



## **GTA RESOURCES AND MINING INC.**

### **Condensed Interim Financial Statements**

**December 31, 2016**

**(Unaudited)**

(Expressed in Canadian Dollars)

*These condensed interim financial statements have not been reviewed by the Company's auditors.*

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#### **Notice To Reader**

The condensed interim financial statements are being re-filed as the original version of the Condensed Interim Financial Statements inadvertently contained an error in the heading of the Condensed Interim Statements of Cash Flows. This version of the Condensed Interim Financial Statements reflects a corrected heading for the Condensed Interim Statements of Cash Flows.

**GTA RESOURCES AND MINING INC.**  
**(Unaudited)**  
(Expressed in Canadian Dollars)

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***December 31, 2016 and 2015***

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**GTA RESOURCES AND MINING INC.**  
**CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION**

(Unaudited)

(Expressed in Canadian Dollars)

<b>As at</b>	<b>December</b>		<b>March 31, 2016</b>
	<b>31, 2016</b>		
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	\$	239,923	\$ 175,790
Miscellaneous receivables		32,282	26,212
Prepaid expenses		9,560	17,068
		<u>281,765</u>	<u>219,070</u>
Exploration and evaluation assets (Note 4)		5,962,555	5,967,260
Investments (Note 5)		121,500	-
	\$	<u>6,365,820</u>	\$ <u>6,186,330</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Accounts payable and accrued liabilities		86,762	105,277
Liability for flow-through shares (Note 10)		3,974	-
		<u>90,736</u>	<u>105,277</u>
<b>Shareholders' equity</b>			
Share capital (Note 6)		9,987,006	9,658,124
Contributed surplus (Note 6)		623,833	553,922
Deficit		(4,335,755)	(4,130,993)
		<u>6,275,084</u>	<u>6,081,053</u>
	\$	<u>6,365,820</u>	\$ <u>6,186,330</u>

Commitments and contingencies (Note 10)

Subsequent events (Note 11)

Approved by the Board of Directors

"James Macintosh"

\_\_\_\_\_  
Director

"Brian Crawford"

\_\_\_\_\_  
Director

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

**GTA RESOURCES AND MINING INC.**  
**CONDENSED INTERIM STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS**

(Unaudited)

(Expressed in Canadian Dollars)

	<b>Three Months Ended</b>		<b>Nine Months Ended</b>	
	<b>December 31</b>		<b>December 31</b>	
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
<b>Operating expenses</b>				
Filing and transfer agent fees	\$ 5,921	\$ 2,327	\$ 21,937	\$ 9,704
General and administration costs	93,057	108,596	235,254	308,107
Professional fees	7,056	6,250	23,453	20,955
Depreciation	-	-	-	1,597
Share-based compensation	15,713	-	69,728	-
	<b>121,747</b>	<b>117,173</b>	<b>330,372</b>	<b>340,363</b>
<b>Loss before other (income) expenses</b>	<b>121,747</b>	<b>117,173</b>	<b>350,372</b>	<b>340,363</b>
Write down of exploration and evaluation assets	-	-	9,000	85,000
Investment income		(238)		(2,692)
Gain on sale of investments (Note 5)	(109,184)	-	(109,184)	-
<b>Loss before income taxes</b>	<b>12,563</b>	<b>116,935</b>	<b>250,188</b>	<b>422,671</b>
Deferred tax benefit	(8,341)	-	(45,426)	(3,305)
<b>Net loss and comprehensive loss</b>	<b>\$ 4,222</b>	<b>\$ 116,935</b>	<b>\$ 204,762</b>	<b>\$ 419,366</b>
<b>Basic and diluted loss per share</b>	<b>\$ (0.00)</b>	<b>\$ (0.00)</b>	<b>\$ (0.01)</b>	<b>\$ (0.01)</b>
<b>Weighted average number of shares outstanding</b>	<b>40,972,942</b>	<b>33,306,855</b>	<b>39,407,655</b>	<b>33,010,855</b>

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

**GTA RESOURCES AND MINING INC.**  
**CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY**  
(Unaudited)  
(Expressed in Canadian Dollars)

	Number of Shares	Common Shares Issued and Fully Paid	Contributed Surplus	Accumulated Deficit	Total
<b>Balance, March 31, 2015</b>	31,906,855	\$ 9,580,818	\$ 588,204	\$ (3,392,212)	\$6,776,810
Shares issued for exploration and evaluation assets	1,400,000	70,000	-	-	70,000
Loss for the period		-	-	(419,366)	(419,366)
<b>Balance, December 31, 2015</b>	33,306,855	9,650,818	588,204	(3,811,578)	6,427,444
Expiration of options		-	(26,976)	26,976	-
Broker warrants expired		7,306	(7,306)	-	-
Loss for the period		-	-	(346,391)	(346,391)
<b>Balance, March 31, 2016</b>	33,306,855	9,658,124	553,922	(4,130,993)	6,081,053
Private placement	6,640,000	332,000	-	-	332,000
Share issue costs		(14,535)	-	-	(14,535)
Flow-through share premium		(49,400)	-	-	(49,400)
Broker warrants issued		(1,518)	1,518	-	-
Share based compensation		-	69,728	-	69,728
Shares issued for exploration and evaluation assets	200,000	9,000	-	-	9,000
Options exercised	20,000	1,400	-	-	1,400
Transfer of contributed surplus on exercise of options		1,335	(1,335)	-	-
Warrants exercised	700,000	41,000	-	-	41,000
Broker warrants exercised	160,000	9,600	-	-	9,600
Loss for the period		-	-	(204,762)	(204,762)
<b>Balance, December 31, 2016</b>	41,026,855	\$ 9,987,006	\$ 623,833	\$ (4,335,755)	\$6,275,084

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

**GTA RESOURCES AND MINING INC.**  
**CONDENSED INTERIM STATEMENTS OF CASH FLOWS**  
(Unaudited)  
(Expressed in Canadian Dollars)

Nine months ended December 31	2016	2015
<b>Operating activities</b>		
Net loss and comprehensive loss for the period	\$ (204,762)	\$ (419,366)
Items not affecting cash and cash equivalents		
Deferred income tax	(45,426)	(3,305)
Depreciation	-	1,597
Share-based payments	69,728	-
Gain on sale of investments	(109,184)	-
Write-down of exploration and evaluation assets	9,000	-
Change in non-cash working capital:		
Miscellaneous receivables	(6,070)	1,940
Prepaid expenses	7,508	(18,444)
Accounts payable and accrued liabilities	(18,515)	21,147
<b>Net cash used in operating activities</b>	<b>(297,721)</b>	<b>(416,431)</b>
<b>Financing activities</b>		
Issuance of common shares, net of issue costs	369,465	-
<b>Net cash provided by financing activities</b>	<b>369,465</b>	<b>-</b>
<b>Investing activities</b>		
Investment in and expenditure on exploration and evaluation assets	(293,295)	(90,144)
Proceeds on sale of exploration and evaluation assets	134,000	-
Proceeds on sale of investments-net	151,684	-
<b>Net cash provided by (used) in investing activities</b>	<b>( 7,611)</b>	<b>(90,144)</b>
<b>Net change in cash and cash equivalents</b>	<b>64,133</b>	<b>(506,575)</b>
<b>Cash and cash equivalents, beginning of period</b>	<b>175,790</b>	<b>812,656</b>
<b>Cash and cash equivalents, end of period</b>	<b>\$ 239,923</b>	<b>\$ 306,081</b>
Supplemental schedule of non-cash transactions:		
Mineral property acquisition-shares issued	\$ 9,000	\$ 70,000
Sale of mineral property – shares received	\$ 164,000	\$ -

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

**GTA RESOURCES AND MINING INC.**  
**NOTES TO CONDENSED INTERIM FINANCIAL STATEMENTS**

(Unaudited)

(Expressed in Canadian Dollars)

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**1. NATURE OF OPERATIONS**

GTA Resources and Mining Inc. (the “Company”) was incorporated pursuant to the provisions of the Business Corporations Act (Ontario) on August 9, 2006. The address of the Company’s registered office is 855 Brant Street, Burlington, Ontario L7R 2J6.

The Company is primarily engaged in the acquisition and exploration of mineral properties. To date, the Company has not earned significant revenues and is considered to be in the development stage.

These condensed interim financial statements were approved by the board of directors on February 21, 2017.

**2. SIGNIFICANT ACCOUNTING POLICIES**

**Statement of Compliance**

These condensed interim financial statements have been prepared in accordance with International Accounting Standards 34, Interim Financial Reporting (“IAS 34”) using accounting policies consistent with International Financial Reporting Standards Board (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and interpretations of the IFRS Interpretations Committee (“IFRIC”).

The policies applied in these financial statements are based on IFRS issued and effective as of March 31, 2016.

**Basis of Presentation**

These unaudited condensed interim financial statements have been prepared on the basis of accounting policies consistent with those applied in the Company’s March 31, 2016 annual financial statements.

The preparation of condensed interim financial statements in conformity with IAS 34 requires management to make judgments, estimates and assumptions that affect the applications of policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. These condensed interim financial statements do not include all of the information required for full annual financial statements.

These condensed interim financial statements, including comparatives, have been prepared on the basis of IFRS standards that are published at the time of preparation.

The condensed interim financial statements have been prepared on a historical cost basis.

**3. RISK MANAGEMENT, CAPITAL MANAGEMENT AND FINANCIAL INSTRUMENTS**

The Company manages its capital structure and makes adjustments to it based on the funds available to the Company in order to support future business opportunities. The Company defines its capital as shareholders’ equity. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company’s management to manage its capital to be able to sustain the future development of the Company’s business.

The Company currently has no source of revenues, and therefore is dependent upon external financings to fund activities. In order to carry future projects and pay for administrative costs, the Company will spend its existing working

**3. RISK MANAGEMENT, CAPITAL MANAGEMENT AND FINANCIAL INSTRUMENTS – continued**

**GTA RESOURCES AND MINING INC.**  
**NOTES TO CONDENSED INTERIM FINANCIAL STATEMENTS**

(Unaudited)

(Expressed in Canadian Dollars)

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capital and raise additional funds as needed. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management during the period ended December 31, 2016. The Company is not subject to externally imposed capital requirements.

The Company classified its cash and cash equivalents and sundry receivables as loans and receivables; and accounts payable and accrued liabilities as other financial liabilities. The carrying values of cash, accounts receivable, accounts payable and accrued liabilities, approximate their fair values due to the expected maturity of these financial instruments. The fair value of amounts due to related parties has not been disclosed as their fair values cannot be reliably measured since the parties are not at arm's length.

The Company's risk exposure and the impact on the Company's financial instruments are summarized below:

(a) Credit risk

Concentration of credit risk exists with respect to the Company's cash as all amounts are held at a single major Canadian financial institution.

The Company's concentration of credit risk and maximum exposure is as follows:

	<b>December 31, 2016</b>	<b>March 31, 2016</b>
Cash and cash equivalents	\$ 239,923	\$ 175,790

The credit risk associated with cash is minimized by ensuring it is placed with a major Canadian financial institution with a strong investment-grade rating issued by a primary ratings agency.

(b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in satisfying financial obligations as they fall due. The Company's approach to managing liquidity risk is to provide reasonable assurance that it will have sufficient funds to meet liabilities when due. The Company manages its liquidity risk by forecasting cash flows required for operations and anticipated investing and financing activities. Management and the Board of Directors are actively involved in the review, planning and approval of significant expenditures and commitments.

The business of mining and exploration involves a high degree of risk and there can be no assurance that exploration programs will result in profitable mining operations. The Company has significant cash to meet its requirements for administrative overhead, to conduct due diligence on mineral property acquisition targets, and to conduct exploration of its mineral properties and mineral properties that may be acquired.

The Company does not generate cash flows from operations to fund its activities and therefore relies principally upon the issuance of securities for financing. Future capital requirements will depend on many factors including the Company's ability to execute its business plan. The Company intends to continue relying upon the issuance of securities to finance its future activities but there can be no assurance that such financing will be available on a timely basis under terms acceptable to the Company.

(c) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign currency risk and other price risk.

**3. RISK MANAGEMENT, CAPITAL MANAGEMENT AND FINANCIAL INSTRUMENTS – continued**

i. Interest rate risk



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The Company's cash and cash equivalents consist primarily of cash held in bank accounts and term deposits with banks. Due to the short-term nature of this financial instrument, fluctuations in market rates do not have a significant impact on estimated fair value as of December 31, 2016. The Company manages interest rate risk by maintaining an investment policy that focuses primarily on preservation of capital and liquidity. Accordingly, the Company is not subject to interest rate risk.

ii. Foreign currency risk

During the period ended December 31, 2016, the Company was not exposed to material foreign currency risk.

iii. Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices, other than those arising from interest rate risk, foreign currency risk or commodity price risk. The Company has no financial instruments exposed to other price risk.

**4. EXPLORATION AND EVALUATION ASSETS**

		<b>Auden Property</b>		<b>Northshore Property</b>		<b>Ivanhoe Property</b>		<b>Burnt Pond Property</b>		<b>Total</b>
Balance, March 31, 2015	\$	2,287,850	\$	3,336,066	\$	386,311	\$	900	\$	6,011,127
Acquisition costs		-		1,771		72,000		63,055		136,826
Deferred exploration costs		11,577		24,293		55,697		16,751		108,318
Write-downs		(85,000)		-		-		-		(85,000)
Balance, December 31, 2015	\$	2,214,427	\$	3,362,130	\$	514,008	\$	80,706	\$	6,171,271
Acquisition costs		-		1,292		-		-		1,292
Deferred exploration costs		816		9,889		(216,008)		-		(205,303)
Balance, March 31, 2016	\$	2,215,243	\$	3,373,311	\$	298,000	\$	80,706	\$	5,967,260
Acquisition costs		-		811		9,000		-		9,811
Sale proceeds		-		-		(298,000)		-		(298,000)
Write down		-		-		(9,000)		-		(9,000)
Deferred exploration costs		5,287		209,549		-		77,648		292,484
Balance, December 31, 2016	\$	2,220,530	\$	3,583,671	\$	-	\$	158,354	\$	5,962,555

**Auden**

On June 21, 2010, the Company completed the acquisition of the Auden property located in Northern Ontario from 1518164 Ontario Inc., an unrelated party. Pursuant to the terms of the Acquisition Agreement, the Company acquired a 100% interest in and to the Auden Property in consideration for the issuance of 5,074,855 common shares.

The Auden property is subject to a 3% net smelter return and a 10% gross overriding in royalty in favour of the shareholders of the previous owner of the claims. The Company may purchase one-half of each royalty for an aggregate

**4. EXPLORATION AND EVALUATION ASSETS - continued**

amount of \$2,000,000 at any time.

As at December 31, 2016, the Auden property consisted of 118 unpatented mining claims comprising 1,684 claim units

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covering 25,000 hectares in a largely contiguous block.

The Company has incurred exploration expenditures of \$1,095,024 and \$1,101,126 to December 31, 2015 and to December 31, 2016 respectively.

**Northshore**

On July 27, 2011 the Company and Balmoral Resources Ltd. ("Balmoral") entered into an Option Agreement whereby the Company has been granted the right to acquire up to a 70% interest in Balmoral's interest in the Northshore Property.

Under the terms of the Option Agreement, the Company may earn an initial 51% interest ("First Option") in the Northshore Property by making cash payments to Balmoral of \$50,000, issuing in favour of Balmoral 2,500,000 common shares of GTA and incurring a minimum of \$2,500,000 in eligible exploration expenditures on the Property over a three-year period from receipt of regulatory approval. A cash payment of \$10,000, issuance of 1,000,000 shares and a year one exploration expenditure of \$350,000 (including the production of a 43-101 technical report) are firm commitments by GTA under the Option Agreement. The Company has made cash payments of \$70,000 and issued 2,500,000 common shares under the terms of the Option Agreement.

Upon exercise of the First Option outlined above, the Company will have the right to elect to proceed with a Second Option, under which the Company would have the ability to earn an additional 19% interest in the Northshore Property by making an additional cash payment of \$100,000, issuing an additional 1,000,000 shares in favour of Balmoral upon exercising its right and incurring additional exploration expenditures totalling \$3,000,000 over an additional 24 month time frame.

A portion of the property is subject to a variable (2% to 5%) net smelter return royalty on gold production from the claims. On July 14, 2014 the Company, pursuant to the Northshore Option Agreement, delivered to Balmoral the Exercise Notice to vest the Company's initial 51% interest in the Northshore Property and elected to form a 51/49 co-ownership on the Property with Balmoral. The Company will be the initial operator. The Company has incurred exploration expenditures of \$246,964 subsequent to the formation of the co-ownership with Balmoral.

On June 1, 2016, the Company staked three claim units near but not contiguous with the Northshore property.

During the period ending September 30, 2016 GTA completed phase 1 of the 2016 diamond drilling program and assay results were disclosed in a press release dated August 22, 2016. This phase hopes to test the northern area near the former producing Northshore Gold Mine.

The Company has incurred exploration expenditures of \$2,702,940 and \$2,901,150 to December 31, 2015 and to December 31, 2016, respectively.

**Ivanhoe**

On April 25, 2014 the Company entered into an Option Agreement with an individual and a private company to acquire a 100% interest in mining claims comprising the Ivanhoe Property in Northeastern Ontario.

Under the terms of the Option Agreement, GTA could earn a 100% interest in the Ivanhoe Property by making staged cash payments totaling \$260,000 and share issuances totaling 1,000,000 common shares over a 5 year period, and incurring

**4. EXPLORATION AND EVALUATION ASSETS - continued**

minimum exploration expenditures of \$250,000 over a two year period. The Company could elect to accelerate some or all of the cash and share payments in order to exercise the Option at an earlier time.

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The vendors retained a 3% Net Smelter Royalty, half of which could be purchased for \$1,500,000.

During the year ended March 31, 2016 GTA incurred exploration and evaluation expenditures of \$57,297 and as a result of the sale of its interest in the property subsequent to the year end for \$298,000, recorded impairment of \$217,608.

During the period ended December 31, 2016 GTA incurred exploration and evaluation expenditures of \$nil and sold its interest in the property for \$298,000 comprised of \$134,000 cash and 200,000 shares of Probe Metals Inc.

### **Burnt Pond**

In May 2015, the Company acquired a 100% interest in the Burnt Pond Zn-Cu Property in central Newfoundland. The property consists of six separate claim licences (103 units), located in the Tally Pond volcanic belt which hosts Teck Resources Ltd's Duck Pond Mine and a number of other Cu-Zn-Ag-Au massive sulphide deposits.

The core claims (56 claim units) were staked by GTA in March, 2015. Two other licences (47 claim units) were purchased from an arm's length vendor in May 2015. Consideration for the 46 claim units included cash in the amount of \$3,055 and the issuance of 1,200,000 common shares. The transaction was measured based on market value of the equity instruments at \$0.05 per share rather than the fair value of the property acquired as there was no reliable measurement.

Burnt Pond allows GTA to diversify into a zinc-copper project, in a producing belt with excellent infrastructure and a mining friendly jurisdiction.

An additional 26 claim units were staked in August 2015 resulting in a total of 136 claim units.

The Company has incurred exploration expenditures of \$93,999 to December 31, 2016.

## **5. INVESTMENTS**

	<u>December 30, 2016</u>	<u>March 31, 2016</u>
Probe Metals Inc. – common shares	\$ 121,500	\$ -
	<u>\$ 121,500</u>	<u>\$ -</u>

During the period ending December 31, 2016, the Company sold its Ivanhoe property and received as partial consideration 200,000 common shares of Probe Metals Inc. at a price of \$0.82 per common share.

Subsequently, 110,000 shares of Probe Metals Inc. were sold and the Company realized a gain in the amount of \$61,484.

The carrying value of the remaining shares of Probe Metals Inc. has been adjusted to reflect the market value of Probe Metals Inc. at December 31, 2016 resulting in an unrealized gain of \$47,700.

## **6. SHARE CAPITAL**

Authorized

Unlimited number of common shares

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(Unaudited)

(Expressed in Canadian Dollars)

Issued

	Number of Shares	Share Capital	Contributed Surplus
<b>Balance March 31, 2015</b>	<b>31,906,855</b>	<b>\$ 9,580,818</b>	<b>\$ 588,204</b>
Shares issued for mineral property	1,400,000	70,000	-
<b>Balance December 31, 2015</b>	<b>33,306,855</b>	<b>9,650,818</b>	<b>588,204</b>
Expiration of options		-	(26,976)
Broker warrants expired		7,306	(7,306)
<b>Balance March 31, 2016</b>	<b>33,306,855</b>	<b>9,658,124</b>	<b>553,922</b>
Private placement	6,640,000	332,000	-
Share issue costs		(14,535)	-
Flow through share premium		(49,400)	-
Broker warrants issued		(1,518)	1,518
Share based compensation			69,728
Shares issued for mineral property	200,000	9,000	-
Exercise of options	20,000	1,400	
Transfer of contributed surplus on exercise of options		1,335	(1,335)
Exercise of warrants	700,000	41,000	-
Broker warrants exercised	160,000	9,600	
<b>Balance December 31, 2016</b>	<b>41,026,855</b>	<b>\$ 9,997,006</b>	<b>\$ 623,833</b>

**7. WARRANTS**

The following common share purchase warrants entitle the holders thereof the right to purchase one common share for each common share purchase warrant. Warrant transactions are summarized as follows:

	Number of Warrants	Weighted Average Exercise Price
<b>Balance December 31, 2014</b>	<b>4,035,000</b>	<b>\$ 0.15</b>
Warrants issued	1,000,000	\$ 0.14
<b>Balance December 31, 2015</b>	<b>5,035,000</b>	<b>\$ 0.14</b>
Warrants issued	6,840,000	\$ 0.06
Warrants exercised	(600,000)	\$ 0.06
Warrants exercised	(100,000)	\$ 0.05
Warrants expired	(5,035,000)	\$ 0.14
<b>Balance December 31, 2016</b>	<b>6,140,000</b>	<b>\$ 0.06</b>

**8. SHARE-BASED PAYMENTS**

The Company has a formal stock option plan in accordance with the policies of the TSX Venture Exchange (the "Exchange") under which it is authorized to grant options to directors, officers, employees and consultants to purchase common shares of the Company. The stock option plan is a rolling plan and the maximum number of authorized but unissued shares available to be granted shall not exceed 10% of its issued and outstanding common shares. Each stock

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option granted is for a term not exceeding five years unless otherwise specified. Outstanding options vest immediately at date of grant. Options granted to investor relations personnel vest in accordance with Exchange regulations.

A summary of the status of the stock option plan and changes for the period ended December 31, 2016 are presented below:

**During the period**

<b>Grant date</b>	<b>Expiry date</b>	<b>Exercise Price</b>	<b>Opening Balance</b>	<b>Granted</b>	<b>Exercised</b>	<b>Expired</b>	<b>Closing Balance</b>	<b>Vested and Exercisable</b>
February 23, 2012	February 23, 2017	\$1.00	10,000	-	-	-	10,000	10,000
March 22, 2012	March 22, 2017	\$0.90	870,000	-	-	-	870,000	870,000
September 18, 2012	September 18, 2017	\$0.50	37,500	-	-	-	37,500	37,500
December 1, 2012	December 1, 2017	\$0.50	100,000	-	-	-	100,000	100,000
November 6, 2013	November 6, 2018	\$0.20	265,000	-	-	-	265,000	265,000
November 12, 2014	November 12, 2019	\$0.07	1,280,000	-	20,000	-	1,260,000	1,260,000
June 15, 2016	June 15, 2021	\$0.06	-	1,125,000	-	-	1,125,000	1,125,000
November 9, 2016	November 9, 2021	\$0.06	-	300,000	-	-	300,000	300,000
			2,562,500	1,425,000	20,000	-	3,967,500	3,967,500
Weighted average exercise price			\$0.39	\$0.06	\$0.07	\$0.00	\$0.27	\$0.27

The weighted average remaining contractual life of options outstanding at December 31, 2016 was 2.74 years.

The Company applies the fair value method in accounting for its stock options using the Black-Scholes option pricing model.

Total expenses arising from the share-based payment transactions recognized during the three months ended December 31, 2016 as part of share-based compensation expense was \$15,713 (2015: \$nil).

The model inputs for options granted during the period ended December 31, 2016 include:

<b>Grant date</b>	<b>Expiry date</b>	<b>Share price at grant date</b>	<b>Exercise price</b>	<b>Risk-free interest rate</b>	<b>Expected life</b>	<b>Volatility factor</b>	<b>Dividend yield</b>
November 9, 2016	November 9, 2021	\$0.06	\$0.055	1.63%	5 years	135%	0%

As at December 31, 2016 there was no amount (2015: \$nil) of total unrecognized compensation cost related to unvested share-based compensation.

**8. SHARE-BASED PAYMENTS – continued**

Total expenses arising from the share-based payment transactions that were capitalized during the period as part of exploration and evaluation asset acquisition costs were \$nil (2015: \$nil).

**GTA RESOURCES AND MINING INC.**  
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(Unaudited)

(Expressed in Canadian Dollars)

**9. RELATED PARTY TRANSACTIONS**

Related parties include the Board of Directors and officers, close family members and enterprises that are controlled by these individuals as well as certain consultants performing similar functions.

Related party transactions conducted in the normal course of operations are measured at the exchange value (the amount established and agreed to by the related parties).

The Company had the following transactions in the normal course of operations with related parties:

	<b>December 31, 2016</b>	<b>December 31, 2015</b>
Management fees (i)	\$ 132,333	\$ 184,500
Mineral property-exploration expenditures (i)	\$ 33,500	\$ 72,000
Office rent, supplies and admin. expense (ii)	\$ 23,535	\$ 32,700
Share based compensation	\$ 60,562	\$ -

(i) The Company paid \$40,833 (2015 - \$72,000) in management fees to the President of the Company; \$40,500 (2015 - \$45,000) to the CFO of the Company; \$45,000 to the Executive VP of the Company (2015 - \$67,500); \$6,000 to the Chairman of the Company (2015-\$nil) and \$33,500 (2015 - \$72,000) in mineral property exploration consulting costs to the VP of Exploration.

(ii) The Company paid \$23,535 (2015 - \$32,700) for rent, supplies and administrative expenses to private companies controlled by directors and officers of the Company.

Accounts payable and accrued liabilities include \$5,950 (2015 - \$68,856) due to related parties. These amounts are unsecured, non-interest bearing and have no fixed terms of repayment.

**10. COMMITMENTS AND CONTINGENCIES**

On issuance, the Company bifurcates the flow-through share into i) a flow-through share premium, equal to the estimated premium if any, investors pay for the flow-through feature, which is recognized as a liability, and ii) share capital. Upon expenses being incurred, the Company derecognizes the liability and recognizes a deferred tax liability for the amount of tax reduction renounced to the shareholders. The premium is recognized as other income and the related deferred tax is recognized as a tax provision. Other liabilities include the liability portion (the premium) of the flow-through shares issued for the amount of the premium on flow-through funds that at December 31, 2016 have not been used to incur qualifying exploration expenditures. The following is a continuity schedule of the liability portion of the flow-through shares issuances.

**10. COMMITMENTS AND CONTINGENCIES – continued**

**Flow-through Shares**

<b>Balance at December 31, 2015</b>	<b>\$</b>	<b>-</b>
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Liability incurred on flow-through shares issued in May 2016		49,400
Settlement of flow-through share liability on incurring expenditures		(45,426)
<b>Balance at December 31, 2016</b>	<b>\$</b>	<b>3,974</b>

**11. SUBSEQUENT EVENTS**

Subsequent to the period end the Company sold 90,000 shares of Probe Metals Inc. for gross proceeds of \$126,000.

Subsequent to the period end the Company received proceeds in the amount of \$34,375 from the exercise of 250,000 warrants at \$0.06 per share and 325,000 stock options at prices ranging from \$0.055 to \$0.07 per share.

Subsequent to the period end, 257,500 stock options expired.