CONDENSED INTERIM
CONSOLIDATED FINANCIAL STATEMENTS

THREE and SIX MONTHS ENDED
June 30, 2023

(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, 2023 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, 2023		As at December 31, 2022
ASSETS				
Current assets				
Cash	$	530,818	$	227,136
Short-term investments (note 5)		34		29
Accounts receivable and other assets (note 7)		52,235		82,430
Total current assets		583,087		309,595
Total assets	$	583,087	$	309,595
LIABILITIES AND EQUITY				
Current liabilities				
Amounts payable and other liabilities	$	20,872	$	38,375
Total current liabilities	$	20,872	$	38,375
Total liabilities	$	20,872	$	38,375
Capital, reserves and deficit				
Share capital (note 9)		25,254,723		24,991,216
Capital surplus		15,621,915		15,621,915
Warrant reserve (note 11)		483,993		326,004
Deficit		(40,667,916)		(40,667,916)
Net income		(130,500)		-
Total capital, reserves and deficit		562,215		271,220
Total liabilities and equity	$	583,087	$	309,595

Nature of operations (note 1)
Subsequent events (note 16)

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,	
	2023	**2022**	**2023**	**2022**
Operating Expenses				
General and Administrative (note 13)	$ **52,964**	$ 76,390	$ **99,323**	$ 122,148
Foreign exchange (gain/loss)	**1,366**	612	**1,735**	575
Exploration and evaluation expenditures (note 15)	**34,237**	14,782	**34,403**	16,767
Operating Loss	**(88,568)**	(91,783)	**(135,462)**	(139,491)
Interest income	**2,524**	291	**4,956**	391
FV adjustment on short-term investments (note 5)	**-**	(5)	**5**	7
Net loss and comprehensive loss for the Q2 2023	**(86,043)**	(91,498)	**(130,500)**	(139,093)
Basic and diluted net loss per common share (note 12)	$ **(0.001)**	$ (0.001)	**(0.002)**	$ (0.002)
Weighted average number of common shares outstanding basic (note 12)	**72,296,917**	71,116,559	**72,296,917**	71,116,559

GPM METALS INC.

Condensed Interim Consolidated Statements of Cash Flows
(Expressed in Canadian Dollars)
(Unaudited)

		Six Months End, June 30, 2023		Six Months End, June 30, 2022
Operating Activities				
Net income (loss for the period)	**$**	**(130,500)**	$	(139,093)
Adjustment for non-cash items:				
Amortization		**-**		13,333
FV adjustment on short-term investments (note 5)		**(5)**		(7)
Share based payments		**-**		11,002
Lease accretion expense		-		391
Changes in Non-cash working capital items:				
Accounts receivable and other assets		**30,195**		27,688
Amounts payable and other liabilities		**(17,503)**		5,528
Net cash used in operating activities		**(117,813)**		(81,158)
Investing Activities				
		-		-
Net cash used in Investing Activities		**-**		-
Financing activities				
Proceeds from private placement		**426,250**		-
Issue cost		**(4,754)**		-
Lease obligation payment		**-**		(32,319)
Net cash provided by financing activities		**421,496**		(32,319)
Net change in cash		**303,682**		(113,477)
Cash, beginning of year		**227,136**		221,725
Cash, end of the period	**$**	**530,818**	$	108,248

GPM METALS INC.

Condensed Interim Consolidated Statements of Changes in Equity
(Expressed in Canadian Dollars)
(Unaudited)

		Share Capital (Note 9)	Reserves: Capital Surplus	Reserves: Warrant Reserve (Note 11)	Deficits		Total
Balance, December 31, 2021	$	24,691,225	15,055,424	789,401	(40,338,101)	$	197,949
Warrant expired on Feb 23, 2022		300,790		(300,790)			-
Stock-based compensation			11,002				11,002
Net loss and comprehensive loss for the period					(139,093)		(139,093)
Balance, June 30, 2022	$	24,992,015	15,066,426	488,611	(40,477,194)	$	69,859

		Share Capital (Note 9)	Reserves: Capital Surplus	Reserves: Warrant Reserve (Note 11)	Deficits		Total
Balance, December 31, 2022	$	24,991,216	15,621,915	326,004	(40,667,915)	$	271,220
Private placement on Jun 8, 2023		268,261					268,261
Warrant issued on Jun 8, 2023				157,989			157,989
Share issue cost		(4,754)					(4,754)
Stock-based compensation			-				-
Net loss and comprehensive loss for the period					(130,500)		(130,500)
Balance, June 30, 2023	**$**	**25,254,723**	**15,621,915**	**483,993**	**(40,798,415)**	**$**	**562,215**

1. Nature of operations and going concern

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 include the availability of capital and risks inherent in the mining industry related to development, exploration, and operations as well as global economic risks 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 consolidated financial statements have been prepared using International Financial 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 December 31, 2022. On June 30, 2023, the Company had not yet achieved profitable operations, had an accumulated deficit of $40.80 million since inception (December 31, 2022, $40.67 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 may 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 principles applicable to a going concern.

These consolidated financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and balance sheet classifications that would be necessary if the Company were unable to realize its assets and settle its liabilities as a going concern in the normal course of operations. Such adjustments could be material.

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.

(Expressed in Canadian Dollars)

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 yearend December 31,2022, 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 three and six months ended June 30, 2023 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, 2023. The Board of Directors approved the statements on August 21, 2023.

(b) 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.

(c) 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.	Canada	Holding company
DPG Resources Australia Pty Ltd (1)	Australia	Exploration company
Guyana Precious Metals (Barbados) Inc. (2)	Barbados	Holding company

(1) On August 21, 2013, the Company completed the acquisition of 100% common shares of DPG Resources Inc. (“DPG”), a company incorporated under the laws of the Province of Ontario on June 16, 2009. Upon closing of the Acquisition, an aggregate of 18,700,000 common shares and 18,700,000 share purchase warrants (each, a "Warrant") of GPM were issued to the former shareholders of DPG in exchange for the common shares of DPG held by such shareholders, being one common share of GPM and Warrant for each common share of DPG outstanding. There were no convertible securities of DPG outstanding immediately pre-closing. Each Warrant entitles the holder thereof to acquire one additional common share of GPM at an exercise price of $0.10 until August 21, 2015.

2. Significant accounting policies continued

(c) Basis of consolidation continued

(2) On October 5, 2009, Guyana Precious Metals (Barbados) Inc., a wholly-owned subsidiary, was incorporated.

(d) 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.

(e) Financial instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the financial instrument.

Under IFRS 9, financial assets and financial liabilities are classified and measured based on the business model in which they are held and the characteristics of their contractual cash flows. IFRS 9 contains the primary measurement categories for financial assets: measured at amortized cost, fair value through other comprehensive income ("FVTOCI") and fair value through profit or loss ("FVTPL"). IFRS 9 also contains the primary measurement categories for financial liabilities: Measure at amortized cost and fair value through profit or loss ("FVTPL").

Below is a summary showing the classification and measurement bases of the Company's financial instruments.

Classification	IFRS 9
Cash	FVTPL
Accounts receivable	Amortized cost
Short-term investments	FVTPL
Accounts payable and other liabilities	Amortized cost

Financial assets

Financial assets are classified as either financial assets at FVTPL, amortized cost, or FVTOCI. The Company determines the classification of its financial assets at initial recognition.

i. Financial assets recorded at FVTPL

Financial assets are classified as FVTPL if they do not meet the criteria of amortized cost or FVTOCI. Gains or losses on these items are recognized in profit or loss. The Company's cash is classified as financial assets measured at FVTPL.

ii. Investments recorded at fair value through other comprehensive income (FVOCI)

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to measure the investment at FVOCI whereby changes in the investment's fair value (realized and unrealized) will be recognized permanently in OCI with no reclassification to profit or loss. The election is made on an investment-by-investment basis.

2. Significant accounting policies continued

(e) Financial instruments continued

iii. Amortized cost

Financial assets are classified as measured at amortized cost if both of the following criteria are met, and the financial assets are not designated as at FVTPL: 1) the object of the Company's business model for these financial assets is to collect their contractual cash flows, and 2) the asset's contractual cash flows represent "solely payments of principal and interest".

Financial liabilities

Financial liabilities are classified as either financial liabilities at FVTPL or amortized cost. The Company determines the classification of its financial liabilities at initial recognition.

i. Amortized cost

Financial liabilities are classified as measured at amortized cost unless they fall into one of the following categories: financial liabilities at FVTPL, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition, financial guarantee contracts, commitments to provide a loan at a below-market interest rate, or contingent consideration recognized by an acquirer in a business combination.

The Company's accounts payable and other liabilities do not fall into any of the exemptions and are therefore classified as measured at amortized cost.

ii. Financial liabilities recorded FVTPL

Financial liabilities are classified as FVTPL if they fall into one of the five exemptions detailed above.

Transaction costs

Transaction costs associated with financial instruments, carried at FVTPL, are expensed as incurred, while transaction costs associated with all other financial instruments are included in the initial carrying amount of the asset or the liability.

Subsequent measurement

Instruments classified as FVTPL are measured at fair value with unrealized gains and losses recognized in profit or loss. Instruments classified as amortized cost are measured at amortized cost using the effective interest rate method. Instruments classified as FVTOCI are measured at fair value with unrealized gains and losses recognized in other comprehensive income.

Derecognition

The Company derecognizes financial liabilities only when its obligations under the financial liabilities are discharged, cancelled, or expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

2. Significant accounting policies continued

(e) Financial instruments continued

Expected credit loss impairment model

IFRS 9 introduced a single expected credit loss impairment model, which is based on changes in credit quality since the initial application. The adoption of the expected credit loss impairment model had no impact on the Company's consolidated financial statements.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due. The Company considers a financial asset to be in default when the borrower is unlikely to pay its credit obligations to the Company in full or when the financial asset is more than 90 days past due.

The carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off.

Financial instruments at fair value through profit and loss

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 data (unobservable inputs).

As of June 30, 2023, cash and short-term investment (note 5) are recorded at fair value and are considered as Level 1 financial instruments. As of June 30, 2023, short-term investments held a fair value of $34. (June 30, 2022 – $26)

(f) 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.

(g) 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.

2. Significant accounting policies continued

(h) Cash

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

(i) 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.

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, 2023 and June 30, 2022.

(j) Share Capital

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 and is recorded in the warrant reserve.

(k) 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. The capital surplus resulting from share-based payments is transferred to share capital if the options are exercised.

2. Significant accounting policies continued

(l) Warrants

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 share-based payment reserve.

(m) Restoration, rehabilitation, and environmental obligations

A legal or constructive obligation to incur restoration, rehabilitation and environmental costs may arise when the exploration, development, or ongoing production of a mineral property interest cause an environmental disturbance. Such costs arising from the decommissioning of the 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 pre-tax 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 the amount or timing of the underlying cash flows needed to settle the obligation. Costs for the 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.

On June 30, 2023, and June 30, 2022, the Company has no material restoration, rehabilitation, and environmental costs as the disturbance to date are minimal.

(n) Interest income

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

(o) 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 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.

(p) Property, plant and equipment

Property, plant and equipment are carried at cost, less accumulated depreciation, and accumulated impairment losses. The cost of an item of property and equipment consists of the purchase price, any costs directly attributable to bringing the asset to the location and condition necessary for its intended use and an initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located. Depreciation is recognized based on the cost of an item of property and equipment, less its estimated residual value, over four years for computer equipment, and two and a half years for specialized software.

2. Significant accounting policies continued

(p) Property, plant and equipment continued

An asset's residual value, useful life, and depreciation method are reviewed and adjusted if appropriate, on an annual basis.

In the year of disposal, the resulting gain or loss is included in the statements of operations and comprehensive loss, and the cost of the equipment retired or otherwise disposed of. The related accumulated depreciation is eliminated from these accounts.

(q) Leases

All leases are accounted for by recognizing a right-of-use asset and a lease liability except for leases of low value assets and leases with a duration of twelve months or less. Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by the incremental borrowing rate on commencement of the lease is used. Right-of-use assets are amortized on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if this is judged to be shorter than the lease term.

(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 and judgments

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:

i. Critical judgements:
   - assessment of the going concern assumption as detailed in Note 1 to the consolidated financial statements;
   - management’s determination of the functional currency of GPM Metals Inc. and its subsidiaries as Canadian dollars;
   - management assumption of no material restoration, rehabilitation, and environmental obligations, based on the fact and circumstances that existed during the year;
   - management’s position that there is no income tax asset recognized within these consolidated financial statements;

ii. Use of estimation uncertainty:
   - the inputs used in accounting for share-based payment transactions and in the valuation of warrants issued in unit financing;
   - the incremental borrowing rate used to obtain an asset of similar value to the right-of-use asset.

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 the 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.

The Company considers its capital to be equity, which comprises share capital, shares to be issued, reserves and deficit, which at June 30, 2023 is $562,215 (June 30, 2022 – $69,859).

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, 2023.

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).

The Company's management team carries out risk management 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.

(a) 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. Cash is held within major Canadian, Barbadian, and Australian chartered banks.

(b) 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, 2023, the Company had cash of $530,818, (June 30, 2022 – $108,248) to settle current liabilities of $20,872 (June 30, 2022 – $99,033). 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.

(c) 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.

4. Financial risk management continued

(c) Market risk continued

(i) Foreign currency risk

Foreign currency risk is the risk that the fair value of future cash flows from the Company's operations will fluctuate due to changes in market interest rates. The Company's functional and presentation currency is the Canadian dollar and major purchases are transacted in Canadian dollars. As of June 30, 2023, the Company funds certain operations, exploration and administrative expenses in 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 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.

(ii) 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 activities in the level of the stock market. The Company's short-term investments are subject to fair value fluctuations arising from changes in the equity market (note 5).

5. Short-term investments

	Number of Shares	As at June 30, 2023	As at December 31, 2022
G2 Goldfields Inc.	42	**34**	29
	$	**34**	$ 29

6. Property, plant, and equipment

	Right-of-use asset	Total
Balance as of December 31, 2021	**$ 24,444**	**$ 24,444**
Depreciation	13,333	13,333
Balance as of June 30, 2022	**$ 11,111**	**$ 11,111**
Balance as of December 31, 2022	**$ -**	**$ -**
Depreciation	-	-
Balance as of June 30, 2023	**$ -**	**$ -**

(Expressed in Canadian Dollars)

7. Accounts receivable and other assets

		As at June 30, 2023		As at December 31, 2022
Harmonized sales tax recoverable	$	**5,555**	$	5,373
Sales tax recoverable (Australia)		**38,930**		35,345
Prepaid expenses		**7,750**		10,684
Other receivables		**-**		31,028
Total Account Receivable and Other Assets		**52,235**		82,430

8. Lease Liability

On December 1, 2017, the Company entered into a 60-month lease agreement to lease office space. During the 2018 fiscal year, the Company entered into a sublease agreement with a related party. Half of the office lease space has been allocated to the related party, and the Company is reimbursed for half of the monthly lease payment from 2018 to 2022, and around 80% of the monthly lease payments since January 2022, terminating on November 30, 2022.

		Office Lease
Balance, December 31, 2021	**$**	**65,575**
Accretion expense		3,792
Lease payments		(38,348)
Balance, June 30, 2022	**$**	**31,019**
Balance, December 31, 2022	**$**	**-**
Accretion expense		-
Lease payments		-
Balance, June 30, 2023	**$**	**-**

The Company has recorded this lease as a right-of-use asset (note 6) and lease liability in the consolidated statements of financial position as of June 30, 2023. As of June 30, 2023, the lease liability was measured at the present value of the lease payments that were not paid as of that date. The lease payments are discounted using an interest rate of 15%, which is the Company's incremental borrowing rate.

The continuity of the lease liability is presented in the table below:

		Under 1 year		Between 1-2 years		Total
Office Lease	$	-	$	-	$	-

In connection with the sublease agreement held with a related party, as on June 30, 2023, a lease receivable amount recognized and measured at the present value of the lease payments that were not received as of that date. The sublease payments are discounted using an interest rate of 15%, identical to the discount rate used for the head lease.

(Expressed in Canadian Dollars)

8. Lease liability continued

		Lease Receivable
Balance, December 31, 2021	**$**	**32,788**
Accretion expense		3,034
Sublease payments		(30,721)
Balance, June 30, 2022	**$**	**5,100**
Balance, December 31, 2022	**$**	**-**
Accretion expense		-
Sublease payments		-
Balance, June 30, 2023	**$**	**-**

9. 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

On June 30, 2023, the issued common shares 83,779,059. The changes in issued share capital for the periods were as follows:

	Number of Common Shares		Amount
Balance, December 31, 2021	71,116,559	$	24,691,225
Warrants expired on February 23, 2022	-		300,790
Balance, June 30, 2022	**71,116,559**	**$**	**24,992,015**
Balance, December 31, 2022	**76,029,059**	**$**	**24,991,216**
Private placement issued for cash on June 8, 2023	7,750,000		268,261
Issue cost	-		(4,754)
Balance, June 30, 2023	**83,779,059**	**$**	**25,254,723**

(i) On July 26, 2022, the Company completed a non-brokered private placement which has issued an aggregate of 4,912,500 units ("Units") at $0.08 to raise gross aggregate proceeds of $393,000 and incurring share issuance expense of $870. Each unit has one common share of the Company and one half-share purchase warrant. Each Warrant will entitle the Holder to purchase on additional share at an exercise price of $0.10 for 36 months.

(ii) On June 8, 2023, the Company completed a non-brokered private placement which has issued an aggregate of 7,750,000 units ("Units") at $0.055 to raise gross aggregate proceeds of $426,250 and incurring share issuance expense of $4,754. Each unit has one common share of the Company and one share purchase warrant. Each Warrant will entitle the Holder to purchase on additional share at an exercise price of $0.10 for a period of 5 years.

(Expressed in Canadian Dollars)

10. Stock options

The Company adopted a stock option plan for employees, consultants, officers, and directors on April 24, 1995. The number of common shares reserved for issue under the stock option plan may not exceed 10% of the issued and outstanding capital of the Company at any given time. The term of options granted under the stock option plan may not exceed five years from the date of the grant and the option price, which may be determined by the directors of the Company, may not be less than the market price for the common shares at the grant date, less an approved discount.

The Company records a charge to the statements of loss and comprehensive loss using the Black-Scholes valuation model. For options granted to non-employees, the valuation is based on services provided if reliably measurable. The Black-Scholes valuation is dependent on several estimates, including the risk-free interest rate, the level of stock volatility, together with an estimate of the level of forfeiture. The level of stock volatility is calculated with reference to the historic traded daily closing share price of the Company at the date of the issue.

Options pricing models require the input of highly subjective assumptions, including the expected price volatility. Changes in the subjective input assumptions can materially affect the fair value estimate, and therefore, the existing models do not necessarily provide a reliable measure of the fair value of the Company's share purchase options.

The following tables reflect the continuity of stock options for the years ended June 30, 2023, and June 30, 2022.

	Number of stock options	Weighted-average exercise price ($)
Balance, December 31, 2021	**3,900,000**	**0.07**
Canceled on March 31, 2022	(250,000)	0.10
Canceled on June 30, 2022	(250,000)	0.10
Balance, June 30, 2022	**3,400,000**	**0.07**
Canceled on September 30, 2022	(250,000)	0.10
Expired on December 13, 2022	(1,850,000)	0.10
Balance, December 31, 2022	**1,300,000**	**0.10**
Balance, June 30, 2023	**1,300,000**	**0.10**

The following table reflects the stock options issued and outstanding as of June 30, 2023:

Expiry Date	Exercise Prices	Remining contractual Life (years)	Number of Options Outstanding	Number of Options Vested (exercisable)	Number of Options Unvested
01-Jun-24	0.10	0.92	1,300,000	1,000,000	300,000
Total June 30, 2023		**0.92**	**1,300,000**	**1,000,000**	**300,000**

(i) On June 1, 2021, the Company granted Peter Walsh 1,300,000 options exercisable at a price of $0.10 per share until June 1, 2024. The options vest as to 250,000 options on each of September 1, 2021, December 1,2021, March 1, 2022 and June 1, 2022, and 300,000 options upon grant of certain exploration licenses. The fair value of the options was estimated on the date of grant using the Black-Scholes option-pricing model with the following assumptions: the share price of $0.10, expected dividend yield of 0%, risk-free interest rate of 1.22%, the volatility of 128.8%, and an expected life of 3 years. The fair value assigned to these options was $74,100.

For the quarter ended June 30, 2023, stock-based compensation is nil (June 30, 2022 - $11,002) was recognized in the consolidated statement of loss and comprehensive loss in connection with the vesting of options.

(Expressed in Canadian Dollars)

11. Warrants

The following table reflects the continuity of warrants for the periods ended June 30, 2023 and June 30, 2022:

	Numb of Warrants	Fair Value	Weighted Exercise Price	Expiry Date	Remaining Life
Balance December 31, 2021	**21,109,800**	**789,401**	**0.13**		
Warrants expired, February 23, 2023	(5,000,000)	(300,790)	0.20	February 23, 2023	-
Balance June 30, 2022	**16,109,800**	**488,611**	**0.11**		**1.60**
Balance December 31, 2022	**10,456,250**	**326,004**	**0.11**		**2.60**
Warrants issued, June 8, 2023(note vii)	7,750,000	157,989	0.10	June 8, 2028	4.95
Balance June 30, 2023	**18,206,250**	**483,993**	**0.11**		**3.31**

The following table reflects the warrants issued and outstanding as of June 30, 2023:

Expiry Date	Number of warrants outstanding	Fair value ($)	Exercise price ($)	Remaining Contractual Life (years)
November 5, 2024 (note iii)	3,000,000	122,660	0.15	1.35
February 10,2026 (note ii)	3,000,000	66,323	0.10	2.56
February 10, 2026 (note i)	2,000,000	44,882	0.10	2.56
July 26, 2025 (note iv)	2,456,250	92,139	0.10	2.07
June 8, 2028 (note vii)	7,750,000	157,989	0.10	4.95
	18,206,250	**483,993**	**0.11**	**3.31**

(i) On February 11, 2021, the Company issued 2,000,000 Special Warrants to Rosseau Asset Management at a price of $0.05 per Special Warrant. Each Special Warrant automatically converted into one Unit without any additional payment or action by the Holder on the date upon which the Company received shareholder approval for Rosseau Asset Management and associates to become "control persons "of the Company (within meaning of the regulations of the TSX Venture Exchange). Pursuant to the conversion, the Company issued 2,000,000 warrants exercisable at a price of $0.10 for a period of 5 years.

(ii) On February 11, 2021, the Company issued 3,000,000 warrants at an exercise price of $0.10 for a five years, expiring on February 11, 2026.The fair value of the warrants was estimated on the date of grant using the BlackScholes option-pricing model with the following assumptions: the share price of $0.07, expected dividend yield of 0%, risk-free interest rate of 0.41%, the volatility of 125.40%, and an expected life of 5 years. The fair value assigned to these warrants was $67,323.

(iii) On November 5, 2021, the Company issued 3,000,000 warrants at an exercise price of $0.15 for a three years, expiring on November 5, 2024.The fair value of the warrants was estimated on the date of grant using the Black-Scholes option-pricing model with the following assumptions: the share price of $0.12, expected dividend yield of 0%, risk-free interest rate of 1.17%, the volatility of 124.8%, and an expected life of 3 years. The fair value assigned to these options was $122,660.

(Expressed in Canadian Dollars)

11. Warrants continued

(iv) On July 26, 2022, the Company issued 2,456,250 Warrants at an exercise price of $0.10 expired on three years on July 26, 2025. Using the Black-Scholes option-pricing model with the following assumptions: the share price of $0.10, expected dividend yield of 0%, risk-free interest rate of 1.07%, the volatility of 181.97%, and an expected life of 3 years. The fair value assigned to these warrants was $117,900.

(v) On February 22, 2022, the 5,000,000 previously issued warrants at an exercise price of $0.10 expired. With this expiration, a change in the fair value of warrants was determined to be $300,790, which had been recorded directly to share capital removed.

(vi) On August 9, 2022, the 8,000,000 previously issued warrants and the 109,800 brokers' warrants at an exercise price of $0.10 expired. In connection with this expiration, a change in the fair value of warrants was determined to be $249,283 and $5,463, which had been recorded as the contributed surplus.

(vii) On June 8, 2023, the Company issued 7,750,000 Warrants at an exercise price of $0.10 expired on five years on June 8, 2028. Using the Black-Scholes option-pricing model with the following assumptions: the share price of $0.10, expected dividend yield of 0%, risk-free interest rate of 1.79 the volatility of 121.2%, and an expected life of 5 years. The fair value assigned to these warrants was $157,989.

12. Net loss per common share

The calculation of basic loss per share for the three and six months ended June 30, 2023 was based on the loss attributable to common shareholders of $86,043 and $130,500 (three months and six months ended June 30, 2022 - loss of $91,498 and $139,093 and the weighted average number of common shares outstanding of 72,296,917 (three and six months ended June 30, 2022 – 71,116,559). Diluted loss per share did not include the effect of 1,300,000 stock options (June 30, 2022– 3,400,000 stock options) and 18,206,250 warrants (June 30, 2022– 16,109,800 warrants) as they are anti-dilutive or not in the money.

13. General and administrative

	Three Months Ended June 30		Six Months Ended June 30,	
	2023	2022	**2023**	2022
Salaries and benefits	$ **21,203**	$ 34,773	$ **35,066**	$ 34,773
Administrative and general	**7,292**	4,353	**20,393**	17,225
Accretion expense	**-**	140	**-**	391
Depreciation expense	**-**	6,667	**-**	13,333
Stock-based compensation	**-**	5,501	**-**	11,002
Reporting issuer costs	**4,964**	11,706	**11,359**	19,016
Professional fees	**10,750**	10,750	**21,250**	21,406
Insurance	**2,500**	2,500	**5,000**	5,000
Travel	**6,255**	-	**6,255**	-
Total	**$ 52,964**	**$ 76,390**	**$ 99,323**	**$ 122,148**

(Expressed in Canadian Dollars)

14. 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.

Remuneration of current and former Directors and key management personnel of the company was as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	**2023**	2022
Total salaries and benefits	$ **31,703**	$ 45,273	$ **56,066**	$ 55,773
Total share-based payments	**-**	5,501	**-**	11,002
	$ **31,703**	$ 50,774	$ **56,066**	$ 66,775

Salaries and benefits include salaries, director fees, and fees to related companies controlled by key management personnel.

During the period June 30, 2023, the Company received payments in connection with a sub-lease agreement totaling nil (June 30, 2022 - $30,721) from related parties (note 8).

15. Exploration and evaluation expenditures

Walker Gossan Project

On January 27, 2014, the Company, through its wholly-owned subsidiary DPG Resources Australia Pty Limited entered into, and 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 certainly 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:

<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 three 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 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 an operator.

(Expressed in Canadian Dollars)

15. Exploration and evaluation expenditures continued

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

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	**2023**	2022
Canada				
General	$ **-**	$ -	$ **-**	$ -
Australian				
Assay	**-**	110	**-**	2,096
Consulting	**1,639**	9,145	**1,639**	9,145
Environmental	**-**	4,167	**-**	4,167
General	**32,325**	-	**32,491**	-
Indigenous Liaison	**273**	-	**273**	-
Legal	**-**	299	**-**	299,
Travel	**-**	1,060	**-**	1,060
	$ **34,237**	$ 14,781	$ **34,403**	$ 16,767
Total Exploration Expenditures	$ **34,237**	$ 14,781	$ **34,403**	$ 16,767

16. Subsequent events

(a) On July 17, 2023, the Company granted an aggregate of 4,600,000 options to directors, officers and consultants of the Company, with such options being exercisable at a price of $0.10 per share until July 17, 2026. The options vest as to 25% immediately and 25% after 6, 12 and 18 months respectively from the date grant.

(b) On August 10, 2023, the Company announced that NLC and GPM Metals have agreed to defer this final consultation meeting that the NLC has scheduled a community meeting the week of 14 August 2023 in Numbulwar, Arnhem Land in the Northern Territory in Australia, between the TLO's, GPM Metals' management and the representatives of the NLC. This meeting was to be the final consultation meeting with Traditional Owners in relation to GPM Metals application for Exploration License (ELA)30956, which covers prospective areas to the south and east of the existing granted exploration licence areas (EL24305 and EL385). A precursor to the final meeting is the undertaking of an anthropological survey of the area. The result of this survey is a draft map of the area with "Consent" and "Non-Consent" areas. Unfortunately, there is currently some disagreement within the community about exploration being undertaken in large parts of the area covered by ELA 30956 and therefore the respective Consent and Non-Consent areas. As a consequence NLC and GPM Metals have agreed to put back this final consultation meeting until some greater clarity within the community is achieved. GPM Metals intends to continue with Exploration Programs for existing approved tenements EL385 and EL24305.