

# Quarterly Report FORM 51-901F – Schedule A

## ISSUER DETAILS

For The Quarter Ended: March 31, 2003  
Date of Report: May 27, 2003  
Name of Issuer: Winfield Resources Limited  
Issuers Address: Suite 3400 – 666 Burrard Street, Vancouver, BC, V6C 2X8  
Issuers Fax Number: 604-408-7739  
Issuers Phone Number: 604-895-7463  
  
Contact Person: Michael Foley  
Contact Position: Director, President and CEO  
Contact Phone Number: 604-895-7463  
Contact Email Address: [foley@winfieldresources.com](mailto:foley@winfieldresources.com)  
Web-site Address: [www.winfieldresources.com](http://www.winfieldresources.com)

## CERTIFICATE

The *One/Two* schedules required to complete this Quarterly Report are attached and the disclosure contained therein has been approved by the Board of Directors. A copy of the Quarterly Report will be provided to any shareholder who requests it.

Directors Name:  
"R.Michael Foley"

Date Signed:  
May 29, 2003

Directors Name:  
"Richard Haderer"

Date Signed:  
May 29, 2003

**WINFIELD RESOURCES LIMITED**

**CONSOLIDATED FINANCIAL STATEMENTS**

**FOR THE THREE MONTH PERIOD ENDED  
MARCH 31, 2003**

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

	March 31, 2003	December 31, 2002
		(Audited)
<b>ASSETS</b>		
<b>Current</b>		
Cash	\$ 137	\$ 10,978
Accounts receivable	11,889	10,350
Prepaid expenses and deposits	<u>88,021</u>	<u>88,093</u>
	100,047	109,421
<b>Deferred Expenditures</b>	134,355	134,355
<b>Property and equipment</b>	<u>121,292</u>	<u>121,511</u>
	<u>\$ 355,694</u>	<u>\$ 365,287</u>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
<b>Current</b>		
Accounts payable and accrued liabilities	76,165	74,881
Due to related parties	<u>61,910</u>	<u>43,245</u>
	<u>138,075</u>	<u>118,126</u>
<b>Shareholders' equity</b>		
Capital stock	1,708,313	1,708,313
Contributed surplus	187,700	187,700
Deficit	<u>(1,678,394)</u>	<u>(1,648,852)</u>
	<u>217,619</u>	<u>247,161</u>
	<u>\$ 355,694</u>	<u>\$ 365,287</u>

**On behalf of the Board:**

“R. Michael Foley”

Director

“Richard Haderer”

Director

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

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

	Three Month Period Ended March 31, 2003	Three Month Period Ended March 31, 2002
<b>EXPENSES</b>		
Amortization	218	273
Bank charges and interest	310	511
Consulting fees	1,645	36,570
Legal and audit	1,307	2,674
Management fees	6,000	6,000
Office and general	1,709	1,018
Public company costs	3,438	5,663
Rent and occupancy costs	<u>14,915</u>	<u>11,680</u>
<b>Net loss for the period</b>	(29,542)	(64,389)
<b>Deficit, beginning of period</b>	<u>(1,648,852)</u>	<u>(1,223,996)</u>
<b>Deficit, end of period</b>	\$ (1,678,394)	\$ (1,288,385)
<b>Basic and diluted loss per share</b>	\$ (0.002)	\$ (0.005)
<b>Weighted average number of common shares outstanding</b>	13,077,853	12,130,686

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

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

	Three Month Period Ended March 31, 2003	Three Month Period Ended March 31, 2002
<b>OPERATING ACTIVITIES</b>		
Net loss for the period	\$ (29,542)	\$ (64,389)
Items not affecting cash flow		
Amortization	218	273
Net change in non-cash working capital	<u>(182)</u>	<u>40,667</u>
Net cash used in operating activities	<u>(29,506)</u>	<u>(23,449)</u>
<b>FINANCING ACTIVITIES</b>		
Advances to/from related party	18,665	43,620
Issuance of shares	<u>-</u>	<u>2,500</u>
Net cash provided by financing activities	<u>18,665</u>	<u>46,120</u>
<b>INVESTING ACTIVITIES</b>		
Deferred expenditures	<u>-</u>	<u>(17,000)</u>
Net cash used in investing activities	<u>-</u>	<u>(17,000)</u>
<b>Change in cash for the period</b>	(10,841)	5,671
<b>Cash (deficiency), beginning of period</b>	<u>10,978</u>	<u>(6,572)</u>
<b>Cash, (deficiency) end of period</b>	<u>\$ 137</u>	<u>\$ (901)</u>
<b>Supplemental disclosure for non-cash operating, financing and investing activities</b>		
Shares issued to acquire mineral prospects	\$	\$ -

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

**WINFIELD RESOURCES LIMITED**  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
MARCH 31, 2003

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**1. BASIS OF PRESENTATION**

The consolidated financial statements include the accounts of the Company and its wholly owned Bahamian Subsidiary, Macallan Inc. Macallan Inc. has not undertaken any business activity to date.

The interim period consolidated 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 statements should be read together with the audited consolidated financial statements and the accompanying notes included in the Company's latest annual report. In the opinion of the Company, its unaudited interim consolidated 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.

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.

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	March 31, 2003	December 31, 2002
		(Audited)
Deficit	\$ (1,678,394)	\$ (1,648,852)
Working capital (deficiency)	(38,028)	(8,705)

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**3. LOSS PER SHARE**

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

**4. RELATED PARTY TRANSACTIONS**

The Company entered into the following transactions with related parties:

Paid or accrued management fees of \$6,000 (2002 - \$6,000) to a shareholder corporation which is controlled by a director of the Company.

Paid or accrued consulting fees of \$600 (2002 - \$1,415) to a corporation controlled by a director of the Company.

Paid or accrued legal fees of \$Nil (2002 - \$960) to a law firm which employs a Company shareholder.

The \$61,910 (2002 - \$46,843) due to related parties is non-interest bearing and has no formal terms of repayment.

**5. SEGMENTED INFORMATION**

The Company conducts all of its operations in Canada in one business segment.

**6. SUBSEQUENT EVENTS**

On April 15, 2003 the Company issued 100,000 shares for the exercise of 100,000 options at \$0.25 for gross proceeds of \$25,000.

In accordance with the escrow agreement, 1,331,678 common shares were released from escrow on April 22, 2003.



British Columbia Securities Commission

**QUARTERLY AND YEAR END REPORT**  
BC FORM 51-901F

**Freedom of Information and Protection of Privacy Act:** The personal information requested on this form is collected under the authority of and used for the purpose of administering the *Securities Act*. Questions about the collection or use of this information can be directed to the Supervisor, Financial Reporting (604-899-6729), PO Box 10142, Pacific Centre, 701 West Georgia Street, Vancouver BC V7Y 1L2. Toll Free in British Columbia 1-800-373-6393

<b>ISSUER DETAILS</b>		FOR QUARTER ENDED			DATE OF REPORT		
NAME OF ISSUER					Y	M	D
WINFIELD RESOURCES LIMITED		03	03	31	03	05	27
ISSUER ADDRESS							
SUITE 3400 – 666 BURRARD STREET							
CITY/	PROVINCE	POSTAL CODE	ISSUER FAX NO.	ISSUER TELEPHONE NO.			
VANCOUVER	BC	V6C 2X8	604-408-7739	604-895-7463			
CONTACT PERSON		CONTACT POSITION			CONTACT TELEPHONE NO.		
MICHAEL FOLEY		DIRECTOR, PRESIDENT AND CEO			604-895-7463		
CONTACT EMAIL ADDRESS		WEB SITE ADDRESS					
foley@winfieldresources.com		<a href="http://www.winfieldresources.com">www.winfieldresources.com</a>					

**CERTIFICATE**

*The three schedules required to complete this Report are attached and the disclosure contained therein has been approved by the Board of Directors. A copy of this Report will be provided to any shareholder who requests it.*

DIRECTOR'S SIGNATURE	PRINT FULL NAME	DATE SIGNED		
"R. Michael Foley"	R. Michael Foley	Y	M	D
		03	05	29
DIRECTOR'S SIGNATURE	PRINT FULL NAME	DATE SIGNED		
"Richard Haderer"	Richard Haderer	Y	M	D
		03	05	29

**SCHEDULE A: FINANCIAL INFORMATION**

See attached consolidated financial statements for three month period ended March 31, 2003.

**SCHEDULE B: SUPPLEMENTARY INFORMATION**

1. For the three month period ended March 31, 2003

a) Property and Equipment

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	<b>Total Costs</b>
<i>Mineral Resource Properties</i>	
Options on properties	\$ 72,500
Exploration expenses	<u>44,646</u>
Balance, end of period	<u>117,146</u>
<b>Office Equipment</b>	
Amortization to date	6,824
	<u>(2,678)</u>
Balance, end of period	<u>4,146</u>
Total Property and Equipment	<u>\$ 121,292</u>

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2. Related Party Transactions

Paid or accrued management fees of \$6,000 (2002 - \$6,000) to a shareholder corporation which is controlled by a director of the Company.

The Company paid or accrued consulting fees of \$600 (2002 - \$1,415) to a corporation controlled by a director of the Company.

Legal fees of \$Nil (2002 - \$960) were paid or accrued to a firm which employs a Company shareholder.

The \$61,910 (2002 - \$46,843) due to related parties is non-interest bearing and has no formal terms of repayment.

3. For the three month period ended March 31, 2003:

a) Summary of securities issued: Nil

## **SCHEDULE B: SUPPLEMENTARY INFORMATION (cont'd...)**

- b) Summary of stock options granted: Nil
4. As at March 31, 2003:
- a) Authorized capital: 250,000,000 common shares without par value
  - b) Issued and outstanding: 13,077,853 common shares without par value  
Share capital: \$1,708,313
  - c) Summary of outstanding options, warrants and other:
    - ?? 200,000 options granted at \$0.25 expiring August 2, 2005.
    - ?? 100,000 options granted at \$0.25 expiring March 18, 2007.
    - ?? 500,000 options granted at \$0.25 expiring July 24, 2007.
    - ?? 300,000 options granted at \$0.25 expiring August 2, 2007.
  - d) Shares held in escrow: 6,214,497
5. Directors and officers:
- Robert Michael Foley – Director, President and Chief Executive Officer
  - Otto Rieve – Director and Chief Financial Officer
  - Richard Dean Haderer – Director and Corporate Secretary
  - Alina Nikolaeva – Director
  - Robert Andrew Wilson - Director

## **SCHEDULE C: MANAGEMENT DISCUSSION AND ANALYSIS**

### ***Description of Business***

The Company is a resource company engaged in the evaluation, exploration and development of mining, oil and gas properties. The Company currently has interests in a number of exploration mineral properties and intends to explore and develop such properties. Winfield's corporate focus is to acquire or jointly develop properties on which substantial acquisition, exploration and development expenditures have been made, where there is a significant exploitable resource and where there is excellent source exploration potential.

The Company's principal mineral property is the Ringo Property located in the Manistikwan Lake area, Manitoba.

## ***Discussion of Operations and Financial Condition***

### ***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 Winfield's drill holes are planned to intersect the mineralized horizon down dip from these high zinc-bearing intervals. Other holes are planned to intersect potential extensions of these intersections at depth.

Grab samples from other portions of the mineralized horizon on the Ringo Property collected by the Company's geological consultant ran up to 3000 ppm copper.

On January 22, 2001 the Company announced that a five hole – 2000 meter diamond drilling program would commence in late January on the Company's Ringo Copper-Zinc-Gold Property, located 3 km east of the City of Flin Flon, Manitoba, Canada. This program has been postponed and will be completed by December 31, 2003.

### ***Well Completion Program with Burjon Energy***

The Company announced on January 24, 2003 that it has entered into a nine well completion program with Burjon Energy Group Limited ("Burjon"). The wells are located in the Lloydminster area of Alberta. Winfield will earn a 12.5% net working interest by expending 25% of the wells completion costs.

Under negotiated terms, Winfield will receive a 25% net interest in the production until capital payout, and then revert to a 12.5% net working interest on the project. Offsetting wells have evidenced production rates of 30 to 50 barrels of oil per day. Completion costs per well are estimated at approximately \$110,000. Based on current market analysis and oil price forecasts, capital project payout is anticipated within 8 months. The completion program is scheduled to begin in the first quarter of this year. Subsequent to project approval, Winfield will raise \$330,000 in a flow through private placement to meet its funding commitments. Further to production and geological reviews of this project, an infill drilling program on proprietary offsetting acreage may sustain up to 70 infill drilling locations analogous to existing producing wells.

On March 19, 2003 the Company announced that it received notice from Burjon Energy Group that Burjon has terminated its intention to purchase heavy crude oil production and wells from a private Alberta company. This development cancels the well completion program the Company had with Burjon Energy Group.

### ***Use of Funds***

The Company incurred a net loss of \$29,542 (2002 - \$64,389) during the three month period ended March 31, 2003. This loss comprises of rent and occupancy costs of \$14,915 (2002 - \$11,680), consulting fees of \$1,645 (2002 - \$36,570), legal and audit fees of \$1,307 (2002 - \$2,674), public company costs of \$3,438 (2002 - \$5,663) (filing fees, transfer agent and shareholder costs), management fees of \$6,000 (2002 - \$6,000) to a shareholder corporation which is controlled by a director of the company, and office and general costs of \$1,709 (2002 - \$1,018).

### ***Deferred Expenditures***

Deferred expenditures at March 31, 2003 include \$124,355 representing the prepayment of a fee for services to be provided with respect to the identification and acquisition of resources properties and the financing of such acquisition by the Company. The amount is non-refundable and the related service contract expires September 30, 2004. Deferred expenditures also include a

payment of \$10,000 to be applied against future exploration expenses.

### ***Prepaid Expenses and Deposits***

Prepaid expenses and deposits at March 31, 2003 include a prepaid investor relations contract in the amount of \$73,145. The contract will be implemented at such time as the Company identifies a viable investment opportunity requiring additional equity funding.

### ***Investor Relations***

The Company entered into an eight month \$73,145 (\$50,000 US) investor relations contract on June 30, 2002 with MRSI, Ltd. Subsequent to the signing of this contract, MRSI, Ltd. and the Company have postponed the effective start date until the Company identifies a viable investment opportunity requiring additional equity financing.

### ***Related Party Transactions***

Paid or accrued management fees of \$6,000 (2002 - \$6,000) to a shareholder corporation which is controlled by a director of the Company.

The Company paid or accrued consulting fees of \$600 (2002 - \$1,415) to a corporation controlled by a director of the Company.

Legal fees of \$Nil (2002 - \$960) were paid or accrued to a firm which employs a Company shareholder.

The \$61,910 (2002 - \$46,843) due to related parties is non-interest bearing and has no formal terms of repayment.

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.

### ***Commitments***

#### **Property Option Agreement**

The Company is committed, pursuant to a Property Option Agreement with respect to a mineral resource property, to the following payments:

	Option Payments	Exploration Expenditures
2003	35,000	600,000
2004	-	450,000
	\$ 35,000	\$ 1,050,000

### ***Subsequent Events***

On April 15, 2003 the Company issued 100,000 shares for the exercise of 100,000 options at \$0.25 for gross proceeds of \$25,000.

In accordance with the escrow agreement, 1,331,678 common shares were released from escrow on April 22, 2003.

### **Financings, Principal Purposes and Milestones**

There are no financing events to report.

*Liquidity and Solvency*

The financial statements from Schedule A have been prepared on a going concern basis which assumes that the Company will be able realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The continuing operations of the Company are dependent upon its ability to continue to raise adequate financing and to commence profitable operations in the future.

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	March 31, 2003	December 31, 2002
		(Audited)
Deficit	\$ (1,678,394)	\$ (1,648,852)
Working capital (deficiency)	38,028	(8,705)

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