STRONGBOW EXPLORATION INC.

CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

OCTOBER 31, 2016

(Unaudited – Prepared by Management)

(Expressed in Canadian Dollars)

<u>Reader's Note</u>

These consolidated condensed interim financial statements of Strongbow Exploration Inc. ("Strongbow") for the nine months ended October 31, 2016 have been prepared by and are the responsibility of Strongbow's management.

Strongbow's independent auditor has not performed a review of these financial statements in accordance with standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

STRONGBOW EXPLORATION INC.
CONSOLIDATED CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION
(Unaudited – Prepared by Management)
(Expressed in Canadian dollars)

	October 31, 2016	January 31, 2016
ASSETS		
Current		
Cash	$ 192,018	$ 528,301
Marketable securities (Note 5)	258,200	91,200
Receivables (Note 6)	4,437	3,487
Prepaid expenses	163,785	21,484
	618,440	644,472
Deposits	9,300	9,300
Property, plant and equipment (Notes 3 and 8)	984,868	8,853
Royalties (Note 9)	1,500,000	-
Exploration and evaluation assets (Notes 3 and 10)	3,396,120	713,850
	$ 6,508,728	$ 1,376,475
LIABILITIES		
Current		
Accounts payable and accrued liabilities (Note 7)	$ 99,236	$ 165,293
Asset retirement obligation (Note 14)	-	54,181
	99,236	219,474
Long-term liabilities (Note 11)	3,097,403	-
	3,196,639	219,474
CAPITAL AND RESERVES		
Capital stock (Note 12)	30,615,428	28,031,097
Share-based payment reserve (Note 12)	4,296,416	4,217,482
Investment revaluation reserve	32,965	(112,325)
Deficit	(31,632,720)	(30,979,253)
	3,312,089	1,157,001
	$ 6,508,728	$ 1,376,475

Nature and Continuance of Operations and Going Concern Assumption (Note 1)
Commitments (Note 16)
Subsequent Event (Note 19)

Approved and authorized on behalf of the Board on December 21, 2016:

"D. Grenville Thomas" Director *"Richard Williams"* Director

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

STRONGBOW EXPLORATION INC.
CONSOLIDATED CONDENSED INTERIM STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(Unaudited – Prepared by Management)
(Expressed in Canadian dollars)

	Three Months Ended October 31, 2016	Three Months Ended October 31, 2015	Nine Months Ended October 31, 2016	Nine Months Ended October 31, 2015
EXPENSES				
Accretion (Notes 11 and 14)	$ 55,293	$ 78	$ 55,401	$ 331
Advertising and promotion	55,393	7,313	103,116	30,876
Depreciation (Note 8)	35,054	716	36,382	2,148
Insurance	7,017	3,520	15,957	9,144
Office, miscellaneous and rent	18,769	17,046	58,898	18,768
Professional fees	120,302	90,747	169,792	121,908
Generative exploration expense	7,476	(935)	14,649	23,418
Regulatory and filing fees	1,763	4,295	25,834	17,499
Share-based compensation	6,861	78,330	49,170	78,330
Salaries and benefits	45,278	20,283	134,311	31,283
	(353,206)	(221,393)	(663,510)	(333,705)
OTHER INCOME AND EXPENSES				
Foreign exchange gain (loss)	(12,599)	350	(12,286)	(856)
Interest income	-	-	619	-
Recovery (write-off of exploration and evaluation assets)	-	120,000	-	(485,051)
Loss before income taxes	(365,805)	(101,043)	(675,177)	(819,612)
Income tax recovery (expense)	(4,082)	-	21,710	-
Loss for the period	(369,887)	(101,043)	(653,467)	(819,612)
Other comprehensive loss for the period				
Unrealized gain (loss) on marketable securities	(27,318)	14,000	145,290	(8,200)
Total comprehensive loss for the period	$ (397,205)	$ (87,043)	$ (508,177)	$ (827,812)
Basic and diluted loss per share	$ (0.01)	$ (0.00)	$ (0.01)	$ (0.05)
Weighted average number of common shares outstanding	45,890,694	25,607,694	34,542,026	15,151,650

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

STRONGBOW EXPLORATION INC.
CONSOLIDATED CONDENSED INTERIM STATEMENTS OF CASH FLOWS
(Unaudited – Prepared by Management)
(Expressed in Canadian dollars)

	For the Nine Months Ended October 31, 2016	October 31, 2015
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss for the period	$ (653,467)	$ (819,612)
Items not involving cash:		
Accretion	55,401	331
Depreciation	36,382	2,148
Generative exploration costs	1,096	(947)
Share-based compensation	49,170	78,330
Income tax expense (recovery)	(21,710)	-
Write-off of exploration and evaluation assets	-	485,051
Changes in non-cash working capital items:		
Increase in receivables	(950)	(13,730)
Increase in prepaid expenses	(142,301)	(14,045)
Increase (decrease) in accounts payable and accrued liabilities	(66,056)	68,278
Net cash used in operating activities	(742,435)	(214,196)
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment (Note 3)	(1,012,398)	-
Acquisition of royalties (Note 9)	(1,500,000)	-
Acquisition of exploration and evaluation assets (Notes 3 and 10)	(740,160)	(73,861)
Increase in deposits	-	(4,300)
Expenditures to reduce asset retirement obligation	(55,385)	-
Net cash used in investing activities	(3,307,943)	(78,161)
CASH FLOWS FROM FINANCING ACTIVITIES		
Debt (Note 11)	1,500,000	-
Common shares issued - private placement financing, net	2,214,095	965,654
Net cash provided by financing activities	3,714,095	965,654
Change in cash during the period	(336,283)	673,297
Cash beginning of the period	528,301	67,021
Cash end of the period	$ 192,018	$ 740,318
Cash paid during the period for interest	$ -	$ -
Cash paid during the period for income taxes	$ -	$ -

Supplemental disclosure with respect to cash flows (Note 15)

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

STRONGBOW EXPLORATION INC.
CONSOLIDATED CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY
NINE MONTHS ENDED OCTOBER 31
(Unaudited – Prepared by Management)
(Expressed in Canadian dollars)

	Capital Stock		Reserves			
	Number of shares	Amount	Share-based payment reserve	Investment revaluation reserve	Deficit	Total
Balance at January 31, 2015	9,107,694	$26,415,443	$ 4,095,128	$ (7,125)	$(29,881,739)	$ 621,707
Private placement	10,000,000	1,000,000	-	-	-	1,000,000
Share issue costs	-	(34,346)	-	-	-	(34,346)
Property option agreement	6,500,000	650,000	-	-	-	650,000
Share-based compensation	-	-	78,330	-	-	78,330
Unrealized gain on marketable securities	-	-	-	8,200	-	8,200
Loss for the period	-	-	-	-	(819,612)	(819,612)
Balance at October 31, 2015	**25,607,694**	**$28,031,097**	**$ 4,173,458**	**$ 1,075**	**$(30,701,351)**	**$ 1,504,279**
Balance at January 31, 2016	25,607,694	$28,031,097	$ 4,217,482	$ (112,325)	$(30,979,253)	$ 1,157,001
Private placement	18,283,000	2,285,375	-	-	-	2,285,375
Share issue costs	-	(101,044)	29,764			(71,280)
Asset acquisition (Note 3)	2,000,000	400,000	-	-	-	400,000
Share-based compensation	-	-	49,170	-	-	49,170
Unrealized gain on marketable securities	-	-	-	145,290	-	145,290
Loss for the period	-	-	-	-	(653,467)	(653,467)
Balance at October 31, 2016	**45,890,694**	**$30,615,428**	**$ 4,296,416**	**$ 32,965**	**$(31,632,720)**	**$ 3,312,089**

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

1. NATURE AND CONTINUANCE OF OPERATIONS AND GOING CONCERN ASSUMPTION

Strongbow Exploration Inc. (the "Company") is incorporated federally under the laws of the Canada Business Corporations Act ("CBCA"). The consolidated financial statements of the Company are presented in Canadian dollars, which is the functional currency of the Company. The Company trades on the TSX Venture Exchange ("TSX-V"), (TSX-V – SBW) and its head office is located at Suite 960 – 789 West Pender Street, Vancouver, BC, Canada V6C 1H2. The Company has two wholly-owned subsidiaries: Strongbow Alaska, Inc. which is incorporated under the laws of Alaska, USA and Strongbow Exploration (UK) Ltd., incorporated under the laws of the United Kingdom in February 2016.

The Company's principal business activity is the acquisition and exploration of exploration and evaluation assets. To date, the Company has not generated significant revenues from operations and is considered to be in the exploration stage.

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

These consolidated condensed interim financial statements have been prepared on a going concern basis with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. However, the Company has sustained substantial losses from operations since inception and has no current source of revenue. Continued operations of the Company and further exploration on the remaining exploration and evaluation assets is dependent on the Company's ability to complete additional equity financings or generate profitable operations in the future. These material uncertainties may cast significant doubt about the Company's ability to continue as a going concern. These financial statements do not reflect the adjustments to the carrying values of assets and liabilities, the reported amounts of expenses and the classification of statement of financial position items if the going concern assumption was inappropriate. These adjustments could be material.

As at October 31, 2016, the Company had current assets of $618,440 to settle current liabilities of $99,236. Although the Company has positive working capital of $519,204 as at October 31, 2016, the Company may be required to delay discretionary expenditures if additional financing cannot be obtained on reasonable terms. Failure to obtain additional financing when required may result in the loss of some or all of the Company's exploration and evaluation assets (Note 10). Subsequent to October 31, 2016, the Company completed a non-brokered private placement of 14,682,666 units at $0.15 per unit for gross proceeds of $2.2 million (Note 19).

2. BASIS OF PRESENTATION

Statement of Compliance

These consolidated condensed interim financial statements have been prepared in accordance with International Accounting Standards 34, Interim Financial Reporting ("IAS 34") using the same accounting policies and methods of application as the audited consolidated financial statements of the Company for the year ended January 31, 2016. These consolidated condensed interim financial statements do not include all disclosures required by International Financial Reporting Standards ("IFRS") for annual audited consolidated financial statements and accordingly should be read in conjunction with the Company's annual audited consolidated financial statements for the year ending January 31, 2016 prepared in accordance with IFRS as issued by the International Accounting Standards Board ("IASB").

The policies applied in these consolidated condensed interim financial statements are based on IFRS issued and outstanding as of December 21, 2016, the date the Board of Directors approved the statements.

3. ACQUISITION OF THE SOUTH CROFTY TIN PROJECT

On July 11, 2016, the Company acquired, from administration, a 100% interest in the South Crofty Tin Project and associated mineral rights in Cornwall, UK pursuant to an agreement between the Company, Galena Special Situations Fund, and Tin Shield Production Ltd. Through its wholly-owned subsidiary Strongbow Exploration (UK) Limited, the Company now owns a 100% interest in Western United Mines Limited ("WUML") and Cornish Minerals Limited (Bermuda) (collectively the "Companies"). The Companies hold the rights to the South Crofty underground mine permission area, plus additional mineral rights over a further 7,500 Ha located in various parts of Cornwall, UK. Material terms of the acquisition are as follows, all references to currency being in Canadian dollars unless otherwise specified:

- The Company entered into a purchase and sale agreement with the administrator managing the affairs of WUML and Cornish Minerals Limited (UK), the sole shareholder of the Companies (also in administration) to acquire the shares of the Companies and to fund the exit of WUML and Cornish Minerals Limited (UK) from administration by reaching a settlement of the claims owed to unsecured creditors. The unsecured creditors approved the proposal on June 10, 2016. Strongbow paid £143,000 ($248,820) for the exit from administration.
- Galena, the only secured creditor, converted all debt owed to it into common shares of WUML and Strongbow acquired these shares, in return for future milestone payments, thereby completing the acquisition of 100% of the shares of the Companies.
- The UK holding company Cornish Minerals Limited (in administration) released the intra group indebtedness owed to it by WUML, amounting to £11,525,758.
- Upon closing of the acquisition, Strongbow reimbursed Tin Shield $318,000 for operating costs incurred for the project from November 1, 2015 to February 29, 2016; Strongbow assumed responsibility for the monthly project operating costs as of March 2016. Also upon closing, Strongbow made a payment of US$80,000 to Tin Shield to refund a shareholder loan made to Tin Shield.
- On July 11, 2016, Strongbow issued 2,000,000 common shares with a value of $400,000 for the acquisition. A total of 1,050,000 common shares were issued to Galena and 950,000 common shares were issued to Tin Shield. The common shares are subject to a hold period that will expire November 12, 2016.

Certain additional payments and share issuances pursuant to the acquisition agreement are payable in the future. A summary of this additional consideration can be found in Note 10.

This transaction has been accounted for as an asset acquisition as at the time of the transaction, neither WUML nor Cornish Minerals Limited (Bermuda) met the definition of a business. The consideration paid has been allocated to the acquired assets based on their fair value at the July 11, 2016 date of acquisition. The purchase price of the acquisition has been primarily allocated as follows:

Purchase price		
Common shares issued (2,000,000 shares)	**$**	**400,000**
Exit from administration		**248,820**
Tin Shield reimbursement for operating costs		**318,000**
Tin Shield payment (US $80,000)		**104,968**
Estimated present value of payment due in June 2018 (Note 11)		**1,542,110**
Transaction costs		**781,586**
	$	**3,395,484**
Net Assets Acquired		
Property, plant and equipment	**$**	**345,000**
Land		**665,000**
Exploration and evaluation assets		**2,385,484**
	$	**3,395,484**

4. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company's financial instruments consist of cash, marketable securities, receivables, accounts payable and accrued liabilities and debt. Cash is carried at fair value using a level 1 fair value measurement. The carrying value of receivables, accounts payable and accrued liabilities approximate their fair values due to their immediate or short-term maturity. Marketable securities are recorded at fair value based on the quoted market prices in active markets at the statement of financial position date, which is consistent with level 1 of the fair value hierarchy. Debt is recorded at the transaction value and subsequently carried at amortized cost less impairment losses.

The Company is exposed to a variety of financial risks by virtue of its activities, including credit risk, liquidity risk, foreign currency risk and equity market risk. The Company's objective with respect to risk management is to minimize potential adverse effects on the Company's financial performance. The Board of Directors provides direction and guidance to management with respect to risk management. Management is responsible for establishing controls and procedures to ensure that financial risks are mitigated to acceptable levels.

Credit risk

Credit risk is the risk of financial loss to the Company if a counter-party to a financial instrument fails to meet its contractual obligations. The Company's receivables consist primarily of sales tax receivables due from the federal government and receivables from companies with which the Company has exploration agreements or options. The maximum exposure to credit risk at the reporting date is the carrying value of the Company's receivables and cash.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations as they become due. The Company's ability to continue as a going concern is dependent on management's ability to raise the funds required through future equity financings, asset sales, exploration option agreements, or a combination thereof. The Company has no regular cash flow from its operating activities. The Company manages its liquidity risk by forecasting cash flow requirements for its planned exploration and corporate activities, and anticipating investing and financing activities. Management and the Board of Directors are actively involved in the review, planning and approval of annual budgets and significant expenditures and commitments. Failure to realize additional funding, as required, could result in the delay or indefinite postponement of further exploration of the Company's properties, and could result in the Company being unable to meet the continued listing requirements of the TSX-V. As at October 31, 2016, the Company had current assets of $618,440 to settle current liabilities of $99,236; subsequent to October 31, 2016, the Company completed a non-brokered unit private placement for gross proceeds of $2.2 million (Note 19).

Foreign Currency Risk

The Company has exposure to foreign currency risk through its exploration and evaluation assets in the United States and the United Kingdom. To the extent that the Company has assets, liabilities or expenses denominated in US Dollars or UK Pounds Sterling, the Company will be affected by changes in exchange rates between the Canadian dollar and these currencies. The Company does not presently invest in foreign currency contracts to mitigate this risk. It is management's opinion that the Company is not exposed to significant foreign currency risk as at and for the period ended October 31, 2016.

(Expressed in Canadian dollars)

4. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT - *Continued*

Interest rate risk

The Company is exposed to interest rate risk to the extent that the fair value or future cash flows of a financial instrument fluctuate due to changes in market interest rates. The risk that the Company will realize a loss as a result of a decline in the fair value of any short-term investment included in cash is limited because these investments, although readily convertible to cash, are generally held to maturity.

Equity market risk

The Company is exposed to equity price risk arising from its marketable securities, which are classified as available for sale. The Company plans to sell its marketable securities as market conditions permit, or as is required to finance the Company's operations from time-to-time.

5. MARKETABLE SECURITIES

The Company holds 2,295,000 common shares in three TSX-V listed companies (January 31, 2016 – 2,295,000 common shares).

	October 31, 2016		January 31, 2016	
	Cost	**Fair Market Value****	Cost	Fair Market Value
Various public companies	**$ 203,525**	**$ 258,200**	$ 203,525	$ 91,200

**Includes 2,200,000 common shares (fair market value of $253,000) of Westhaven Ventures Inc. ("Westhaven") a company related to Strongbow by virtue of a common director.

6. RECEIVABLES

	October 31, 2016	January 31, 2016
Related party receivable	**$ 175**	$ -
GST receivables	**4,262**	3,487
Total	**$ 4,437**	$ 3,487

7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	October 31, 2016	January 31, 2016
Trade payables	**$ 37,528**	$ 51,228
Related party payable	**19,337**	4,528
Accrued liabilities	**42,371**	109,537
Total	**$ 99,236**	$ 165,293

(Expressed in Canadian dollars)

8. PROPERTY, PLANT AND EQUIPMENT

	Computer Equipment	Furniture & Fixtures	Land	Motor Vehicles	Plant & Equipment	Total
Cost						
As at January 31, 2016	$ 50,757	$ -	$ -	$ -	$ -	$ 50,757
Acquisition *(Note 3)*	-	6,000	665,000	33,000	306,000	1,010,000
Additions	2,397	-	-	-	-	2,397
As at October 31, 2016	**$ 53,154**	**$ 6,000**	**$ 665,000**	**$ 33,000**	**$ 306,000**	**$1,063,154**
Accumulated Depreciation						
As at January 31, 2016	$ (41,904)	$ -	$ -	$ -	$ -	$ (41,904)
Charge for the period	(2,082)	(400)	-	(3,300)	(30,600)	(36,382)
As at October 31, 2016	**$ (43,986)**	**$ (400)**	**$ -**	**$ (3,300)**	**$ (30,600)**	**$ (78,286)**
Net book value						
As at January 31, 2016	$ 8,853	$ -	$ -	$ -	$ -	$ 8,853
As at October 31, 2016	**$ 9,168**	**$ 5,600**	**$ 665,000**	**$ 29,700**	**$ 275,400**	**$ 984,868**

9. ROYALTIES

Mactung and Cantung Royalty Acquisition

In March 2016, the Company purchased from Teck Resources Limited ("Teck") a 4% NSR on the Mactung tungsten project (one-half of which (2%) may be purchased by the property owner at any time for $2,500,000) and a 1% NSR on the Cantung tungsten project (collectively, the "Royalties"). The Mactung project is located in the Yukon and the Northwest Territories; the Cantung project is located in the Northwest Territories. The Company paid $1,500,000 to Teck upon closing of the acquisition and will make a further $1,500,000 payment to Teck on the earlier of a development decision at Mactung or the re-commencement of commercial production at Cantung.

Osisko, a significant shareholder of the Company, provided a $1,500,000 interest-free line of credit to the Company to complete the royalty acquisition (Note 11).

10. EXPLORATION AND EVALUATION ASSETS

	January 31, 2016	Expended During the Period	Write-off of Costs	**October 31, 2016**
Tin Properties, Alaska, USA				
Exploration costs	$ 17,339	$ -	-	**$ 17,339**
Acquisition costs	690,123	35,569	-	**725,692**
Geological and assays	6,388	2,645	-	**9,033**
	713,850	38,214	-	**752,064**
South Crofty, Cornwall, UK				
Exploration costs	$ -	$ 42,247	$ -	**$ 42,247**
Acquisition *(Note 3)*	-	2,385,484	-	**2,385,484**
Acquisition costs	-	8,700	-	**8,700**
Geological and assays	-	87,432	-	**87,432**
Office and salaries	-	120,193	-	**120,193**
	-	2,644,056	-	**2,644,056**
	$ 713,850	$ 2,682,270	$ -	**$ 3,396,120**

10. EXPLORATION AND EVALUATION ASSETS - *Continued*

Title to exploration and evaluation assets 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 exploration and evaluation assets. The Company has investigated title to all of its exploration and evaluation assets and, to the best of its knowledge, title to all of its properties is in good standing.

South Crofty Tin Project, Cornwall, UK

On July 11, 2016, the Company acquired, from administration, a 100% interest in the South Crofty Tin Project and associated mineral rights in Cornwall, UK. A description of this acquisition can be found in Note 3. The Company, through its wholly-owned subsidiary Strongbow Exploration (UK) Limited now owns a 100% interest in Western United Mines Limited ("WUML") and Cornish Minerals Limited (Bermuda) (collectively the "Companies"). The Companies hold the rights to the South Crofty underground mine permission area, plus additional mineral rights over a further 7,500 Ha located in various parts of Cornwall, UK.

In addition to the consideration paid on July 11, 2016 (Note 3), the Company agreed to the following additional payments and share issuances as part of the purchase and sale agreement with Galena and Tin Shield (collectively, the “Sellers”), whereby the Sellers would split the payments 52.5% to Galena and 47.5% to Tin Shield:

- Strongbow will issue 1,000,000 common shares to the Sellers upon receipt of a permit to increase water discharge from the old mine workings from 10,000m^3 per day to 25,000m^3 per day.
- Strongbow will make a payment to the Sellers totaling $2,000,000 (cash and / or common shares at Strongbow's election) on the second anniversary of the approval vote by creditors for WUML's exit from administration (date set at June 10, 2018). This payment has been accrued as a long-term liability and recorded as part of the acquisition cost for South Crofty (Notes 3 and 11).
- Strongbow will issue 2,000,000 common shares to the Sellers on delivery of a positive feasibility study or commencement of commercial production, whichever occurs first.
- Strongbow will make a cash and / or common share payment to the Sellers equal to 25% of the Net Present Value ("NPV") of the project upon making a decision to go into production. In the event that Strongbow's market capitalization is less than the NPV of the project when a production decision is made, Strongbow will pay the equivalent of 25% of its market value to the Sellers and the balance (between the 25% of market value and 25% of the NPV of the project) will be paid out as a 5% Net Profits Interest from production.
- In the event that Strongbow transfers any assets, rights, or entitlements to certain mineral rights which are not part of the core mineral rights (the "Other Mineral Rights") to a third party before the agreed consideration has been paid to the Sellers, then the Sellers will be entitled to receive a payment equal to 10% of any consideration received for the Other Mineral Rights, to a maximum of $1,000,000.

Sleitat and Coal Creek Tin Properties, Alaska, U.S.A.

On July 24, 2015, the Company acquired the Sleitat and Coal Creek tin properties in Alaska (collectively, the “Properties”) subject to the terms of a property purchase agreement (the "Agreement") with Osisko Gold Royalties Ltd. ("Osisko") and Mr. R. Netolitzky, and their respective wholly-owned companies, Brett Alaska Resources Inc. ("Brett") and Thor Gold Alaska, Inc. ("Thor"). Thor held a 20% undivided interest in the Sleitat property and Brett held an 80% undivided interest in the Sleitat property and a 100% interest in the Coal Creek property. Mr. Netolitzky is a director of the Company and is therefore not at arm's length to the Company. The Company acquired the Properties for total consideration of 6,500,000 common shares of the Company allocated as to 5,000,000 common shares to Brett and 1,500,000 common shares to Thor, and a 2% Net Smelter Return (“NSR”) royalty on the Properties. The NSR royalty was allocated 1.75% to Brett and 0.25% to Thor. The common shares were issued at $0.10 per share for a value of $650,000. In addition, property acquisition costs of $40,123 were incurred.

In addition to the shares and the NSR royalty, the Company granted Osisko a first right of refusal on the sale of any future royalties on any of its properties. Closing of the acquisition of the Properties and a private placement financing resulted in Osisko and Brett holding together 7,000,000 shares of the Company or 27.3% of the post-closing issued shares of the Company as at the date of the acquisition. As a result, Osisko is considered a 'control person' as defined by the TSX-V policies.

10. EXPLORATION AND EVALUATION ASSETS – *Continued*

Other Exploration Properties and Generative Exploration, Canada

Other Properties

The Company maintains a number of mineral claims in British Columbia, Saskatchewan and the Northwest Territories, including the Nickel King Project described below, as part of the Company's generative exploration programs.

Nickel King Project, NWT

The Company holds a 100% interest in a number of mineral claims and mining leases in the southern Northwest Territories. Certain of these mining leases are subject to a 3% NSR on base and precious metals production and an additional 2% gross overriding royalty ("GOR"). The Company may purchase the entire NSR at any time for $1,500,000 and the Company may purchase one-half (1%) of the GOR at any time for $2,500,000. During the year-ended January 31, 2014, the Company wrote off all capitalized acquisition and exploration expenditures due to limited exploration activities over the preceding three fiscal years. The Company maintains its interest in the underlying mineral claims and mining leases for the Nickel King Project by making annual lease payments of $5,883.

11. LONG-TERM LIABILITIES

Line of Credit

On March 15, 2016, Osisko, a significant shareholder of the Company, provided a $1,500,000 interest-free line of credit (the "Loan") to the Company to complete the acquisition of two royalties from Teck (Note 9). The Company must repay the Loan upon any sale of the Mactung project by the Government of the Northwest Territories; the Loan is secured by the royalties. Repayment of the Loan will be by conveyance of the royalties to Osisko at Osisko's election at any time after the sale of the Mactung project by the Government of the Northwest Territories, or in cash under certain other circumstances. Any failure to repay the Loan is considered an event of default (a "Default"). In the event of a Default, the $1,500,000 principal will be repayable immediately in cash and interest of 5% will also be payable, calculated from the drawdown date of the Loan to the date of repayment.

Long-term Liability

As part of the acquisition of the South Crofty tin project (Notes 3 and 10), Strongbow committed to a future payment of $2,000,000 (payable in cash or common shares, at Strongbow's election); this future payment is due on the second anniversary of the approval vote by creditors for WUML's exit from administration, being June 10, 2018. At the July 11, 2016 acquisition date, Strongbow recorded a long-term liability of $1,542,110 which represents the estimated present value of this payment obligation, using a discount rate of 15%. Accretion expense of $55,293 for the three months ended October 31, 2016 increased the estimated present value of this liability to $1,597,403.

12. CAPITAL AND RESERVES

Authorized Share Capital

At October 31, 2016, the authorized share capital is an unlimited number of common shares without par value. All issued shares are fully paid.

Share issuances

On June 28, 2016, the Company closed the first tranche of a non-brokered private placement financing announced May 31, 2016, issuing 14,360,000 units at $0.125 per unit for gross proceeds of $1,795,000. Each Unit consisted of one common share and one whole share purchase warrant (the "Subscriber Warrant"). Each Subscriber Warrant allows the holder to purchase one common share of Strongbow at a price of $0.20 until June 29, 2019, subject to the Acceleration Right described below. In connection with this financing, the Company paid a 5% finder's fee in cash of $32,500 and issued 260,000 warrants (the "Finder's Warrants") equivalent to 5% of the subscription introduced by the finder. The Finder's Warrants have the same exercise terms as the Subscriber Warrants and are subject to the Acceleration Right described below. Insiders of Strongbow acquired 5,300,000 units for gross proceeds of $662,500 to the Company on the same terms and conditions as arm's-length subscribers.

The Company closed a second and third tranche of the non-brokered private placement financing in July 2016 for gross proceeds of $490,375. On July 15, 2016, the Company issued 3,773,000 Units at a price of $0.125 per Unit for gross proceeds of $471,625; on July 19, 2016, the Company issued 150,000 units at a price of $0.125 per Unit for gross proceeds of $18,750. Each Unit consisted of one common share and one whole share purchase warrant (the "Subscriber Warrant"). Each Subscriber Warrant will allow the holder to purchase one common share of the Company at a price of $0.20. The Subscriber Warrants are exercisable until July 15, 2019 and July 19, 2019, subject to the Acceleration Right described below. Proceeds of the financing will be used for work at the Company's recently acquired South Crofty tin project and for general working capital.

Strongbow paid cash commissions of $11,000 and issued 88,000 Finder's Warrants, exercisable on the same terms as the Subscriber Warrants, in connection with the second closing on July 15, 2016.

Acceleration Right - Warrants

If on any 20 consecutive trading days the closing price of the Company's common shares (or the closing bid, if no sales were reported on a trading day) as quoted on the TSX-V (or such other stock exchange, quotation system or market on which such shares are then listed) is greater than $0.50 during the term of the Warrants, then the Company may accelerate the expiry date of the Warrants to the 30th day after the date on which the Company gives notice to the subscriber of such acceleration in accordance with the Warrant. Any Warrants not exercised on or before such 30th business day will expire and will no longer be exercisable to acquire shares.

(Expressed in Canadian dollars)

12. CAPITAL AND RESERVES - *Continued*

Share issuances - *Continued*

The finder's warrants issued as part of the private placement financings which closed in June and July 2016 have been recorded as share issuance costs and valued at $29,764 based upon the Black-Scholes valuation model using the following assumptions:

	Assumptions
Risk-free interest rate	**0.55~0.56%**
Expected dividend yield	**0%**
Expected stock price volatility	**100%**
Expected option life in years	**3 years**
Forfeiture rate	**0%**

Stock options and warrants

The Company has a Stock Option Plan (the "Plan"), which establishes a rolling number of shares issuable under the Plan to a maximum of 10% of the Company's issued shares at the date of grant. Certain amendments were made to the Plan in 2016 to incorporate changes to TSX-V policies; the new Plan was approved by Shareholders on September 22, 2016.

Under the terms of the Plan, the exercise price of each stock option granted cannot be less than the market price at the date of grant, less a discount up to 25% in accordance with the policies of the TSX-V. Options granted can have a term up to five years with vesting provisions determined by the directors in accordance with TSX-V policies for Tier 2 Issuers.

As at October 31, 2016 the following stock options and warrants were outstanding:

	Number of Shares	Exercise Price	Number Exercisable	Expiry Date
Options	2,220,000	$ 0.11	2,220,000	October 23, 2020
Warrants	5,000,000	$ 0.20	5,000,000	July 24, 2017
	14,620,000	0.20	14,620,000	June 29, 2019*
	3,861,000	0.20	3,861,000	July 15, 2019*
	150,000	0.20	150,000	July 19, 2019*

**subject to the Acceleration Right - Warrants described above*

(Expressed in Canadian dollars)

12. CAPITAL AND RESERVES - *Continued*

Stock option transactions are summarized as follows:

	Number of Options	Weighted Average Exercise Price
Balance, January 31, 2016	2,354,000	$ 0.42
Expired	(134,000)	5.50
Balance, October 31, 2016	**2,220,000**	**$ 0.11**
Number of options currently exercisable as at October 31, 2016	**2,220,000**	**$ 0.11**

Warrant transactions are summarized as follows:

	Number of Warrants	Weighted Average Exercise Price
Balance, January 31, 2016	5,000,000	$ 0.20
Issued	18,631,000	0.20
Balance, October 31, 2016	**23,631,000**	**$ 0.20**

Share-based compensation

During the year ended January 31, 2016, the Company granted 2,220,000 stock options to directors, officers, employees and consultants with an estimated fair value of $171,524. The stock options vested 20% on the date of grant and 20% every three months thereafter, becoming fully vested one year from the grant date. As at October 31, 2016, the stock options were fully vested. The stock options are exercisable at $0.11 until October 23, 2020.

During the nine months ended October 31, 2016, the Company recorded $49,170 in share-based compensation expense (October 31, 2015 - $78,330). The Company estimated a fair value of $171,524 for the 2,220,000 stock options granted in October 2015 using the following assumptions:

	Assumptions
Risk-free interest rate	**0.84%**
Expected dividend yield	**0%**
Expected stock price volatility	**100%**
Expected option life in years	**5 years**
Forfeiture rate	**0%**

(Expressed in Canadian dollars)

13. RELATED PARTY TRANSACTIONS

The Company entered into the following transactions with related parties not disclosed elsewhere in these financial statements:

a) Charged rent of $Nil (October 31, 2015 - $526) to North Arrow, a company with two common directors;

b) Paid $13,500 to North Arrow for office space and administrative services (October 31, 2015 - $4,500); and

c) Paid $33,745 for office rent (October 31, 2015 - $8,600) to Helio Resource Corp., a company with two common directors, and $3,831 (October 31, 2015 - $1,062) as a cost reimbursement. In addition, the Company provided Helio with a $4,300 security deposit pursuant to a sublease agreement for office space.

Included in payables is $Nil due to North Arrow (January 31, 2016 - $4,528) for reimbursement of shared administrative expenses and $3,886 (January 31, 2016 - $Nil) due to Helio for rent and the reimbursement of other expenses.

Key management includes the Company's directors and officers. Compensation awarded to key management was as follows:

	Nine Months Ended	
	October 31, 2016	October 31, 2015
Salaries and benefits	**$ 120,000**	$ 44,167
Share-based payments[1]	**46,512**	40,563
Total	**$ 166,512**	$ 84,730

[1] Share-based payments are the fair value of options that have been granted to directors and key management personnel which vested during the period ended October 31, 2016.

14. ASSET RETIREMENT OBLIGATION

	Nine Months Ended October 31, 2016	Year Ended January 31, 2016
Opening balance	**$ 54,181**	$ 55,024
Reduction in asset retirement obligation	**(55,385)**	-
Accretion	**108**	388
Change in estimate	**1,096**	(1,231)
Ending balance	**$ -**	$ 54,181

During the period ended October 31, 2016, the Company paid $62,658 to complete the clean-up of the Nickel King property of which $55,385 reduced the asset retirement obligation to zero while the rest of the cost was recognized as generative exploration on the consolidated condensed interim statements of loss and comprehensive loss. The $1,096 change in estimate was recorded as a reduction of generative exploration costs.

(Expressed in Canadian dollars)

15. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

During the nine months ended October 31, 2016 the significant non-cash transactions were:

a) The issuance of 2,000,000 common shares with a value of $400,000 to acquire the South Crofty tin project and the recognition of a long-term liability of $1,597,403 related to a future payment, pursuant to the acquisition agreement (Notes 3 and 11);

b) The recognition of a $145,290 unrealized gain on marketable securities through the investment revaluation reserve.

During the nine months ended October 31, 2015 the significant non-cash transaction were:

c) The issuance of 6,500,000 common shares with a value of $650,000 for two property acquisitions (Note 10);

d) The recognition of an $8,200 unrealized gain on marketable securities through the investment revaluation reserve; and

e) The receipt of 2,000,000 common shares with a value of $120,000 for the sale of the Company's interest in the Shovelnose property (Note 10).

16. COMMITMENTS

As at October 31, 2016, the Company is committed to minimum future lease payments for office premises as follows:

Year ending January 31, 2017	$ 51,600
Year ending January 31, 2018	$ 12,900

The Company's lease costs may be reduced due to recoveries through sub-leases.

17. CAPITAL MANAGEMENT

The capital of the Company consists of the items included in capital and reserves. The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company. The Company's objective for capital management is to plan for the capital required to support the Company's ongoing acquisition and exploration of its exploration and evaluation assets and to provide sufficient funds for its corporate activities.

The Company's exploration and evaluation assets are in the exploration stage. As an exploration stage company, the Company is currently unable to self-finance its operations. The Company has historically relied on equity financings and, in recent years, asset sales or exploration option agreements to finance its operations. In order to carry out the Company's planned exploration programs and to pay for administrative costs, the Company will spend its existing working capital and raise additional funds as required. To effectively manage the Company's capital requirements, the Company's management has in place a planning and budgeting process. The Company is not subject to any externally imposed capital requirements.

(Expressed in Canadian dollars)

18. SEGMENTED INFORMATION

The Company operates in two business segments, being the exploration and evaluation of mineral properties in North America and the United Kingdom as follows:

	As at October 31, 2016				As at January 31, 2016		
	Canada	**United States**	**UK**	**Total**	Canada	United States	Total
Deposits	$ 9,300	$ -	$ -	**$ 9,300**	$ 9,300	$ -	$ 9,300
Property, plant and equipment	$ 9,168	$ -	$ 975,700	**$ 984,868**	$ 8,853	$ -	$ 8,853
Royalties	$ 1,500,000	$ -	$ -	**$1,500,000**	$ -	$ -	$ -
Exploration and evaluation assets	$ -	$ 752,064	$ 2,644,056	**$3,396,120**	$ -	$ 713,850	$ 713,850

19. SUBSEQUENT EVENT

On November 7, 2016, the Company announced a non-brokered private placement financing of up to 16,667,000 Units at a price of $0.15 per Unit for gross proceeds of up to $2,500,000; between November 23rd and December 21, the Company raised $2.2 million from the issuance of 14,682,666 units.

Each Unit consisted of one common share and one whole share purchase warrant (the "Subscriber Warrant"). Each Subscriber Warrant allows the holder to purchase one common share of Strongbow at a price of $0.20 until twenty-four (24) months from the closing date, subject to the Acceleration Right described below. In connection with this financing, the Company paid a 5% finder's fee in cash of $47,013 and issued 313,416 warrants (the "Finder's Warrants") equivalent to 5% of the subscriptions introduced by the finder. The Finder's Warrants have the same exercise terms as the Subscriber Warrants and are subject to the Acceleration Right described below. Insiders of Strongbow acquired 4,106,633 units for gross proceeds of $615,995 to the Company, on the same terms and conditions as arm's-length subscribers. All securities issued as part of this private placement and any securities issuable upon exercise of the warrants will be subject to a four month hold period which will expire in March 2017.

Closing Date	Number of Units	Gross Proceeds	Warrant Expiry Date
November 23, 2016	10,356,000	$1,553,400	November 23, 2018
November 25, 2016	2,766,666	$415,000	November 25, 2018
December 21, 2016	1,560,000	$234,000	December 21, 2018

Acceleration Right – 2016 non-brokered private placement financings

If on any 20 consecutive trading days the closing price of the Company's common shares (or the closing bid, if no sales were reported on a trading day) as quoted on the TSXV (or such other stock exchange, quotation system or market on which such shares are then listed) is greater than $0.50 during the term of the Warrants, then the Company may accelerate the expiry date of the Warrants to the 30th day after the date on which the Company gives notice to the subscriber of such acceleration in accordance with the Warrant. Any Warrants not exercised on or before such 30th business day will expire and will no longer be exercisable to acquire shares.