

AFRASIA MINERAL FIELDS INC.

Condensed Interim Financial Statements

Six months ended November 30, 2016 and 2015

Expressed in Canadian Dollars

(Unaudited – Prepared by Management)

AFRASIA MINERAL FIELDS INC.

Index**Page**

Notice of no Auditor Review

3

Financial Statements

Condensed Interim Statements of Financial Position

4

Condensed Interim Statement of Changes in Deficiency

5

Condensed Interim Statements of Comprehensive Loss

6

Condensed Interim Statements of Cash Flows

7

Notes to the Condensed Interim Financial Statements

8-13

AFRASIA MINERAL FIELDS INC.

NOTICE TO READER

Under National Instrument 51-102, Part 4, subsection 4.3(3) (a), if an auditor has not performed a review of the condensed 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 interim financial statements of the Company have been prepared by management and approved by the Audit Committee and Board of Directors of the Company.

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

January 18, 2017

AFRASIA MINERAL FIELDS INC.

Condensed Interim Statements of Financial Position

(Expressed in Canadian Dollars - Unaudited)

	Note	November 30, 2016 (unaudited)	May 31, 2016 (audited)
Assets			
Current assets			
Cash		\$ 3,440	\$ 320
Receivables	3	8,583	7,235
Prepays		416	418
		12,439	7,973
Equipment	4	–	231
		\$ 12,439	\$ 8,204
Liabilities and Shareholders' Deficiency			
Current liabilities			
Trade payables and accrued liabilities	5	\$ 88,214	\$ 107,069
Due to related parties	7	156,300	98,900
		244,514	205,969
Shareholders' Deficiency			
Share capital	6	8,349,105	8,349,105
Reserves	6	204,669	204,669
Deficit		(8,785,849)	(8,751,539)
		(232,075)	(197,765)
		\$ 12,439	\$ 8,204

Nature and continuance of operations (Note 1)

Subsequent events (Note 10)

The accompanying notes form an integral part of these condensed interim financial statements.

AFRASIA MINERAL FIELDS INC.

Statement of Changes in Deficiency

(Expressed in Canadian Dollars - Unaudited)

	Share Capital		Reserves	Deficit	Total Deficiency
	Number of Shares	Amount			
Balance, May 31, 2015	20,026,663	\$ 8,349,105	\$ 204,669	\$ (8,678,796)	\$ (125,022)
Net loss for the period	–	–	–	(38,564)	(38,564)
Balance, November 30, 2015	20,026,663	8,349,105	204,669	(8,717,360)	(163,586)
Net loss for the period	–	–	–	(34,179)	(34,179)
Balance, May 31, 2016	20,026,663	8,349,105	204,669	(8,751,539)	(197,765)
Net loss for the period	–	–	–	(34,310)	(34,310)
Balance, November 30, 2016	20,026,663	\$ 8,349,105	\$ 204,669	\$ (8,785,849)	\$ (232,075)

The accompanying notes form an integral part of these condensed interim financial statements.

AFRASIA MINERAL FIELDS INC.

Condensed Interim Statements of Comprehensive Loss
(Expressed in Canadian Dollars - Unaudited)

		Three months ended November 30,		Six months ended November 30,	
	Note	2016	2015	2016	2015
Expenses:					
Amortization	4	\$ 115	\$ 115	\$ 231	\$ 231
Gain on debt settlement		–	–	(3,459)	–
Office and administration	7	9,280	10,377	18,531	19,848
Professional fees		900	435	885	897
Regulatory and transfer agent fees		4,350	3,811	6,122	5,588
Rent		6,000	6,000	12,000	12,000
<hr/>					
Net and comprehensive loss		\$ (20,645)	\$ (20,738)	\$ (34,310)	\$ (38,564)
<hr/>					
Loss per common share					
- basic and diluted		\$ (0.001)	\$ (0.001)	\$ (0.002)	\$ (0.002)
<hr/>					
Weighted average number of common shares					
outstanding - basic and diluted		20,026,663	20,026,663	20,026,663	20,026,663

The accompanying notes form an integral part of these condensed interim financial statements.

AFRASIA MINERAL FIELDS INC.

Condensed Interim Statements of Cash Flows
(Expressed in Canadian Dollars - Unaudited)

	For the six months ended November 30,	
	2016	2015
Cash provided by (used in):		
Operating:		
Net loss and comprehensive loss	\$ (34,310)	\$ (38,564)
Item not involving cash:		
Amortization	231	231
Gain on debt settlement	(3,459)	–
Changes in non-cash operating working capital items:		
Receivables	(1,348)	70,251
Prepays	2	–
Trades payable and accrued liabilities	(15,396)	(46,793)
Due to related parties	57,400	18,900
	3,120	4,025
Change in cash	3,120	4,025
Cash, beginning	320	1,407
Cash, ending	\$ 3,440	\$ 5,432

Supplemental cash flow information:

There were no significant non-cash transactions for the six months ended November 30, 2016 and 2015.

Interest paid	\$ –	\$ –
Income tax paid	\$ –	\$ –

The accompanying notes form an integral part of these condensed interim financial statements.

AFRASIA MINERAL FIELDS INC.

Notes to Condensed Interim Financial Statements

November 30, 2016

(Expressed in Canadian Dollars - Unaudited)

1. NATURE AND CONTINUANCE OF OPERATIONS

Afrasia Mineral Fields Inc. (the “Company” or “Afrasia”) was incorporated on June 24, 1986 under the laws of British Columbia. The Company was listed on the TSX Venture Exchange (“TSX-V”) under the symbol “AFS” and on September 29, 2008 the Company’s listing was transferred from the TSX-V to the NEX board of the TSX-V. Effectively, the trading symbol for the Company changed from “AFS” to AFS.H”.

The Company’s head office, principal address and records office is Suite 2050-1055 West Georgia Street, PO Box 11121, Royal Centre, Vancouver, BC V6E 3P3. The registered office is Suite 1000 840 Howe Street, Vancouver, BC V6Z 2M1.

On February 26, 2015, the Company entered into an Amalgamation Agreement with WMode Inc. (“WMode”), a leading technology and service company in the connected device, mobile and app-ecosystem sector. During the quarter ended August 31, 2015, WMode terminated the Agreement.

These financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The continuing operations of the Company are dependent upon its ability to raise adequate financing and to commence profitable operations in the future. To date, the Company has not generated any revenues and has not raised funds in the last twelve months. The Company has an accumulated deficit of \$8,785,849 including a loss for the period ended November 30, 2016 of \$34,310 (2015 - \$38,564). These uncertainties may cast significant doubt upon the Company’s ability to continue as a going concern.

These financial statements do not include any adjustments relating to the recoverability and classification of assets and liabilities which might be necessary should the Company be unable to continue in existence.

The Company has never paid dividends.

2. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PREPARATION

The interim financial statements were authorized for issue on January 18, 2017 by the directors of the Company.

Statement of compliance and conversion to International Financial Reporting Standards (“IFRS”)

These condensed interim financial statements, including comparatives, have been prepared in accordance with International Accounting Standards (“IAS”) 34, “Interim Financial Reporting” using accounting policies consistent with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and International Financial Reporting Interpretations Committee (“IFRIC”). Therefore, these interim financial statements comply with International Accounting Standards (“IAS”) 34 “Interim Financial Reporting”.

Basis of presentation

The condensed interim financial statements of the Company have been prepared on an accrual basis except for cash flow information, and are based on historical costs, modified where applicable. The condensed interim financial statements are presented in Canadian dollars unless otherwise noted.

AFRASIA MINERAL FIELDS INC.

Notes to Condensed Interim Financial Statements

November 30, 2016

(Expressed in Canadian Dollars - Unaudited)

2. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PREPARATION (cont'd)

Summary of significant accounting policies

These condensed interim financial statements have been prepared on the basis of accounting policies and methods of computation consistent with those applied in the Company's audited financial statements for the year ended May 31, 2016.

These condensed interim financial statements does not include all of the information required of a full annual financial report and is intended to provide users with an update in relation to events and transactions that are significant to an understanding of the changes in financial position and performance of the Company since the end of the last annual reporting period. It is therefore recommended that this financial report be read in conjunction with the Company's audited annual financial statements for the year ended May 31, 2016.

Significant accounting judgements, estimates and assumptions

The preparation of these condensed interim financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported expenses during the period. Actual results could differ from these estimates.

The preparation of these condensed interim financial statements requires management to make judgments regarding the going concern of the Company as discussed in Note 1.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the end of the reporting period, that could result in a material adjustment to the carrying amounts of assets and liabilities in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

- i) The recognition of deferred tax assets and liabilities.
- ii) The estimation of income taxes includes evaluating the recoverability of deferred tax assets based on an assessment of the Company's ability to utilize the underlying future tax deductions against future taxable income prior to expiry of those deductions. Management assesses whether it is probable that some or all of the deferred income tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income, which in turn is dependent upon the successful discovery, extraction, development and commercialization of mineral reserves. To the extent that management's assessment of the Company's ability to utilize future tax deductions changes, the Company would be required to recognize more or fewer deferred tax assets, and deferred income tax provisions or recoveries could be affected.

New standard not yet adopted

At the date of authorization of these financial statements, certain new standards, amendments and interpretations to existing standards have been published by the IASB but are not yet effective. The Company has not early adopted these revised standards and is currently assessing the impact that these standards will have on its financial statements.

IFRS 9, Financial instruments ("IFRS 9") was issued by the IASB on July 24, 2014 and will replace IAS 39, *Financial instruments: recognition and measurement* ("IAS 39"). IFRS 9 utilizes a single approach to determine whether a financial asset is measured at amortized cost or fair value and a new mixed measurement model for debt instruments having only two categories: amortized cost and fair value. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. Final amendments released on July 24, 2014 also introduce a new expected loss impairment model and limited changes to the classification and measurement requirements for financial assets. IFRS 9 is effective for annual periods beginning on or after January 1, 2018.

AFRASIA MINERAL FIELDS INC.

Notes to Condensed Interim Financial Statements

November 30, 2016

(Expressed in Canadian Dollars - Unaudited)

2. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PREPARATION (cont'd)

New standard not yet adopted (cont'd)

IFRS 15, Revenue from Contracts and Customers ("IFRS 15") was issued by the IASB on May 28, 2014, and will replace IAS 18, Revenue, IAS 11, Construction Contracts, and related interpretations on revenue. IFRS 15 sets out the requirements for recognizing revenue that apply to all contracts with customers, except for contracts that are within the scope of the standards on leases, insurance contracts and financial instruments. IFRS 15 uses a control based approach to recognize revenue which is a change from the risk and reward approach under the current standard. Companies can elect to use either a full or modified retrospective approach when adopting this standard and it is effective for annual periods beginning on or after January 1, 2018.

3. RECEIVABLES

	November 30, 2016		May 31, 2016	
Government sales tax credits	\$	8,247	\$	6,908
Due from related parties (Note 7(d))		336		327
	\$	8,583	\$	7,235

4. EQUIPMENT

	Computer	Leasehold improvements	Total
Cost:			
At May 31 and November 30, 2016	\$ 2,350	\$ 2,308	\$ 4,658
Amortization:			
At May 31, 2015	\$ 2,350	\$ 1,615	\$ 3,965
Amortization	–	462	462
At May 31, 2016	2,350	2,077	4,427
Amortization	–	231	231
At November 30, 2016	\$ 2,350	\$ 2,308	\$ 4,658
Net book value:			
At May 31, 2016	\$ –	\$ 231	\$ 231
At November 30, 2016	\$ –	\$ –	\$ –

5. TRADE PAYABLES AND ACCRUED LIABILITIES

	November 30, 2016		May 31, 2016	
Trade payables	\$	88,214	\$	97,146
Accrued liabilities		–		9,923
	\$	88,214	\$	107,069

AFRASIA MINERAL FIELDS INC.

Notes to Condensed Interim Financial Statements

November 30, 2016

(Expressed in Canadian Dollars - Unaudited)

6. SHARE CAPITAL AND RESERVES

(a) Authorized

Unlimited number of common shares without par value.

(b) Issued – common shares

There were no share issuances during the six months ended November 30, 2016 and the year ended May 31, 2016.

(c) Share options

The Company maintains a 10% rolling share option plan (the “Plan”) that enables management to grant options to directors, officers, employees and other service providers. The Company follows the Exchange policies where the number of common shares which may be issued pursuant to options granted under the Plan may not exceed 10% of the issued and outstanding shares of the Company from time to time at the date of granting of options and have a maximum of 10 years. Each option agreement with the grantee sets forth, among other things, the number of options granted, the exercise price and the vesting conditions of the options as determined by the Board of Directors. There were no options granted or outstanding as at, or for the six months ended November 30, 2016.

7. RELATED PARTY TRANSACTIONS

- (a) On June 1, 2015, the Company entered into an administrative agreement with Varshney Capital Corp. (“VCC”), a company controlled by two common directors, whereby the Company agreed to pay administrative services fees of \$3,000 per month.

During the six months ended November 30, 2016, the Company incurred \$18,000 (2015- \$18,000) for administrative fees to VCC.

- (b) As at November 30, 2016, \$156,300 (May 31, 2016 - \$98,900) was due to VCC which consisted of \$56,700 (May 31, 2016 - \$37,800) in administrative fees and \$99,600 (May 31, 2016 - \$61,100) in operating loans. The loans are unsecured, non-interest bearing and has no fixed terms of repayment.
- (c) As at November 30, 2016, \$336 (May 31, 2016 - \$327) in cost recoveries was due from companies with directors and officers in common. The amount was included in the receivables and collected in full subsequent to November 30, 2016.

8. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

At November 30, 2016 and May 31, 2016, the Company’s financial instruments consisted of cash, receivables, trade payables and accrued liabilities and due to related parties. There were no transfers between levels during the period ended November 30, 2016.

Cash is carried at fair value using a Level 1 fair value measurement. The carrying value of receivables and trade payables and accrued liabilities, and due to related parties approximate their fair value because of the short-term nature of these instruments or their ability of prompt liquidation.

AFRASIA MINERAL FIELDS INC.

Notes to Condensed Interim Financial Statements

November 30, 2016

(Expressed in Canadian Dollars - Unaudited)

8. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (cont'd)

Financial risk management

The Company is exposed in varying degrees to a variety of financial instrument related risks.

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its cash. As a majority of the Company's cash is held by a Canadian bank, there is a concentration of credit risk with one bank in Canada. While there is concentration of risk holding all funds with one institution, this risk is managed by using a major bank that is a high credit quality financial institution as determined by rating agencies. As at November 30, 2016, the Company has cash on hand of \$3,440. Management assesses credit risk of cash as low.

The Company's secondary exposure to credit risk is on its receivables. This risk is minimal as receivables consist of refundable government sales taxes of \$8,247 and dues from related parties of \$336 included within receivables. The amounts due from related parties was collected in full subsequent to November 30, 2016.

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company operates only in Canada and is therefore not exposed to foreign exchange risk arising from transactions denominated in a foreign currency.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will change due to a change in the level of interest rates. The Company is exposed to interest rate risk as its bank account earns interest income at variable rates and is subject to the movement in interest rates. Management considers the interest rate to be minimal.

Liquidity risk

Liquidity risk arises through the excess of financial obligations over available financial assets due at any point in time. As at November 30, 2016, the Company had a working capital deficiency of \$232,075 (May 31, 2016 - \$197,996).

During the six months ended November 30, 2016, the Company relied on loans from related parties to assist short-term working capital needs (Note 7). The Company also negotiated settlements of outstanding payables with its service providers. The Company has been successful in re-negotiating its indebtedness, however, there is no assurance the success of these effort will continue.

9. CAPITAL DISCLOSURE

Management's objective is to manage its capital to ensure that there are adequate capital resources to safeguard the Company's ability to continue as a going concern through the optimization of its capital structure. The capital structure consists of share capital and working capital.

In order to achieve this objective, management makes adjustments to it in light of changes in economic conditions and risk characteristics of the underlying assets. To maintain or adjust capital structure, management may invest its excess cash in interest bearing accounts of Canadian chartered banks and/or raise additional funds externally as needed. The Company is not subject to externally imposed capital requirements.

AFRASIA MINERAL FIELDS INC.

Notes to Condensed Interim Financial Statements

November 30, 2016

(Expressed in Canadian Dollars - Unaudited)

10. SUBSEQUENT EVENTS

On December 16, 2016, the Board of Directors of the Company authorized a consolidation of the issued and outstanding shares of the Company on a ratio of one new post-consolidated common share for every four old pre-consolidated common shares. In connection with the consolidation of shares, the Board of Directors has also decided to change the Company's name from Afrasia Mineral Fields Inc. to Westbay Ventures Inc. The consolidation and subsequent change of stock symbol are subject to the approval of TSX-V.