550)	1,275,909

See Notes to Consolidated Financial Statements

WESTMINSTER RESOURCES LTD.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS
(Expressed in Canadian dollars)

	Nine months ended February 28,	
	2017	2016
	- \$ -	- \$ -
Cash from (used in):		
Operating Activities		
Net loss	(312,554)	(471,483)
Items not involving cash:		
Fair value adjustment on marketable securities	-	25,547
Amortization	9,827	9,718
Change in non-cash working capital items:		
Amounts receivable	37,095	(4,570)
Prepaid expenses and deposits	2,685	402
Accounts payable and accrued liabilities	533	384,888
Net cash used in operating activities	(262,414)	(55,498)
Investing Activities		
Proceeds from sale of marketable securities	-	16,606
Expenditures on exploration and evaluation assets	(197,111)	(106,050)
Cash used in investing activities	(197,111)	(89,444)
Financing Activities		
Exercise of warrants for cash	178,500	-
Shares issued for acquisition of exploration assets	35,000	-
Options exercised	102,500	-
Receipt of loans	-	155,200
Repayment of loans	-	(36,000)
Cash provided by financing activities	316,000	119,200
Increase (decrease) in cash and cash equivalents	(143,525)	(25,742)
Cash, beginning of year	156,427	29,598
Cash, ending of year	12,902	3,856
Supplemental cash flow information:	- \$ -	- \$ -
Exploration and evaluation expenditures accrued in accounts payable	-	641,634

See Notes to Consolidated Financial Statements

WESTMINSTER RESOURCES LTD.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
Nine Months Ended February 28, 2017 and 2016
(Expressed in Canadian dollars)

1. Nature and Continuance of Operations

Westminster Resources Ltd. (the “Company” or “Westminster”) was incorporated under the *Business Corporations Act* of British Columbia on December 1, 2005. The Company is involved in the acquisition, exploration and development of mineral properties.

The head office, registered address and records office of the Company are located at Suite 701-595 Howe Street, Vancouver, British Columbia, Canada V6C 2T5.

These consolidated financial statements have been prepared on a going concern basis, which presumes the realization of assets and discharge of liabilities in the normal course of business for the foreseeable future. However, there are factors that management has identified that may cast significant doubt on the entities ability to continue as a going concern.

For the nine months ended February 28, 2017, the Company reported a net loss of \$312,554 (2016 – \$471,483) and a deficit of \$17,363,549 (May 31, 2016 - \$17,050,996). As at February 28, 2017, the Company had a working capital deficiency of \$1,393,245 (May 31, 2016 - \$1,249,668). The Company has no source of operating cash flow and relies on issuances of equity to finance operations, including exploration of its exploration and evaluation (“E&E”) assets.

The ability of the Company to continue as a going concern and meet its commitments as they become due, including completion of the acquisition, exploration and development of its E&E assets, is dependent on the Company’s ability to obtain the necessary financing. Management is planning to raise additional capital to finance operations and expected growth, if necessary, or alternatively to dispose of its interests in certain properties. The outcome of these matters cannot be predicted at this time. If the Company is unable to obtain additional financing, the Company may be unable to continue as a going concern.

The business of mining exploration involves a high degree of risk and there is no assurance that current exploration projects will result in future profitable mining operations. The Company has significant cash requirements to meet its administrative overhead, pay its liabilities and maintain its E&E assets. The recoverability of amounts shown for E&E assets is dependent on several factors. These include the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the development of these properties and future profitable production or proceeds from disposition of E&E assets.

These condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) applicable to a going concern. Accordingly, they do not give effect to adjustments that may be necessary should the Company be unable to continue as a going concern, and therefore, be required to realize its assets and liquidate its liabilities and commitments in other than the normal course of business.

2. Basis of Presentation

a) Statement of Compliance

The Company is following the same accounting policies and methods of computation in these condensed consolidated interim financial statements as it did in the audited consolidated financial statements for the year ended May 31, 2016.

These condensed interim financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) applicable to the preparation of interim financial statements, including IAS 34, Interim Financial Reporting. These condensed interim financial statements should be read in conjunction with the audited financial statements for the year ended May 31, 2016, which have been prepared in accordance with IFRS as issued by the IASB. These condensed interim financial statements were authorized for issue by the Board of Directors on April 28, 2017.

WESTMINSTER RESOURCES LTD.**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

Nine Months Ended February 28, 2017 and 2016

(Expressed in Canadian dollars)

2. Basis of Presentation (continued)

b) Basis of Consolidation

These consolidated financial statements include the accounts of the Company and its wholly-owned integrated subsidiaries, Minera Westminster, S.A. de C.V. ("Minera Westminster") and Servicios Westminster, S.A. de C.V. ("Servicios Westminster"). All significant inter-company balances and transactions have been eliminated upon consolidation.

3. Exploration and Evaluation Assets

On June 29, 2016 the Company signed an agreement to acquire a 100% interest in four Lithium prospective mineral claims located east of Yellowknife in the North West Territories (the "MER property"). The agreement calls for a payment of \$25,000 (paid \$15,000 on June 16, 2016 and \$10,000 on July 13, 2016) and the issuance of 500,000 common shares (issued July 12, 2016).

At February 28, 2017, May 31, 2016 and 2015 the Company's interests in exploration and evaluation assets are located in Sonora, Mexico and in the Northwest Territories, Canada. Cumulative expenditures incurred are as follows:

	May 31, 2015	Addition (disposal)	May 31, 2016	Addition (disposal)	February 28, 2017
	-\$-	-\$-	-\$-	-\$-	-\$-
Navojoa Project, Sonora, Mexico:					
Acquisition costs	600,472	-	600,472	-	600,472
Exploration expenditures					
Property maintenance	261,798	-	261,798	-	261,798
Assays and reports	3,123	-	3,123	-	3,123
Consulting and engineering	38,624	-	38,624	-	38,624
Drilling	1,791	-	1,791	-	1,791
Field expenses	24,316	-	24,316	-	24,316
Geology and geophysics	10,246	-	10,246	-	10,246
Travel	6,029	-	6,029	-	6,029
Write-down	(946,399)	-	(946,399)	-	(946,399)
	-	-	-	-	-
El Cobre Project, Sonora, Mexico:					
Acquisition costs	151,731	-	151,731	-	151,731
Exploration expenditures					
Property maintenance	361,134	9,533	370,667	-	370,667
Assays and reports	100,294	-	100,294	9,220	109,514
Consulting and engineering	323,632	-	323,632	9,762	333,394
Drilling	329,642	-	329,642	-	329,642
Field expenses	597,766	1,304	599,070	82,451	681,520
Geology and geophysics	121,969	197,760	319,729	30,000	349,729
Travel	81,581	-	81,581	1,366	82,947
	2,067,749	208,597	2,276,346	132,799	2,409,144
MER Project, NW Territories					
Acquisition costs	-	-	-	60,000	60,000
Assays and reports	-	-	-	4,314	4,314
	-	-	-	64,314	64,314
	2,067,749	208,597	2,276,346	197,112	2,473,458

WESTMINSTER RESOURCES LTD.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
Nine Months Ended February 28, 2017 and 2016
(Expressed in Canadian dollars)

4. Share Capital and Reserves

- a) Authorized – Unlimited number of common shares without par value.

The Company filed for the consolidation of the Company's issued and outstanding share capital with the TSX Venture Exchange. The TSX Venture Exchange approved this consolidation on November 7, 2014, and on November 10, 2014 the Company's common shares began trading on the basis of 1 post-consolidation common share for every 10 pre-consolidation common shares. The Company's outstanding options and warrants were adjusted on the same basis (1 for 10) as the common shares, with proportionate adjustments being made to the exercise prices. All shares, options and warrants have been retrospectively adjusted to reflect the share consolidation.

- b) Issued

- (i) On September 21, 2016, the Company issued 285,000 common shares from exercised warrants for gross proceeds of \$28,500.
- (ii) On September 19, 2016, the Company issued 500,000 common shares from exercised warrants for gross proceeds of \$50,000.
- (iii) On September 12, 2016, the Company issued 1,000,000 common shares from exercise warrants for gross proceeds of \$100,000.
- (iv) On September 8, 2016, the Company issued 2,050,000 common shares from exercised stock options for gross proceeds of \$102,500.
- (v) On July 12, 2016, the Company issued 500,000 common shares as part of the agreement to acquire the MER property in the Northwest Territories.
- (vi) On April 21, 2016, the Company closed a non-brokered private placement of 11,826,000 units at \$0.05 per unit to raise gross proceeds of \$591,300. Each unit comprises one common share and one common share purchase warrant. Each full common share warrant entitles the holder to purchase one common share at \$0.10 until April 21, 2017. Using the residual method, \$nil was allocated to the value of the warrants.
- (vii) During 2016, 2,200,000 share purchase warrants with an exercise price of \$0.10 were exercised for gross proceeds of \$220,000.
- (viii) On February 2, 2015, the Company closed a non-brokered private placement of 14,600,000 units at \$0.05 per unit to raise gross proceeds of \$730,000. Each unit comprises one common share and one-half of one common share purchase warrant. Each full common share warrant entitles the holder to purchase one common share at \$0.10 until February 2, 2017. Using the residual method, \$nil was allocated to the value of the warrants. A finder's fee of \$29,690 was paid and 64,000 finder's fee warrants valued at \$2,800 were issued in connection with this transaction. Each finder's fee warrant entitles the holder to purchase one common share at \$0.10 until February 2, 2017.
- (ix) On June 6, 2014, the Company closed a non-brokered private placement of 635,000 units at \$0.50 per unit to raise gross proceeds of \$317,500. Each unit comprises one common share and one-half of one common share purchase warrant. Each full common share warrant entitles holder to purchase one common share at \$0.10 until June 6, 2016. Using the residual value, \$31,750 was allocated to the warrants. A finder's fee of \$19,600 was paid in connection with this transaction.

WESTMINSTER RESOURCES LTD.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
Nine Months Ended February 28, 2017 and 2016
(Expressed in Canadian dollars)

4. Share Capital and Reserves (continued)

c) Stock Options

The Company has a stock option plan (the "Plan") in place that allows for the reservation of common shares issuable under the Plan to a maximum of 10% of the number of issued and outstanding common shares of the Company at any given time. The exercise price of any stock option granted under the plan may not be less than the closing price of the Company's shares on the last business day immediately preceding the date of grant.

Details of the status of the Company's stock options and changes during the nine months ended February 28, 2017 and years ended May 31, 2016 and 2015 are as follows:

	Number of Options	Weighted Average Exercise Price
Outstanding, May 31, 2015	430,000	\$2.05
Expired	(430,000)	\$2.05
Granted	2,500,000	\$0.05
Outstanding, May 31, 2016	2,500,000	\$0.05
Exercised	(2,050,000)	\$0.05
Outstanding, February 28, 2017	450,000	\$0.05

Continuity of the stock options outstanding as at February 28, 2017 and May 31, 2016 is as follows:

	February 28, 2017		May 31, 2016	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Balance, beginning	244,000	\$ 1.50	430,000	\$ 2.05
Expired	(244,000)	\$ 1.50	(186,000)	\$ 2.78
Issued	2,500,000	\$ 0.05	-	\$ -
Exercised	(2,050,000)	\$ 0.05	-	\$ -
Balance, ending	450,000	\$ 0.05	244,000	\$ 1.50
Weighted average remaining contractual life of options	2.08 years		2.83 years	

c) Share Purchase Warrants

Continuity of the warrants outstanding is as follows:

	Number of Warrants	Weighted Average Exercise Price
Outstanding, May 31, 2015	7,681,500	\$0.10
Issued	11,826,000	\$0.10
Exercised	(2,200,000)	(\$0.10)
Outstanding, May 31, 2016	17,307,500	\$0.10
Expired	(3,664,500)	(\$0.10)
Exercised	(3,985,000)	(\$0.10)
Outstanding, February 28, 2017	9,658,000	\$0.10

WESTMINSTER RESOURCES LTD.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
Nine Months Ended February 28, 2017 and 2016
(Expressed in Canadian dollars)

4. Share Capital and Reserves (continued)

Continuity of the warrants outstanding as at February 28, 2017 and May 31, 2016 is as follows:

		February 28, 2017	May 31, 2016
	Expiry Date	Exercise Price	Number of Warrants
			Number of Warrants
June 6, 2016		\$0.10	-
February 2, 2017		\$0.10	-
April 21, 2017		\$0.10	9,658,000
Outstanding, end of the period			11,826,000
		9,658,000	17,307,500
Weighted average remaining contractual life of options		0.14 yrs	1.58 yrs

5. Related Party Transactions

Key management personnel are persons responsible for planning, directing and controlling the activities of the entity, and include all directors and officers. Key management compensation during the nine months ended February 28, 2017 and 2016 were as follows:

	2017	2016
	-\$-	-\$-
Short-term benefits	109,000	117,000
Share-based payments	-	-
Total	109,000	117,000

(1) Included in short-term benefits are the following:

- (i) \$90,000 (2016 - \$90,000) paid to Floralynn Investments Inc., a company controlled by Glen Indra (CEO).
- (ii) \$19,000 (2016 - \$27,000) paid to Diversity Clues Consulting, a company controlled by Oleg Scherbina (CFO).

Included in accounts payable is \$309,750 (2016 - \$198,800) in key management compensation payable to directors and officers.

WESTMINSTER RESOURCES LTD.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
Nine Months Ended February 28, 2017 and 2016
(Expressed in Canadian dollars)

6. Subsequent Events

On April 3, 2017, the Company announced that it's seeking consolidating its issued and outstanding common shares on the basis of one new common share for every ten existing common shares. Currently, the Company has 44,288,292 common shares issued and outstanding, and upon consolidation, there will be approximately 4,428,829 common shares issued and outstanding. The board of directors believes that the consolidation will help the Company complete future financings and advance its projects. The Company also announced it has reached agreements to settle \$308,000 of outstanding debt at \$0.03 per share by issuing 10,266,660 pre-consolidated common shares. The share capital consolidation and shares for debt are subject to the TSX Venture Exchange acceptance.

On April 21, 2017 9,658,000 share purchase warrants of the company expired.