Northfield Metals Inc.

Financial Statements
September 30, 2011
(unaudited)

Management's Comments on Unaudited Financial Statements

These unaudited financial statements of Northfield Metals Inc. (the "Company") have been prepared by management and approved by the Board of Directors of the Company.

These unaudited financial statements have not been reviewed by the Company's external auditors.

Northfield Metals Inc.
Statements of Financial Position
(expressed in Canadian dollars)

	Note	As at September 30, 2011 $ (unaudited)	As at December 31, 2010 $ (unaudited)
Assets			
Current			
Cash		22,457	46,909
Receivables		18,286	7,932
Marketable securities	3	72,081	155,449
		112,824	210,289
Liabilities			
Current			
Accounts payable and accrued liabilities	4, 9	1,264,718	1,067,916
Due to Champion Minerals Inc.	5	25,304	9,304
Due to Eloro Resources Ltd.	6	43,482	43,482
		1,333,504	1,120,703
Shareholders' equity			
Share capital	7	1,666,399	1,666,399
Contributed surplus		18,000	18,000
Deficit		(2,905,080)	(2,594,812)
		(1,220,681)	(910,413)
		112,824	210,289

Approved by the Board:

Thomas Larsen	Miles Nagamatsu
Director	**Director**

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

Northfield Metals Inc.
Statements of Loss and Comprehensive Loss

(expressed in Canadian dollars)

	3 months ended September 30,		9 months ended September 30,	
	2011	**2010**	**2011**	**2010**
	$	**$**	**$**	**$**
	(unaudited)	(unaudited)	(unaudited)	(unaudited) (note 2)
Expenses				
Professional fees	5,311	3,000	12,311	10,875
Consulting fees	60,000	60,000	180,000	180,000
General and adminstrative	836	2,925	7,524	12,092
	66,146	65,925	199,834	202,966
Loss before the undernoted item	(66,146)	(65,925)	(199,834)	(202,966)
Increase (decrease) in fair value of marketable	(53,373)	6,555	(110,433)	7,256
Loss and comprehensive loss	(119,519)	(59,370)	(310,267)	(195,710)
Loss per common share-basic and diluted	(0.006)	(0.003)	(0.014)	(0.009)
Weighted average number of common shares-basic and diluted	21,566,604	21,566,604	21,566,604	21,566,604

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

Northfield Metals Inc.
Statements of Changes in Equity
(expressed in Canadian dollars)

	Share capital $ (unaudited)	Contributed surplus $ (unaudited)	Deficit $ (unaudited)	Total $ (unaudited)
Balance, December 31, 2010	1,666,399	18,000	(2,594,812)	(910,413)
Loss	-	-	(310,267)	(310,267)
Balance, September 30, 2011	1,666,399	18,000	(2,905,080)	(1,220,681)
Balance, December 31, 2009	1,666,399	18,000	(2,406,341)	(721,942)
Loss	-	-	(195,710)	(195,710)
Balance, September 30, 2010	1,666,399	18,000	(2,602,051)	(917,652)

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

Northfield Metals Inc.
Statements of Cash Flows
(expressed in Canadian dollars)

	9 months ended September 30, 2011 $ (unaudited)	2010 $ (unaudited) (note 2)
Cash provided by (used in)		
Operating activities		
Loss	(310,267)	(195,710)
Item not affecting cash		
Decrease (increase) in fair value of marketable securities	110,433	(7,256)
Changes in non-cash working capital		
Receivables	(10,354)	1,436
Accounts payable and accrued liabilities	196,802	189,808
	(13,387)	(11,722)
Financing activities		
Advances from Champion Minerals Inc.	16,000	9,304
Advances from Eloro Resources Ltd.	-	20,000
	16,000	29,304
Investing activities		
Purchase of marketable securities	(27,065)	(16,995)
Net decrease in cash	(24,452)	587
Cash, beginning of period	46,909	40,811
Cash, end of period	22,457	41,398

Northfield Metals Inc.
Notes to Condensed Interim Financial Statements
September 30, 2011
(expressed in Canadian dollars)
(unaudited)

1. Nature of operations and going concern

Northfield Metals Inc. (the "Company") is engaged in the acquisition, exploration and development of mineral resource properties. The Company is incorporated under the laws of Ontario and its registered office is located at 20 Adelaide Street East, Suite 301, Toronto, Ontario, M5C 2T6.

The Company is in the exploration stage and has no revenue. As at September 30, 2011, the Company had a working capital deficit of $1,220,681, which included cash of $22,457, which is not sufficient to enable the Company to fund its operations and the acquisition, exploration and development of mineral resource properties. Accordingly, there is significnat doubt as to the Company's ability to continue as a going concern. In order to preserve its cash, the Company suspended the acquisition of mineral resource properties, reduced its operating expenditures and deferred the payment of management's consulting fees. The continued operations of the Company is dependent upon the support of its creditors and the Company's ability to secure equity financing to meet its existing obligations and finance the acquisition, exploration and development of mineral resource properties, The Company is actively seeking to raise the necessary equity financing, however, there can be no assurance that additional equity financing will be available.

These financial statements have been prepared on a going concern basis, which assumes that the Company will be able to continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business. These financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and balance sheet classifications that would be necessary were the going concern assumption inappropriate, and these adjustments could be material.

2. Basis of presentation and adoption of International Financial Reporting Standards ("IFRS")

Statement of compliance

These interim financial statements are prepared in accordance with IAS 34, *Interim Financial Reporting*, using accounting policies consistent with IFRS.

The policies applied in these interim financial statements are based on IFRS issued and outstanding as of November 29, 2011, the date on which the Board of Directors approved these interim financial statements. Any subsequent changes to IFRS that are reflected in the annual financial statements for the year ending December 31, 2011 could result in the restatement of these interim financial statements, including the transition adjustments recognized on the changeover to IFRS.

These interim financial statements do not include certain information and disclosures normally included in annual financial statements prepared in accordance with IFRS and should be read in conjunction with the Company's annual financial statements for the year ended December 31, 2010 that were prepared in accordance with accounting principles generally accepted in Canada ("Canadian GAAP").

First-time Adoption of IFRS

In prior periods, the Company's financial statements were prepared in accordance with Canadian GAAP. The Company has adopted IFRS on January 1, 2011 with a transition date of January 1, 2010. Under IFRS 1, IFRS standards are applied retrospectively at the transition date subject to certain exceptions and exemptions.

Reconciliations

The adoption of IFRS resulted in no changes to the financial statements previously presented under Canadian GAAP compared to the financial statements prepared under IFRS, and accordingly, no reconciliations are presented.

3. Marketable securities

Marketable securities consist of the following investment in related parties:

	September 30, 2011		December 31, 2010	
	Cost	Fair value	Cost	Fair value
	$	$	$	$
Eloro Resources Ltd. (“Eloro”)	61,897	23,525	34,832	22,480
Champion Minerals Inc. (“Champion”)	27,461	47,730	27,461	130,980
Bear Lake Gold Ltd. (“Bear Lake”)	5,375	825	5,375	1,989
	94,733	72,080	67,668	155,449

Two directors of the Company are directors of Eloro, two directors of the Company are directors of Champion and one director of the Company is a director of Bear Lake.

4. Accounts payable and accrued liabilities

Accounts payable and accrued liabilities have substantially been outstanding over 90 days.

5. Due to Champion Minerals Inc.

The amount due to Champion is unsecured, non-interest bearing and payable on demand. Two directors of the Company are also directors of Champion.

6. Due to Eloro Resources Ltd.

The amount due to Eloro is unsecured, non-interest bearing and payable on demand. Two directors of the Company are also directors of Eloro.

7. Share capital

Authorized

An unlimited number of Class A preferred shares 5% voting, redeemable, convertible, non-cumulative dividend, which are redeemable at $0.10 per share and convertible on the basis of one common share for each Class A preferred share.

An unlimited number of common shares.

Issued

	Number of shares	Amount $
Balance as at December 31, 2010 and September 30, 2011	21,566,604	1,666,399

Share consolidation

On July 28, 2011, the shareholders of the Company approved the consolidation of the issued common shares on the basis of 1 new share for up to 4 old common shares, with the actual consolidation ratio to be determined by the Board of Directors. As at November 29, 2011, no share consolidation has yet been effected.

Stock options

The Company may grant options to its directors and employees for up to 10% of the number of common shares outstanding. Options granted vest immediately and the maximum term of each option is 5 years. The exercise price shall not be less than the closing price of the common shares on a stock exchange in Canada on the last trading day immediately preceding the date of the grant, less any discount permissible under the rules of the principal stock exchange on which the common shares are listed for trading. In the event that the common shares are not listed for trading on any stock exchange, the exercise price shall be the fair market value as determined by the Board of Directors. As at December 31, 2010 and June 30, 2011, there were 2,156,660 stock options available to be issued under the stock option plan and no stock options were outstanding.

8. Financial instruments and risk management

Fair value hierarchy

Financial instruments measured at fair value classified using the fair value hierarchy:

	Level 1 $	Level 2 $	Level 3 $	Total $
Financial asset held-for-trading				
Cash and marketable securities	94,538	–	–	94,538

Level 1 investments are comprised of cash and marketable securities consisting of publicly-traded equity securities carried at fair value based on available quoted prices.

Income statement disclosures

	2011 $	2010 $
For financial assets held for trading		
Net gain (loss) on investments		
Unrealized	(110,433)	7,256

The Company estimates that if the fair value of its marketable securities as at September 30, 2011 had changed by 25%, with all other variables held constant, the net loss would have decreased or increased by $18,020.

9. Related party transactions

	9 months ended		Outstanding as at	
	September 30, 2011 $	September 30, 2010 $	September 30, 2011 $	December 31, 2010 $
Consulting fees for key management personnel payable pursuant to consulting contracts to three companies controlled by three officers, two of whom are also directors	180,000	180,000	1,159,800	956,400