

WESTMINSTER RESOURCES LTD.

(An Exploration Stage Company)

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the Three Months Ended August 31, 2017

(Unaudited - expressed in Canadian Dollars)

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

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

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 condensed consolidated interim financial statements in accordance with the standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

WESTMINSTER RESOURCES LTD. *(An Exploration Stage Company)***Condensed Interim Consolidated Statements of Financial Position**

(Expressed in Canadian Dollars – Unaudited)

As at:	Notes	August 31, 2017		May 31, 2017
ASSETS				
Current				
Cash		\$	1,272,827	\$ 11,410
Amounts receivable	5		102,362	28,571
Prepaid expenses			15,153	21,436
			1,390,342	61,417
Non-current				
Deposits			37,883	44,866
Equipment and leaseholds			24,732	26,334
Exploration and evaluation assets	3		2,399,651	2,399,651
		\$	3,852,608	\$ 2,532,268
LIABILITIES AND SHAREHOLDERS' EQUITY				
Current liabilities				
Accounts payable and accrued liabilities	5	\$	106,033	\$ 120,450
Shareholders; equity				
Share capital	4		19,779,165	17,920,372
Subscription funds received	4		(132,000)	(24,000)
Reserves	4		2,275,138	1,911,454
Deficit			(18,175,728)	(17,396,008)
			3,746,575	2,411,818
		\$	3,852,608	\$ 2,532,268

Going Concern – Note 1**Commitments – Note 6****Subsequent Events – Note 7**

Approved on behalf of the Board of Directors:

Signed "Glen Indra", DirectorSigned "Glen MacDonald", Director

WESTMINSTER RESOURCES LTD. *(An Exploration Stage Company)***Condensed Interim Consolidated Statements of Loss and Comprehensive Loss**

(Expressed in Canadian Dollars – Unaudited)

	Notes	Three Months Ended	
		August 31, 2017	August 31, 2016
Expenses			
Consulting fees	5	\$ 369,350	\$ 18,500
Share based payments	4	320,813	-
Management fees		-	30,000
Office		33,033	18,603
Accounting, audit, and legal		9,885	14,190
Regulatory and filing fees		4,822	2,759
Travel and entertainment		3,748	5,491
Bank charges and interest		350	150
Conferences and investor relations		36,144	43,183
Amortization		1,602	3,351
		(779,747)	(136,227)
Other income (expenses)			
Interest income		27	-
Net loss and comprehensive loss		\$ (779,720)	\$ (136,227)
Net loss per share - basic and diluted		\$ (0.04)	\$ (0.03)
Weighted average			
shares outstanding - basic and diluted		18,423,973	3,995,329

The accompanying notes are an integral part of the condensed interim consolidated financial statements.

WESTMINSTER RESOURCES LTD. *(An Exploration Stage Company)*
Condensed Interim Consolidated Statements of Changes in Shareholders' Equity
(Expressed in Canadian Dollars – Unaudited)

	Notes	Share capital		Reserves	Subscription funds receivable	Accumulated Deficit	Total shareholder's equity
		Number of shares	Amount				
Balance, May 31, 2016		3,995,329	\$ 16,412,005	\$ 1,911,454	\$ -	\$ (17,050,996)	\$ 1,272,463
Shares issued for acquisition of exploration assets		50,000	35,000	-	-	-	35,000
Net loss for the period		-	-	-	-	(136,227)	(136,227)
Balance, August 31, 2016		4,045,329	\$ 16,447,005	\$ 1,911,454	\$ -	\$ (17,187,223)	\$ 1,171,236
Balance, May 31, 2017		13,605,495	\$ 17,920,372	\$ 1,911,454	\$ (24,000)	\$ (17,396,008)	\$ 2,411,818
Shares issued for cash, net of share issuance costs	4	11,365,000	1,858,793	42,871	(132,000)	-	1,769,664
Subscriptions received		-	-	-	24,000	-	24,000
Share-based payments	4	-	-	320,813	-	-	320,813
Net loss for the period		-	-	-	-	(779,720)	(779,720)
Balance, August 31, 2017		24,970,495	\$ 19,779,165	\$ 2,275,138	\$ (132,000)	\$ (18,175,728)	\$ 3,746,575

The accompanying notes are an integral part of the condensed interim consolidated financial statements.

WESTMINSTER RESOURCES LTD. *(An Exploration Stage Company)***Condensed Interim Consolidated Statements of Cash Flows**

(Expressed in Canadian Dollars – Unaudited)

		Three Months Ended	
	Notes	August 31, 2017	August 31, 2016
Cash used in operations:			
Net loss		\$ (779,720)	\$ (136,227)
Items not involving cash:			
Amortization		1,602	3,351
Share-based payments	4	320,813	-
Working capital adjustments:			
Amounts receivable		(73,791)	(6,501)
Prepaid expenses and deposits		13,266	22,920
Accounts payable and accrued liabilities		(14,417)	95,243
Net cash used in operating activities		(532,247)	(21,214)
Investing Activities			
Expenditures on exploration and evaluation assets		-	(122,452)
Net cash used in investing activities		-	(122,452)
Financing Activities			
Issuance of common shares, net of share issuance costs	4	1,793,664	-
Shares issued for acquisition of exploration assets		-	35,000
Net cash provided by financing activities		1,793,664	35,000
Change in cash		1,261,417	(108,666)
Cash, beginning of period		11,410	156,427
Cash, ending of period		\$ 1,272,827	\$ 47,761

The accompanying notes are an integral part of the condensed interim consolidated financial statements.

WESTMINSTER RESOURCES LTD. (An Exploration Stage Company)

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended August 31, 2017

(Expressed in Canadian Dollars – Unaudited)

1. Nature of Operations and Going Concern

Westminster Resources Ltd. (an Exploration Stage Company) was incorporated under the *Business Corporations Act* of British Columbia, Canada on December 1, 2005 and maintains its corporate head office at Suite 502 - 595 Howe Street, Vancouver, British Columbia, V6C 2T5. The Company's common shares are listed on the TSX Venture Exchange (TSX.V: WMR) in Canada. Westminster Resources Ltd. and its subsidiaries (collectively referred to as the "Company" or "Westminster") are principally engaged in the acquisition, exploration, and development of mineral properties as described herein.

These condensed interim 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 three months ended August 31, 2017, the Company reported a net loss of \$779,720 (2016 – \$136,227) and an accumulated deficit of \$18,175,728 (May 31, 2017 - \$17,396,008). As at August 31, 2017, the Company had a working capital of \$1,284,309 (May 31, 2017 – working capital deficiency of \$59,033). 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 and Statement of Compliance

These unaudited condensed interim consolidated financial statements have been prepared in accordance with IFRS applicable to the preparation of interim financial statements, including International Accounting Standards 34, *Interim Financial Reporting*, as issued by the International Accounting Standards Board ("IASB"). The accounting policies applied in the preparation of these unaudited condensed interim consolidated financial statements are consistent with those applied and disclosed in the Company's audited consolidated financial statements for the year ended May 31, 2017, except as noted below. These unaudited condensed interim financial statements should be read in conjunction with the Company's audited consolidated financial statements for the year ended May 31, 2017, which have been prepared in accordance with IFRS as issued by the IASB.

WESTMINSTER RESOURCES LTD. *(An Exploration Stage Company)*

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended August 31, 2017

(Expressed in Canadian Dollars – Unaudited)

2. Statement of Compliance and Basis of Presentation - *continued*

These condensed interim consolidated financial statements were authorized for issue by the Company's Board of Directors on October 30, 2017.

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies. The significant accounting judgements, estimates and assumptions in the preparation of these condensed interim consolidated financial statements are consistent with those applied and disclosed in Note 2 of the Company's audited financial statements as at and for the year ended May 31, 2017.

These unaudited condensed interim 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

The Company's interests in exploration and evaluation assets are located in Sonora, Mexico and in the Northwest Territories, Canada. The Company did not incur any exploration and evaluation expenditures during the three months ended August 31, 2017. The following table outlines the expenditures for the year ended May 31, 2017 and the ending balance as at August 31, 2017:

	Balance as at May 31, 2016	Addition (disposal)	Balance as at May 31, 2017 and August 31, 2017
Navojoa Project, Sonora, Mexico:			
Acquisition costs	600,472	-	600,472
Exploration expenditures			
Property maintenance	261,798	-	261,798
Assays and reports	3,123	-	3,123
Consulting and engineering	38,624	-	38,624
Drilling	1,791	-	1,791
Field expenses	24,316	-	24,316
Geology and geophysics	10,246	-	10,246
Travel	6,029	-	6,029
Write-down	(946,399)	-	(946,399)
	-	-	-
El Cobre Project, Sonora, Mexico:			
Acquisition costs	151,731	-	151,731
Exploration expenditures			
Property maintenance	370,667	-	370,667
Assays and reports	100,294	9,220	109,514
Consulting and engineering	323,632	9,762	333,394
Drilling	329,642	-	329,642
Field expenses	599,070	8,644	607,714
Geology and geophysics	319,729	30,000	349,729
Travel	81,581	1,366	82,947
	2,276,346	58,991	2,335,337
MER Project, NW Territories			
Acquisition costs	-	60,000	60,000
Assays and reports	-	4,314	4,314
	-	64,314	64,314
	2,276,346	123,305	2,399,651

WESTMINSTER RESOURCES LTD. *(An Exploration Stage Company)*

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended August 31, 2017

(Expressed in Canadian Dollars – Unaudited)

4. Share Capital and Reserves

a) Authorized

The Company is authorized to issue an unlimited number of common shares without par value.

On May 1, 2017, the Company completed a 10 for 1 share consolidation. 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 share, option and warrant information have been retrospectively adjusted to reflect the share consolidation.

b) Private Placements and Share Issuances

On June 16, 2017, the Company closed a private placement first announced on May 3, 2017 for 12,020,000 units at \$0.12 per unit for gross proceeds of \$1,442,400. Each unit is comprised of one common share at \$0.12 and one common share purchase warrant at \$0.16 for five years. This placement was closed in two tranches, the first on May 25, 2017 in the amount of 8,150,000 units and the balance of 3,870,000 units on June 16, 2017.

On August 11, 2017, the Company closed a private placement for the issuance of 7,495,000 units at \$0.20 per unit for a total of \$1,499,000 gross proceeds. Each unit is comprised of one common share at \$0.20 and one-half common share purchase warrant. Each full share purchase warrant will allow the holder to purchase one additional common share at \$0.35 for one year. The Company incurred a total of \$61,736 in finder's fees and regulatory charges in connection with this private placement. In addition, the Company issued a total of 262,500 share purchase broker warrants in connection with this private placement. The broker warrants had a fair value of \$42,871, which was allocated to warrants reserve. The fair value of the broker warrants was determined using the Black-Scholes pricing model with a risk-free rate of 1.20%, volatility factor of 152%, and an expected life of one year.

On September 12, 2016, the Company issued 50,000 common shares with a fair value of \$35,000 as part of the MER Project, Northwest Territories exploration asset acquisition (Note 3).

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.

During the three months ended August 31, 2017, the Company granted 1,350,000 stock options at an exercise price of \$0.31 per share for a period of two years to various consultants of the Company.

A summary of the status of the Company's stock options as at August 31, 2017 is presented below:

Exercise Price	Balance at June 1, 2017	Granted	Expired	Balance at August 31, 2017	Expiry Date	Remaining contractual life in years	Number of options vested
\$ 0.50	45,000	-	-	45,000	March 31, 2019	1.58	45,000
\$ 0.31	-	1,350,000	-	1,350,000	August 10, 2019	1.94	1,350,000
Totals:	45,000	1,350,000	-	1,395,000			1,395,000
	\$ 0.50	\$ 0.31	\$ -	\$ 0.32	Weighted average exercise price		

WESTMINSTER RESOURCES LTD. *(An Exploration Stage Company)*

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended August 31, 2017

(Expressed in Canadian Dollars – Unaudited)

4. Share Capital and Reserves - *continued*

c) *Stock Options - continued*

The Company amortizes the total fair value of the options granted over the vesting schedules. All options granted during the three months ended August 31, 2017 vested on the date of grant. The total share based compensation expense recorded during the three months ended August 31, 2017 was \$320,813 (August 31, 2016 - \$Nil). The fair value of the options granted during the three months ended August 31, 2017 was determined using the Black-Scholes pricing model with a risk-free rate of 1.20%, volatility factor of 168% and an expected life of the options of two years.

d) *Share Purchase Warrants*

Pursuant to the private placements discussed above, during the three months ended August 31, 2017, the Company issued 3,870,000 share purchase warrants with an exercise price of \$0.16 and expiry of June 15, 2022 and 4,010,000 share purchase warrants with an exercise price of \$0.35 and an expiry of August 10, 2018.

Exercise Price	Balance at June 1, 2017	Issued	Expired	Balance at August 31, 2017	Expiry Date	Remaining contractual life in years
\$ 0.16	8,150,000	-	-	8,150,000	May 24, 2022	4.73
\$ 0.16	-	3,870,000	-	3,870,000	June 15, 2022	4.79
\$ 0.35	-	4,010,000	-	4,010,000	August 10, 2018	0.94
Totals:	8,150,000	7,880,000	-	16,030,000		
	\$ 0.16	\$ 0.26	\$ -	\$ 0.21	Weighted average exercise price	

As at August 31, 2017, all of the above warrants were exercisable.

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 three months ended August 31, 2017 and 2016 were as follows:

	Three months ended August 31, 2017	Three months ended August 31, 2016
Short-term benefits	\$ 8,000	\$ 69,000
Share-based payments	\$ -	\$ -

Included in short term benefits are the following:

- (i) \$Nil (2016 - \$30,000) paid to Floralynn Investments Inc., a company controlled by Glen Indra, the Company's Chief Executive Officer.
- (ii) \$Nil (2016 - \$9,000) paid to Diversity Clues Consulting, a company controlled by Oleg Scherbina, the Company's Chief Financial Officer.
- (iii) \$Nil (2016 - \$30,000) paid to S.B. Ballantyne Holdings, a company controlled by Bruce Ballantyne, the Company's project manager.
- (iv) \$8,000 (2016 - \$Nil) in consulting fees paid to a company controlled by a director of the Company.

WESTMINSTER RESOURCES LTD. (An Exploration Stage Company)

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended August 31, 2017

(Expressed in Canadian Dollars – Unaudited)

5. Related Party transactions - continued

Included in accounts payable is \$14,500 (May 31, 2017 - \$49,500) payable to a director and officer of the Company. Included in accounts receivable is \$53,637 (May 31, 2017 - \$Nil) receivable from Jaxon Mining Inc., a Company with common directors, for shared office space and administrative expenses. During the three months ended August 31, 2017, the Company received \$14,821 (2016 - \$Nil) from Jaxon Minerals Inc. for shared office and administrative expenses.

6. Commitments

On July 1, 2016, the Company entered into a new lease agreement for a period of three years, ending June 30, 2019, for a monthly lease payment of \$3,823. On July 1, 2017, the Company moved offices and the new monthly lease payment is \$9,334. The lease commitments for the next three fiscal years are:

2018	\$ 106,497
2019	112,008
2020	112,008
	<u>\$ 330,513</u>

7. Subsequent Events

The Company entered into a binding Letter of Intent (“LOI”) dated September 4, 2017 with Latin Resources Limited (“Latin”) (ASX: LRS) to acquire a 100% interest in the Ilo Norte and Ilo Este copper projects, (the “Projects”) located in southern Peru. Latin is at arms’ length to the Company.

Under the terms of the LOI, upon completion of due diligence and receipt of regulatory approvals, the following terms and conditions will be met under a formal sale agreement to be completed between the Company and Latin:

- Upon signing of the sale agreement, the Company will issue to Latin a total of 19 million common shares of Westminster Resources Ltd, which will be placed in voluntary escrow and held until the concessions representing the Projects have been effectively transferred to the Company or its subsidiary, but shall vest with the following milestones:
 - 1,000,000 shares will vest 6 months from the date of the sale agreement;
 - 3,000,000 shares vest 12 months from the date of the sale agreement; and
 - 15,000,000 shares vest 18 months from the date of the sale agreement.
- A lump sum cash payment of US\$150,000 on the signing of the sale agreement; and
- A final payment of US\$100,000 on the 12 - month anniversary of the signing of the sale agreement.

The Company will pay a finder’s fees in connection with the introduction of Latin and the Projects as permitted by TSX Venture policy.