GTA FINANCECORP INC.
(formerly GTA RESOURCES AND MINING INC.)

Financial Statements

March 31, 2019 and 2018

(Expressed in Canadian Dollars)

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MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying financial statements of GTA Financecorp Inc. and the Management Discussion and Analysis are the responsibility of management and have been approved by the Board of Directors. The financial statements necessarily include some amounts that are based on management's best estimates, which have been made using careful judgement.

The financial statements have been prepared by management in accordance with International Financial Reporting Standards. Financial and operating data elsewhere in the Management Discussion and Analysis are consistent with the information contained in the financial statements.

In fulfilling their responsibilities, management of GTA Financecorp Inc. has developed and continue to maintain systems of internal accounting controls, and segregation of duties and responsibilities whenever possible.

Although no cost effective system of internal control will prevent or detect all errors and irregularities, these systems are designed to provide reasonable assurance that assets are safeguarded from loss or unauthorized use, transactions are properly recorded and the financial records are reliable for preparing the financial statements.

The Board of Directors carries out its responsibility for the financial statements principally through its Audit Committee, consisting of a majority of non-executive directors.

The financial statements have been audited by Grant Thornton LLP, who have full access to the Audit Committee, with and without the presence of management.

(signed)
Peter M. Clausi
President and Chief Executive Officer

(signed)
Brian Crawford
Chief Financial Officer

Burlington, Ontario
July 24, 2019

Grant Thornton
An instinct for growth™

Independent Auditor's Report

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To the Shareholders of
GTA Financecorp Inc.

Opinion
We have audited the financial statements of GTA Financecorp Inc. (the "Company"), which comprise the statements of financial position as at March 31, 2019 and March 31, 2018, and the statements of operations and comprehensive loss, statements of changes in shareholders' equity and statements of cash flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly in all material respects, the financial position of GTA Financecorp Inc. as at March 31, 2019 and March 31, 2018, and the results of its operations and its cash flows for the years then ended in accordance with International Financial Reporting Standards ("IFRS").

Basis for opinion
We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management is responsible for the other information. The other information comprises the Management Discussion and Analysis but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Material Uncertainty Related to Going Concern
Without modifying our opinion, we draw attention to Note 1 to the financial statements which indicate the existence of material uncertainties that may cast significant doubt about the Company's ability to continue as a going concern. Management’s plans in regard to these matters are also described in Note 1 to the financial statements. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Responsibilities of management and those charged with governance for the financial statements
Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards (“IFRS”), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to a going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative to do so.

Those charged with governance are responsible for overseeing the Company’s financial reporting process.

Auditor’s responsibilities for the audit of the financial statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up

to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is Mark Irwin.

Grant Thornton LLP

Toronto, Canada
July 24, 2019

Chartered Professional Accountants
Licensed Public Accountants

GTA FINANCECORP INC. (formerly GTA RESOURCES AND MINING INC.)
STATEMENTS OF FINANCIAL POSITION
As at March 31, 2019 and 2018
(Expressed in Canadian Dollars)

		March 31, 2019		March 31, 2018
Assets				
Current assets				
Cash and cash equivalents	$	52,723	$	72,189
Miscellaneous receivables (Note 3)		18,230		16,382
Prepaid expenses		3,974		10,472
Investments (Note 4)		1,151,185		-
Total current assets		1,226,112		99,043
Exploration and evaluation assets (Note 5)		-		5,276,885
Total assets	$	1,226,112		5,375,928
Liabilities				
Current liabilities				
Accounts payable and accrued liabilities (Note 12)	$	185,437	$	119,523
Dividend payable (Note 4)		1,151,185		-
Loan payable (Note 6)		425,000		-
Liability for flow-through shares (Note 14)		-		34,647
Total current liabilities		1,761,622		154,170
Shareholders' equity				
Share capital (Note 7)		10,293,208		10,293,208
Contributed surplus (Note 7)		219,043		218,959
Accumulated deficit		(11,047,761)		(5,290,409)
Total shareholders' equity		(535,510)		5,221,758
Total liabilities and shareholders' equity	$	1,226,112	$	5,375,928

Nature of business and going concern (Note 1)
Commitments and contingencies (Note 14)
Subsequent events (Note 15)

Approved by the Board of Directors

"Peter M. Clausi" ____________________ Director

"Brian Crawford" ____________________ Director

The accompanying notes are an integral part of these financial statements

GTA FINANCECORP INC. (formerly GTA RESOURCES AND MINING INC.)
STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
Years ended March 31, 2019 and 2018
(Expressed in Canadian Dollars)

		2019		2018
Operating expenses				
Filing and transfer agent fees	$	23,780	$	21,073
General and administration costs		219,228		358,733
Professional fees		62,727		28,875
Share-based compensation (Note 9)		45,631		41,166
Loss before other (income) expenses		351,366		454,224
Write down of exploration and evaluation assets (Note 5)		-		574,538
Loss on sale of exploration and evaluation assets (Note 5)		4,334,995		-
Loss before income taxes		4,686,361		1,024,385
Deferred income tax benefit (Note 10)		(34,647)		(20,203)
Net loss and comprehensive loss	$	4,651,714		1,004,182
Basic and diluted loss per share	$	(4.50)	$	(1.00)
Weighted average number of shares outstanding		1,024,937		917,251

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

GTA FINANCECORP INC. (formerly GTA RESOURCES AND MINING INC.)
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
Years Ended March 31, 2019 and 2018
(Expressed in Canadian Dollars)

	Number of Shares		Share Capital		Contributed Surplus		Accumulated Deficit		Total
Balance, March 31, 2017	832,037	$	9,886,667	$	197,509	$	(4,312,782)	$	5,771,394
Shares issued for exploration and evaluation assets (Notes 4,5)	15,000		36,250		-		-		36,250
Shares issued for cash	172,900		440,750		-		-		440,750
Share issue costs	-		(23,770)		-		-		(23,770)
Flow-through share premium	-		(54,850)		-		-		(54,850)
Broker warrants issued	-		(6,839)		6,839		-		-
Share-based compensation	-		-		41,166		-		41,166
Stock options expired	-		-		(26,555)		26,555		-
Warrants exercised	5,000		15,000		-		-		15,000
Loss and comprehensive loss	-		-		-		(1,004,182)		(1,004,182)
Balance, March 31, 2018	1,024,937	$	10,293,208	$	218,959	$	(5,290,409)	$	5,221,758
Share-based compensation	-		-		45,631		-		45,631
Stock options expired	-		-		(38,709)		38,709		-
Broker warrants expired	-		-		(6,838)		6,838		-
Dividend							(1,151,185)		(1,151,185)
Loss and comprehensive loss	-		-		-		(4,651,714)		(4,651,714)
Balance, March 31, 2019	1,024,937	$	10,293,208	$	219,043	$	(11,047,761)	$	(535,510)

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

GTA FINANCECORP INC. (formerly GTA RESOURCES AND MINING INC.)
STATEMENTS OF CASH FLOWS
Years Ended March 31, 2019 and 2018
(Expressed in Canadian Dollars)

		2019		2018
Operating activities				
Net loss and comprehensive loss for the year	$	(4,651,714)	$	(1,004,182)
Items not affecting cash and cash equivalents				
Deferred income tax benefit		(34,647)		(20,203)
Share-based compensation		45,631		41,166
Write-down of exploration and evaluation assets		-		574,538
Loss on sale of exploration and evaluation assets		4,334,995		-
Change in non-cash working capital:				
Miscellaneous receivables		(1,848)		34,891
Prepaid expenses		6,498		(4,953)
Accounts payable and accrued liabilities		65,914		65,416
Net cash used in operating activities		(235,171)		(313,327)
Financing activities				
Issuance of common shares, net of issue costs		-		431,980
Proceeds from loan payable		425,000		-
Net cash provided by financing activities		425,000		431,980
Investing activities				
Investment in and expenditures on exploration and evaluation assets		(209,295)		(126,855)
Net cash used in investing activities		(209,295)		(126,855)
Net change in cash and cash equivalents		(19,466)		(8,202)
Cash and cash equivalents, beginning of year		72,189		80,391
Cash and cash equivalents, end of year	$	52,723	$	72,189
Supplemental schedule of non-cash transactions:				
Shares issued for mineral property acquisition (Note 5)	$	-	$	750,000
Securities received as consideration for sale of exploration and evaluation assets	$	1,151,185	$	-

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

1. NATURE OF OPERATIONS AND GOING CONCERN

GTA Financecorp Inc. (formerly GTA Resources and Mining Inc.) ("GTA" or 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's shares were listed on the TSX Venture Exchange until February 8, 2019 at which time the shares were delisted at the request of the Company.

During the year the Company changed its name to GTA Financecorp Inc.

The Company was primarily engaged in the acquisition and exploration of mineral properties. On March 12, 2019, all of the Company's exploration and evaluation properties were sold (see Note 5).

The Company needs equity capital and financing for its working capital. Although the Company has been successful in raising funds to date, there can be no assurance that adequate funding will be available in the future, or available under terms favourable to the Company. These material uncertainties cast significant doubt upon the Company's ability to continue as a going concern. These financial statements have been prepared on a going concern basis that assumes the Company will be able to continue to realize its assets and discharge its liabilities and commitments in the normal course of business. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but is not limited to, twelve months from the end of the reporting period. These financial statements do not reflect adjustments or classifications which might be necessary if the Company was not able to continue as a going concern.

2. SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance and conversion to International Financial Standards

These financial statements of the Company have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

The policies applied in these financial statements are based on IFRS issued and effective as of March 31, 2019. The Board of Directors approved the financial statements on July 24, 2019.

Basis of Presentation

These financial statements have been prepared on a historical cost basis. In addition, these financial statements have been prepared using the accrual basis of accounting except for cash flow information.

Functional Currency

The presentation currency of the Company and the functional currency of the Company is the Canadian dollar.

2. SIGNIFICANT ACCOUNTING POLICIES – continued

Measurement Uncertainty

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Areas requiring the use of estimates include the rates of depreciation for property and equipment, the collectability of the miscellaneous accounts receivable, accruals, the impairment and recoverability of non-financial assets, the assumptions used in the determination of the fair value of financial instruments and stock-based compensation, and the recognition of deferred income tax assets. Management believes the estimates are reasonable; however, actual results could differ from those estimates and could impact future results of operations and cash flows.

Financial Instruments

Financial instruments are measured on initial recognition at fair value, plus, in the case of financial instruments other than those classified as fair value through profit or loss ("FVTPL"), directly attributable transaction costs. Financial instruments are recognized when the Company becomes party to the contracts that give rise to them and are classified as amortized cost, fair value through profit or loss or fair value through other comprehensive income, as appropriate.

Financial assets at FVTPL

Financial assets at FVTPL include financial assets held for trading and financial assets not designated upon initial recognition as amortized cost or fair value through other comprehensive income ("FVOCI"). A financial asset is classified in this category principally for the purpose of selling in the short term, or if so designated by management. Transaction costs are expensed as incurred. On initial recognition, a financial asset that otherwise meets the requirements to be measured at amortized cost or FVOCI may be irrevocably designated as FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise. Financial assets measured at FVTPL are measured at fair value with changes in fair value recognized in the statements of operations and comprehensive loss. Investments in shares and warrants in CBLT Inc. are classified as FVTPL.

Financial assets at FVOCI

On initial recognition of an equity investment that is not held for trading, an irrevocable election is available to measure the investment at fair value upon initial recognition plus directly attributable transaction costs and at each period end, changes in fair value are recognized in other comprehensive income ("OCI") with no reclassification to the statements of operations. The election is available on an investment-by-investment basis. Investments in equity securities, where the Company cannot exert significant influence, are designated as financial assets at FVOCI.

Financial assets at amortized cost

A financial asset is measured at amortized cost if it is held within a business model whose objective is to hold assets to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, and is not designated as FVTPL. Financial assets classified as amortized cost are measured subsequent to initial recognition at amortized

2. SIGNIFICANT ACCOUNTING POLICIES – continued

cost using the effective interest method. Cash, miscellaneous receivables and certain other assets are classified as and measured at amortized cost.

Financial liabilities

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Gains and losses are recognized in net earnings when the liabilities are derecognized as well as through the amortization process. Borrowing liabilities are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the statement of financial position date. Accounts payable and accrued liabilities are classified as and measured at amortized cost.

De-recognition of financial assets and liabilities

A financial asset is derecognised when either the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party. If neither the rights to receive cash flows from the asset have expired nor the Company has transferred its rights to receive cash flows from the asset, the Company will assess whether it has relinquished control of the asset or not. If the Company does not control the asset then derecognition is appropriate. A financial liability is derecognised when the associated obligation is discharged or canceled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in net loss.

Impairment of financial assets:

A loss allowance for expected credit losses is recognized in OCI for financial assets measured at amortized cost. At each balance sheet date, on a forward-looking basis, the Company assesses the expected credit losses associated with its financial assets carried at amortized cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk. The impairment model does not apply to investment in equity instruments.

The expected credit losses are required to be measured through a loss allowance at an amount equal to the 12- month expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date) or full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument). A loss allowance for full lifetime expected credit losses is required for a financial instrument if the credit risk of that financial instrument has increased significantly since initial recognition.

Financial instruments recorded at fair value:

The fair value of quoted investments is determined by reference to market prices at the close of business on the statement of financial position date. Where there is no active market, fair value is determined using valuation techniques. These include using recent arm's length market transactions; reference to the current market value of another instrument which is substantially the same; discounted cash flow analysis; and, pricing models.

2. SIGNIFICANT ACCOUNTING POLICIES – continued

Financial instruments that are measured at fair value subsequent to initial recognition are grouped into a hierarchy based on the degree to which the fair value is observable as follows:

- 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 at March 31, 2019, the carrying value of investments is recorded at fair value on the statement of financial position. The shares of CBLT Inc. are carried at fair value using the quoted trading share price and would be considered Level 1. The CBLT Inc. warrants are valued using Level 3 inputs as described in Note 4.

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits at banks, and other short-term highly liquid investments.

Exploration and Evaluation Assets

Acquisition costs for exploration and evaluation assets are capitalized and include the cash consideration paid and the fair value of common shares issued on acquisition, based on the trading price of the shares on the date the shares are issued.

The Company is in the exploration stage with respect to its investment in mineral properties and follows the practice of capitalizing all costs relating to the acquisition of, exploration for and development of mineral properties. Such costs include, but are not exclusive to, geological, geophysical studies, exploratory drilling and sampling.

The recoverability of amounts shown for exploration and evaluation assets is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain financing to complete development of the properties, and on future production or proceeds of disposition.

The Company recognizes in income costs recovered on mineral properties when amounts received or receivable are in excess of the carrying amount.

All capitalized exploration and evaluation expenditures are monitored for indications of impairment. Where a potential impairment is indicated, assessments are performed for each area of interest. To the extent that exploration expenditure is not expected to be recovered, it is charged to the results of operations. Exploration areas where reserves have been discovered, but require major capital expenditure before production can begin, are continually evaluated to ensure that commercial quantities of reserves exist or to ensure that additional exploration work is underway as planned.

The aggregate costs related to abandoned mineral properties are charged to operations at the time of any abandonment or when it has been determined that there is evidence of impairment. An impairment charge relating to a mineral property is subsequently reversed when new exploration results or actual or potential proceeds on sale or farmout of the property result in a revised estimate of the recoverable amount but only to the extent that this does not exceed the original carrying value of the property that would have resulted if no impairment had been recognized.

2. SIGNIFICANT ACCOUNTING POLICIES – continued

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 in order to determine the extent of the impairment loss. The recoverable amount is the higher of an asset's fair value less disposal costs or its value in use. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. In addition, long-lived assets that are not amortized are subject to an annual evaluation for indicators of impairment.

Reversal of Impairment

An impairment loss is reversed if there is an indication that there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognized.

Restoration, Rehabilitation and Environmental Obligations

A legal or constructive obligation to incur restoration, rehabilitation and environmental costs may arise when environmental disturbance is caused by the exploration, development or ongoing production of a mineral property interest. Such costs arising from the decommissioning of plant and other site preparation work, discounted to their net present value, are provided for and capitalized 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 asset, 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, amount or timing of the underlying cash flows needed to settle the obligation. Costs for restoration of subsequent site damage that is created on an ongoing basis during production are provided for at their net present values and charged against profits as extraction progresses.

The Company has no material restoration, rehabilitation and environmental costs as at March 31, 2019 and March 31, 2018 as the disturbance to date is minimal. During the year ended March 31, 2019, the Company sold all of its exploration and evaluation assets (see Note 5).

Income Taxes

Income tax expense is comprised of current and deferred tax. Current tax and deferred tax are recognized in net income except to the extent that it relates to a business combination or items recognized directly in equity or in other comprehensive income (loss).

Current income taxes are recognized for the estimated income taxes payable or receivable on taxable income or loss for the current year and any adjustment to income taxes payable in respect of previous years. Current income taxes are determined using tax rates and tax laws that have been enacted or substantively enacted by the year-end date. Deferred tax assets and liabilities are recognized where the carrying amount of an asset or liability differs from its tax basis, except for taxable temporary differences arising on the initial recognition of goodwill and temporary differences arising on the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting nor taxable profit or loss.

2. SIGNIFICANT ACCOUNTING POLICIES - continued

Recognition of deferred tax assets for unused tax losses, tax credits and deductible temporary differences is restricted to those instances where it is probable that future taxable profit will be available against which the deferred tax asset can be utilized. At the end of each reporting period the Company reassesses unrecognized deferred tax assets. The Company recognizes a previously unrecognized deferred tax asset to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Share-Based Compensation

The fair value of share options granted to employees at the date of grant is recognized as an expense over the vesting period with a corresponding increase in contributed surplus. An individual is classified as an employee when the individual is an employee for legal or tax purposes or provides services similar to those performed by a direct employee, including directors of the Company.

In situations where share options are issued to non-employees and some or all of the goods or services received by the Company as consideration cannot be specifically identified, the unidentified goods or services received (or to be received) are measured as the difference between the fair value of the share-based payment transaction and the fair value of any identified goods or services received at the grant date.

The fair value is measured at the grant date and recognized over the period during which the options vest. The fair value of the options granted is measured using the Black-Scholes option-pricing model, taking into account the terms and conditions upon which the options were granted. At the end of each reporting period, the amount recognized as an expense is adjusted to reflect the actual number of share options that are expected to vest. Stock option expense incorporates an expected forfeiture rate.

All equity settled share-based payments are reflected in contributed surplus, until exercised. Upon exercise, shares are issued from treasury and the amount reflected in contributed surplus is credited to share capital, adjusted for any consideration paid. If an option is not exercised prior to its expiration, the amount previously reflected in contributed surplus is credited to retained earnings (deficit).

Share Capital

The proceeds from the exercise of stock options, warrants and escrow shares are recorded as share capital in the amount for which the option, warrant or escrow share enabled the holder to purchase a share in the Company.

Commissions paid to agents, and other related share issue costs, such as legal, auditing, and printing, on the issue of the Company’s shares are charged directly to share capital.

Valuation of equity units issued in private placements

The Company has adopted a residual value method with respect to the measurement of shares and warrants issued as private placement units. The residual value method first allocates value to common shares issued in the private placements at their fair value as determined by the closing quoted bid price on the announcement date. The balance, if any, is allocated to the warrants. Any fair value attributed to the warrants is recorded as contributed surplus in shareholders’ equity. Share issue costs are netted against share proceeds on a pro rata basis.

2. SIGNIFICANT ACCOUNTING POLICIES - continued

Flow-through Shares

The Company will from time to time, issue flow-through common shares to finance a significant portion of its exploration program. Pursuant to the terms of the flow-through share agreements, these shares transfer the tax deductibility of qualifying resource expenditures to the individual investors. On issuance, the Company bifurcates the flow-through share into i) a flow-through share premium, equal to the estimated premium if any, which is recognized as a liability, and ii) share capital. Upon qualifying expenditures being incurred, the Company derecognizes the premium liability and recognizes a deferred tax liability for the amount of tax reduction renounced to the shareholders. Any resulting deferred tax as a result of tax rate differential is recognized as a deferred tax recovery or expense.

Proceeds received from the issuance of flow-through shares are restricted to be used only for Canadian resource property exploration expenditures within a two-year period. The portion of the proceeds received but not yet expended at the year end is disclosed separately as flow-through share liability in Note 14.

The Company may also be subject to a Part XII.6 tax on flow-through proceeds renounced under the look-back Rule, in accordance with Government Canada flow-through regulations. When applicable, this tax is accrued as a financial expense until paid.

Loss per share

Basic loss per share is calculated using the weighted average number of common shares outstanding during the period. The Company uses the treasury stock method to compute the dilutive effect of options, warrants and similar instruments. Under this method, the dilutive effect on earnings per share is calculated presuming the exercise of outstanding options, warrants and similar instruments. It assumes that the proceeds of such exercise would be used to repurchase common shares at the average market price during the period. However, the calculation of diluted loss per share excludes the effects of various conversions and exercise of options and warrants that would be anti-dilutive.

Provisions

A provision is recognized when the Company has a present legal or constructive obligation as a result 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.

The Company had no provisions at March 31, 2019 and March 31, 2018.

Adoption of New Accounting Standards

(i) IFRS 9 *Financial Instruments* (“IFRS 9”)

On April 1, 2018, the Company adopted IFRS 9 *Financial Instruments* ("IFRS 9"). IFRS 9 replaces IAS 39 *Financial Instruments: Recognition and Measurement* ("IAS 39"), introduces new requirements for the recognition and measurement of financial assets and liabilities, a single, forward looking "expected loss" impairment model and a reformed approach to hedge accounting. IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules previously under IAS 39. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward unchanged to IFRS 9, except that an entity choosing to measure a financial liability at fair value will present the portion of any change in its fair value due to changes

2. SIGNIFICANT ACCOUNTING POLICIES – continued

in the entity's own credit risk in other comprehensive income, rather than within profit or loss. The International Accounting Standards Board ("IASB") requires an entity to apply IFRS 9 for annual periods beginning on or after January 1, 2018.

Application of IFRS 9 to the Company's other financial instruments also has no impact on the Company's financial position or results of operations and there is no financial impact that requires disclosure.

IFRS 15 *Revenue from Contracts with Customers* ("IFRS 15")

On April 1, 2018, the Company adopted IFRS 15 – Revenue from Contracts with Customers ("IFRS 15"). IFRS 15 establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. IFRS 15 supersedes the current revenue recognition guidance including IAS 18 – Revenue, IAS 11 – Construction Contracts and the related interpretations. In adopting the guidance, the Company has opted to use the modified retrospective basis in accordance with the transitional provisions of IFRS 15 whereby the cumulative effect of initially applying the standard has been recognized as an adjustment to the opening deficit at April 1, 2018 and comparative figures are not restated and continue to be reported under the accounting standards in effect for those periods.

The Company has no revenue and management has determined that the application of IFRS 15 did not result in any adjustment to the financial statements.

Recent Accounting Pronouncements

Certain pronouncements were issued by the IASB or the IFRS Interpretations Committee that are mandatory for accounting years beginning on or after April 1, 2019. Many are not applicable or do not have a significant impact to the Company and have been excluded from the list below. The following has not yet been adopted and is being evaluated to determine its impact on the Company.

(i) IFRS 16 *Leases* ("IFRS 16") eliminates the classification of leases as either operating or finance leases for a lessee. Instead all leases are capitalized by recognizing the present value of lease payments and recognizing an asset and a financial liability representing an obligation to make future lease payments. The principles in IFRS 16 provide a more consistent approach to acquiring the use of an asset whether by leasing or purchasing the asset.

The new leasing standard is applicable to all entities and will supersede current lease accounting standards under IFRS. Prospective application is required beginning on or after January 1, 2019 with early adoption permitted only if an entity early adopts IFRS 15 as well. The Company does not anticipate a significant impact on the financial results from adopting the standard.

Critical Accounting Judgements and Key Sources of Estimation Uncertainty

In the application of the Company's accounting policies, management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

(Expressed in Canadian Dollars)

2. SIGNIFICANT ACCOUNTING POLICIES – continued

The most significant critical judgment that members of management have made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognized in the financial statements is the policy on exploration and evaluation assets.

In particular, management is required to assess exploration and evaluation assets for impairment. Note 5 discloses the carrying values of such assets. As part of this assessment, management must make an assessment as to whether there are indicators of impairment. If there are indicators, management performs an impairment test on the major assets within this balance.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The Black-Scholes Option Pricing Model was developed for use in estimating the fair value of traded options which are fully tradable with no vesting restrictions. This option valuation model requires the input of highly subjective assumptions including the expected stock price volatility. Because the Company's stock options and warrants have characteristics significantly different from those of traded options and because changes in the subjective input assumptions can materially affect the calculated fair value, such value is subject to measurement uncertainty.

3. MISCELLANEOUS RECEIVABLES

The components of miscellaneous receivables are as follows:

		March 31, 2019		**March 31, 2018**
Miscellaneous receivables	$	1,914	$	5,832
Government entity receivables		16,316		10,550
	$	18,230	$	16,382

4. INVESTMENTS

		2019		2018
Investment in CBLT Inc. ("CBLT")	$	1,151,185	$	-

As consideration for the sale of all of the exploration and evaluation assets on March 12, 2019, the Company received 21,000,000 units of CBLT with each unit consisting of one common share and one common share purchase warrant exercisable at $0.08 per share for period of twenty-four months from the date of issue. There is a four month and a day hold period on these units.

The common shares of CBLT were valued using their quoted price of $0.03 per share on the date of initial recognition.

The warrants of CBLT were valued using the Black-Scholes option pricing model incorporating the following assumptions: expected dividend yield of 0%, expected volatility of 405%, risk free rate or 1.57%, expected life of 2 years, and a share price of $0.03 resulting in a value of $521,185.

(Expressed in Canadian Dollars)

4. INVESTMENTS – continued

The carrying value of the shares and warrants of CBLT were revalued at March 31, 2019. The difference between the carrying value and the revalued amount was not material.

CBLT is a reporting issuer whose shares are listed on the TSX Venture Exchange (TSX.V: CBLT).

On March 18, 2019 a dividend was declared payable to the Company's shareholders in the form of the 21,000,000 units of CBLT with a Record Date of March 18, 2019 and a payment date of July 19, 2019. Subsequent to the year end, the Company determined that the payment of the dividend would be in two parts, 21,000,000 common shares of CBLT at $0.03 per share will be paid on or about July 19, 2019 and 21,000,000 warrants of CBLT at $0.02482 per warrant will be paid at a later date.

5. EXPLORATION AND EVALUATION ASSETS

	Auden Property	Northshore Property	Burnt Pond Property	Big Duck Lake Property	Total
Balance, March 31, 2017	$ 1,776,127	$ 3,605,890	$ 306,301	$ -	$ 5,688,318
Acquisition costs	-	-	-	91,250	91,250
Deferred exploration costs	2,320	19,896	1,610	142,195	166,021
Write-down	(574,538)	-	-	-	(574,538)
Proceeds of Junior Exploration Assistance Program	-	(69,916)	(24,250)	-	(94,166)
Balance, March 31, 2018	$ 1,203,909	$ 3,555,870	$ 283,661	$ 233,445	$ 5,276,885
Acquisition costs	-	454	-	1,000	1,454
Deferred exploration costs	-	197,049	1,025	48,018	246,092
Proceeds of Junior Exploration Assistance Program	-	-	(34,794)	(3,457)	(38,251)
Proceeds on sale	(82,226)	(740,048)	(54,819)	(274,092)	(1,151,185)
Loss on sale	(1,121,683)	(3,013,325)	(195,073)	(4,914)	(4,334,995)
Balance, March 31, 2018	$ -	$ -	$ -	$ -	$ -

During the year ended March 31, 2019, the Company sold all of its exploration and evaluation assets for aggregate consideration of $1,151,185 comprised of 21,000,000 units of CBLT with each unit consisting of one common share and one common share purchase warrant exercisable at $0.08 for a period of 24-months after the date of issue. As a result, there was an aggregate loss on the sale recorded in the amount of $4,334,995. The sale proceeds have been allocated among the properties on an estimated basis of their fair value at the date of sale.

Big Duck Lake

On April 24, 2017, the Company entered into an option agreement under which it can acquire a 100% interest in the Big Duck Lake property. Terms of the option agreement included cash payment of $15,000 on approval by TSXV and cash payment of $40,000 six months following the initial cash payment both tranches of which have been paid as at March 31, 2018. In addition, the Company issued 250,000 common shares upon approval by the TSXV and an additional 500,000 common shares six months following the issue of the initial 250,000 common shares. The vendors of the Big Duck Lake property retained a 2% royalty of which the Company can purchase 50% for $1 million at any time.

5. EXPLORATION AND EVALUATION ASSETS

The value of the 250,000 and 500,000 common shares issued was determined by the fair value of the shares issued at the date the option agreement was concluded (250,000 shares @$0.065 per share) and at the date the subsequent shares were issued (500,000 shares @$0.04).

During fiscal 2019 Big Duck Lake received $3,457 from the Junior Exploration Assistance Program funded by the Ontario Prospectors Association.

The Company has incurred exploration expenditures of $186,756 to March 31, 2019.

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

During the year ended March 31, 2018, the Company allowed 386 claim units to expire resulting in the recording of impairment of $574,538 being the carrying value of the expired claim units.

The Company has incurred exploration expenditures of $630,440 to March 31, 2019.

Northshore

On July 27, 2011, the Company and Balmoral Resources Ltd. 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. In addition, the Company has incurred exploration expenditures of $2,943,514 and $2,893,493 to March 31, 2017 and to March 31, 2018, respectively.

Upon exercise of the First Option outlined above, the Company would 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

(Expressed in Canadian Dollars)

5. EXPLORATION AND EVALUATION ASSETS - continued

Property with Balmoral. The Company will be the initial operator. The Company has incurred exploration expenditures of $295,319 subsequent to the formation of the co-ownership with Balmoral.

During fiscal 2017 GTA completed phase 1 of a 2016 diamond drilling program and assay results were disclosed in a press release dated August 22, 2016. This phase was intended to test the northern area near the former producing Northshore Gold Mine.

The Company has incurred exploration expenditures of $3,090,543 to March 31, 2019.

Burnt Pond

In May 2015, the Company acquired a 100% interest in the Burnt Pond Zinc-Copper Property in central Newfoundland. The property located in the Tally Pond volcanic belt which hosts Teck Resources Ltd's Duck Pond Mine and a number of other Copper-Zinc-Silver-Gold massive sulphide deposits.

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

During fiscal 2019 Burnt Pond received $34,794 from the Junior Exploration Assistance Program funded by the government of Newfoundland and Labrador.

The Company has incurred exploration expenditures of $282,636 to March 31, 2019.

6. LOAN PAYABLE

	2019	2018
Loan payable	$ 425,000	$ -

The loan is secured by a general security agreement and bears at 10% per annum payable at the maturity date October 26, 2019. Included in accounts payable and accrued liabilities is $17,562 of accrued interested related to the loan payable. The loan is payable to Liberty Venture Partners Inc.

(Expressed in Canadian Dollars)

7. SHARE CAPITAL

Authorized
Unlimited number of common shares

Issued

	Number of Shares		Share Capital		Contributed Surplus
Balance, March 31, 2017	**832,037**	**$**	**9,886,667**	**$**	**197,509**
Shares issued for acquisition of mining claims (Note 4)	15,000		36,250		-
Shares issued for cash	172,900		440,750		-
Share issue costs	-		(23,770)		-
Flow-through share premium	-		(54,850)		-
Broker warrants issued	-		(6,839)		6,839
Warrants exercised	5,000		15,000		-
Share-based compensation	-		-		41,166
Stock options expired	-		-		(26,555)
Balance, March 31, 2018	**1,024,937**	**$**	**10,293,208**	**$**	**218,959**
Share based compensation	-		-		45,631
Broker warrants expired	-		-		(6,838)
Stock options expired	-		-		(38,709)
Balance, March 31, 2019	**1,024,937**	**$**	**10,293,208**	**$**	**219,043**

Share issuances

During the year ended March 31, 2019:

(a) On January 7, 2019, the Company completed a share consolidation on the basis of one (1) post consolidation common share for every fifty (50) pre-consolidation common share. All common shares, options, warrants, and basic and diluted loss per share amounts have been restated to give retrospective effect to the share consolidation.
(b) During the year no shares were issued by the Company.

During the year ended March 31, 2018:

(a) On April 18, 2017, the Company issued 8,500 flow-through units at $3.50 per unit with each unit consisting of 1 common share and 1 common share purchase warrant exercisable at $4.00 per share until April 18, 2019. The Company received cash proceeds of $29,750.
(b) On May 2, 2017, the Company issued 5,000 common shares in connection with the exercise of 5,000 share purchase warrants and received cash proceeds of $15,000.
(c) On May 5, 2017 and November 3, 2017, the Company issued 5,000 common shares and 10,000 common shares respectively as consideration to acquire its interest in the Big Duck Lake Property.
(d) On September 11, 2017, the Company issued 20,000 flow-through units at $2.50 per unit with each unit consisting of 1 common share and 1 common share purchase warrant exercisable at $3.00 per share until

7. SHARE CAPITAL – continued

September 11, 2018. The Company received gross cash proceeds of $50,000 and incurred cash commissions of $2,000. In connection with this financing, the Company issued 800 broker warrants entitling the holder to acquire 1 unit consisting of 1 common share and 1 common share purchase warrant for $3.00 until September 11, 2018. The broker warrants were valued on the date of issue using the Black-Scholes option pricing model with the following assumptions: dividend yield of 0%, risk free interest rate of 1.44%, expected volatility of 180% and an expected life of 12 months. The value attributed to the 800 broker warrants was $1,044.

(e) On September 15, 2017, the Company issued 6,000 units at $2.50 per unit with each unit consisting of 1 common share and 1 common share purchase warrant exercisable at $2.50 until September 15, 2018. The Company received cash gross proceeds of $15,000.

(f) On September 26, 2017, the Company issued 8,000 units and 18,000 flow-through units at $2.50 per unit with each unit consisting of 1 common share and 1 common share purchase warrant exercisable at $2.50 per share for the common share purchase warrants issued as part of units, and at $3.00 per share for the common share purchase warrants issued as part of flow-through units, until September 26, 2019. The Company received gross cash proceeds of $65,000 and incurred cash commissions of $4,550. In addition, 1,820 broker warrants were issued entitling the holder to acquire 1 unit consisting of 1 common share and 1 common share purchase warrant for $3.00 until September 26, 2018 for 1,260 broker warrants and for $2.50 until March 26, 2019 for 560 broker warrants. The broker warrants were valued on the date of issue using the Black-Scholes option pricing model with the following assumptions: dividend yield of 0%, risk free interest rate of 1.43%, expected volatility of 106% and an expected life of 12 months for 1,260 broker warrants and 18 months for 560 broker warrants. The value attributed to the 1,820 broker warrants was $1,118.

(g) On November 1, 2017, the Company issued 20,000 flow-through units $2.50 per unit with each unit consisting of 1 common share and 1 common share purchase warrant exercisable at $3.00 per share until November 1, 2018. The Company received gross cash proceeds of $50,000 and incurred cash commissions of $3,500. In connection with the financing, the Company issued 1,400 broker warrants entitling the holder to acquire 1 unit consisting of 1 common share and 1 common share purchase warrant for $3.00 until November 1, 2018. The broker warrants were valued on the date of issue using the Black-Scholes option pricing model with the following assumptions: dividend yield of 0%, risk free interest rate of 1.35%, expected volatility of 180% and an expected life of 12 months. The value attributed to the 1,400 broker warrants was $1,559.

(h) On November 24, 2017, the Company issued 14,000 units at $2.50 per unit with each unit consisting of 1 common share and 1 common share purchase warrant exercisable at $3.00 per share until May 24, 2019. The Company received gross cash proceeds of $35,000 and incurred cash commissions of $1,750.

(i) On December 5, 2017, the Company issued 20,000 flow-through units $2.50 per unit with each unit consisting of 1 common share and 1 common share purchase warrant exercisable at $3.00 per share until December 6, 2018. The Company received gross cash proceeds of $50,000 and incurred cash commissions of $3,500. In connection with the financing, the Company issued 1,400 broker warrants entitling the holder to acquire 1 unit consisting of 1 common share and 1 common share purchase warrant for $3.00 until November 1, 2018. The broker warrants were valued on the date of issue using the Black-Scholes option pricing model with the following assumptions: dividend yield of 0%, risk free interest rate of 1.35%, expected volatility of 180% and an expected life of 12 months. The value attributed to the 1,400 broker warrants was $1,559.

(j) On December 11, 2017, the Company issued 13,000 flow-through units at $2.50 per unit with each unit consisting of 1 common share and 1 common share purchase warrant exercisable at $3.00 per share until December 11, 2018. The Company received gross cash proceeds of $32,500 and incurred cash commissions of $525.

(k) On December 12, 2017, the Company issued 17,400 flow-through units at $2.50 per unit with each unit consisting of 1 common share and 1 common share purchase warrant exercisable at $3.00 per share until December 12, 2018. The Company received gross cash proceeds of $43,500 and incurred cash commissions of $3,045.

(Expressed in Canadian Dollars)

7. SHARE CAPITAL – continued

(l) On December 14, 2017, the Company issued 8,000 flow-through units at $2.50 per unit with each unit consisting of 1 common share and 1 common share purchase warrant exercisable at $3.00 per share until December 12, 2018. The Company received gross cash proceeds of $20,000 and incurred cash commissions of $1,400.

(m) On December 18, 2017, the Company issued 20,000 flow-through units $2.50 per unit with each unit consisting of 1 common share and 1 common share purchase warrant exercisable at $3.00 per share until December 18, 2018. The Company received gross cash proceeds of $50,000 and incurred cash commissions of $3,500. In connection with the financing, the Company issued 1,400 broker warrants entitling the holder to acquire 1 unit consisting of 1 common share and 1 common share purchase warrant for $3.00 until November 1, 2018. The broker warrants were valued on the date of issue using the Black-Scholes option pricing model with the following assumptions: dividend yield of 0%, risk free interest rate of 1.40%, expected volatility of 180% and an expected life of 12 months. The value attributed to the 1,400 broker warrants was $1,559.

8. WARRANTS

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

	Number of Warrants		Weighted Average Exercise Price
Balance, March 31, 2017	125,800	$	2.50
Warrants issued	179,720	$	3.00
Warrants exercised	(5,000)	$	3.00
Warrants expired	(120,800)	$	2.50
Balance, March 31, 2018	179,720	$	3.00
Warrants expired	(157,220)	$	3.40
Balance, March 31, 2019	22,500	$	3.38

The warrants outstanding as at March 31, 2019 expire as follows:

Number of Warrants	Expiration Date
8,500	April 2019
14,000	May 2019

9. SHARE-BASED COMPENSATION

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 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.

(Expressed in Canadian Dollars)

9. SHARE-BASED COMPENSATION – continued

A summary of the status of the stock option plan and changes for the year ended March 31, 2019 are presented below:

				During the year				
Grant date	Expiry date	Exercise Price	Opening Balance	Granted	Exercised	Expired	Closing Balance	Vested and Exercisable
November 6, 2013	November 6, 2018	$0.20	5,300	-	-	(5,300)	-	-
November 12, 2014	November 12, 2019	$3.50	21,200	-	-	-	21,200	21,200
June 15, 2016	June 15, 2021	$3.00	18,000	-	-	-	18,000	18,000
November 9, 2016	November 9, 2021	$3.00	6,000	-	-	-	6,000	6,000
August 30, 2017	August 30, 2022	$2.50	24,000	-	-	-	24,000	24,000
April 18, 2018	April 18, 2023	$2.50		24,500	-	-	24,500	24,500
			74,500	24,500	-	(5,300)	93,700	93,700
Weighted average exercise price			$3.50	$2.50	$0.00	$10.00	$2.85	$2.85

A summary of the status of the stock option plan and changes for the year ended March 31, 2018 are presented below:

				During the year				
Grant date	Expiry date	Exercise Price	Opening Balance	Granted	Exercised	Expired	Closing Balance	Vested and Exercisable
September 18, 2012	September 18, 2017	$25.00	750	-	-	(750)	-	-
December 1, 2012	December 1, 2017	$25.00	2,000	-	-	(2,000)	-	-
November 6, 2013	November 6, 2018	$10.00	5,300	-	-	-	5,300	5,300
November 12, 2014	November 12, 2019	$3.50	21,200	-	-	-	21,200	21,200
June 15, 2016	June 15, 2021	$3.00	18,000	-	-	-	18,000	18,000
November 9, 2016	November 9, 2021	$3.00	6,000	-	-	-	6,000	6,000
August 30, 2017	August 30, 2022	$2.50		24,000	-	-	24,000	24,000
			53,250	24,000	-	(2,750)	74,500	74,500
Weighted average exercise price			$5.00	$2.50	$0.00	$25.00	$3.50	$3.50

The weighted average exercise price at grant date of options granted during the year ended March 31, 2019 was $2.50 per option (year ended March 31, 2018: $25.00).

The weighted average share price of options exercised during the year ended March 31, 2019 was $0.00 as there were no options exercised during the year.

The weighted average remaining contractual life of the options outstanding at March 31, 2019 is 2.67 years (2018 – 2.99 years)

(Expressed in Canadian Dollars)

9. SHARE-BASED COMPENSATION – continued

Options Issued to Employees

The fair value at grant date is determined using a Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date, the expected price volatility of the underlying share, the expected dividend yield, expected forfeitures and the risk free interest rate for the term of the option.

Options Issued to Non-Employees

Options issued to non-employees are measured based on the fair value of the goods or services received, at the date of receiving those goods or services. If the fair value of the goods or services received cannot be estimated reliably, the options are measured by determining the fair value of the options granted using the Black-Scholes option pricing model.

The model inputs for options granted during the years ended March 31, 2019 and 2018 include:

Grant date	Expiry Date	Share price at grant date	Exercise price	Risk-free interest rate	Expected life	Volatility factor	Forfeiture Rate	Dividend yield
August 30, 2017	August 30, 2022	$2.50	$2.50	1.51%	5 years	135%	Nil	0%
April 18, 2018	April 18, 2023	$2.25	$2.50	2.18%	5 years	122%	Nil	0%

The expected volatility is based on the historical volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information. The risk free rate of return is the yield on a zero-coupon Canadian Treasury bill of a term consistent with the assumed option life. The expected average option term is the average expected period to exercise, based on the historical activity patterns for each individually vesting tranche.

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

Total expenses arising from the share-based payment transactions recognized during the year as part of share-based compensation expense was $45,631 (2018: $41,166).

Fair value per options granted was $0.04 (2018: $0
.03).

As at March 31, 2019 there was $nil (2018: $nil) of total unrecognized compensation cost related to unvested share-based compensation.

Total expenses arising from the share-based payment transactions that were capitalized during the year as part of exploration and evaluation asset acquisition costs were $nil (2018: $nil).

(Expressed in Canadian Dollars)

10. INCOME TAXES

(a) Provision for Income Taxes

The following table reconciles the expected income tax provision at the statutory income tax rate of 26.5% (2018 - 26.5%) to the amounts recognized in the statements of loss and comprehensive loss:

		March 31, 2019		**March 31, 2018**
Loss before income taxes	$	(4,686,361)	$	(1,024,385)
Expected income tax recovery at the statutory tax rate		(1,241,866)		(271,462)
Write-off of resource related assets		-		152,253
Loss on sale of exploration and evaluation assets		1,148,774		-
Share based compensation		12,092		10,909
Share issue costs		(3,213)		(3,213)
Other		-		(1,106)
Benefit of tax losses not recognized		84,213		112,619
Flow-through premium		(34,647)		(20,203)
Income tax recovery	$	(34,647)	$	(20,203)
Provision for income taxes consists of the following:				
Current income taxes (recovery)	$	-	$	-
Deferred income taxes (recovery)		(34,647)		(20,203)
	$	(34,647)	$	(20,203)

(b) Deferred tax balances

		March 31, 2019		**March 31, 2018**
Deferred income tax assets (liabilities):				
Resource related liability	$	-	$	(996,794)
Non-capital losses recognized		-		996,794
Other deferred tax assets recognized		-		-
	$	-	$	-

(Expressed in Canadian Dollars)

10. INCOME TAXES – continued

The following temporary differences have not been recognized in the financial statements.

		March 31, 2019		**March 31, 2018**
Capital losses carried forward	$	50,000	$	50,000
Non-capital losses carried forward		5,057,075		977,745
Share issue costs		20,076		32,202
Resource related asset		1,021,035		-
Investment tax credits carried forward		32,782		32,782
Capital assets		40,927		40,927
	$	6,221,895	$	1,133,656

(c) Tax loss carry-forwards

As at March 31, 2019, the Company had approximately $5,057,075 (2018 - $4,739,233) of non-capital losses which can be used to reduce taxable income in future years. The non-capital losses expire at dates as described below:

2027	$	176
2028		58,934
2029		86,329
2030		76,063
2031		260,596
2032		623,532
2033		838,413
2034		753,648
2035		636,463
2036		584,446
2037		395,652
2038		424,981
2039		317,842
	$	5,057,075

The Company also has $50,000 (2018 - $50,000) of capital losses carried forward which can be utilized to reduce capital gains in future years. The capital losses carried forward do not have an expiry date.

(Expressed in Canadian Dollars)

11. 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:

		March 31, 2019		March 31, 2018
Management fees (i)	$	102,000	$	180,500
Mineral property-exploration expenditures (i)	$	48,000	$	55,000
Office rent and supplies (iii)	$	-	$	12,000
Equipment (iv)	$	-	$	500
Share-based compensation	$	26,075	$	41,166

(i) The Company paid $150,000 (2018 - $180,500) in management fees, including $45,000 (2018 - $60,000) to a company owned by the President of the Company; $45,000 (2018 - $60,000) to a company owned by the CFO of the Company; $nil (2018 - $22,500) to a company owned by the Executive Vice President of the Company; $12,000 (2018 - $33,000) to a company owned by the Chairman of the Company; and $48,000 (2018 - $55,000) in mineral property exploration consulting costs to a company owned by the VP of Exploration.

(ii) The Company paid $nil (2018 - $12,000) for rent, supplies and administrative expenses to private companies controlled by directors and officers of the Company.

(iii) The Company paid $nil (2018 - $500) to a company owned by the former VP of Exploration for equipment rental in connection with mineral property exploration activity.

Net accounts payable and accrued liabilities include $33,813 (2018 - $41,042) due to related parties. These amounts are unsecured, non-interest bearing and have no fixed terms of repayment.

12. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company classified its cash and cash equivalents as amortized cost; investment at fair value; miscellaneous receivables as amortized cost; and accounts payable and accrued liabilities and loan payable, as amortized cost. The carrying values of cash and cash equivalents, miscellaneous receivables, and accounts payable and accrued liabilities and loan payable approximate their fair values due to the expected maturity of these financial instruments.

(Expressed in Canadian Dollars)

12. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT – continued

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:

		March 31, 2019		March 31, 2018
Cash and cash equivalents	$	52,723	$	72,189
Miscellaneous receivables	$	18,230	$	16,382

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. The credit risk associated with miscellaneous receivables is minimized as the majority are receivable from a government 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 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.

i. Interest rate risk

The Company's cash and cash equivalents consist primarily of cash held in bank accounts. The Company also has fixed rate interest bearing debt. Due to the short-term nature of these financial instruments, fluctuations in market rates do not have a significant impact on estimated fair value as of March 31, 2019. 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.

12. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT – continued

ii. Foreign currency risk

During the year ended March 31, 2019, the Company was not exposed to any 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 exposure to other price risk through its investment in the shares and warrants of CBLT Inc.

13. CAPITAL MANAGEMENT

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going-concern in order to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, acquire or dispose of assets or acquire new debt.

The Company considers its capital to be total shareholders' equity, comprising share capital, contributed surplus and deficit which at March 31, 2019 totaled $(535,510) (March 31, 2018 - $5,221,758).

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. The Company monitors its cash, common shares, warrants and stock options as capital. There were no changes in the Company's approach to capital management during the year ended March 31, 2019. The Company's investment policy is to hold cash in interest bearing bank accounts and highly liquid short-term interest bearing investments with maturities of one year or less and which can be liquidated at any time without penalties. The Company is not subject to externally imposed capital requirements and does not have exposure to asset-backed commercial paper or similar products. The Company expects its current capital resources to be insufficient to carry out its operating costs for the next twelve months. The expectation is based on its capital resources at March 31, 2019.

14. 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. At March 31, 2019 there was no liability related to flow-through shares. The following is a continuity schedule of the commitment for the flow-through shares issuances.

(Expressed in Canadian Dollars)

14. COMMITMENTS AND CONTINGENCIES – continued

Balance at March 31, 2018	**$**	34,647
Liability incurred on issue of flow-through issued calendar 2018		-
Settlement of flow-through share liability on incurring expenditures		(34,647)
Balance at March 31, 2019	**$**	-

15. SUBSEQUENT EVENTS

On April 18, 2019, 8,500 warrants exercisable at $4.00 expired unexercised.

On May 24, 2019, 14,000 warrants exercisable at $3.00 expired unexercised.

On July 19, 2019, the Company paid a dividend in kind to the shareholders of the Company on a *pro rata* basis in the form of 21,000,000 common shares of CBLT with a carrying value of $630,000, 21,000,000 common share purchase warrants of CBLT at $0.02482 per warrant will be distributed to the Company's shareholders at a date to be determined.