
**GPM METALS INC.
CONDENSED INTERIM
CONSOLIDATED FINANCIAL STATEMENTS
THREE AND NINE MONTHS ENDED
September 30, 2016
(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 nine months ended September 30, 2016 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 September 30, 2016	As at December 31, 2015
ASSETS		
Current assets		
Cash	\$ 3,472,211	\$ 1,000,998
Short-term investments (note 3)	17,000	17,500
Accounts receivable and other assets (note 4)	312,262	521,792
Total current assets	3,801,472	1,540,290
Non-current assets Property and equipment	15,328	4,548
Total assets	\$ 3,816,800	\$ 1,544,838
LIABILITIES AND EQUITY		
Current liabilities		
Amounts payable and other liabilities	\$ 1,277,286	\$ 381,657
Capital and reserves		
Share capital (note 5)	23,508,748	23,718,447
Capital surplus	8,637,875	8,087,678
Warrant reserve (note 8)	4,996,496	4,996,495
Deficit	(34,603,605)	(35,639,439)
Total capital and reserves	2,539,514	1,163,181
Total liabilities and equity	\$ 3,816,800	1,544,838

Nature of operations (note 1)**Subsequent events** (note 13)**Approved on behalf of the Board:**

(Signed) _____, Director

(Signed) _____, Director

GPM METALS INC.

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

	Three Months Ended September 30		Nine Months Ended September 30	
	2016	2015	2016	2015
Operating expenses				
General and administrative (note 9)	\$ 672,272	\$ 157,387	\$ 1,159,948	\$ 532,825
Foreign exchange (gain)/loss	(12,338)	(9,549)	(464)	(22,611)
Exploration and evaluation expenditures (note 11)	1,645,454	627,705	2,201,776	1,122,709
	-	-	-	-
Operating loss	(2,305,388)	(775,543)	(3,361,260)	(1,632,923)
Interest income	4,954	2,981	7,742	9,101
Gain on sale of properties (note 11(c))				632,224
Gain on sale of properties (note 11(a))		591,667		591,667
Gain on sale of properties (note 11 (f))	4,389,852		4,389,852	
Unrealized gain/(loss) on short-term investments	5,450	(10,000)	(500)	5,000
Net earnings/(loss) and comprehensive earnings/(loss) for the period	2,094,868	\$(190,895)	1,035,834	\$ (404,931)
Basic and diluted net earnings (loss) per common share (note 7)	\$ 0.03	\$ (0.00)	\$ 0.02	\$ 0.01)
Weighted average number of common shares outstanding basic (note 7)	64,343,199	61,480,289	62,471,495	58,131,502
Weighted average number of common shares Outstanding - diluted (note 7)	67,313,700		63,591,137	

The notes to the unaudited condensed interim consolidated financial statements are an integral part of these statements

GPM METALS INC.

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

	Nine Months Ended September 30	
	2016	2015
Operating activities		
Net income (loss) for the period	\$ 1,035,834	\$ (404,931)
Adjustments for:		
Gain on sale of properties (note 11(f))	(4,400,000)	
Unrealized foreign exchange (gain)/loss		(22,611)
Gain on sale of properties (note 11 (c))		(632,224)
Gain on sale of properties (note 11 (a))		(591,667)
Unrealized (gain) loss on short-term investments	500	5,000
Share based payments (note 6)	550,196	41,594
Shares to be issued for exploration and evaluation expenditures		25,000
Non-cash working capital items:		
Accounts receivable and other assets	209,530	(59,780)
Amounts payable and other liabilities	895,631	(256,139)
Net cash used in operating activities	(1,708,309)	(1,895,758)
Investing activity		
Proceeds from sale of properties (note 11(c))		350,000
Purchase of Property and Equipment	(10,780)	
Net cash provided by investing activity	(10,780)	350,000
Financing activity		
Proceeds from Private Placement Warrants	4,120,388	
Broker warrants from Private Placement	37,414	
Proceeds from exercise of options	32,500	
Issue of common shares, net of costs		954,914
Net cash provided by financing activity	4,190,302	954,914
Net change in cash	2,471,212	(590,844)
Cash, beginning of period	1,000,998	2,299,287
Effect of foreign exchange rate fluctuation on cash held		22,237
Cash, end of period	\$ 3,472,210	\$ 1,730,680

The notes to the unaudited condensed interim consolidated financial statements are an integral part of these statements

GPM METALS INC.

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

	Share capital	Shares to be issued	Reserves		Deficit	Total
			Capital surplus (note 6)	Warrant reserve (note 8)		
Balance, December 31, 2014	\$23,165,127	\$ 6,500	\$8,033,943	\$4,563,401	\$ (34,307,900)	\$1,461,071
Common shares issued for private placement (note 5(i))	960,000					960,000
Cost of issuance (note 5 (i))	(11,567)			(3,519)		(15,086)
Warrant issued for private placement	(438,000)			438,000		
Shares issued on exercise of warrants	11,387			(1,387)		10,000
Shares issued for Goldeye option agreement (note 11(f))	25,000					25,000
Shares issued for Pasco Gold Property (note 11))	6,500	(6,500)				
Share based payments (note 6)	-	-	41,594			41,594
Net loss and comprehensive loss for the period	-	-	-	-	(404,931)	(404,931)
Balance, September 30, 2015	\$23,718,447	\$	\$8,075,537	\$4,996,495	\$(34,712,831)	\$ 2,077,648

	Share capital	Shares to be issued	Reserves		Deficit	Total
			Capital surplus (note 6)	Warrant reserve (note 8)		
Balance, December 31, 2015	\$ 23,718,447	\$ -	\$ 8,087,678	\$ 4,996,495	\$(35,639,439)	\$ 1,163,181
Share based payments (note 6)			550,196			550,196
Warrants issued for private placement	-	-		4,120,387		4,120,387
Warrants converted to shares (note 8)	4,120,387			(4,120,387)		
Broker warrants converted	37,414					37,414
Exercise of options	32,500					32,500
Return of capital (note 11(f))	(4,400,000)					(4,400,000)
Net income and comprehensive income for the period					1,035,834	1,035,834
Balance, September 30, 2016	\$ 23,508,748	\$	\$ 8,637,874	\$ 4,996,495	\$(34,603,605)	\$ 2,539,512

The notes to the unaudited condensed interim consolidated financial statements are an integral part of these statements

GPM METALS INC.

Notes to Condensed Interim Consolidated Financial Statements Nine Months Ended September 30, 2016 (Expressed in Canadian Dollars) (Unaudited)

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 1205, Toronto, Ontario, M5H 3L5.

These unaudited condensed interim consolidated financial statements have been prepared using accounting policies applicable to a going concern, which contemplates the realization of assets and settlement of liabilities in the normal course of business as they become due.

While the Company has no source of revenue, it has sufficient cash on hand to fund its corporate & exploration costs for the next year. Cash was raised in a non-brokered private placement in May 2016. See Note 3 (a).

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*

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

The policies applied in these unaudited condensed interim consolidated financial statements are based on IFRSs issued and outstanding as of November 18, 2016 the date the Board of Directors approved the statements. The same accounting policies and methods of computation are followed in these unaudited condensed interim consolidated financial statements as compared with the most recent annual consolidated financial statements as at and for the year ended December 31, 2015, except as noted below. Any subsequent changes to IFRS that are given effect in the Company's annual consolidated financial statements for the year ending December 31, 2016 could result in restatement of these unaudited condensed interim consolidated financial statements.

(b) *Change in accounting policies*

There have been no changes to accounting policies during the nine months ended September 30, 2016.

(c) *Recent accounting pronouncements*

(i) IFRS 9 – Financial Instruments ("IFRS 9") was issued in final form in July 2014 by the IASB 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

GPM METALS INC.

Notes to Condensed Interim Consolidated Financial Statements Nine Months Ended September 30, 2016 (Expressed in Canadian Dollars) (Unaudited)

2) Significant accounting policies (continued)

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. IFRS 9 also includes requirements relating to a new hedge accounting model, which 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. IFRS 9 is effective for annual periods beginning on or after January 1, 2018. Earlier application is permitted.

(ii) IFRS 11 – Joint Arrangements (“IFRS 11”) was amended in May 2014 to require business combination accounting to be applied to acquisitions of interests in a joint operation that constitute a business. The amendments are effective for annual periods beginning on or after January 1, 2016. Earlier adoption is permitted. The Company is currently assessing the impact of this pronouncement.

(iii) IAS 1 – Presentation of Financial Statements (“IAS 1”) was amended in December 2014 in order to clarify, among other things, that information should not be obscured by aggregating or by providing immaterial information, that materiality consideration apply to all parts of the financial statements and that even when a standard requires a specific disclosure, materiality considerations do apply. The amendments are effective for annual periods beginning on or after January 1, 2016. Earlier adoption is permitted. The Company is currently assessing the impact of this pronouncement.

3.(a) Cash: On May 2, 2016 the Company successfully closed a non-brokered private placement raising aggregate gross proceeds of \$4,240,000.

(b) Short-term investments

	As at September 30, 2016	As at December 31, 2015
Prophecy Development Corp. common shares	\$ 17,000	\$ 17,500

4. Accounts receivable and other assets

	As at September 30, 2016	As at December 31, 2015
Harmonized sales tax recoverable - (Canada)	\$ 42,964	\$ 144,075
Sales tax recoverable - (Australia)	145,690	41,117
Pacific Consulting (Australia)	33,437	
Sandy Lake Gold Inc.	72,715	
Prepaid expenses	15,346	36,600
Miscellaneous	2,110	
Amount due from Bartica Investments Ltd. ("Bartica") (note 11(c))	-	300,000
	\$ 312,262	\$ 521,792

GPM METALS INC.

Notes to Condensed Interim Consolidated Financial Statements Nine Months Ended September 30, 2016 (Expressed in Canadian Dollars) (Unaudited)

5. Share capital

On July 16, 2015, the Company filed articles of amendment to consolidate the Company's issued and outstanding common shares on the basis of one (1) new common share for every two (2) existing common shares, effective as of July 16, 2015 (the "Consolidation"). Shareholder approval of the Consolidation was obtained at the Company's annual and special meeting of shareholders held on June 24, 2015.

The Consolidation has been reflected in these unaudited condensed interim consolidated financial statements and all applicable references to the number of shares, warrants and stock options and their exercise price and per share information has been restated.

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 September 30, 2016, the issued share capital amounted to \$23,508,748. The changes in issued share capital for the periods were as follows:

	Number of common shares	Amount
Balance, December 31, 2015	61,525,357	\$ 23,718,447
Exercise of warrants	28,333,333	4,120,387
Broker warrants converted	249,428	37,444
Exercise of options	125,000	32,500
Return of capital		(4,400,000)
	90,233,118	23,508,748

6. Stock options

The following tables reflect the continuity of stock options for the periods ended September 30, 2016 and 2015:

	Number of stock options	Weighted average exercise price (\$)
Balance, December 31, 2014	4,662,500	0.40
Cancelled	(1,437,500)	0.74
Balance, September 30, 2015	3,225,000	0.26
Weighted average exercise price for vested options		0.26

GPM METALS INC.

Notes to Condensed Interim Consolidated Financial Statements
Nine Months Ended September 30, 2016
(Expressed in Canadian Dollars)
(Unaudited)

6. Stock options (continued)

	Number of stock options	Weighted average exercise price (\$)
Balance, December 31, 2015	2,325,000	0.20
Exercised	(125,000)	0.20
Granted	3,825,000	0.50
Balance, September 30, 2016	6,025,000	0.39
Weighted average exercise price for vested options		0.30

The following table reflects the actual stock options issued and outstanding as of September 30, 2016:

Expiry date	Exercise price (\$)	Weighted average remaining contractual life (years)	Number of options outstanding	Number of options vested (exercisable)	Number of options unvested
November 7, 2016	0.28	.002	125,000	125,000	
February 17, 2017	0.10	.092	1,450,000	1,450,000	
June 26, 2017	0.10	.015	125,000	125,000	
September 7, 2020	0.115	0.327	500,000	375,000	125,000
July 26, 2019	0.50	1.790	3,825,000	956,250	2,868,750
		2.226	6,025,000	3,031,250	2,993,750

(1) On February 17, 2014, the Company granted 1,575,000 options to certain directors, officers and consultants of the Company at a price of \$0.20 per share. The fair value of these options at the date of grant of \$0.1168 was estimated using the Black-Scholes valuation model with the following assumptions: a three year expected term; a 134% expected volatility based on historical trends; risk free interest rate of 1.21%; share price at the date of grant of \$0.16; and an expected dividend yield of 0%. The grant date fair value assigned to these options was \$183,960. 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 February 17, 2017. For the three and nine months ended September 30, 2016, the impact on salaries and benefits was nil (three and nine months ended September 30, 2015 - \$2,864 and \$17,360 respectively). For the three and nine months ended September 30, 2016, the impact on consulting fees was nil (three and nine months ended June 30, 2015 - \$1,332 and \$8,074, respectively).

(2) 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 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 nine months ended September 30, 2016 the impact on salaries and benefits was \$4,682 and \$20,408, respectively (three and nine months ended September 30, 2015 - \$16,160).

(3) On July 26, 2016 the Company granted 3,825,999 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 0.384 was estimated using the Black-Scholes valuation model with the following assumptions: a three year expected term; a 137% expected volatility based on historical trends; risk free interest rate of 0.67%; 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 \$1,329,300. 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

GPM METALS INC.

Notes to Condensed Interim Consolidated Financial Statements

Nine Months Ended September 30, 2016

(Expressed in Canadian Dollars)

(Unaudited)

Stock Options (continued)

Date of grant, will expire on July 26, 2019. For the three and nine months ended September 30, 2016 the impact on salaries and benefits was \$478,703. For the three months and nine months ended September 30, 2016 the impact on consulting fees was \$55,767.

7. Net earnings (loss) per common share

The calculation of basic and diluted earnings per share for the three and nine months ended September 30, 2016 was based on the income attributable to common shareholders of \$2,094,868 and \$1,035,834 respectively (three and nine months ended September 30, 2015 – loss of \$190,895 and \$404,931) and the basic weighted average number of common shares outstanding of 64,343,199 and 62,471,495 respectively (three and nine months ended September 30, 2015 – 61,480,289 and 58,131,502). Weighted average number of diluted common shares outstanding for the three and nine months ended September 30, 2016 were 63,591,137 and 67,313,700 respectively (61,480,289 and 58,131,502 for 2015)

8. Warrants

The following table reflects the continuity of warrants for the periods ended September 30, 2016 and September 30, 2015:

	Number of warrants	Weighted average exercise price (\$)
Balance, December 31, 2014	9,350,000	0.20
Issued	3,000,000	0.23
Exercised	(50,000)	0.20
Balance, June 30, 2015	12,300,000	0.22
Expired	(9,300,000)	0.20
Balance, December 31, 2015	3,000,000	
Issued May 20, 2016	28,333,333	
Issued May 29, 2016 broker warrants	853,500	0.02
Converted to Common Stock, Sept. 21, 2016	(28,333,333)	
Broker warrants exercised, September 2016	(249,428)	0.02
Balance, September 30, 2016	3,604,072	

The following table reflects the actual warrants issued and outstanding as of September 30, 2016:

Number of warrants outstanding	Fair value	Exercise price	Expiry date
3,000,000	\$ 438,000	\$ 0.28	May 27, 2017
604,072		0.15	May 24, 2017
3,604,072	\$ 438,000		

GPM METALS INC.

Notes to Condensed Interim Consolidated Financial Statements Nine Months Ended September 30, 2016 (Expressed in Canadian Dollars) (Unaudited)

9. General and administrative

	Three Months Ended September 30		Nine Months Ended September 30,	
	2016	2015	2016	2015
Salaries and benefits	\$ 540,414	\$ 38,524	\$ 710,288	\$ 86,905
Consulting fees	77,000	31,332	137,800	102,474
Administrative and general	31,293	31,852	134,702	97,347
Reporting issuer costs	12,972	11,931	70,480	45,154
Professional fees	(1,417)	34,923	79,696	176,535
Insurance	11,211	8,825	26,982	24,410
	671,475	157,387	\$ 1,159,948	\$ 532,825

10. 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:

	Notes	Three Months Ended September 30,		Nine Months Ended September 30,	
		2016	2015	2016	2015
Bruce Rosenberg	(i)	\$ 7,850	\$ 12,183	\$36,899	\$ 55,660
1140301 Ontario Ltd.	(ii)		3,000		9,000
Alan Ferry	(iii)	3,000		9,000	
Doug Lewis	(iii)	3,000	3,000	9,000	9,000
Alexander Po	(iii)	3,000	23,000	6,000	33,400
Harry Burgess	(iii)	3,000	3,000	9,000	9,000
J. Patrick Sheridan	(iv)	30,000	30,000	90,000	90,000

(i) Bruce Rosenberg is a director of the Company. Fees related to legal services provided by Mr. Rosenberg, director's fees and exercise of options. As at September 30, 2016, his company was owed \$16,988 (September 30, 2015, - nil) and these amounts were included in amounts payable and other liabilities.

(ii) Director fees paid to a company controlled by Alan Ferry, director of the Company.

(iii) Director fees paid to directors of the Company. No fees are owing to any Director.

(vii) Chief Executive Officer ("CEO") fees. No fees are owing

GPM METALS INC.

Notes to Condensed Interim Consolidated Financial Statements
Nine Months Ended September 30, 2016
(Expressed in Canadian Dollars)
(Unaudited)

(10) Related party balances and transactions (continued)

(b) Remuneration of Directors and key management personal of the company was as follows:

	Three Months Ended, September 30,		Nine Months Ended September 30,	
	2016	2015	2016	2015
Total salaries and benefits ⁽¹⁾	\$ 52,500	\$ 45,000	\$ 139,500	\$ 135,000
Total share based payments	299,450	19,024	315,176	33,520

⁽¹⁾ Salaries and benefits include director fees. Board of Directors and select officers do not have employment or services contracts with the Company. Directors are entitled to director fees and stock options for their services.

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.

11. 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) Coppermine River Project

The Company held a 100% interest in mining lease number 2797 located in the Coronation Gulf area, west of the Coppermine River (Coppermine River Property), approximately 60-75 km southwest of Kugluktuk, Nunavut, Canada. Pursuant to a settlement, release, and quit claim agreement dated and effective July 3, 2015 the company was released from its obligation related to its interest in mining lease number 2797 of the Coppermine River Project. In consideration of the Coppermine River Project, GPM paid Victoria Copper Inc. the sum of \$150,000 on July 27, 2015. GPM was released of any further obligations and has no further liabilities and has no ownership interest pursuant to the original agreements. GGI which had a residual net smelter royalty interest also released its interest in the property. The Company recognized a gain on disposal of \$591,667.

(b) Rory Group

The Company has a 100% interest in the Rory Group consisting of 265 staked claims located in the Yukon Territory, Canada.

(c) Peters and Aremu properties

The Peters Mine Property is located approximately 80km west-southwest of Bartica, a town in north-central Guyana in which the Essequibo, Mazaruni, and Cuyuni rivers meet, and approximately 140km southwest of Georgetown, the capital and largest city of Guyana, located in the Demerara-Mahaica region. The Aremu property comprises ten mining permits located about 60km west of Bartica and south of the Aremu River. At March 29, 2015, the Company held a bond for US\$15,000, held in trust for potential future restoration, rehabilitation and environmental obligations on the properties.

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Notes to Condensed Interim Consolidated Financial Statements Nine Months Ended September 30, 2016 (Expressed in Canadian Dollars) (Unaudited)

11. Exploration and evaluation expenditures (continued)

The bond was disposed of on March 30, 2015. See below for details.

On January 7, 2015, GPM entered into a definitive agreement for the sale of its properties in Guyana, together with the interest of GPM in all property, assets and rights ancillary to the properties, to Bartica for an aggregate cash payment to the Company of \$650,000 (the "Sale Transaction"). The cash consideration shall be paid to GPM as follows:

- (a) \$350,000 to be paid on the closing date of the Sale Transaction (received); and
- (b) \$300,000 to be paid on or prior to the first anniversary of the closing date of the Sale Transaction (received).

The Sale Transaction constitutes a "related party transaction" because Bartica is a company in which Patrick Sheridan, an officer, director and significant shareholder of the Company, holds an interest.

On March 31, 2015, GPM announced it has completed the Sale Transaction effective March 30, 2015.

(d) 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:

Stage One

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;
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; 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.

Stage Two

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.

The Company currently is working on a 5,000 metre drilling program consisting of approximately 20 boreholes, utilizing both diamond drill and reverse circulation drilling at the Walker Gossan Project.

(e) Pasco Gold Property

On September 15, 2014, the Company, through its wholly owned subsidiary Chaska Resources SAC, entered into a

GPM METALS INC.

Notes to Condensed Interim Consolidated Financial Statements Nine Months Ended September 30, 2016 (Expressed in Canadian Dollars) (Unaudited)

11. Exploration and evaluation expenditures (continued)

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).

(f) Weebigee Project

(l) Goldeye Project

On April 15, 2015, the Company announced it had entered into a definitive earn-in option agreement (the "Agreement") with Goldeye Explorations Limited ("Goldeye"), whereby GPM has the right and option (the "50.1% Option") to earn an undivided 50.1% legal and beneficial interest in the Weebigee Project (the "Weebigee Project") located in Ontario and the right and option (the "70% Option") to acquire a further 19.9% legal and beneficial interest in the Weebigee Project for an aggregate undivided 70% legal and beneficial interest in the Weebigee Project.

The details of the Agreement are as follows:

Pursuant to the Agreement, Goldeye, as optionor, has granted to GPM, as optionee, the right to earn up to a 70% legal and beneficial interest in the Weebigee Project under certain conditions.

To exercise the 50.1% Option, GPM must:

Stage 1 The 50.1% Option

1. Make payment of \$50,000 (paid) in cash and issue such number of common shares (the "Consideration Shares") to Goldeye as shall have an aggregate fair market value of \$25,000 (issued), following receipt of all necessary approvals, (based on the volume weighted average price of such Consideration Shares over the next five business days);
2. Make three additional cash payments of an aggregate total of \$500,000 to Goldeye over 3 years; the first one of \$100,000 is paid and
3. Complete expenditures on the Project of an aggregate total of \$5,000,000 over 4 years.
 - Year 1 \$ 500,000 (spent)
 - Year 2 \$1,000,000
 - Year 3 \$1,500,000
 - Year 4 \$2,000,000

Stage 2 The 70% Option

To exercise the 70% Option, GPM, after having exercised the 50.1% Option, must, at its election, either:

1. Deliver a feasibility study to Goldeye on or prior to the date which is five years following the date upon which GPM exercises the 50.1% Option; or
2. Make cash payments to Goldeye and complete exploration expenditures on the Project as follows:
 - a. Three cash payments to Goldeye of an aggregate total of \$1,500,000 over 2 years;
 - b. Complete expenditures on the Project of \$1,000,000 prior to the 1st anniversary of the 70% Option notice date; and

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Notes to Condensed Interim Consolidated Financial Statements Nine Months Ended September 30, 2016 (Expressed in Canadian Dollars) (Unaudited)

Exploration and evaluation expenditures (continued)

- c. Complete additional expenditures on the Project of \$2,000,000 prior to the 2nd anniversary of the 70% Option notice date.

In the event GPM exercises the 50.1% Option and/or the 70% Option, GPM and Goldeye shall be deemed to have formed a new joint venture (the "Joint Venture") and shall enter into and deliver a Joint Venture Agreement, which shall govern their relationship in respect of the Project. GPM will be the operator of the Project during the term of the option and the manager of the Project following the formation of the Joint Venture. Under the Joint Venture Agreement, GPM and Goldeye will be required to contribute their pro rata share of further expenditures on the Project based on their respective percentage interest in the Joint Venture from time to time on standard industry terms.

During the year ended December 31, 2015, the Company paid \$60,000 in cash, comprised of \$50,000 pursuant to the 50.1% earn-in and \$10,000 pursuant to a winter road balance payment and issued 168,100 common shares (valued at \$25,000) to Goldeye.

(ii) East Block Project

GPM has staked approximately 1400 additional claim units known as the "East Block" in property surrounding the Goldeye Project. These claims are owned 100% by GPM. The sole ownership by GPM is in dispute by Goldeye Explorations Limited who are claiming 50% ownership of the East Block claims. The Company is confident in their sole ownership.

Planned exploration over the summer was stopped in June 2016 on the Weebigee Project by the Sandy Lake First Nation due to this dispute between GPM Metals and Goldeye Explorations Limited

On July 21, 2016, the Company announced that it and Sandy Lake Gold Inc. (Sandy Lake) (formerly Lago Dourado Minerals Ltd.) have completed the previously announced acquisition (the Acquisition) by Sandy Lake from GPM of GPM's property interests in the Sandy Lake district in northwestern Ontario (Weebigee Project). As consideration for the Acquisition, Sandy Lake issued an aggregate of 40,000,000 common shares to GPM. Consistent with the terms of the Acquisition agreement the Company distributed the 40,000,000 shares of Sandy Lake to its shareholders on September 16, 2016 at the rate of .65 share for each share held of GPM. The result of the transaction was a gain on the sale of the Weebigee project equal to the fair value of the Sandy Lake shares less related costs. In addition, the Company recorded a return of capital to the shares equal to the Fair Value of the Sandy Lake shares.

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

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2016	2015	2016	2015
Canada				
Advance royalty payments		\$	\$	50,000
Maintenance costs		14,588		35,421
Access Fee		11,263		123,953
General		25,215	\$ 73,276	217,984
Travel	\$ 1,586	24,979	28,556	39,707
Geologist	9,125	297,932	88,075	304,040
Transportation		22,485		22,485
Wages and Salaries	3,372	23,760	3,372	23,760
	14,083	420,222	193,279	817,350

The notes to the unaudited condensed interim consolidated financial statements are an integral part of these statements

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Notes to Condensed Interim Consolidated Financial Statements
 Nine Months Ended September 30, 2016
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 (Unaudited)

11. Exploration and evaluation expenditures (continued)

Australia				
Drilling	1,141,270		1,141,270	
General	225,552	36,963	283,209	55,235
Consulting	143,128	47,352	288,659	75,081
	1,509,950	84,315	1,713,138	130,316
Peru				
General	121,433	123,168	295,370	175,043
	121,433	123,168	295,370	175,043
	\$ 1,645,466	627,705	2,201,787	1,122,709

12. Segmented information

As at September 30, 2016, the Company operates primarily in two reportable geographical segments, being the exploration for minerals in Australia and Peru. Until July 21, 2016 it also operated in Canada and until January 7, 2015 it operated in Guyana. The Company maintains a head office in Toronto, Canada.

Nine months ended September 30, 2016

	Guyana	Canada	Australia	Peru	Total
Revenues	\$	\$ 4,396,723	\$ 372	\$	\$ 4,397,095
Net income (loss) and comprehensive Income (loss)	\$	\$ 3,119,203	\$ (1,787,999)	\$ (295,370)	\$ 1,035,834

Three months ended September 30, 2016

	Guyana	Canada	Australia	Peru	Total
Revenues	\$	\$ 4,393,936	\$ 372	\$	\$ 4,394,308
Net income (loss) and comprehensive Income (loss)		\$ 3,773,132	\$ (1,556,830)	\$ (121,434)	\$ 2,094,868

Nine months ended September 30, 2015

	Guyana	Canada	Australia	Peru	Total
Revenues	\$ 632,224	595,743	\$ 25	\$ -	\$ 1,227,992
Net loss and comprehensive loss	\$ 625,603	\$ (625,531)	\$ (224,960)	\$ (180,043)	\$ (404,931)

Three months ended September 30, 2015

	Guyana	Canada	Australia	Peru	Total
Revenues	\$ -	\$ 584,648	\$	\$ -	\$ 584,648
Net loss and comprehensive loss	\$ 3,046	51,215	\$ (116,987)	\$ (128,169)	\$ (190,895)

As at September 30, 2015

	Guyana	Canada	Australia	Total
Non-current assets	\$ -	\$ -	\$ 7,718	\$ 7,718
As at December 31, 2015				
	Guyana	Canada	Australia	Total

The notes to the unaudited condensed interim consolidated financial statements are an integral part of these statements

GPM METALS INC.

Notes to Condensed Interim Consolidated Financial Statements

Nine Months Ended September 30, 2016

(Expressed in Canadian Dollars)

(Unaudited)

13. Subsequent events

- (a) On October 14, 2016 the Company announced that it has responded to the September 14, 2016 Notice to Demand for Arbitration issued by Goldeye Explorations Ltd. This is in relationship to the Weebigee Project. The Company is currently a nominal party to the arbitration proceedings but expects no liability pursuant to the asset sale to Sandy Lake Gold Inc. that closed on July 21, 2016.