EQUITAS RESOURCES

Financial Statements

For The Nine Months Ended November 30, 2015

(Unaudited - Expressed in Canadian Dollars)

Notice of No Auditor Review

The accompanying unaudited condensed interim financial statements of Equitas Resources Corp. for the nine months ended November 30, 2015, have been prepared by management and approved by the Audit Committee and the Board of Directors of the Company. These condensed interim financial statements have not been reviewed by the Company's external auditors.

Equitas Resources Corp.

Condensed Interim Statements of Financial Position
(Unaudited - Expressed in Canadian Dollars)

		November 30, 2015		February 28, 2015
Assets				
Current				
Cash	**$**	**1,274,366**	$	289,317
GST receivable		**214,411**		21,997
Prepaid expenses (note 11)		**471,336**		153,957
Total current assets		**1,960,113**		465,271
Non-current assets				
Exploration and evaluation assets (note 6)		**3,782,304**		1,693,344
Reclamation deposit		**15,000**		15,000
Total Assets	**$**	**5,757,417**	$	2,173,615
Liabilities				
Current				
Accounts payable and accrued liabilities	**$**	**741,317**	$	53,514
Due to a related party (note 9)		**55,595**		18,684
Total current liabilities		**796,912**		72,198
Equity				
Share capital (note 7)		**19,115,675**		15,038,165
Share subscriptions receivable		**(302,000)**		(25,600)
Share-based payments reserve (note 8)		**2,107,973**		1,442,535
Deficit		**(15,961,143)**		(14,353,683)
Total Equity		**4,960,505**		2,101,417
Total Liabilities and Equity	**$**	**5,757,417**	$	2,173,615

Nature of operations and going concern (note 1)
Commitments (note 10)
Subsequent events (note 14)

Approval on behalf of the Board of Directors:

"Kyler Hardy"	*"David Hodge"*
Director	Director

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

Equitas Resources Corp.
Condensed Interim Statements of Operations and Comprehensive Loss
For the three and nine months ended November 30,2015 and 2014
(Unaudited - Expressed in Canadian Dollars)

	Three Months Ended November 30, **2015**	Three Months Ended November 30, 2014	Nine Months Ended November 30, **2015**	Nine Months Ended November 30, 2014
Expenses				
Advertising and promotion	$ **125,071**	$ 14,134	$ **261,473**	$ 21,134
Administration fees	**37,500**	37,500	**112,500**	112,500
Consulting fees	**199,452**	30,600	**482,887**	45,300
Investor relations	**27,500**	-	**85,000**	-
Office and general (recovery)	**9,244**	(28)	**15,938**	3,943
Professional fees	**8,170**	4,051	**14,222**	5,213
Share-based payments	**495,168**	-	**527,117**	22,880
Transfer agent & regulatory fees	**27,011**	3,322	**45,283**	15,074
Travel	**42,074**	13,254	**63,837**	16,822
Operating Expenses	**971,190**	102,833	**1,608,257**	242,866
Other Income				
Impairment of mineral properties	**-**	(63,890)	**-**	(63,890)
Interest income	**797**	-	**797**	-
Net Loss and Comprehensive Loss for the Period	**970,393**	166,723	**1,607,460**	306,756
Basic and Diluted Loss Per Share	$ **0.014**	$ 0.010	$ **0.038**	$ 0.018
Weighted Average Number of Common Shares Outstanding – Basic and Diluted	**68,178,763**	17,393,405	**41,819,004**	17,107,430

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

Equitas Resources Corp.
Condensed Interim Statements of Changes in Equity
For the nine months ended November 30, 2015 and 2014
(Unaudited - Expressed in Canadian Dollars)

	SHARE CAPITAL									
	Number of Shares		**Amount**		**Share Subscription Receivable**	**Share-based Payments Reserve**		**Deficit**		**Total**
Balance, March 1, 2014	**17,012,453**	**$**	**14,172,367**	**$**	**-**	**1,239,940**	**$**	**(13,715,014)**	**$**	**1,697,293**
Share-based payments (note 8)	-		-		-	22,880		-		22,880
Shares issued for property (note 6 and 7)	2,666,666		93,333		-	-		-		93,333
Net loss for the period	-		-		-	-		(306,756)		(306,756)
Balance, November 30, 2014	**19,679,119**	**$**	**14,265,700**	**$**	**-**	**1,262,820**	**$**	**(14,021,770)**		**1,506,750**

	SHARE CAPITAL									
	Number of Shares		**Amount**		**Share Subscription Receivable**	**Share-based Payments Reserve**		**Deficit**		**Total**
Balance, March 1, 2015	**35,029,785**	**$**	**15,038,165**	**$**	**(25,600)**	**1,442,535**	**$**	**(14,353,683)**	**$**	**2,101,417**
Shares issued for cash (note 7)	36,415,511		3,744,012		-	41,900		-		3,785,912
Warrants exercised (note 7)	5,665,000		566,500		-	-		-		566,500
Options exercised (note 7)	324,998		67,165		-	(34,665)		-		32,500
Agent’s warrants exercised (note 7)	64,000		9,749		-	(3,349)		-		6,400
Share issuance costs (note 7)	-		(309,916)		-	134,435		-		(175,481)
Share subscriptions receivable	-		-		(276,400)	-		-		(276,400)
Share-based payments (note 8)	-		-		-	527,117		-		527,117
Net loss for the period	-		-		-	-		(1,607,460)		(1,607,460)
Balance, November 30, 2015	**77,499,294**	**$**	**19,115,675**	**$**	**(302,000)**	**2,107,973**	**$**	**(15,961,143)**	**$**	**4,960,505**

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

Equitas Resources Corp.

Condensed Interim Statements of Cash Flows
For the nine months ended November 30, 2015 and 2014
(Unaudited - Expressed in Canadian Dollars)

		2015		2014
CASH PROVIDED BY (USED IN):				
OPERATING ACTIVITIES:				
Net loss for the period	**$**	**(1,607,460)**	$	(306,756)
Items not involving cash:				
Share-based payments		**527,117**		22,880
Impairment of mineral properties		**-**		63,890
Changes in non-cash working capital:				
GST/HST Receivable		**(192,414)**		(1,417)
Prepaid expenses		**(317,379)**		(900)
Due to/from a related party		**21,911**		226,192
Accounts payable and accrued liabilities		**116,551**		(21,270)
		(1,451,674)		(17,381)
INVESTING ACTIVITIES:				
Mineral exploration and evaluation asset expenditures		**(1,502,708)**		(22,390)
		(1,502,708)		(22,390)
FINANCING ACTIVITIES:				
Shares issued for cash		**4,391,312**		-
Share issuance costs		**(175,481)**		-
Share subscriptions received		**(276,400)**		-
		3,939,431		-
INCREASE (DECREASE) IN CASH		**985,049**		(39,771)
Cash, beginning of period		**289,317**		43,664
Cash, end of period	**$**	**1,274,366**	$	3,893

Supplemental cash flow disclosure and non-cash investing and financing activities – Note 12

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

1. NATURE OF OPERATIONS AND GOING CONCERN

Equitas Resources Corp. ("Equitas" or the "Company") is a publicly listed company incorporated in British Columbia on September 1, 1994, with limited liability under the legislation of the Province of British Columbia and its shares are listed on the TSX Venture Exchange ("TSX-V"). The Company is principally engaged in the acquisition, exploration, development and mining of mineral properties.

The head office, principal address, and registered and records office of the Company are located at 1450 – 789 West Pender Street, Vancouver, BC, Canada, V6C 1H2.

Going concern

These financial statements were prepared on a going concern basis. The Company's ability to continue as a going concern is dependent upon the ability of the Company to obtain financing and generate positive cash flows from its operations. Management of the Company believes it has raised sufficient funds to cover all of its operating requirements, financial commitments, and business development priorities during the next twelve months. However, the Company expects that it will need to obtain further financing in the form of debt, equity or a combination thereof in the future. There can be no assurance that additional funding will be available to the Company, or, if available, that this funding will be on acceptable terms. If adequate funds are not available, the Company may be required to delay or reduce the scope of any or all of its development projects. All of these factors may cast significant doubt about the Company's ability to continue as a going concern.

Approval of the financial statements

These financial statements for the nine months ended November 30, 2015, were reviewed by the Audit Committee and were approved and authorized for issue by the Board of Directors on January 25, 2016.

2. BASIS OF PRESENTATION AND STATEMENT OF COMPLIANCE

Statement of compliance

These condensed interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and Interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"), applicable to the presentation of interim financial statements, including IAS 34, Interim Financial Reporting.

The policies applied in these condensed interim financial statements are consistent with policies disclosed in Note 4 of the financial statements for the year ended February 28, 2015. These condensed interim financial statements should be read in conjunction with the Company's audited financial statements for the year ended February 28, 2015.

Basis of presentation

These condensed interim financial statements have been prepared on a historical cost basis except for financial instruments classified as financial instruments at fair value through profit or loss, which are measured at their fair value. In addition, these financial statements have been prepared using the accrual basis of accounting.

These financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and statement of financial position classifications that would be necessary were the going concern assumption inappropriate, and these adjustments could be material.

(Unaudited - Expressed in Canadian Dollars)

3. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of these financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results could differ from these estimates.

The effect on the financial statements of such changes in estimates in future periods could be material.

In particular, information about significant areas of estimation uncertainty considered by management in preparing the financial statements includes:

- The recoverability of the carrying value of the exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest; and
- The inputs used in accounting for share-based payments in the statement of comprehensive loss.

Information about significant areas of critical accounting judgments considered by management in preparing the financial statements includes:

- Management's assessment of the Company's ability to continue as a going concern in relation to its ability to raise funds.

4. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Fair value

IFRS 7 establishes a fair value hierarchy that prioritizes the input to valuation techniques used to measure fair value as follows:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;
Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

As at November 30, 2015, the Company's financial instruments are comprised of cash, due to related parties, reclamation bonds, and accounts payable and accrued liabilities. The carrying value of cash, due to related parties, reclamation bonds, and accounts payable and accrued liabilities approximate their fair values due to the relatively short periods to maturity of these financial instruments.

Financial instruments measured at fair value on the statement of financial position are summarized in levels of fair value hierarchy as follows:

At November 30, 2015

Assets	Level 1	Level 2	Level 3	Total
Cash	$1,274,366	$ -	$ -	$1,274,366
Reclamation bond	15,000	-	-	15,000
Total	$1,289,366	$ -	$ -	$1,289,366

(Unaudited - Expressed in Canadian Dollars)

4. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT - continued

Fair value - continued

At February 28, 2015

Assets	Level 1	Level 2	Level 3	Total
Cash	$ 289,317	$ -	$ -	$ 289,317
Reclamation bond	15,000	-	-	15,000
Total	$ 304,317	$ -	$ -	$ 304,317

Financial risk factors

The Company has exposure to the following risks from its use of financial instruments: credit risk, liquidity risk and market risk. Management, the Board of Directors and the Audit Committee monitor risk management activities and review the adequacy of such activities.

Credit risk
Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. Management believes that the credit risk concentration with respect to financial instruments included in cash is remote. The Company's receivables are GST receivable from the Canadian Government.

Liquidity risk
The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when they come due. As at November 30, 2015, the Company had a cash balance of $1,274,366 to settle current liabilities of $796,912. All of the Company's financial liabilities are subject to normal trade terms.

Market risk
Market risk is the risk of loss that may arise from changes in market factors such as interest rates, and commodity and equity prices. These fluctuations may be significant and the Company, as all other companies in its industry, has exposure to these risks.

a) Interest rate risk
The Company has cash balances and no interest-bearing debt. The Company's current policy is to maintain cash in its banking institutions and does not believe interest rate risk to be significant.

b) Price risk
The Company is not a producing entity so is not directly exposed to fluctuations in commodity prices. The Company is exposed to price risk with respect to equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. The Company closely monitors movements of individual equities, and of the stock market as a whole, to determine the appropriate courses of action to be taken by the Company.

c) Foreign currency risk
The Company has no assets or liabilities in foreign currencies. Its exposure to foreign exchange risk is minimal.

5. CAPITAL MANAGEMENT

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition and exploration of mineral properties. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. The Company defines capital that it manages as share capital, and cash.

(Unaudited - Expressed in Canadian Dollars)

5. CAPITAL MANAGEMENT - continued

The Company is in the exploration stage; as such the Company has historically relied on the equity markets to fund its activities. The Company will continue to assess new sources of financing available and to manage its expenditures to reflect current financial resources in the interest of sustaining long term viability.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

The Company's capital management objectives, policies and processes have not changed over the years presented. The Company is not subject to any externally imposed capital requirements.

6. MINERAL EXPLORATION AND EVALUATION ASSETS

The following schedule shows the property expenditures for the nine months ended November 30, 2015 and the year ended February 28, 2015:

	Garland Property	Tom Gold Mine Claims	Day Claims	Roy Property	Nahmint Property	Other Properties	Total
Balance, February 28, 2014	**$ -**	**$ 283,063**	**$ 1,255,958**	**$ 47,856**	**$ 122,197**	**$ 66,739**	**$ 1,775,813**
Additions during the year -							
Acquisition costs							
Cash consideration	30,000	-	-	-	10,000	-	40,000
Shares issued	93,333	-	-	-	-	-	93,333
Property exploration costs							
Geological costs	2,121	79	222	-	12,069	-	14,491
Total additions during the year	125,454	79	222	-	22,069	-	147,824
Mining tax credits	-	-	(22,134)	-	-	-	(22,137)
Impairment of mineral property	-	-	-	(47,856)	(144,266)	(16,034)	(208,156)
Balance, February 28, 2015	**$ 125,454**	**$ 283,142**	**$ 1,234,043**	**$ -**	**$ -**	**$ 50,705**	**$ 1,693,344**
Additions during the period -							
Acquisition costs							
Cash consideration	50,000	-	-	-	-	-	50,000
Staking	8,580	-	-	-	-	-	8,580
Property exploration costs							
Assays	6,098	-	-	-	-	-	6,098
Camp expenses	389,392	-	-	-	-	-	389,392
Drilling	298,819	-	-	-	-	-	298,819
Fuel	160,970	-	-	-	-	-	160,970
Geological costs	532,285	140	-	-	-	192	532,617
Geophysics	166,971	-	-	-	-	-	166,971
Other	1,236	-	-	-	-	-	1,236
Supplies and rentals	38,858	-	-	-	-	-	38,858
Travel and accommodation	435,419	-	-	-	-	-	435,419
Total additions during the period	2,088,628	140	-	-	-	192	2,088,960
Balance, November 30, 2015	**$ 2,214,082**	**$ 283,282**	**$ 1,234,043**	**$ -**	**$ -**	**$ 50,897**	**$ 3,782,304**

6. MINERAL EXPLORATION AND EVALUATION ASSETS - continued

Garland Property, Labrador, Newfoundland

On July 10, 2014, the Company entered into an agreement with Zimtu Capital Corp. (a company with common directors and significant shareholdings), DG Resource Management Ltd., and Ridge Resources Ltd. (owned by the Company's president), collectively the "Vendors", to acquire a 100% interest in the Garland Property, located in Labrador, Canada. The property encompasses 25,050 hectares and is 30 kilometres southeast of Vale's Voisey's Bay Nickel/Copper/Cobalt mine. In consideration, the Company will issue 7,999,998 shares over a 36 month period (2,666,666 shares issued upon exchange approval with a fair value of $93,333), pay $80,000 (paid), and grant DG Resource Management a 2% Gross Overriding Royalty (GORR) in the Property. The transaction was accepted by the TSX-V on November 17, 2014.

Tom Gold Mine Claims, Yellowknife, NWT

During 2010, the Company acquired a 100% interest in the Tom Gold Mine claims located near Yellowknife, Northwest Territories. In consideration for $100,000 cash (paid) and 2,000,000 common shares of the Company (issued). No finder's fee was paid in connection with the property acquisition.

Day Property, BC

During 2010, the Company purchased 8 mineral property claims, known as the Day Copper-Gold Porphyry Property (the "Day Property"), comprising approximately 2,642 hectares, located approximately 385 kilometres northwest of Prince George, BC. The vendors, Zimtu Capital Corp. and 877384 Alberta Ltd., are related parties by way of significant shareholdings in the Company and by common directorships. Consideration for the acquisition comprised cash payments of $50,000 (paid) and issuance of 5,000,000 common shares of the Company (issued). The vendors retained a 2% net smelter return royalty, half of which may be purchased by the Company for $1,000,000. The Company also acquired, by staking, 6 additional claims adjacent to the Day, Roy and Porcupine Properties, known as the Erin Claims.

Roy Property, BC

During 2010, the Company entered into an agreement to acquire the Roy Property located in the Toodoggone region of north-central British Columbia, adjacent to the Day Property. The consideration for the acquisition was a cash payment of $181,000 payable over 5 years: $1,000 on signing (paid), $5,000 on October 31, 2010 (paid), $5,000 on October 31, 2011 (paid), $20,000 on October 31, 2012 (paid), $50,000 on October 31, 2013, and $100,000 on October 31, 2014. The vendors retained a 2% Net Smelter Return royalty, 1% of which may have been purchased by the Company for $1,000,000. On September 23, 2013, the agreement was amended to revise the consideration to acquire the property from $181,000 to $131,000. To date, $31,000 has been paid by the Company and the balance was to have been paid as follows: $15,000 to be paid on the signing of the amended agreement (paid), $25,000 by October 31, 2014, and $60,000 by October 31, 2015. The Company returned the property to the vendor and recorded an impairment of the property during the year ended February 28, 2015.

Nahmint Property, Port Alberni, BC

On October 16, 2013, the Company executed an Option Agreement (the Agreement") to earn a 100% undivided ownership interest in the Nahmint Property located along the western shoreline of the Alberni Inlet 25 km south of Port Alberni, BC. The Property is approximately 9,552 hectares consisting of 21 cell mineral claims and 15 underlying crown granted claims. Equitas was to have earned a 100% interest in the Property by paying $620,000 in cash ($50,000 paid), issuing 5,000,000 common shares, and by incurring $1,300,000 in exploration expenditures. The vendors retained a 2% NSR, of which 1% could have been be purchased for $1 million. The Company paid $4,200 in finder's fees in connection with the Agreement. During the year ended February 28, 2015, the Company recorded an impairment of the property because management elected to not continue with the Agreement.

6. MINERAL EXPLORATION AND EVALUATION ASSETS - continued

Other Claims, BC

During 2011, the Company acquired the Porcupine Property located in the Toodoggone region of north-central British Columbia, adjacent to the Day and Roy Property. The Company acquired a 100% mineral interest in the Porcupine Property for $13,000 (paid). There is a NSR of 2% on the Porcupine Property, of which the Company can purchase half (50%) of the NSR for $1,000,000. The Porcupine Property is also subject to an advance royalty of $50,000 per year and a one-time payment of 300,000 common shares upon commencement of commercial production. If the Company exercises the option to acquire 50% of the NSR, then the advance royalty payment shall be reduced to $25,000 per year, and a one-time payment of 150,000 common shares.

During 2010, the Company acquired property claims known as the Sickle, Snow and Bella claims by staking. The Sickle property claims are located in the Yellowknife, Northwest Territories area, and encompass three historic gold showings termed "Drag Lake", "Anne" and "Arseno". The Snow property claims are located in north central British Columbia and consist of two map-staked claims totalling 2,090 acres. The Bella property claims are located near Bella Coola in British Columbia, and consist of two claim blocks totalling 26 claims, encompassing approximately 31,380 acres. The Snow and Bella claims have lapsed and are no longer held by the Company.

On June 5, 2012, the Company acquired the Chilanko Property located in the Cariboo region of British Columbia, in consideration for $1,000 (paid). During the year ended February 28, 2013 the Company also acquired 14 additional claims adjacent to the Chilanko Property by staking. During the year ended February 28, 2015, the Company let the claims lapse and impaired the property.

7. SHARE CAPITAL

a) Authorized:

Unlimited common shares without nominal or par value.

At a Special Meeting of Shareholders held on September 15, 2014, the shareholders approved a share consolidation on the basis of 1 post-consolidated common share for every 3 pre-consolidated common share.

b) Issued:

During the nine months ended November 30, 2015:

On July 15, 2015, the Company closed a non-brokered private placement of 6,134,918 units ("Units") at a price of $0.085 per Unit for gross proceeds of $521,468. Each Unit consists of one common share and one share purchase warrant ("Warrant"). Each Warrant entitles the holder to purchase one additional common share of the Company at a price of $0.15 per share for a period of 24 months from closing. Finders fees of $6,599 and 20,705 share purchase warrants exercisable for 2 years at $0.15, were paid and issued respectively. The share purchase warrants were valued at $1,435 under the following assumptions and ranges: risk free interest rate – .39%; expected life – 2 years; expected volatility – 208%; expected dividend yield – 0%; and weighted average share price - $0.07.

On September 14, 2015, the Company closed the first tranche of a private placement. The Company issued 7,356,600 flow-through units ("FT Units"), with each FT Unit consisting of one common share priced at $0.10 and one half of one share purchase warrant, for gross proceeds of $735,660. Each whole share purchase warrant entitles the holder to purchase one common share at a price of $0.20, expiring 1 year after closing. The Company also issued 3,160,000 units ("Units"), priced at $0.095 per Unit, for gross proceeds of $300,200. Each Unit consists of one common share and one share purchase warrant, priced at $0.20 and expiring 1 year after closing. Finders fees of $34,961 and 350,848 share purchase warrants exercisable for 1 year at $0.20, were paid and issued respectively. The share purchase warrants were valued at $41,130 under the following assumptions and ranges: risk free interest rate – 0.47%; expected life – 1 year; expected volatility – 156%; expected dividend yield – 0%; and weighted average share price - $0.12.

7. SHARE CAPITAL - continued

c) Issued: - continued

During the nine months ended November 30, 2015: - continued

On September 18, 2015, the Company closed the second and final tranche of a private placement. The Company issued 9,676,600 flow-through units ("FT Units"), with each FT Unit consisting of one common share priced at $0.10 and one half of one share purchase warrant, for gross proceeds of $967,660. Each whole share purchase warrant entitles the holder to purchase one common share at a price of $0.20, expiring 1 year after closing. Finders fees of $80,613 and 806,128 share purchase warrants exercisable for 1 year at $0.20, were paid and issued respectively. The share purchase warrants were valued at $85,582 under the following assumptions and ranges: risk free interest rate – 0.47%; expected life – 1 year; expected volatility – 157%; expected dividend yield – 0%; and weighted average share price - $0.11.

On October 5, 2015, the Company closed the first tranche of a private placement. The Company issued 8,411,393 units ("Units"), priced at $0.125 per Unit, for gross proceeds of $1,051,424. Each Unit consists of one common share and one share purchase warrant, priced at $0.25 and expiring in 1 year. Finders fees of $5,500 and 44,000 share purchase warrants exercisable for 1 year at $0.25, were paid and issued respectively. The share purchase warrants were valued at $4,055 under the following assumptions and ranges: risk free interest rate – 0.51%; expected life – 1 year; expected volatility – 150%; expected dividend yield – 0%; and weighted average share price - $0.09.

On October 28, 2015, the Company closed the second and final tranche of a private placement. The Company issued 1,676,000 units ("Units"), priced at $0.125 per Unit, for gross proceeds of $209,500. Each Unit consists of one common share and one share purchase warrant, priced at $0.25 and expiring in 1 year. The fair value of the shares at the date of issuance was $0.10, therefore the fair value of the Warrant is deemed to be $0.025 based on the residual method. As a result, the Company allocated $41,900 to reserves from the issuance of Units. Finders fees of $10,625 and 64,000 share purchase warrants exercisable for 1 year at $0.25, were paid and issued respectively. The share purchase warrants were valued at $2,233 under the following assumptions and ranges: risk free interest rate – 0.54%; expected life – 1 year; expected volatility – 152%; expected dividend yield – 0%; and weighted average share price - $0.03.

During the nine months ended November 30, 2015, 5,665,000 share purchase warrants priced at $0.10 were exercised for gross proceeds of $566,500, 324,998 stock options priced at $0.10 were exercised for gross proceeds of $32,500, and 64,000 agent's warrants were exercised for gross proceeds of $6,400.

During the year ended February 28, 2015:

On November 17, 2014, the Company issued 2,666,666 shares at a deemed price of $0.035 in accordance with the Garland Property agreement.

In December 2014, the Company closed a private placement with gross proceeds of $441,200. The Company issued 6,624,000 flow-through units ("FT Units"). Each FT Unit consists of one common share priced at $0.05 and one half of one share purchase warrant. Each whole share purchase warrant entitles the holder to purchase one common share at a price of $0.10, expiring 2 years after closing. The Company also issued 2,200,000 units ("Units"), priced at $0.05 per Unit. Each Unit consists of one common share and one share purchase warrant, priced at $0.10 and expiring in 2 years. Finders fees of $21,200 and 424,000 share purchase warrants exercisable for 2 years at $0.10, were paid and issued respectively. The share purchase warrants were valued at $29,746 under the following assumptions and ranges: risk free interest rate – 1.01% - 1.03%; expected life – 2 years; expected volatility – 232% - 233%; expected dividend yield – 0%; and weighted average share price - $0.06 - $0.09.

On February 26, 2015, the Company closed a private placement with gross proceeds of $341,600. The Company issued 5,693,333 units ("Units"), priced at $0.06 per Unit. Each Unit consists of one common share and one share purchase warrant, priced at $0.10 and expiring on February 26, 2017.

(Unaudited - Expressed in Canadian Dollars)

7. SHARE CAPITAL - continued

d) Issued: - continued

During the year ended February 28, 2015: - continued

On February 27, 2015, the Company issued 833,333 shares at a deemed price of $0.06 to settle debt of $100,000 with Ridge Resources Ltd. (“Ridge”), a company controlled by a director of the Company. Ridge entered into an agreement with Zimtu Capital Corp., a related party to the Company, whereby Ridge would purchase $100,000 of the Company’s debt due to Zimtu for $50,000.

c) Warrants:

Warrant transactions and the number of warrants outstanding for the nine months ended November 30, 2015 and the year ended February 28, 2015 are summarized as follows:

	November 30, 2015		February 28, 2015	
	Number of Warrants	**Weighted Average Exercise Price**	Number of Warrants	Weighted Average Exercise Price
Balance, beginning of period	**11,629,333**	**$ 0.10**	**-**	**$ -**
Granted	**29,184,592**	**0.21**	**11,629,333**	**0.10**
Exercised	**(5,729,000)**	**0.10**	**-**	**-**
Balance, end of period	**35,084,925**	**$ 0.19**	**11,629,333**	**$ 0.10**

The following warrants were outstanding as at November 30, 2015:

Expiry Date	**Exercise Price**	**Number of warrants**	**Remaining Contractual Life (Years)**
December 29, 2016	$ 0.10	1,255,000	1.08
December 30, 2016	$ 0.10	512,000	1.08
December 31, 2016	$ 0.10	320,000	1.09
February 26, 2017	$ 0.10	3,813,333	1.24
July 15, 2017	$ 0.15	6,155,623	1.62
September 14, 2016	$ 0.20	6,838,300	0.79
September 14, 2016	$ 0.25	350,848	0.79
September 18, 2016	$ 0.20	4,838,300	0.80
September 18, 2016	$ 0.25	806,128	0.80
October 5, 2016	$ 0.25	8,455,393	0.85
October 28, 2016	$ 0.25	1,740,000	0.91
Balance, end of period		**35,084,925**	**1.03**

(Unaudited - Expressed in Canadian Dollars)

8. SHARE-BASED COMPENSATION

The Company has a stock option plan in place under which it is authorized to grant options of up to 10% of its outstanding shares to officers, directors, employees and consultants. The exercise price of each option is to be determined by the Board of Directors but shall not be less than the discounted market price as defined by the TSX-V. The expiry date for each option should be for a maximum term of five years.

Options granted to directors, employees and consultants, other than consultants engaged in investors relations activities, will vest fully upon the expiry of the TSX-V hold period of four months from the award date, unless otherwise approved by the relevant regulatory authorities.

Options granted to employees in investors relations activities will vest in stages over a minimum period of 12 months with no more than one-quarter of the options vesting in any three month period.

At a Special Meeting of Shareholders held on September 15, 2014, the Disinterested Shareholders approved the re-pricing of stock options granted to directors and officers of the Company to an exercise price that is equal to the greater of $0.10 per share, or the Discounted Market Price on the date that is 10 calendar days after the completion of the consolidation of the Company's common shares. The directors approved the pricing of all outstanding options to $0.10 per common share, the expiry dates of the options remain unchanged.

On March 26, 2015, the Company entered into an agreement with Performance Capital Advisors Inc. ("PCA") to provide the Company with Investor Relations services. The Company granted PCA 250,000 stock options, priced at $0.10, expiring on April 7, 2017. In accordance with the Company's stock option plan, these options will vest at a rate of 25% per quarter, and, as of August 31, 2015, are 50% vested.

On June 24, 2015, the Company granted 250,000 stock options at a price of $0.10 expiring on June 24, 2019 to a director. In accordance with the Company's stock option plan, these options will vest immediately.

On November 19, 2015, the Company granted 4,100,000 stock options at a price of $0.15 expiring on November 19, 2020. In accordance with the Company's stock option plan, these options will vest immediately. Of the total stock options granted, 2,000,000 were issued to directors and officers of the Company.

The following is a summary of option transactions under the Company's stock option plan for the nine months ended November 30, 2015 and the year ended February 28, 2015:

	November 30, 2015		February 28,2015	
	Number of Options	**Weighted Average Exercise Price**	Number Options	Weighted Average Exercise Price
Balance, beginning of period	**2,871,653**	**$ 0.10**	1,674,978	$ 0.10
Granted	**4,600,000**	**0.14**	1,904,999	0.10
Exercised	**(324,998)**	**0.10**	-	-
Cancelled	**-**	**-**	(666,659)	0.10
Expired	**(424,996)**	**0.10**	(41,665)	0.10
Balance, end of period	**6,721,659**	**$ 0.13**	2,871,653	$ 0.10
Exercisable, end of period	**2,559,159**	**$ 0.10**	1,116,653	$ 0.10

(Unaudited - Expressed in Canadian Dollars)

8. SHARE-BASED COMPENSATION - continued

The following stock options were outstanding as at November 30, 2015:

Expiry Date	Original Exercise Price	Revised Exercise Price	Number of options	Remaining Contractual Life (Years)
April 7, 2017	$ 0.10	n/a	125,000	1.35
February 26, 2019	$ 0.30	$ 0.10	616,659	3.24
February 15, 2020	$ 0.10	$ 0.10	1,755,000	4.22
June 4, 2020	$ 0.10	n/a	125,000	4.52
November 19, 2020	$ 0.15	n/a	4,100,000	4.98
Total, end of period			**6,721,659**	**4.54**

The Company applies the fair value method in accounting for its stock options using the Black-Scholes pricing model. During the nine months ended November 30, 2015, the Company recorded $527,117 (November 30, 2014 - $22,880) in share-based payments expense using the following assumptions:

	November 30, 2015	February 28, 2015
Risk free interest rate	**0.47% – 0.95%**	0.79% - 1.61%
Expected life	**2 - 5 years**	5 years
Expected volatility	**173% - 222%**	169% - 176%
Expected dividend yield	**0%**	0%
Expected forfeiture	**0%**	0%
Weighted average share price	**$0.07 – $0.12**	$0.05 - $0.09

9. RELATED PARTY TRANSACTIONS

	Nine months ended November 30, **2015**	2014
Key Management Compensation:		
Consulting fees	**$ 119,750**	$ 30,000
Mineral property costs	**48,750**	-
Office administration and rent	**112,500**	112,500
Share-based payments	**258,980**	-
Advertising and promotion	**10,313**	16,000
Total	**$ 550,293**	$ 158,500

	November 30, 2015	February 28, 2015
Related Party Balances:		
Directors of the Company	**$ 55,595**	$ 1,875
Companies related by common directors	**-**	16,809
Total	**$ 55,595**	$ 18,684

The amounts payable and receivable to/from related parties represent non-interest bearing loans the Company borrowed from or loaned to the directors. The loans are uncollateralized and are repayable on demand. See also note 6.

(Unaudited - Expressed in Canadian Dollars)

10. COMMITMENTS

On June 1, 2010, the Company entered into a management and administration agreement for a 12 month term with Zimtu Capital Corp. ("Zimtu"). Under the terms of the agreement, Zimtu provides the Company with administrative and managerial services, including corporate maintenance, continuous disclosure services, rent, and office space for $12,500 a month. On June 1, 2013, this agreement was extended for an additional 12 month term. On June 1, 2014, the Company renewed the management and administrative agreement with Zimtu for an additional 6 month term, expiring November 30, 2014. On December 1, 2014, the agreement was extended for an additional 12 month term expiring on November 30, 2015. On December 1, 2015, the agreement was extended through November 30, 2016.

On March 26, 2015, the Company entered into an agreement with Performance Capital Advisors Inc. ("PCA") to provide the Company with Investor Relations services. The Company will pay PCA $7,500 per month for a period of six months and issued 250,000 stock options at $0.10 per share for a period of 2 years.

11. PREPAID EXPENSES

	November 30, 2015	**February 28, 2015**
Current		
Advertising and promotion	**$ 287,294**	$ 4,750
Insurance	**9,720**	-
Employee advances	**-**	422
Consulting fees paid in advance of service	**76,250**	76,975
Deposits held for exploration	**35,631**	71,810
Total prepaid expenses	**$ 408,895**	$ 153,957

12. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

	November 30, 2015	**November 30, 2014**
Agent warrants granted	$ 134,435	$ -
Income tax paid	$ -	$ -
Shares issued for property	$ -	$ 93,333
Interest paid	$ -	$ -

13. SEGMENTED DISCLOSURE

The Company has one operating segment, mineral exploration and development. All of the Company's assets are located in Canada.

14. SUBSEQUENT EVENTS

On January 13, 2016, the Company announced that it has entered into a binding letter agreement to acquire (the "Transaction") all of the issued and outstanding securities of Alta Floresta Gold Ltd. ("Alta Floresta Gold"). Alta Floresta Gold is a private BC company, which holds approximately 60% of Alta Floresta Gold Mineração Ltd. ("Alta Floresta Mineração"). Alta Floresta Mineração holds six gold properties, and four production licences, over 184,410 hectares of land in the Mato Grosso, and Para states of the Federative Republic of Brazil. Licence areas are highly prospective, with previous artisanal mining activity. Alta Floresta Mineração is focused on expanding the production activities and defining additional gold resources at its Cajueiro Project (the "Cajueiro Project").

A summary of the transaction is as follows:

- Equitas will acquire 100% of the issued and outstanding shares of Alta Floresta Gold from its security holders in exchange for that number of Equitas shares that is equal to 100% of the issued and outstanding Equitas shares at closing.

- Upon closing, (i) Alta Floresta Gold will become a wholly-owned subsidiary of Equitas, and (ii) former shareholders of Alta Floresta Gold will hold approximately 50% of the outstanding shares of the Company (without giving effect to any issuances of Equitas shares prior to or concurrent with closing). No new insiders or control persons will be created as a result of the Transaction.

- Each unexercised stock option in Alta Floresta Gold will be exchanged for or replaced with approximately 1.5 options of Equitas at a price of $0.15 per share.

- Equitas Resources will segregate up to USD$1 million to be applied on closing exclusively to advance the Alta Floresta Gold projects. Subject to TSX Venture Exchange (the "Exchange") approval, US$300,000 of this will be advanced to Alta Floresta Gold following completion of Equitas' technical due diligence and licence review.

- Prior to closing, Alta Floresta Gold will use commercially reasonable efforts to become the legal and beneficial owner of 100% of the issued and outstanding equity interests of Alta Floresta Mineração. Alta Floresta Gold invested in Alta Floresta Mineração in June 2014, under an investment agreement (the "Underlying Investment Agreement") with ECI Exploration and Mining Inc. ("ECI"), and other ECI related parties. Pursuant to the Underlying Investment Agreement, Alta Floresta Gold has the right to farm-in to Alta Floresta Mineração up to a 70% equity interest (currently approximately 60% held), and has taken operational control of the Alta Floresta Mineração business and board. Alta Floresta Gold has the right of first refusal on any sale of the remaining ECI interest, and has the ability through further un-matched investment, to dilute the ECI interest down to a level (10%) at which the ECI interest would convert to a 1.25% NSR.

The proposed Transaction is subject to a number of terms and conditions, including but not limited to (i) the entering into by the parties of a definitive agreement with respect to the Transaction (such agreement to include representations, warranties, conditions and covenants typical for a transaction of this nature), (ii) the absence of any material adverse change in either party, (iii) the completion of satisfactory due diligence investigations by both parties, (iv) the approval of the directors of each of the Company and Alta Floresta Gold, (v) the completion by Equitas of a private placement generating minimum proceeds of $2,500,000 and (vi) the approval of the Exchange.

The parties have agreed that during the period from signing the letter agreement through to execution of the definitive agreement, each of the parties will continue their respective operations in the ordinary course and will not solicit or accept alternative offers. Subject to satisfactory completion of due diligence, the parties expect to execute the definitive agreement by January 31, 2016 and have agreed to use their best efforts to complete the Transaction by February 19, 2016 or as soon as reasonably practicable thereafter.

The proposed Transaction will constitute a Reviewable Transaction pursuant to the policies of the Exchange. The proposed Transaction is an arm's length transaction. The Company will not be required to obtain shareholder approval of the Transaction.