ZINC ONE RESOURCES INC.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED MAY 31, 2017 AND 2016
(Unaudited – Expressed in Canadian Dollars)

NOTICE TO READER

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a) issued by the Canadian Securities Administrators, if an auditor has not performed a review of the 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 consolidated financial statements 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 interim consolidated 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.

ZINC ONE RESOURCES INC.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(Unaudited – Expressed in Canadian Dollars)

	Note	May 31, 2017 $	February 28, 2017 $
ASSETS			
Current assets			
Cash		7,449,130	1,663,663
Receivables		57,999	8,219
Short term loan receivable	**11**	2,054,093	-
Prepaid expenses		1,375,241	185,688
		10,936,463	1,857,570
Prepaid expenses		26,111	65,279
Deferred acquisition costs	**11**	136,914	74,802
Exploration and evaluation assets	**4**	293,800	293,800
Total assets		11,393,288	2,291,451
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities		56,669	135,603
Due to related parties	**7**	21,565	32,886
		78,234	168,489
Note payable	**5**	66,220	64,242
Total liabilities		144,454	232,731
SHAREHOLDERS' EQUITY			
Share capital	**6**	34,084,247	24,297,887
Contributed surplus	**6**	2,828,360	2,646,472
Deficit		(25,663,773)	(24,885,639)
		11,248,834	2,058,720
Total liabilities and shareholders’ equity		11,393,288	2,291,451

Nature of operations (Note 1)
Contingency (Note 9)
Commitments (Note 10)
Subsequent events (Note 11)

Approved and authorized on behalf of the Board of Directors on July 26, 2017

“**Gunther Roehlig**” Director   “**W. Barry Girling**” Director

ZINC ONE RESOURCES INC.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS

For the three months ended May 31, 2017 and 2016

(Unaudited – Expressed in Canadian Dollars)

	Note	For the three months ended May 31, 2017 $	For the three months ended May 31, 2016 $
OPERATING EXPENSES			
Consulting fees		75,300	-
Directors' fees	**7**	-	4,000
Exploration expenses	**4**	-	10,148
Filing fees		46,647	4,051
General and administrative	**7**	69,010	11,272
Insurance		3,564	3,743
Interest	**5**	919	885
Management fees	**7**	52,500	60,000
Marketing		296,888	-
Professional fees	**7**	46,241	7,923
Share-based payments	**6(d), 7**	181,888	-
		(772,957)	(102,022)
LOSS BEFORE OTHER ITEMS		(772,957)	(102,022)
(Loss) gain on foreign exchange		(5,177)	2,400
NET LOSS AND COMPREHENSIVE LOSS FOR THE PERIOD		(778,134)	(99,622)
NET LOSS PER SHARE – BASIC AND DILUTED*		(0.01)	(0.01)
WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING*		62,028,864	7,425,372

*Post 1.5:1 forward stock split (Note 6)

ZINC ONE RESOURCES INC.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(Unaudited – Expressed in Canadian dollars, except for share figures)

	Number of Shares* #	Share Capital $	Contributed Surplus $	Deficit $	Total $
Balance, February 29, 2016	*6,186,241	19,530,957	2,463,979	(21,862,824)	132,112
Shares issued in consideration for:					
Cash, pursuant to private placement	6,000,000	200,000			200,000
Less: Share issue costs		(2,643)			(2,643)
Net and comprehensive loss for the period	-	-	-	(99,622)	(99,622)
Balance, May 31, 2016	*12,186,241	19,728,314	2,463,979	(21,962,446)	229,847
Shares issued in consideration for:					
Cash, pursuant to private placement	40,500,000	2,850,000			2,850,000
Less: Share issue costs		(31,227)			(31,227)
Exploration and evaluation assets	4,089,000	1,750,800			1,750,800
Share-based payments			182,493		182,493
Net and comprehensive loss for the period				(2,923,193)	(2,923,193)
Balance, February 28, 2017	*56,775,241	24,297,887	2,646,472	(24,885,639)	2,058,720
Shares issued in consideration for:					
Cash, pursuant to private placement	16,666,667	10,000,000	-	-	10,000,000
Less: Share issue costs	-	(213,640)	-	-	(213,640)
Share-based payments	-	-	181,888	-	181,888
Net and comprehensive loss for the period	-	-	-	(778,134)	(778,134)
Balance, May 31, 2017	*73,441,908	34,084,247	2,828,360	(25,663,773)	11,248,834

*Post 1.5:1 forward stock split (Note 6)

ZINC ONE RESOURCES INC.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
For the three months ended May 31, 2017 and 2016
(Unaudited – Expressed in Canadian Dollars)

	2017 $	2016 $
Operating activities:		
Net loss for the year	(778,134)	(99,622)
Items not involving cash:		
Accrued interest	919	-
Share-based payments	181,888	-
	(595,327)	(99,622)
Changes in non-cash working capital related to operations:		
Receivables	(49,780)	(606)
Prepaid expenses	(1,150,385)	8,891
Accounts payable and accrued liabilities	(25,014)	74,218
Net cash used in operating activities	(1,820,506)	(17,119)
Investing activities:		
Deferred acquisition costs	(116,032)	-
Short term loan receivable	(2,054,093)	
Net cash used in investing activities	(2,170,125)	-
Financing activities:		
Due to related parties	(11,321)	-
Common shares issued for cash	10,000,000	200,000
Share issue costs	(213,640)	(2,643)
Net cash provided by financing activities	9,775,039	197,357
Increase in cash during the period	5,784,408	180,238
Effect of exchange rate changes on cash	1,059	-
Cash – beginning of the period	1,663,663	7,506
Cash – end of the period	7,449,130	187,744

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

1. NATURE OF OPERATIONS

Zinc One Resources Inc. ("the Company" or "Zinc One") was incorporated on January 12, 2007 under the Business Corporations Act of British Columbia. The Company's registered and head office is located at 410-1040 West Georgia Street, Vancouver, BC, Canada. Effective January 23, 2017, the Company changed its name from Rockridge Capital Corp. to Zinc One Resources Inc. Effective January 24, 2017, the Company changed its trading symbol to "Z". The Company's shares are also quoted on the US OTC Marketplace under symbol "ZZZOF".

The Company is in the process of exploring and developing its exploration properties and has not yet determined whether the properties contain ore reserves that are economically recoverable. The recoverability of the amounts shown for exploration and evaluation assets is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development of those reserves and upon future profitable production.

2. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PRESENTATION

a) Statement of compliance

These condensed interim consolidated financial statements have been prepared in conformity with International Accounting Standard ("IAS") 34, *Interim Financial Reporting*, using the same accounting policies as detailed in the Company's audited annual financial statements for the year ended February 28, 2017. They do not include all the information required for complete annual financial statements in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC") and therefore should be read together with the audited annual financial statements for the year ended February 28, 2017.

These condensed interim consolidated financial statements were approved by the board of directors for issue on July 26, 2017.

b) Basis of presentation

These condensed interim consolidated financial statements have been prepared on a historical cost basis, except for certain financial instruments which are measured at fair value.

These condensed interim consolidated financial statements are presented in Canadian dollars, unless otherwise noted, which is the functional currency of the Company and its subsidiary.

c) Basis of consolidation

These condensed interim consolidated financial statements include the accounts of the Company and its wholly-owned subsidiary Rockridge Mali SARL, incorporated in Mali, Africa. Control is achieved when the Company is exposed to, or has rights, to variable returns from its involvement with an entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is obtained and continue to be consolidated until the date that such control ceases. Intercompany balances, transactions and unrealized intercompany gains and losses are eliminated upon consolidation.

d) Estimates, assumptions and measurement uncertainty

The presentation of these condensed interim consolidated financial statements requires management to make certain critical accounting estimates and to exercise judgment in applying the Company's accounting policies. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual experience may differ from these estimates and assumptions. The effect of a change in accounting estimate is recognized prospectively by including it in comprehensive loss in the period of the change, if the change affects that period only, or in the period of the change and future periods, if the change affects both. Information about critical accounting estimates and judgments in applying accounting policies that have the most significant risk of causing material adjustment to the carrying amounts of assets and liabilities recognized in the financial statements are discussed below:

(i) Judgments

Title to mineral property interests – Although the Company has taken steps to verify title to mineral properties in which it has an interest, these procedures do not guarantee the Company's title. Such properties may be subject to prior agreements or transfers and title may be affected by undetected defects.

Exploration and evaluation expenditures – The application of the Company's accounting policy for exploration and evaluation expenditures requires judgment in determining whether it is likely that future economic benefits will flow to the Company. That judgment may be based on assumptions about future events or circumstances. Estimates and assumptions made may change if new information becomes available. If, after an expenditure is capitalized, information becomes available suggesting that the recovery of the expenditure is unlikely, the amount capitalized is written off in profit or loss in the period the new information becomes available.

(ii) Estimates

Share-based payment – The Company measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

The estimated fair value of the note payable – The fair value of note payable is determined based on the discounted present value using assumptions of a discount rate of 17% and a term of one year. Changes in these input assumptions can significantly affect the fair value estimate.

3. RECENT ACCOUNTING PRONOUNCEMENTS

The Company has reviewed new and revised accounting pronouncements that have been issued but are not yet effective. The Company has not completed its assessment of the impact that the new and amended standards will have on its financial statements. The Company also has not early adopted any of these standards in the condensed interim consolidated financial statements.

The IASB issued IFRS 15, *Revenue from Contracts with Customers* (“IFRS 15”) in May 2014. The new standard provides a comprehensive five-step revenue recognition model for all contracts with customers and requires management to exercise judgment and make estimates that affect revenue recognition. IFRS 15 is effective for annual periods commencing on or after January 1, 2018. The Company is currently evaluating the impact that the new guidance is expected to have on its financial statements.

IFRS 9, *Financial Instruments* (“IFRS 9”) addresses the classification, measurement and recognition of financial assets and financial liabilities. The complete version of IFRS 9 was issued in July 2014. It replaces the guidance in IAS 39 that relates to the classification and measurement of financial instruments. IFRS 9 retains but simplifies the mixed measurement model and establishes three primary measurement categories for financial assets: amortised cost, fair value through other comprehensive income and fair value through P&L. The standard introduces a new expected credit losses model that replaces the incurred loss impairment model used in IAS 39. For financial liabilities, there were no changes to classification and measurement except for the recognition of changes in own credit risk in other comprehensive income, for liabilities designated at fair value through profit or loss. The standard is effective for accounting periods beginning on or after January 1, 2018. Early adoption is permitted. The Company is in the process of assessing IFRS 9’s impact on its financial statements.

IFRS 16, *Leases* ("IFRS 16") specifies how an IFRS reporter will recognize, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance, with IFRS 16's approach to lessor accounting substantially unchanged from its predecessor, IAS 17. The standard was issued in January 2016 and is effective for annual periods beginning on or after January 1, 2019. The Company is currently evaluating the impact that the new guidance is expected to have on its financial statements.

4. EXPLORATION AND EVALUATION ASSETS

Title to mineral properties involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of many mineral properties. The Company has investigated title to all of its mineral properties and, to the best of its knowledge, titles to all of its properties are in good standing.

a) Fatou Property

On December 22, 2009, the Company entered into a property option agreement with Bagoe National Corp. SARL. ("Bagoe"). Pursuant to the terms of the agreement, the Company acquired the 100% interest in the Fatou Property by making payments totaling US$800,000 ($823,520). The Company was also required to complete a minimum of 5,000 metres of exploration drilling during the first year (completed) of the term of the agreement and satisfy all obligations required to maintain the research permit with the local mining authorities. During the year ended February 28, 2014, the Government transfer of the Fatou research permit was approved, and the permit was issued in the name of Rockridge Mali.

At such time as the Company elects to move from an exploration license to an exploitation permit and upon issuance of an exploitation permit by the Mali government, a new company would be formed and the owners of that company would be Rockridge Mali (85%), the Mali government (10%) and Bagoe (5%). The interests of the Mali government and Bagoe in the new company would be carried interests.

Bagoe would also retain a 2% Net Smelter Returns ("NSR") royalty in the Fatou Property. The Company would have a right of first refusal to purchase Bagoe's 5% carried interest in the new company and its 2% NSR.

During the year ended February 28, 2017, due to the geopolitical consideration and the financial constraints of holding exploration activities in Mali, the Company decided not to continue the exploration of the project. Accordingly, an impairment charge of $823,520 was recorded during the year ended February 28, 2017.

b) Crackingstone Uranium Property

During the year ended February 28, 2017, the Company completed a mineral purchase agreement with St. Jacques Mineral Corp. ("St. Jacques") to acquire 100% interest in the Crackingstone Uranium Property (the "Crackingstone Property") which consists of nine mineral dispositions totalling 3,336 hectares, located in the Northern Mining District of Saskatchewan. Pursuant to the terms of the agreement, the Company has paid $10,000 and issued 3,375,000 common shares (at a fair value of $1,350,000) of the Company to St. Jacques. In connection with the transaction, the Company also issued a finder 330,000 common shares (at fair value of $132,000) of the Company.

The Company would be required to incur a total of $500,000 of exploration expenditures within 18 months of the day of the agreement (the "Exploration Commitment"). In the event that the Company does not satisfy the Exploration Commitment, the Crackingstone Property would be returned to St. Jacques. St. Jacques would also hold a 1% NSR, which may be purchased by the Company at a cost of $1,000,000.

During the three months ended May 31, 2017, management decided that it would no longer pursue the Crackingstone Property, and accordingly, wrote-down the property to $nil, recognizing an impairment charge of $1,492,000 for the year ended February 28, 2017.

c) Scotia Zinc Property

On January 24, 2017, the Company closed the acquisition of the Scotia Zinc Property in British Columbia, (the "Scotia Property") pursuant to the terms of an option agreement (the "Option Agreement") with Aldever Resources Inc. to acquire a 100% interest in the Scotia Property. The Scotia Property is primarily a zinc project, consisting of one mineral claim totaling 1,081 hectares, located in the Scotia River area, approximately 40 km southeast of Prince Rupert in west central British Columbia.

Under the terms of the Option Agreement, the Company has paid $25,000 and has issued 300,000 common shares (at fair value of $210,000) of the Company. In addition, the Company has agreed to: (a) pay $25,000 and issue a total of 450,000 common shares of the company on or before the first anniversary of the Option Agreement, and (b) issue 600,000 common shares of the Company and incur $500,000 in exploration expenditures on or before the second anniversary of the Option Agreement. The Company has also issued a finder 84,000 common shares (at fair value of $58,800) in connection with the closing of the transaction.

(Unaudited – Expressed in Canadian Dollars)

d) Acquisition costs

	Fatou $	Crackingstone $	Scotia $	Total $
February 29, 2016	**823,520**	**-**	**-**	**823,520**
Acquisition costs – cash	-	10,000	25,000	35,000
Acquisition costs – shares issued	-	1,482,000	268,800	1,750,800
	823,520	1,492,000	293,800	2,609,320
Write-down	(823,520)	(1,492,000)	-	(2,315,520)
February 28, 2017 and May 31, 2017	**-**	**-**	**293,800**	**293,800**

e) Exploration and evaluation expenditures

For the three months ended	Fatou $	Crackingstone $	Scotia $	Total $
Consultants	-	-	-	-
May 31, 2017	**-**	**-**	**-**	**-**

For the three months ended	Fatou $	Crackingstone $	Scotia $	Total $
Consultants	10,148	-	-	10,148
May 31, 2016	**10,148**	**-**	**-**	**10,148**

5. NOTE PAYABLE

On July 1, 2013, the Company entered into an amended Consulting Services Agreement with Namakan Damafing Keita (“Namakan”) pursuant to which the Company is obligated to pay to Namakan US$2,500 per month for geology consulting services within the Republic of Mali.

On December 1, 2015, the Company entered into an arrangement to settle overdue amounts payable to Namakan. Under the arrangement US$45,000 due to Namakan under the amended Consulting Services Agreement was converted to a promissory note due and payable in May 2019. The promissory note bears interest at 6% per annum, payable quarterly in arrears, and is secured by a charge over the Fatou Property. The Company has the right to repay the principal of the promissory note plus interest, at any time, without notice. The change in the note payable is as follows:

(Unaudited – Expressed in Canadian Dollars)

	$
Balance, February 29, 2016	61,803
Interest	3,558
Foreign exchange	(1,119)
Balance, February 28, 2017	64,242
Interest	919
Foreign exchange	1,059
Balance, May 31, 2017	**66,220**

6. SHARE CAPITAL

a) Authorized – Unlimited common shares without par value.

b) Forward Stock-split

Effective January 24, 2017, the Company completed a forward split of its issued and outstanding common shares on the basis of 1.5 post-split common shares for one pre-split common share (the "Split"). All references to share and per share amounts in these financial statements have been retroactively restated to reflect the Split.

c) Financings

On May 12, 2016, the Company closed a non-brokered private placement and issued 6,000,000 common shares, at $0.0333 per share, for gross proceeds of $200,000. Legal fees of $2,643 were incurred in connection with the private placement.

On July 18, 2016, the Company closed a non-brokered private placement and issued 25,500,000 common shares, at $0.0333 per share, for gross proceeds of $850,000. Legal fees of $14,760 were incurred in connection with the private placement.

On December 29, 2016, the Company closed a private placement financing by issuing a total of 15,000,000 common shares at price of $0.1333 per share for gross proceeds of $2,000,000. Legal fees of $16,467 were incurred in connection with the private placement.

On May 16, 2017, the Company closed a private placement financing by issuing a total of 16,666,667 units for gross proceeds of $10,000,000. Each unit consists of one common share and one-half of one share purchase warrant (each a "Warrant"), with each whole Warrant entitling the holder to purchase one additional common share at a price of $0.90 per share for a period of 24 months from the date of issue. The Company incurred share issuance costs of $213,640 in connection with the private placement.

(Unaudited – Expressed in Canadian Dollars)

d) Stock options

The Company has an incentive stock option plan, whereby options may be granted from time to time to directors, officers, employees and consultants of the Company with common shares to be reserved for issuance as options not to exceed 10% of the then issued and outstanding common shares. No one individual may be granted more than 5% of the issued and outstanding common shares. The options can be granted for a maximum term of 5 years.

Details of options activity for the years ended February 28, 2017 and the three months ended May 31, 2017 are as follows:

	Number of Options #	Weighted Average Exercise Price $
Balance, February 29, 2016	21,750	27.67
Expired	(21,750)	(27.67)
Granted	3,600,000	0.133
Balance, February 28, 2017	3,600,000	0.133
Granted	3,075,000	0.65
Balance, May 31, 2017	6,675,000	0.37
Unvested	(5,775,000)	0.41
Exercisable, May 31, 2017	900,000	0.133

The balance of options outstanding as at May 31, 2017 was as follows:

Expiry Date	Exercise Price $	Remaining Life (Years)	Options Outstanding #
October 20, 2021	0.133	4.39	3,600,000
May 16, 2022	0.65	4.96	3,075,000
		4.65	6,675,000

During the three months ended May 31, 2017, the Company granted 3,075,000 stock options to certain directors, officers, and consultants. The stock options have an exercise price of $0.65 per share and a life of 5 years. The stock options have a fair value of $1,736,216 and vest 25% on November 16, 2017, 35% on May 16, 2018 and 40% on November 16, 2018. The fair value of the options granted during the year ended May 31, 2017 is estimated on the dates of grant using the Black-Scholes option valuation model with the following assumptions:

(Unaudited – Expressed in Canadian Dollars)

	May 31, 2017
Dividend yield	**Nil**
Expected annualized volatility (%)	**134**
Risk-free interest rate (%)	**1.13**
Expected life of options (years)	**5.00**
Grant date fair value ($)	**0.53**
Forfeiture rate	**Nil**

Option pricing models require the input of subjective assumptions including the expected price volatility and the expected option life. Expected price volatility was calculated based on the Company's historical share prices. Changes in these assumptions can materially affect the estimated fair value of the stock options granted.

During the year ended May 31, 2017, the Company recorded share-based payments expense of $181,888 (May 31, 2016 – $nil).

e) Warrants

Details of warrants activity for the years ended February 28, 2017 and the three months ended May 31, 2017 are as follows:

	Number of Warrants #	Weighted Average Exercise Price $
Balance, February 29, 2016	3,345,240	0.33
expired	(3,345,240)	0.33
Balance, February 28, 2017	-	-
Issued	8,333,334	0.90
Balance, May 31, 2017	8,333,334	0.90

The balance of warrants outstanding as at May 31, 2017 is as follows:

Expiry Date	Exercise Price $	Remaining Life (Years)	Warrants Outstanding #
May 3, 2019	0.90	1.92	8,333,334

(Unaudited – Expressed in Canadian Dollars)

7. RELATED PARTY TRANSACTIONS

The Company incurred charges to directors and officers, or to companies associated with these individuals during three months ended May 31, 2017 and 2016 as follows:

	2017	**2016**
	$	**$**
Accounting and corporate secretarial fees	25,112	-
Directors' fees	-	4,000
Management fees	30,000	60,000
Rent and office services	-	9,000
Share-based payment	115,015	-
	170,127	73,000

Due to related parties at May 31, 2017 is $21,565 (February 28, 2017 – $32,886) owing to a company controlled by a former director and in which the CFO is an associate, President and CEO, COO, the current and former directors of the Company, or companies controlled by related parties.

Key management of the Company includes the CEO and President, CFO, COO and the Directors. During the year ended May 31, 2017, compensation paid to key management consisted of management fees of $30,000 (May 31, 2016 – $60,000) paid to the current and former President and CEO and a company controlled by former officers, rent and office service fees of $nil (May 31, 2016 – $9,000) paid to a company controlled by a former officer and in which another former officer and former director of the Company is a significant shareholder, accounting and corporate secretarial fees of $25,112 (May 31, 2016 – $nil) paid to a company controlled by a former director and in which the CFO is an associate, and directors' fees of $nil (May 31, 2016 – $4,000) paid to the former directors.

8. SEGMENT INFORMATION

During the three months ended May 31, 2017, the Company had two reportable operating segments, being the acquisition and exploration of interests in mineral properties located in two geographical segments, Africa and Canada. Geographic information is as follows:

	Total assets as at May 31, 2017	**Total assets as at February 28, 2017**
	$	**$**
Canada	11,393,288	2,291,451
Total assets	11,393,288	2,291,451

(Unaudited – Expressed in Canadian Dollars)

	Total liabilities as at May 31, 2017 $	Total liabilities as at February 28, 2017 $
Canada	78,234	168,489
Africa	66,220	64,242
Total assets	144,454	232,731

Geographic segmentation of the Company's loss during the three months ended May 31, 2017 and 2016 is as follows:

	2017 $	2016 $
Canada	777,215	88,589
Africa	919	11,033
Loss	778,134	99,622

9. CONTINGENCY

During the year ended February 29, 2016, Rockridge Mali SARL received a demand letter from a party alleging a breach of agreement for the amount of 50,000,000 West African CFA Franc (approximately $10,500). The dispute was submitted to the Labour Court of Bamako and on October 27, 2014 the court dismissed the case. The party appealed the Court's ruling on June 2, 2015. The final decision is subject to the Court of Appeals. Rockridge Mali SARL denies the allegations and will take all steps available to fully protect its interests. The probability of the outcome of the lawsuit cannot be determined at this time. A liability has not been accrued in the financial statements.

10. COMMITMENTS

On December 9, 2016, the Company entered into a lease agreement for the use of office premises in Vancouver, BC, Canada until December 31, 2017. The amount of the total lease payments committed is $14,385 for the year ended February 28, 2018.

Other commitments related to exploration and evaluation assets are described in Note 4.

11. SUBSEQUENT EVENTS

On June 2, 2017, the Company closed the acquisition of Forrester Metals Inc. ("Forrester") pursuant to the terms of a definitive arrangement agreement (the "Arrangement") announced on March 7, 2017. The Company acquired all of the issued and outstanding common share of Forrester by issuing 24,259,777 common shares of the Company. Under the terms of the Arrangement, each shareholder of Forrester received 1 common share of Zinc One ("Zinc One Share") for every 5.5 common shares of Forrester ("Forrester Shares").

All outstanding options and warrants of Forrester remained outstanding and were adjusted on the basis of 1 option or warrant of Zinc One for every 5.5 options or warrants of Forrester. This resulted in 1,210,909 additional options and 2,536,364 additional warrants of Zinc One. 685,453 warrants were subsequently exercised into 685,453 shares of Zinc One.

Further to closing the Arrangement, Forrester settled severance payments to certain directors and officers by issuance of 4,101,888 Forrester shares, which subsequently converted to an additional 745,797 shares of Zinc One.

Legal fees of $136,914 have been incurred in connection with the Arrangement, which have been capitalized as deferred acquisition costs on the consolidated statement of financial position at May 31, 2017 and subsequently have been allocated to the asset purchase on the completion date. In connection with the Arrangement, finder's shares of 1,000,000 Zinc One Shares were issued subsequent to the completion date.

During the three months ended May 31, 2017, in advance of closing of the Arrangement, the Company provided bridge funds of $910,225 to Forrester, so that Forrester could repay its matured debt that was due on April 28, 2017, pursuant to a short term loan agreement. The loan had a maturity date of August 31, 2017 with interest compounded at an annual rate of 2%. Prior to closing the Arrangement, the Company advanced an additional $1,143,868 to Forrester. The amount was due on demand with no specified terms of repayment. The total short term loans advanced to Forrester as at May 31, 2017 were $2,054,093 and were extinguished upon successful closing of the Arrangement.

Subsequent to closing of the Arrangement, the Company exercised the option to acquire a 100% interest in Bongará Zinc-Oxide Project and Charlotte Bongará Zinc-Oxide Project by making final cash payments totaling $1,549,165 (US$1,150,000) to the optionors.