

WINFIELD RESOURCES LIMITED

CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited – Prepared by Management)

SIX MONTH PERIOD ENDED
JUNE 30, 2007

UNAUDITED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

In accordance with National Instrument 51-102 released by the Canadian Securities Administrators, the Company discloses that its auditors have not reviewed the unaudited consolidated financial statements for the period ended June 30, 2007.

WINFIELD RESOURCES LIMITED
CONSOLIDATED BALANCE SHEETS
(Unaudited – Prepared by Management)

	June 30, 2007	December 31, 2006 (Audited)
ASSETS		
Current		
Cash	\$ 494,689	\$ 186,791
Accounts receivable	44,567	3,248
Prepaid expenses and deposits	7,521	46,095
Due from shareholder corporation	<u>2,151</u>	<u>28,928</u>
	548,928	265,062
Deferred expenditures	10,000	10,000
Property, equipment and business development (Note 5)	<u>1,101,933</u>	<u>568,212</u>
	<u>\$ 1,660,861</u>	<u>\$ 843,274</u>

LIABILITIES AND SHAREHOLDERS' EQUITY

Current		
Accounts payable and accrued liabilities	<u>29,621</u>	<u>97,385</u>
Shareholders' equity		
Capital stock (Note 6)	4,632,626	3,455,876
Contributed surplus (Note 6)	1,113,614	371,115
Deficit	<u>(4,115,000)</u>	<u>(3,081,102)</u>
	<u>1,631,240</u>	<u>745,889</u>
	<u>\$ 1,660,861</u>	<u>\$ 843,274</u>

On behalf of the Board:

"Robert Michael Foley" (signed) Director "Kenneth Tangen" (signed) Director

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

WINFIELD RESOURCES LIMITED
CONSOLIDATED STATEMENTS OF OPERATIONS AND DEFICIT
(Unaudited – Prepared by Management)

	Three Month Period Ended June 30, 2007	Three Month Period Ended June 30, 2006	Six Month Period Ended June 30, 2007	Six Month Period Ended June 30, 2006
EXPENSES				
Amortization	\$ 344	\$ 377	\$ 688	\$ 725
Consulting fees	93,387	3,950	128,616	18,023
Investor relations	-	18,700	25,370	20,900
Legal, accounting and audit	43,012	2,130	49,114	6,303
Management fees	15,000	15,000	30,000	30,000
Office and general	21,450	9,741	39,532	17,854
Public company costs	9,626	8,332	19,675	16,602
Rent and occupancy costs	4,328	4,759	12,203	10,672
Stock-based compensation	721,500	48,160	742,499	48,160
Travel and related	4,473	959	5,796	959
Website	2,862	86	3,417	1,391
Loss before other items	<u>(915,982)</u>	<u>(112,194)</u>	<u>(1,056,910)</u>	<u>(171,589)</u>
OTHER ITEMS				
Loss (gain) on foreign exchange	<u>(23,012)</u>	<u>(5,262)</u>	<u>(23,012)</u>	<u>(5,082)</u>
	<u>(23,012)</u>	<u>(5,262)</u>	<u>(23,012)</u>	<u>(5,082)</u>
Net loss for the period	(892,970)	(117,456)	(1,033,898)	(176,671)
Deficit, beginning of period	<u>(3,081,102)</u>	<u>(2,349,075)</u>	<u>(3,081,102)</u>	<u>(2,289,860)</u>
Deficit, end of period	\$ (3,974,072)	\$ (2,466,531)	\$ (4,115,000)	\$ (2,466,531)
Basic and diluted loss per share				
	\$ (0.11)	\$ (0.004)	\$ (0.03)	\$ (0.007)
Weighted average number of common shares outstanding				
	37,119,000	26,661,697	35,570,000	23,876,924

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

WINFIELD RESOURCES LIMITED
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited – Prepared by Management)

	Three Month Period Ended June 30, 2007	Three Month Period Ended June 30, 2006	Six Month Period Ended June 30, 2007	Six Month Period Ended June 30, 2006
OPERATING ACTIVITIES				
Net loss for the period	\$ (892,970)	\$ (117,456)	\$ (1,033,898)	\$ (176,671)
Items not affecting cash flow				
Amortization	344	377	688	725
Gain on foreign exchange	-	5,262	-	5,082
Stock-based compensation	721,500	48,160	742,499	48,160
Net change in non-cash working capital	<u>(22,101)</u>	<u>50,041</u>	<u>(43,732)</u>	<u>36,393</u>
Net cash used in operating activities	<u>(193,227)</u>	<u>(13,616)</u>	<u>(334,443)</u>	<u>(86,311)</u>
FINANCING ACTIVITIES				
Advances from shareholder corporation	(37,677)	(49,193)	-	(19,379)
Decrease in share subscriptions received in advance	-	-	-	(47,500)
Increase in share subscriptions receivable	19,000	10,000	-	-
Issuance of shares	941,350	300,000	1,204,350	575,000
Share issue costs	<u>(9,900)</u>	<u>(5,500)</u>	<u>(27,600)</u>	<u>(9,000)</u>
Net cash provided by financing activities	<u>912,773</u>	<u>255,307</u>	<u>1,176,750</u>	<u>511,121</u>
INVESTING ACTIVITIES				
Mineral resource properties	-	(163,411)	(171,155)	(172,581)
Deferred expenditures	<u>(363,254)</u>	<u>-</u>	<u>(363,254)</u>	<u>-</u>
Net cash used in investing activities	<u>(363,254)</u>	<u>(207,972)</u>	<u>(534,409)</u>	<u>(241,281)</u>
Change in cash during the period	356,292	78,280	307,898	240,229
Cash, beginning of period	<u>138,397</u>	<u>161,950</u>	<u>186,791</u>	<u>1</u>
Cash, end of period	<u>\$ 494,689</u>	<u>\$ 240,230</u>	<u>\$ 494,689</u>	<u>\$ 240,230</u>

There were no significant non-cash transactions during the three and six month periods ended June 30, 2007 and 2006 respectively.

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

WINFIELD RESOURCES LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited – Prepared by Management)
JUNE 30, 2007

1. BASIS OF PRESENTATION

The financial statements contained herein include the accounts of Winfield Resources Limited and its wholly owned subsidiary, Endeco International Ltd. (the “Company”).

The interim period financial statements have been prepared by the Company in accordance with Canadian generally accepted accounting principles. All financial summaries included are presented on a comparative and consistent basis showing the figures for the corresponding period in the preceding year. The preparation of financial data is based on accounting principles and practices consistent with those used in the preparation of annual financial statements. Certain information and footnote disclosure normally included in financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted. These interim period financial statements should be read together with the audited financial statements and the accompanying notes included in the Company's latest annual report. In the opinion of the Company, its unaudited interim financial statements contain all adjustments necessary in order to present a fair statement of the results of the interim periods presented.

2. NATURE OF OPERATIONS

The Company is a public corporation incorporated under the British Columbia Company Act on June 19, 1987. On August 2, 2000, the Corporation completed its initial public offering and its shares were listed on the TSX Venture Exchange. The Company's primary focus is the evaluation, acquisition, exploration and development of resource properties.

In May 2006, the Company incorporated a 100% wholly owned Canadian subsidiary, Endeco International Ltd. (BC) (“Endeco”). Endeco has not undertaken any business activity to date.

On July 25, 2006, the Company became fully licensed and registered at (NOC) Libyan National Oil Corporation, and can, operating under Libyan law, the Company can engineer, procure, construct and manage Oil Refineries and Petrochemical Factories. The Company has made application to engineer, procure, construct and manage oil refineries on a build, own, operate and transfer basis.

These financial statements have been prepared in accordance with generally accepted accounting principles 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. Continued operations of the Company are dependent on the Company's ability to receive continued financial support, complete public equity financing, or generate profitable operations in the future.

	June 30, 2007	December 31, 2006 (Audited)
Deficit	\$ (4,115,000)	\$ (3,081,102)
Working capital	519,307	167,677

WINFIELD RESOURCES LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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3. SIGNIFICANT ACCOUNTING POLICIES

Consolidation

These consolidated financial statements include the accounts of the Company and its wholly owned Canadian subsidiary, Endeco International Ltd (“Endeco”). Endeco has not undertaken any business activity to date. All significant inter-company transactions have been eliminated upon consolidation.

4. LOSS PER SHARE

Loss per share is calculated using the weighted average number of shares outstanding during the period.

WINFIELD RESOURCES LIMITED
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5. PROPERTY AND EQUIPMENT AND BUSINESS DEVELOPMENT

Acquisition Costs and Deferred Expenditures:

2007	Western Canada	Algeria and Libya	Atlin, BC	Ringo, MB	Rwanda	Tunisia	Total
Acquisitions, opening balance, January 1, 2007	\$ -	\$ -	\$ 15,000	\$ 72,500	\$ -	\$ -	\$ 87,500
Deferred expenditures, opening balance, January 1, 2007	-	324,165	103,981	44,646	-	1,040	473,832
Changes during the period	91,239	356,842	1,350	-	64,486	20,492	534,409
Balance, June 30, 2007	\$ 91,239	\$ 681,007	\$ 120,331	\$ 117,146	\$ 64,486	\$ 21,532	\$1,095,741

5. PROPERTY, EQUIPMENT AND BUSINESS DEVELOPMENT (cont'd...)

Alberta

On December 22, 2006 the Company retained the services of TDI Technology Inc. to conduct a technical feasibility study to direct the Company in undertaking the development of a fuel ethanol capital project in the High Level (or Peace River) area of Alberta. On March 12, 2007 the Company announced that it is in receipt of TDI Technology's feasibility report for a proposed new integrated ethanol feedlot facility to be located near High Level in Alberta.

Atlin Property

On January 16, 2004, the Company paid \$15,000 to Jason Heywood for a 25% interest in the direct ownership of gold mineral claims located in the Atlin Mining District of British Columbia. The Company has an interest in four post claims of 20 units (each unit is 500m X 500m) and two post claims (each is 500m X 500m).

Ringo Property

The Ringo Property is located within the main camp of the Flin Flon Greenstone Belt, one of the most prolific copper-zinc-silver-gold volcanogenic massive sulphide mining districts in the world. Over 148 million tonnes of copper-zinc massive sulphide ore has been mined or is part of the inventory of thirty past producing or producing mines situated within the belt. The Ringo Property is located 5 km east of the Hudson Bay Mining and Smelting's past-producing Flin Flon Mine (62.4Mt @ 2.19% copper and 4.20% zinc), producing Callinan Mine (7 Mt @ 0.60% copper and 10.94% zinc), and 777 Mine Development Project (14.5 Mt @ 2.55% copper and 4.20% zinc). The property is also just 4 km south of the producing Trout Lake Mine (20 Mt @ 1.79% copper and 4.20% zinc). The host volcanic stratigraphy of Trout Lake Mine is believed to strike south onto the Ringo Property.

The Ringo Drill Program will test the down dip extension of a laterally extensive and exposed mineralized horizon located parallel to, and just west of the Ringo Property boundary. The mineralized horizon dips east onto the Ringo Property. Assays containing up to 125 zinc were obtained from samples of the horizon intersected by shallow drill holes collared just west of the Ringo Property. Some of the Company's drill holes are planned to intersect the potential extensions of these intersections at depth.

The Company is in the process of raising additional financing to proceed with a five hole – 2000 meter diamond drilling program on the Ringo property.

Libya

The Company is currently conducting due diligence on various oil and natural gas projects in Libya.

On July 25, 2006, the Company became fully licensed and registered at (NOC) Libyan National Oil Corporation, and can, operating under Libyan law; the Company can engineer, procure, construct and manage Oil Refineries and Petrochemical Factories.

The Company has made application to engineer, procure, construct and manage oil refineries on a build, own, operate and transfer basis. On February 8, 2007, the Company announced that it was awarded a US\$250,000 contract to service the NOC oil refinery located at Tobruk, Libya.

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5. PROPERTY, EQUIPMENT AND BUSINESS DEVELOPMENT (cont'd...)

Tunisia

The Company is currently conducting due diligence on various oil and natural gas projects in Tunisia.

The Company has made application to engineer, procure, construct and manage a 300,000 barrel per day oil refinery in the Port of Zarzis, on a build, own, operate and transfer basis. The Company has negotiated a crude oil feedstock contract with Sonatrach, the Algerian state oil company; subject to the completion of the proposed new Zarzis oil refinery. The Company has arranged 100% debt financing subject to certain performance covenants.

Rwanda

The Company has engaged TDI Technology Inc. to investigate the potential of the Company engineering, procuring, constructing and managing a new fuel ethanol facility using indigenous feed stocks. The Company intends to identify the most appropriate feedstock and the optimal technology necessary to transforming the biomass into fuel ethanol. The Company is currently seeking 100% debt financing to build a 45 million litre per year facility.

Office Equipment

Historical cost	\$ 14,032
Less: accumulated amortization	<u>(7,840)</u>
Net book value, June 30, 2007	<u>\$ 6,192</u>

6. CAPITAL STOCK AND CONTRIBUTED SURPLUS

	Number of Shares	Capital Stock	Contributed Surplus
Authorized 250,000,000 common shares without par value			
Issued common shares			
Balance as at December 31, 2006	33,915,653	\$ 3,455,876	\$ 371,115
Exercise of share purchase warrants	3,652,000	547,800	-
Exercise of stock options	635,500	63,550	-
Private placements	5,930,000	593,000	-
Stock-based compensation on vested options	-	-	742,499
Finder's fees	<u>-</u>	<u>(27,600)</u>	<u>-</u>
Balance as at June 30, 2007	<u>44,133,153</u>	<u>\$ 4,632,626</u>	<u>\$ 1,113,614</u>

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6. CAPITAL STOCK AND CONTRIBUTED SURPLUS (cont'd...)

On June 25, 2007, the Company completed a 3,300,000 unit private placement at \$0.10 per unit for gross proceeds of \$330,000. Each unit consists of one common share and one non-transferable share purchase warrant. Each warrant will entitle the holder to acquire one additional common share at a price of \$0.15 per share for a period of two years after closing of the financing.

The Company paid \$9,900 in brokerage commissions on the private placement.

On March 28, 2007, the Company completed a 2,630,000 unit private placement at \$0.10 per unit for gross proceeds of \$263,000. Each unit consists of one common share and one non-transferable share purchase warrant. Each warrant will entitle the holder to acquire one additional common share at a price of \$0.15 per share for a period of two years after closing of the financing.

The Company paid or accrued \$17,700 in finder's fees on the private placement.

Escrowed Shares

Pursuant to an Escrow Agreement dated March 21, 2000, all 8,877,853 common shares issued prior to the Company's initial public offering were deposited with Pacific Corporate Trust Company to be held in escrow. The Escrow Agreement provides that the escrowed shares may not be traded, released, transferred or dealt in any manner without the consent of the Executive Director of the Alberta Securities Commission. The Executive Director will normally consent to the release of 15% of the escrowed shares upon completion of the offering, a further 25% upon completion of the Company's work program and thereafter, a further 15% on each of the second, third, fourth and fifth anniversaries of the initial release, but may consent to an early release. As at June 30, 2007, there were 2,219,463 shares held in escrow.

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7. STOCK OPTIONS AND WARRANTS

Options

The Company has established a Stock Option Plan for the benefit of directors, officers and employees. Under the Plan, the directors may reserve, from treasury, a number of shares not exceeding 10% of the issued and outstanding common shares of the Corporation for the granting of options to designated recipients.

At June 30, 2007, the Company had the following outstanding stock options:

Number of Options Available	Exercise Price	Expiry Date
100,000	\$ 0.25	July 24, 2007
1,390,000	0.10	November 1, 2010
500,000	0.10	March 20, 2011
514,500	0.10	December 13, 2011
100,000	0.10	December 21, 2011
1,950,000	0.40	June 27, 2012

On March 18, 2007, 100,000 options exercisable at \$0.25 per share expired unexercised.

During the six-month period ended June 30, 2007 the Company received \$63,550 upon the exercise of 635,500 stock options.

Stock-Based Compensation

During the six month period ended June 30, 2007, the Company recorded stock-based compensation of \$742,499 for the vesting of 125,000 stock options (originally granted 500,000 options on March 20, 2006), and the grant of 1,950,000 stock options on June 27, 2007. The stock-based compensation recognized on the statement of operations and deficit was recorded with a corresponding entry to contributed surplus on the balance sheet. The Company used the Black-Scholes option pricing model to calculate the stock-based compensation.

The following weighted average assumptions were used for the Black-Scholes valuation of stock options vested during the period:

	2007
Risk-free interest rate	4.28%
Expected life of options	5 years
Annualized volatility	167.89%
Dividend rate	0.00%

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7. STOCK OPTIONS AND WARRANTS (cont'd...)

Warrants

Outstanding warrants as at June 30, 2007 are:

Number of Warrants Available	Exercise Price	Expiry Date
2,950,000	\$ 0.15	September 27, 2007
5,500,000	0.15	March 8, 2008
3,260,000	0.15	May 30, 2008
5,285,500	0.15	December 20, 2008
2,630,000	0.15	March 28, 2009
3,504,000	0.15	June 22, 2009

During the six-month period ended June 30, 2007 the Company received \$547,800 upon the exercise of 3,652,000 share purchase warrants.

8. RELATED PARTY TRANSACTIONS

During the six month period ended June 30, 2007, the Company entered into the following transactions with related parties:

Paid or accrued management fees of \$30,000 (2006 - \$30,000) to a shareholder Company which is controlled by a director of the Company.

The above transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

The \$2,151 (December 31, 2006 – \$28,928) due from a shareholder Company, which is controlled by a director of the Company, is non-interest bearing and has no formal terms of repayment.

9. SUBSEQUENT EVENTS

The Company received a non-binding Letter of Interest with SK Engineering & Construction of Seoul, South Korea, to participate in the Company's proposed refinery projects in Libya and Tunisia. Upon the acceptance of the Company's proposals to build, own, operate and transfer oil refineries by the responsible Authorities in Libya and Tunisia, definitive agreements will be negotiated with SK Engineering & Construction. The Company also received two non-binding Letters of Interest from AX Energy Holdings Ltd. to debt finance the Company's proposed new oil refinery projects in Tunisia and in Libya. Please note, these two non-binding Letters of Interest are not commitment letters, since they create no binding obligation on either AX Energy or Winfield Resources and approval of any transaction has not been obtained at present time under the Bank's Credit Approval Process.

The Company's shares were halted from trading by the TSX Venture Exchange on August 7, 2007 pending clarification of a change of business. The TSX Venture Exchange announced on August 23, 2007 that the halt would be continued pending clarification of company affairs and clarification of a change of business. The Company is cooperating with the TSX Venture Exchange's review.