CONDENSED INTERIM
CONSOLIDATED FINANCIAL STATEMENTS

THREE and SIX MONTHS ENDED
June 30, 2019

(EXPRESSED IN CANADIAN DOLLARS)
(UNAUDITED)

Notice to Reader

The accompanying unaudited condensed interim consolidated financial statements of GPM Metals Inc. (the "Company") have been prepared by and are the responsibility of management. The unaudited condensed interim consolidated financial statements as at and for the six months ended June 30, 2019 have not been reviewed by the Company's auditors.

GPM METALS INC.

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

		As at June 30, 2019		As at Dec 31, 2018
ASSETS				
Current assets				
Cash	**$**	32,403	$	399,674
Short-term investments (note 5)		9,000		13,503
Accounts receivable and other assets (note 6)		20,138		36,071
Total current assets		61,541		449,248
Fixed Assets		3,915		5,479
Other Adjustment (foreign exchange)		1,914		
Total long term assets		5,829		
Total assets	$	67,369	$	454,727
LIABILITIES AND EQUITY				
Current liabilities				
Amounts payable and other liabilities	$	75,249	$	159,741
Total current liabilities	$	75,249	$	159,741
Capital, reserves and deficit				
Share capital (note 7)		24,194,332		24,193,983
Capital surplus		14,813,712		14,797,549
Warrant reserve (note 10)		230,528		230,528
Deficit		(38,927,074)		(38,927,074)
Net Income		(319,378)		
Total capital, reserves and deficit		(7,880)		294,986
Total liabilities and equity	$	67,369	$	454,727

Nature of operations (note 1)
Subsequent events (note 15)

GPM METALS INC.
Condensed Interim Consolidated Statements of Income (Loss) and Comprehensive Income (Loss)
(Expressed in Canadian Dollars)
(Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2019	2018	2019	2018
Operating Expenses				
General and Administrative (note 11)	$ 70,964	$ 100,773	$ 189,207	$ 219,016
Foreign exchange (gain/loss)	(40,489)	(8,022)	(11,750)	20,717
Exploration and evaluation expenditures (note 13)	73,472	53,859	139,377	119,764
Amortization	0			
Other	0			
Operating Loss	(103,948)	(146,610)	**(316,835)**	**(359,497)**
Interest income	(2,803)	1,243	(1,961)	2,085
FV adjustment on short-term investments	11,299	(3,554)	4,503	(10,350)
	0			
Net loss and comprehensive loss for the Q2 2019	(100,537)	(148,921)	**(319,378)**	**(367,762)**
Basic and diluted net loss per common share (note 9)	$ (0.001)	$ (0.002)	$ (0.003)	$ (0.001)
Weighted average number of common shares outstanding basic (note 9)	**110,233,118**	**97,249,694**	**110,233118**	**94,249,694**

GPM METALS INC.
Condensed Interim Consolidated Statements of Cash Flows
(Expressed in Canadian Dollars)
(Unaudited)

		Six Months End, June 30, 2019		Six Months End, June 30, 2018
Operating Activities				
Net income (loss for the period)	$	(319,378)	$	(367,762)
Adjustment for non-cash items:				
Foreign Exchange difference		0		(20,717)
FV adjustment on short-term investments		4,503		10,350
Share based payments (note 8)		16,163		43,908
Changes in Non-cash working capital items:				
Accounts receivable and other assets		15,933		32,398
Amounts payable and other liabilities		(84,492)		(165,227)
Net cash used in operating activities	**$**	**(367,271)**		(467,050)
Investing Activities				
Refund from G2 Goldfields Inc.		-		-
Refund from Guyana Precious Metals (Barbados) Inc.		-		-
Net cash used in Investing Activities		0		**0**
Financing activities				
Proceeds from private placement		-		490,772
Advance Subscription Receipt		-		369,900
Proceeds from exercise of options		-		-
Net cash provided by financing activities		**0**		860,672
Net change in cash		(367,271)		393,622
Cash, beginning of the period		399,674		231,889
Foreign Exchange difference		0		20,717
Cash, end of the period	**$**	**32,403**	**$**	646,228

GPM METALS INC.
Condensed Interim Consolidated Statements of Changes in Equity
(Expressed in Canadian Dollars)
(Unaudited)

	Share Capital (Note 7)	Reserves Capital Surplus	Warrant Reserve (Note 10)	Deficits	Total
Balance, December 31, 2017	23,439,480	14,738,742	0	(38,172,117)	6,105
Share issued on Feb 2018	500,000				500,000
Warrants issued on Feb 2018	(181,474)		181,474		0
Share issue cost	(9,228)				(9,228)
Share based payments		43,908			43,908
Net loss and comprehensive loss for the period				(367,762)	(367,762)
Balance, June 30, 2018	$23,880,252	$14,782,650	$181,474	($38,539,879)	$173,023
Shares issued on July 2018	500,000				500,000
Share issue costs	(5,741)				(5,741)
Warrants issued on July 2018	(49,054)		49,057		0
Share based payments		14,899			14,899
Net loss and comprehensive loss for the period				(387,195)	(387,195)
Balance, December 31, 2018	$24,193,983	14,797,549	230,528	(38,927,074)	$294,986

	Share Capital (Note 7)	Reserves Capital Surplus	Warrant Reserve (Note 10)	Deficits	Total
Balance, December 31, 2018	$24,193,983	14,797,549	230,528	(38,927,074)	$294,986
Share based payments		16,163			$16,163
Warrants Expired/Canceled					$0
Net loss and comprehensive loss for the period				319,378	$319,378
Balance, June 30, 2019	**$24,193,983**	**14,813,712**	**230,528**	**(38,607,696)**	**$630,527**

1. Nature of operations

GPM Metals Inc. (the "Company" or "GPM") was incorporated under the Alberta Business Corporation Act on March 16, 1994 under the name of Minera Sierra Madre Inc. Effective December 15, 1999, the Company changed its name to MSA Capital Corp. and, subsequently, on October 28, 2002, changed its name to Coronation Minerals Inc. On April 5, 2004, the Company filed articles of continuance and was continued under the Business Corporations Act (Ontario). On August 17, 2009, the Company announced that it had filed articles of amendment to change its name to Guyana Precious Metals Inc. Effective August 27, 2013, the Company changed its name to GPM Metals Inc. The primary office is located at 141 Adelaide Street West, Suite 1101, Toronto, Ontario, M5H 3L5.

The Company is a development stage entity that does not generate operating revenues and has limited financial resources. The Company is subject to risks and challenges similar to companies in a comparable stage of development. These risks included the availability of capital and risks inherent in the mining industry related to development, exploration and operations as well as global economic and commodity price volatility. The underlying value of the Company's mineral properties are entirely dependent on the Company's ability to obtain the necessary permits to operate and secure the required financing to complete development of and establish future profitable production from its mineral assets, or the proceeds from the disposition of its mineral properties.

These unaudited condensed interim consolidated financial statements have been prepared using International Financing Reporting Standards ("IFRS"), as issued by the International Accounting Standards board on a going concern basis, which assumes the Company will be able to meet its obligations and continue its operations for the next twelve months from June 30, 2019. At June 30, 2019, the Company had not yet achieved profitable operations, had an accumulated deficit of 38.9 million since inception (June 30, 2018 $ 38.5 million) and expects to incur further losses in the development of its business.

The Company's ability to continue as a going concern is dependent upon its ability to obtain the necessary financing to meet its ongoing corporate overhead expenditures as well as advance the exploration of its claims and development of its projects. Although the Company has been successful in the past in obtaining financing, there is no assurance that it will be able to do so in the future or that such arrangements will be on terms advantageous to the Company. These material uncertainties cast significant doubt upon the Company's ability to realize its assets and discharge its liabilities in the normal course of business and, accordingly, the appropriateness of the use of accounting principle applicable to a going concern.

While the Company has no source of revenue, it expects to fund its ongoing corporate & exploration costs for the next year from cash on hand and a potential capital raise if deemed necessary. Management believes that it has the ability to raise the required additional funding. While management has been historically successful in raising the necessary capital, it cannot provide assurance that it will be able to execute on its business strategy or be successful in future financing activities. Cash was raised in a non-brokered private placement in February 2018 (note 5).

Although the Company has taken steps to verify title to the properties on which it is conducting exploration and in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements, unregistered claims, aboriginal claims and noncompliance with regulatory and environmental requirements.

2. Significant accounting policies

(a) Statement of compliance

These interim condensed consolidated financial statements have been prepared in accordance with IAS 34, Interim Financial Reporting and do not include all the information required for full annual financial statements by International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standard Board ("IASB").

These interim condensed consolidated financial statements should be read in conjunction with the Company's audited consolidated financial statements for the year ended December 31, 2018 which includes the information necessary or useful to understanding the Company's business and financial statement presentation. In particular, the Company's significant accounting policies are presented as Note 2 in the audited consolidated financial statements for the year ended December 31, 2018 and have been consistently applied in the preparation of these interim condensed consolidated financial statements.

The policies applied in these consolidated financial statements are based on IFRS issued and effective as of June 30, 2019. The Board of Directors approved the statements on August 23, 2019.

(b) Recent accounting pronouncements

Certain pronouncements were issued by the IASB or the International Financial Reporting Interpretations Committee ("IFRIC") that are mandatory for accounting periods after January 1, 2019 or later periods. Many are not applicable or do not have a significant impact to the Company and have been excluded from the list below. The following has not yet been adopted and is being evaluated to determine its impact on the Company.

IFRS 9 – Financial instruments ("IFRS 9"), was issued by the IASB in July 2014 and will replace IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward unchanged to IFRS 9. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. A new hedge accounting model is introduced and represents a substantial overhaul of hedge accounting which will allow entities to better reflect their risk management activities in the financial statements. The most significant improvements apply to those that hedge non-financial risk, and so these improvements are expected to be of particular interest to non-financial institutions. The new standard is effective for annual periods beginning on or after January 1, 2018, with earlier adoption permitted. The Company adopted this standard on January 1, 2018 and it did not have a material impact on the financial statements.

IFRS 15 – Revenue from Contracts with Customers ("IFRS 15"), was issued by the IASB in May 2014. The new standard provides a comprehensive framework for recognition, measurement and disclosure of revenue from contracts with customers, excluding contracts within the scope of the standards on leases, insurance contracts and financial instruments. IFRS 15 is effective for annual periods beginning on or after January 1, 2018 and is to be applied retrospectively with early adoption permitted. Management is currently evaluating the impact the final standard is expected to have on the Company's consolidated financial statements. The Company adopted this standard on January 1, 2018 and it did not have a material impact on the financial statements as the Company is currently not generating operating revenues.

IFRS 16 – Leases ("IFRS 16"), was issued by the IASB in January 2016, which replaces IAS 17 – Leases ("IAS 17") and related interpretations. IFRS 16 provides a single lessee accounting model, requiring the recognition of assets and liabilities for all leases, unless the lease term is 12-months or less or the underlying asset has a low value. IFRS 16 substantially carries forward the lessor accounting in IAS 17 with the distinction between operating leases and

2. Significant accounting policies (continued)

finance leases being retained. IFRS 16 will be applied retrospectively for annual periods beginning on or after January 1, 2019. The Company has reviewed the standard in detail and determined that the impact on the Company's financial statements will not be material.

(c) Basis of presentation

These consolidated financial statements have been prepared on a historical cost basis except for the revaluation of certain financial assets to fair value. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting except for cash flow information.
In the preparation of these consolidated financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of expenses during the period. Actual results could differ from these estimates. Of significance are the estimates and assumptions used in the recognition and measurement of items included in note 2.

(d) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries.
The results of subsidiaries acquired or disposed of during the periods presented are included in the consolidated statement of income and comprehensive income from the date that control commences until it ceases, as appropriate. All intercompany transactions, balances, income and expenses are eliminated upon consolidation.

The following companies have been consolidated within the consolidated financial statements:

Corporation	Country of Incorporation	Principle activity
GPM Metals Inc.	Canada	Parent company
1901743 Ontario Inc.(1)	Canada	Holding company
DPG Resources Australia Pty Ltd(2)(4)	Australia	Exploration company
Guyana Precious Metals (Barbados) Inc.(1)	Barbados	Holding company
Chaska Resources SAC(3)(5)	Peru	Exploration company

(1) 100% owned by GPM Metals Inc.
(2) 100% owned by 1901743 Ontario Inc.
(3) 100% owned by Guyana Precious Metals (Barbados) Inc.,
(4) Also referred to as DPG Resources Inc. throughout these financial statements
(5) Also referred to as Chaska throughout these financial statements

(e) Foreign currencies

The functional currency for the Company and its subsidiaries, as determined by management, is the Canadian Dollar. For the purpose of the consolidated financial statements, the results of operations and financial position are expressed in Canadian Dollars.

Transactions in currencies other than the functional currency are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the yearend exchange rates are recognized in the consolidated statement of loss and comprehensive loss.

(f) Financial instruments

2. Significant accounting policies (continued)

On July 24, 2014, the IASB issued the completed IFRS 9 – Financial Instruments ("IFRS 9") to come into effect on January 1, 2018 with early adoption permitted.

IFRS 9 includes finalized guidance on the classification and measurement of financial assets. Under IFRS 9, financial assets are classified and measured either at amortized cost, fair value through other comprehensive income ("FVOCI") or fair value through profit or loss ("FVTPL") based on the business model in which they are held and the characteristics of their contractual cash flows. IFRS 9 largely retains the existing requirements in IAS 39 – Financial Instruments: Recognition and Measurement ("IAS 39"), for the classification and measurement of financial liabilities.

The Company adopted IFRS 9 in its financial statements on January 1, 2018. Due to the nature of its financial instruments, the adoption of IFRS 9 had no impact on the opening accumulated deficit balance on January 1, 2018. The impact on the classification and measurement of its financial instruments is set out below.

All financial assets not classified at amortized cost or FVOCI are measured at FVTPL. On initial recognition, the Company can irrevocably designate a financial asset at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated at FVTPL:

- It is held within a business model whose objective is to hold the financial asset to collect the contractual cash flows associated with the financial asset instead of selling the financial asset for a profit or loss;

- Its contractual terms give rise to cash flows that are solely payments or principal and interest.

All financial instruments are initially recognized at fair value on the statement of financial position. Subsequent measurement of financial instruments is based on their classification. Financial assets and liabilities classified at FVTPL are measured at fair value with changes in those fair values recognized in the statement of loss and comprehensive loss for the period. Financial assets are classified at amortized cost and financial liabilities are measured at amortized cost using the effective interest method.

The following table summarizes the classification and measurement changes under IFRS 9 for each financial instrument:

Classification	IAS 39	IFRS 9
Cash	FVTPL	FVTPL
Short-term investments	FVTPL	FVTPL
Accounts receivable and other assets	Loans and receivables (amortized cost)	Amortized Cost
Amounts payable and other liabilities	Other financial liabilities	Amortized Cost

The original carrying value of the Company's financial instruments under IAS 39 has not changed under IFRS 9.

Impairment of financial assets:

Management assesses on a forward-looking basis the expected credit losses associated with its financial assets. The impairment methodology applied depends on whether there has been a significant increase in credit risk. The Company applies a simplified approach under IFRS 9 which requires expected lifetime losses to be recognised from initial recognition of the receivables

2. Significant accounting policies (continued)

Financial instruments recorded at fair value*:*

Financial instruments recorded at fair value on the consolidated statements of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

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

(unobservable inputs).
As at June 30, 2019 and June 30, 2018, the fair value of the financial liabilities approximates the carrying value, due to the short-term nature of the instruments. The Company`s investment in Prophecy Coal Corp. (`Prophecy Coal`) (note 5) are recorded at fair value and are considered as Level 1 financial instruments. As at June 30, 2019, Prophecy Coal common shares are carried at a fair value of $9,000. (June 30, 2018– $11,503).

(g) Impairment of non-financial assets

At the end of each reporting period, the Company reviews the carrying amounts of its non-financial assets with finite lives to determine whether there is any indication that those assets have suffered an impairment loss. Where such an indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss. The recoverable amount is the higher of an asset`s fair value less cost to sell or its value in use. In addition, long-lived assets that are not amortized are subject to an annual impairment assessment.

(h) Exploration and evaluation expenditures

The Company expenses exploration and evaluation expenditures as incurred. Exploration and evaluation expenditures include acquisition costs of mineral properties, property option payments and evaluation activities.

Once a project has been established as commercially viable and technically feasible, related development expenditure will be capitalized. This includes costs incurred in preparing the site for mining operations. Capitalization ceases when the mine is capable of commercial production, except for development costs that give rise to a future benefit.
If an exploration property is disposed of any, consideration is reflected as a gain on disposition.

(i) Cash

Cash in the statements of financial position comprise cash at banks and on hand.

(j) Provisions

A provision is recognized when the Company has a present legal or constructive obligation because of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and the amount of the obligation can be reliably estimated. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

2. Significant accounting policies (continued)

A provision for onerous contracts is recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract.

The Company had no material provisions or onerous contracts at June 30, 2019 and June 30, 2018.

(k) Common shares (share capital) and subscriber warrants

Common shares are classified as share capital. Incremental costs directly attributable to the issue of common shares are recognized as a deduction from equity, net of any tax effects. Subscriber warrants are classified within warrant reserve. Where common shares and subscriber warrants are offered together (as a “unit”) the Corporation allocates the consideration received per unit, net of any issuance costs, to the common shares and subscriber warrants based on their relative fair values. The fair value of warrants is measured using a Black-Scholes option pricing model.

(l) Share based payment transactions

Share based payments to employees:

The company measures share based payments to employees at the fair value of the options at the grant date. The fair value of share options granted to employees is recognized as an expense over the vesting or service period with a corresponding increase in equity. The fair value of the options granted is measured using the Black-Scholes valuation model, considering the terms and conditions upon which the options were granted.

At each financial reporting date, the amount recognized as an expense is adjusted to reflect the actual number of share options that are expected to vest. An individual is classified as an employee when the individual is an employee for legal or tax purposes (direct employee) or provides services like those performed by a direct employee, including directors of the Company.

Share based payments to non-employees:

The Company measures share based payments to non-employees at the fair value of the goods or services received at the date of receipt of the goods or services. The fair value of share options granted to non-employees is recognized as an expense over the period the services have been provided. If the fair value of the goods or services cannot be measured reliably, the fair value of the options granted will be used, measured using the Black-Scholes option-pricing model.

(m) Warrants

Special warrants give the holders’ the right to purchase a set number of shares for a fixed price on or before the warrant’s expiration date.

Warrants are cancelled on their given expiration date. Expired warrants are cancelled to contributed surplus.

(n) Income taxes

Tax expense comprises current and deferred tax. Current tax and deferred tax are recognized in profit or loss except to the extent that it relates to a business combination, or items recognized directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

2. Significant accounting policies (continued)

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future. In addition, deferred tax is not recognized for taxable temporary differences arising on the initial recognition of goodwill. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they are realized or settled, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

(n) Income taxes (continued)

A deferred tax asset is recognized for unused tax losses, tax credits, and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

(o) Restoration, rehabilitation and environmental obligations

A legal or constructive obligation to incur restoration, rehabilitation and environmental costs may arise when environmental disturbance is caused by the exploration, development or ongoing production of a mineral property interest. Such costs arising from the decommissioning of plant and other site preparation work, discounted to their net present value, are provided for and capitalized at the start of each project to the carrying amount of the asset, as soon as the obligation to incur such costs arises. Discount rates using a pretax rate that reflects the time value of money are used to calculate the net present value. These costs are charged against profit or loss over the economic life of the related assets, through amortization using either a unit-of-production or the straight-line method as appropriate. The related liability is adjusted for each period for the unwinding of the discount rate and for changes to the current market-based discount rate and amount or timing of the underlying cash flows needed to settle the obligation. Costs for restoration of subsequent site damage that is created on an ongoing basis during production are provided for at their net present values and charged against profits as extraction progresses.

At June 30, 2019 and June 30, 2018, the Company has no material restoration, rehabilitation and environmental costs as the disturbance to date is minimal.

(p) Interest income

Interest income is recognized on the accrual basis using the effective interest method.

(q) Loss per share

The Company presents basic loss per share data for its common shares, calculated by dividing the income/loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted loss per share is determined by adjusting the loss attributable to common shareholders and the weighted average number of common shares outstanding for the effects of all warrants and options outstanding that may add to the total number of common shares. The dilutive effect of outstanding stock options and warrants on earnings

2. Significant accounting policies (continued)

per share is calculated by determining the proceeds for the exercise of such securities which are then assumed to be used to purchase common shares of the Company. If the number of common shares outstanding increases or decreases because of share split or consolidation, the calculation of basic and diluted income/ loss per share for all periods presented, is adjusted retrospectively.

(r) Significant accounting judgments and estimates

The preparation of these consolidated financial statements requires management to make certain estimates, judgments and assumptions that effect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. These consolidated financial statements include estimates that, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the consolidated financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(s) Critical accounting estimates

Significant assumptions about the future that management has made that could result in a material adjustment to the carrying amounts of assets and liabilities, if actual results differ from assumptions made, relate to, but are not limited to, the following:

- the inputs used in accounting for share-based payment transactions and in valuation of warrants issued in unit financing;
- management assumption of no material restoration, rehabilitation and environmental obligations, based on the fact and circumstances that existed during the period;
- management's position that there is no income tax asset recognized within these consolidated financial statements;
- valuation of shares pursuant to the gain on sale of property; and
- assessment of the going concern assumption as detailed in Note 1 to the financial statements.

Management applied judgment in determining the functional currency of the Company and its subsidiaries as Canadian dollars.

3. Capital risk management

The Company manages its capital with the following objectives:

- To ensure sufficient financial flexibility to achieve the ongoing business objectives including funding of future growth opportunities, and pursuit of accretive acquisitions; and
- To maximize shareholder return through enhancing the share value.

The Company monitors its capital structure and adjusts according to market conditions in an effort to meet its objectives given the current outlook of the business and industry in general. The Company may manage its capital structure by issuing new shares, repurchasing outstanding shares, adjusting capital spending, or disposing of assets. The capital structure is reviewed by management and the Board of Directors on an ongoing basis.

3. Capital risk management (continued)

The Company considers its capital to be equity, which comprises share capital, shares to be issued, reserves and deficit, which at June30, 2019 is $630,527 (June 30,2018 – $173,023).
The Company manages capital through its financial and operational forecasting processes. The Company reviews its working capital and forecasts its future cash flows based on operating expenditures, and other investing and financing activities. The forecast is updated based on activities related to its mineral properties. Selected information is provided to the Board of Directors. The Company's capital management objectives, policies and processes have remained unchanged during the period June 30, 2019.

4. Financial risk management

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk (including foreign currency risk and equity price risk).

Risk management is carried out by the Company's management team with guidance from the Audit Committee under policies approved by the Board of Directors. The Board of Directors also provides regular guidance for overall risk management.

(i) Credit risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash and accounts receivable. Cash is held with select major Canadian, Peruvian, Barbadian and Australian chartered banks, from which management believes the risk of loss to be minimal.

(ii) Liquidity risk

Liquidity risk is the risk that the Company will not have sufficient cash resources to meet its financial obligations as they come due. The Company's liquidity and operating results may be adversely affected if its access to the capital markets is hindered, whether because of a downturn in stock market conditions generally or matters specific to the Company. The Company generates cash flow primarily from its financing activities. As at June 30, 2019, the Company had cash of $32.403, June 30, 2018 – $646,228) to settle current liabilities of $0 (June 30, 2018 – $148,601). Some of the Company's financial liabilities have maturities longer than 90 days and are not subject to normal trade terms. The Company regularly evaluates its cash position to ensure preservation and security of capital as well as liquidity.

(iii) Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates and equity prices.

a) Foreign currency risk

The Company's functional and presentation currency is the Canadian dollar and major purchases are transacted in Canadian dollars. As of June 30, 2019, the Company funds certain operations, exploration and administrative expenses in Peru and Barbados on a cash call basis using US dollar currency, and in Australia using the Canadian dollar its Canadian dollar bank accounts held in Canada. The Company maintains US dollar bank accounts in Canada, Peru and Barbados, Australian dollar bank accounts in Australia. The Company is subject to gains and losses from fluctuations in the US dollar and the Australia dollar against the Canadian dollar.

(Expressed in Canadian Dollars)

4. Financial risk management (continued)

b) Equity price risk

The Company is exposed to price risk with respect to equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. The Company's investment in the common shares of Prophecy Coal Corp. ("Prophecy Coal") (note 5) are subject to fair value fluctuations arising from changes in the equity market.

5. Short-term investments

	Number of Shares		As at June 30, 2019
Prophecy Development Corp	5,000	$	9,000
G2 Goldfields Inc.	42		12
Total Investment		**$**	**9,011.76**

6. Accounts receivable and other assets

		As at June 30, 2019		As at December 30, 2018
Harmonized sales tax recoverable	$	17,258	$	3,217
Other recoverable		5		14,530
Prepaid expenses		2,875		10,482
Miscellaneous				7,842
Total Account Receivable and Other Assets		20,138		36,071

(Expressed in Canadian Dollars)

7. Share capital

a) Authorized share capital

The authorized share capital consisted of an unlimited number of common shares. The common shares do not have a par value. All issued shares are fully paid.

b) Common shares issued

At June 30, 2019, the issued share capital amounted to $24,193,983. The changes in issued share capital for the periods were as follows:

	Number of Common Shares		Amount
Balance, December 31, 2017	90,233,118	$	23,439,480
Issue in January 24 2018	10,000,000		440,772
Balance, June 30, 2018	**100,233,118**	**$**	**23,880,252**
Issue in July 05, 2018	10,000,000		493,406
Balance, December 31, 2018	**110,233,118**	**$**	**24,373,658**
Issue in 2019	-		-
Balance, June 30, 2019	**110,233,118**	**$**	**24,373,658**

Private Placement

On February 21, 2018 the Company announced it had closed its previously announced non-brokered private placement, pursuant to which it has issued an aggregate of 10,000,000 units at a price of $0.05 per Unit to raise gross proceeds of $500,000 (net $490,772). Each Unit consists of one common share of the Company and one share purchase warrant with such Warrant exercisable to acquire one additional Share at an exercise price of $0.10 for a period of 24 months from the closing of the Offering. A value of $0.045 has been assigned to the shares and $0.005 to the warrants. All securities issued and issuable pursuant to the Offering are subject to a statutory hold period expiring June 24, 2018.

On July 05, 2018 -- the Company announced that it has closed its previously announced non-brokered private placement (the “Offering”), pursuant to which it has issued an aggregate of 10,000,000 units (“Units”) at a price of $0.05 per Unit to raise aggregate gross proceeds of $500,000. Each Unit consists of one common share of the Company (a “Share”) and one-half of one share purchase warrant (each whole such share purchase warrant, a “Warrant”), with each such Warrant exercisable to acquire one additional Share at an exercise price of $0.10 for a period of 24 months from the closing of the Offering. Insiders purchased an aggregate of 3,400,000 Units in the Offering.

(Expressed in Canadian Dollars)

8. Stock options

The following tables reflect the continuity of stock options for the periods ended June 30, 2019 and June 30, 2018:

	Number of Stock Options	Weighted Average Exercise Price ($)
Balance, December 31, 2017	**7,675,000**	**0.35**
Expired and Cancelled		
Balance, June, 2018	**7,675,000**	**0.35**
Expired and Cancelled July 26, 2019 (i)	(200,000)	0.50
Expired and Cancelled March 2, 2020 (iI)	(100,000)	0.15
Granted on December 12, 2018	1,700,000	0.10
Balance, December 31, 2018	**9,075,000**	**0.31**
Exercised	0	
Expired and Cancelled in 2019	(550,000)	
Balance, June 30, 2019	**8,525,000**	**0.31**

The following table reflects the stock options issued and outstanding as of June 30, 2019:

Expiry Date	Exercise Prices	Weighted Ave Remining contractual Life (years)	Number of Options Outstanding	Number of Options Vested (exercisable)	Number of Options Unvested
26-Jul-19	0.5	0.07	3,275,000	3,275,000	-
2-Mar-20	0.15	0.67	3,050,000	3,050,000	-
7-Sep-20	0.115	1.19	500,000	500,000	-
12-Dec-21	0.10	2.45	1,700,000	1,237,986	462,014
Total June 30, 2019		**0.83**	**8,525,000**	**8,062,986**	**462,014**

(1) On September 7, 2015 the Company granted 500,000 options to a certain officer of the Company at a price of $0.115 per share. The fair value of these options at the date of grant of $0.105 was estimated using the Black-Scholes valuation model with the following inputs and assumptions: a five-year expected term: a 137% expected volatility based on historical trends: risk free interest rate of 0.75%; share price at the date of grant of $0.12; and an expected dividend yield of 0%. The grant date fair value assigned to these options was $52,500. These options, which will vest by 25% upon date of grant and by 25% on each of the 6, 12 and 18-month anniversaries of the date of grant, will expire on September 7, 2020. For the three and six months ended June 30, 2019 the impact on salaries and benefits was nil. For the three and six months ended June 30, 2018 the impact on salaries and benefits was nil.

8. Stock options (continuing)

(2) On July 26, 2016 the Company granted 3,825,000 options to certain directors, officers and consultants of the Company at a price of $0.50 per share. The fair value of these options at the date of grant of $.3637 was estimated using Black-Scholes valuation model with the following inputs and assumptions: a 2,76-year expected term: 133.72% expected volatility based on historical trends: risk free interest rate of 0.58%: share price at the date of grant of $0.49 and an expected dividend yield of 0%. The grant date fair value assigned to these options was $1,391,153. These options, which will vest by 25% upon date of grant and by 25% on each of the 6, 12 and 18-month anniversaries of the date of grant, will expire on July 26, 2019, For the three and six months ended June 30, 2019 the impact on salaries was nil. For the three and six months ended June 30, 2018 the impact on salaries was $16,471.

(3) On March 2, 2017 the Company granted 3,350,000 options to certain directors, officers and consultants of the Company at a price of $0.15 per share. The fair value of these options at the date of grant of $0.0657 was estimated using Black-Scholes valuation model with the following inputs and assumptions: a 2.72-year expected term; 129.62% expected volatility based on historical trends; risk free interest rate of 0.77% and an expected dividend yield of 0%. The grant date fair value assigned to these options was $220,169. These options, which will vest by 25% upon date of grant and by 25% on each of the 6, 12 and 18-month anniversaries of the date of grant, will expire on March 2, 2020. For the three and six months ended June 30, 2019 the impact on salaries and benefits was nil. For the three and six months ended June 30, 2018 the impact on salaries and benefits was $18,316 and $27,437.

(4) On December 12, 2018, the Company granted 1,700,000 options to certain directors, officers and consultants of the Company. The options have an exercise price of $0.10 per share and an expiry date of December 12, 2021. The options vest at a rate of 25% on the date of grant and 25% on each of the 6, 12- and 18-month anniversaries of the date of grant. The fair value of the options was estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions: share price of $0.040, expected dividend yield of 0%, risk-free interest rate of 2.06%, volatility of 115%, and an expected life of 3 years. The fair value assigned to these options was $37,332. For the three and six months ended June 30, 2019 the impact on salaries and benefits was $7,620 and $16,163. The impact on the consolidated statement of loss and comprehensive loss is nil.

9. Net loss per common share

The calculation of basic loss per share for the three and six months ended June 30, 2019 was based on the loss attributable to common shareholders of $100,537 and $319,378 (three months and six months ended June 30, 2018 - loss of $148,921 and $367,762) and the weighted average number of common shares outstanding of 110,233,118 (three and six months ended June 30, 2018 – 97,249,694 and 48,624,846). Diluted loss per share did not include the effect of 8,525,000 stock options (June 30, 2018– 7,675,000 stock options) and 15,000,000 warrants (June 30, 2018– 10,000,000 warrants) as they are anti-dilutive or not in the money.

(Expressed in Canadian Dollars)

10. Warrants

The following table reflects the continuity of warrants for the periods ended June 30, 2019 and June 30, 2018:

	Number of Warrants	Fair Value	Weighted Exercise Price	Expiry Date	Weighted Remaining Life
Balance December 31, 2017	0	0	0		
Warrants Issued, February 23, 2018	10,000,000	181,474	0.1	February 21, 2020	0.65
Total Balance June 30, 2018	**10,000,000**	**181,474**	**0.1**		
Warrants Issued, July 05, 2018	5,000,000	49,054	0.1	July 05, 2020	1.02
Total Balance December 31, 2018	**15,000,000**	**230,528**	**0.1**		**0.77**
Total Balance June 30, 2019	**15,000,000**	**230,528**	**0.1**		**0.77**

11. General and administrative

	Three Months Ended June 30		Six Months Ended June 30,	
	2019	2018	**2019**	**2018**
Salaries and benefits	$ 14,311	$ 17,068	$ 30,692	$ 61,434
Consulting fees	12,936	19,763	(39,614)	47,094
Administrative and general	27,481	22,483	79,264	49,488
Reporting issuer costs	23,832	11,221	26,351	17,808
Professional fees	4,378	16,210	35,459	25,748
Insurance	2,875	2,915	5,750	6,340
Travel	11,356	11,105	35,141	11,105
Total	**$ 97,170**	**$ 100,765**	**$ 173,044**	**$ 219,017**

(Expressed in Canadian Dollars)

12. Related party balances and transactions

Related parties include the Board of Directors, officers, close family members and enterprises that are controlled by these individuals as well as certain persons performing similar functions. The transactions noted below are in the normal course of business and approved by the Board of Directors in strict adherence to conflict of interest laws and regulations.

(a) GPM entered into the following transactions with related parties:

	Three Months Ended June 30,				Six Months Ended June 30,			
	$	2019	$	2018	$	2019	$	2018
Doug Lewis				272				4,680
Alan Ferry				272				1,680
Bruce Rosenberg		448		272		4,964		8,727
Greg Duncan		448				951		
Joel Thomas		448				951		
Harry Burgess		448		272		951		
J. Patrick Sheridan				2,723				19,482
Dan Noone		448		817		951		4,610
Paul Murphy				817				3,749
Peter Mullens		2,241		30,000		34,754		50,000
Yajian Wang		17,241				34,754		
Shaun Drake		6,448				6,951		
Total	**$**	**28,170**	**$**	**35,445**	**$**	**85,227**	**$**	**92,928**

(i) Bruce Rosenberg is a director of the Company. Fees related to legal services provided by Mr. Rosenberg, director's fees and stock-based compensation. As at June 30, 2019, neither Mr. Rosenberg nor his company were owed any fees (June 30, 2019 nil).

(ii) Director fees and stock-based compensation paid to directors of the Company. For 2019 Directors are receiving Stock based compensation only. No fees are owing to any Director.

(iii) Chief Executive Officer ("CEO") until February 15, 2018 and director. CEO fees and stock-based compensation. No fees owing.

(iv) Chairman. Stock based compensation.

(v) Chief Executive Officer ("CEO") from February 15, 2018. No fees owing.

(vi) Chief Financial Officer ("CFO"). Stock based compensation and CFO fee, no fees owing.

(Expressed in Canadian Dollars)

12. Related party balances and transactions (continued)

(b) Remuneration of Directors and key management personnel of the Company was as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2019	2018	2019	2018
Total Salaries and Benefits	$ 20,550	$ 30,000	$ 70,014	$ 63,000
Total Share-Based Payments	7,620	5,445	15,212	24,346

(1) Salaries and benefits include director fees for June 30, 2019. The Board of Directors and select officers do not have employment contracts with the Company. Peter Mullens has a consulting contract with the Company. Directors were entitled to stock options for their services up to December 31, 2018. For 2019 Directors are entitled to stock options for their services. Selected officers are entitled to stock options only for their services and other officers are paid a fee.

The above noted transactions are in the normal course of business and are measured at the exchange amount, as agreed to by the parties, and approved by the Board of Directors.

13. Exploration and evaluation expenditures

The Company enters into exploration agreements or permits with other companies or foreign governments pursuant to which it may explore or earn interests in mineral properties by issuing common shares and/or making option or rental payments and/or incurring expenditures in varying amounts by varying dates. Failure by the Company to meet such requirements can result in a reduction or loss of the Company's ownership interests or entitlements under the agreements or permits.

(a) Rory Group

The Company has a 100% interest in the Rory Group consisting of 40 staked claims located in the Yukon Territory, Canada.

(b) Walker Gossan Project

On January 27, 2014, the Company, through its wholly owned subsidiary DPG Resources Australia Pty Limited entered into, an Earn-In/Joint Venture Agreement with Rio Tinto Exploration Pty Limited ("Rio Tinto"), a wholly owned subsidiary of Rio Tinto Limited covering base metal exploration and development rights, in relation to certain granted exploration tenements and tenement applications in McArthur Basin Mining District, Northern Territory, Australia (the "Walker Gossan project").

Rio Tinto and GPM have entered into a definitive Two Stage Earn-In/Joint Venture Agreement granting GPM an initial 51% interest under certain conditions that include:

13. Exploration and evaluation expenditures (continued)

<u>Stage One</u>

1. Payment of Australian Dollar ("AUD") $1,000,000 on signing (paid);
2. Minimum expenditure of AUD$2,000,000 within 3 years of effective date (met);
3. Combined expenditures of AUD$20,000,000 over a 10-year period; and
4. Milestone payments within the combined expenditures as follows:
   - (i) AUD$100,000 upon the grant of licenses to all of the properties;
   - (ii) AUD$1,000,000 upon the completion of the first drill hole on the Walker Gossan project (paid); and
   - (iii) AUD$4,000,000 upon the completion of a resource study that shows an indicated status for minimum 20 million tons of greater than 8% combined lead and zinc, or lead, zinc and silver, within the licensed area or a Decision to Mine being made.

<u>Stage Two</u>

GPM may increase its interest to 75% by completing a Feasibility Study within 3 years of completing Stage One. Rio Tinto may elect to contribute pursuant to its participating share, not contribute and be diluted or convert its interest into a Net Smelter Return (2.5%) royalty. There are rights of first refusal on purchase and sale of interest for both parties at fair market value. GPM will be responsible for all negotiations with the Northern Land Council for consent to issue the exploration license applications and work programs to be conducted by GPM under its sole rights or as operator.

(c) Pasco Gold Property

On September 15, 2014, the Company, through its wholly owned subsidiary Chaska Resources SAC, entered into a definite agreement to purchase 100% interest in the exploration concession known as Pasco Gold 1, which consists of 1000 hectares of land, located in the district of Huachon, Province of Pasco, in the Republic of Peru (the "Purchase").

On September 3, 2015, the company completed the acquisition of the property with total consideration as follows:

- (a) Payment of USD $13,000 (paid); and
- (b) Issuance of 50,000 common shares of GPM (issued).

The claim known as Pasco Gold 10 was not renewed in 2017 as a section of it is inside the urban area of the Municipalidad of Huachon. As well two additional claims were not renewed as the Peruvian Mining office reduced their area and the Company was no longer interested. These claims are not material to the project.

(Expressed in Canadian Dollars)

13. Exploration and evaluation expenditures (continued)

(d) the following is a detailed list of expenditures incurred on the Company's mineral properties:

	Three Months Ended June 30, 2019	Three Months Ended June 30, 2018	Six Months Ended June 30, 2019	Six Months Ended June 30, 2018
Australia				
Northern Territory Grant	-	-	-	-
Recovery	-	-	-	-
Drilling expense	-	-	-	-
Consulting	9,231	6,330	41,755	19,554
General	68,699	33,958	97,622	69,047
	$ 77,930	$ 40,288	$ 139,377	$ 88,601
Peru				
General	-	13,571	-	31,163
Total Exploration Expenditures	$ -	$ 53,859	$ -	$ 31,163

(Expressed in Canadian Dollars)

14. Segmented information

As at June 30, 2019, the Company operates primarily in two reportable geographical segments, being the exploration for minerals in Australia and Peru. Until July 21, 2016 the Company also operated in Canada. The Company maintains a head office in Toronto, Canada.

Six months Ended June 30, 2019

	Canada	Australia	Peru	Total
Revenues	$ -	$ -	$ -	$ -
Net Income (loss) and Comprehensive Income (loss)	(102,126)	(203,464)	(13,638)	(319,229)

Three months Ended June 30, 2019

	Canada	Australia	Peru	Total
Revenues	$ -	$ -	$ -	$ -
Net Income (loss) and Comprehensive Income (loss)	(61,043)	(105,662)	(9,314)	(176,018)

Six months Ended June 30, 2018

	Canada	Australia	Peru	Total
Revenues	$ (8,265)	$ -	$ -	$ (8,265)
Net Income (loss) and Comprehensive Income (loss)	(203,907)	(129,534)	(34,321)	(367,762)

Three months Ended June 30, 2018

	Canada	Australia	Peru	Total
Revenues	$ (2,310)	$ -	$ -	$ (2,310)
Net Income (loss) and Comprehensive Income (loss)	(79,589)	(75,775)	6,443	(148,921)

15. Subsequent events

Corporate Activities.

June 11, 2019 – GPM held its Annual General Meeting. All matters were passed at the AGM including permission to consolidate the outstanding shares of GPM on a 1 new share for 2 old shares held. July 9th GPM announced that it had filed articles of amendment to consolidate the Companies issued and outstanding common shares on the basis of one new common share for every two existing common shares. The consolidation took place on July 9th with new common shares trading on Friday July 12th, 2019.

July 18, 2019 -- GPM announced that it proposes to complete a non-brokered private placement (the "Offering") pursuant to which it will issue up to 7,000,000 units ("Units") at a price of $0.075 per Unit to raise aggregate gross proceeds of up to $525,000. Each Unit shall consist of one common share of the Company (a "Share") and one share purchase warrant (a "Warrant"), with each such Warrant exercisable to acquire one additional Share at an exercise price of $0.10 for a period of 36 months from the closing of the Offering. Insiders of the Company may subscribe for up to 4,000,000 Units in the Offering.

August 9, 2019 -- GPM announced that it has closed its previously announced non-brokered private placement (the "Offering"), pursuant to which it has issued an aggregate of 8,000,000 units ("Units") at a price of $0.075 per Unit to raise aggregate gross proceeds of $600,000. Each Unit consists of one common share of the Company (a "Share") and one Share purchase warrant (a "Warrant"), with each such Warrant exercisable to acquire one additional Share at an exercise price of $0.10 for a period of 36 months from the closing of the Offering. Insiders purchased an aggregate of 4,800,000 Units in the Offering.