

CSE FORM 2A

UPDATED LISTING STATEMENT

Go Cobalt Mining Corp.

This listing statement (“Listing Statement”), in the form prescribed by the Canadian Securities Exchange (“CSE”), has been prepared and filed by Go Cobalt Mining Corp. in connection with its continuous disclosure obligations to file an updated Listing Statement with the CSE regarding the Issuer’s common shares listed on the CSE.

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CERTIFICATE OF THE ISSUER

B. 2. Corporate Structure & SEDAR Disclosure

- 2.1 The name of the issuer is Go Cobalt Mining Corp. (the “**Issuer**”, “**Go Cobalt**” or the “**Company**”). The registered office and the corporate head office of the Issuer is 810 – 789 West Pender Street, Vancouver, BC V6C 1H2.
- 2.2 The Issuer was incorporated on April 27, 2012, and duly exists, under the *Business Corporations Act* (British Columbia). The Issuer’s capitalization is an unlimited number of common shares without par value and an unlimited number of preferred shares with a par value of \$0.0001. The Issuer has been a reporting issuer in British Columbia and Alberta since April, 2012 and readers are referred to the Issuer’s filings and disclosure found at www.sedar.com (“**SEDAR**”) for comprehensive records regarding the Issuer.
- 2.3 The Issuer does not have any subsidiaries or intercorporate relationships.
- 2.4 The Issuer is not requalifying following a fundamental change or is proposing an acquisition, amalgamation, merger, reorganization or arrangement.
- 2.5 The Issuer is not a non-corporate issuer or issuer incorporated outside of Canada.

C. 3. General Development of the Business

- 3.1 The Issuer has been a reporting issuer since April, 2012, and acquired its initial significant property interest, the Wels property (“**Wels Property**”) in the Yukon Territory, in April 2012 by way of an option assignment (in exchange for 1,197,248 shares of the Issuer). The Wels Property consists of 136 unpatented mining claims and is subject to a 3% net smelter returns (“**Wels NSR**”), with an option to buy back part of the Wels NSR for \$750,000 for each 1% to a maximum of \$1,500,000. Subsequent to the acquisition of the Wels Property, the Issuer covered the following obligations:

Cash payments of \$85,000 completed by October 2014, and issuance of 200,000 common shares by November 2013 and issued 276,666 shares at a deemed value of \$41,500 in 2014.

The Issuer conducted exploration activities on the Wels Property from 2013 to 2016 which focused on prospective gold showings. The Issuer spent an aggregate of approximately \$450,000 on exploration of the Wels Property, before recovery of certain costs paid by the Yukon government.

In the interim period, the Issuer also entered into a series of arrangement agreements providing the Issuer’s shareholders with investment opportunities and garnering the Issuer some cash payments.

On August 11, 2016, the Issuer entered into an Option Joint Venture Agreement (the “**Wels Option Agreement**”) with West Melville Metals Inc., which later changed its name to K2 Gold Corporation (“**K2**”), a TSX Venture Exchange Tier 2 listed company. Pursuant to the Wels Option Agreement, the Issuer agreed to grant to K2 the sole and exclusive right and option (“**Option**”) to acquire an undivided 90% interest in the Wels Property and other assets, as defined in the Option Agreement, subject to the Wels

NSR, and upon the exercise of such option, the parties have agreed to form a joint venture wherein the Issuer will hold a minority 10% undivided interest in the Wels Property.

During the twelve months ended July 31, 2017, the Issuer received \$150,000 cash and 1,000,000 K2 shares ("**K2 Shares**") valued at \$410,000 pursuant to the Wels Option Agreement. On August 11, 2017, the Issuer received another \$100,000 cash, and 500,000 K2 Shares pursuant to the Wels Option Agreement. All K2 Shares are subject to a 4 month restricted trading period from their date of issue, in accordance with British Columbia regulatory requirements.

Pursuant to the Wels Option Agreement, the Issuer is to receive from K2 another 500,000 K2 Shares on February 11, 2018, 500,000 K2 Shares and \$100,000 cash on August 11, 2018, and 500,000 K2 Shares on February 11, 2019 in order for K2 to exercise the Option and acquire a 90% undivided interest in the Wels Property.

On May 4, 2017, the Issuer entered into an acquisition agreement (the "**Acquisition Agreement**"), as amended on June 2, 2017, with three (3) individual vendors (collectively, the "**Vendors**") to acquire a 100% undivided interest in the 10,010 hectare New Brenda Property (the "**New Brenda Property**") located in-between the past producing Brenda copper porphyry open pit mine, and the high grade open pit Elk gold mine in south, central British Columbia.

The Acquisition Agreement was closed on August 14, 2017 by way of the issuance to the Vendors of 2,610,000 common shares of the Issuer at a deemed price of \$0.10 per share of which 1,010,000 shares were issued to a non-arm's length party as discussed immediately below. A subsequent payment of \$65,000 is due to the Vendors twelve months following the listing of the common shares of the Issuer on a public exchange. The Vendors have acknowledged that some or all of the shares received may need to be escrowed pursuant to BCSC Form 46-201F1 under the three (3) year "emerging issuer" escrow provisions in connection with any such listing.

Under Multilateral Instrument 61-101 ("**MI 61-101**") (Protection of Minority Security Holders in Special Transactions), the Acquisition Agreement did constitute a "Related Party" transaction since one of the Vendors, Adrian Smith, was, at the time the Acquisition Agreement was entered into (and still is), a director of the Issuer. Pursuant to Part 5 of MI 61-101, the Issuer struck a special committee of independent directors to assess the fair value of the New Brenda Property and to match that assessment to the appropriate consideration payable to the Vendors in connection with the Acquisition Agreement. After thorough examination of the terms of the Acquisition Agreement and the New Brenda Property, the members of the special committee unanimously approved the Acquisition Agreement and the consideration payable, without reservations. The Acquisition Agreement was exempt from the formal valuation and minority approval requirements of MI 61-101 on the basis that the fair market value of the the consideration payable to the related party did not exceed 25% of market capitalization of the Issuer. A 43-101 technical report ("**Technical Report**") on the New Brenda Property dated August 1, 2017 has been prepared and has been filed on SEDAR under the Issuer's profile.

In connection with the Acquisition Agreement, the Issuer closed a private placement (the "**Pre-Acquisition Private Placement**") of 2,980,000 units ("**Units**") at \$0.10 per Unit for

gross proceeds of \$298,000. Each Unit consisted of a common share (“**Share**”) in the capital of the Issuer and a share purchase warrant (“**Warrant**”), each Warrant entitling the holder to purchase an additional Share for \$0.15 per Share. The proceeds were allocated for exploration of the New Brenda Property and for working capital.

On October 30, 2017, the Issuer announced a non-brokered private placement of up to one million (1,000,000) Units at \$0.10 per Unit, each Unit consisting of a common share and a share purchase Warrant, each Warrant entitling the holder to purchase an additional share at \$0.15 per common share for proceeds of up to \$100,000 with the proceeds to be added to working capital.

On December 27, 2017, the Issuer closed a non-brokered financing of 2,000,000 units at \$0.05 per unit for gross proceeds of \$100,000. Each unit consists of one common share of the Issuer and one share purchase warrant, with each warrant entitling the holder to acquire an additional common share of the Issuer at a price of \$0.075 per share for a period of two years.

On January 23, 2018, the Issuer granted 3,400,000 stock options at an exercise price of \$0.09 per share over a five year period.

On February 12, 2018, the Issuer closed a non-brokered private placement of 12,000,000 units issued at a price of \$0.10 per unit for gross proceeds of \$1,200,000. Each unit consisted of one common share and one common share purchase warrant. Each warrant entitles the holder thereof to purchase one additional common share at a price of \$0.15 per common share until February 11, 2020. Finders fees of 1,200,000 common shares issued valued at \$144,000 were paid to two individual finders in connection with the transaction.

On February 13, 2018, the Issuer acquired a 100% interest in a cobalt exploration property known as the Monster Property located in the Yukon by paying \$45,000 cash and issuing 1,600,000 common shares valued at \$192,000.

On March 2, 2018, the Issuer closed a shares for debt transaction with three consultants by issuing 2,857,140 common shares to extinguish \$300,000 in debt.

On March 15, 2018, the Issuer issued 6,576,000 common shares related to the conversion of convertible promissory notes in the principal amount of \$164,381.

On March 26, 2018, the Issuer split its common shares on the basis of two common shares for each existing common share held. All number of shares and per share amounts have been retroactively restated to reflect this share split.

On April 27, 2018, the Issuer prepared and filed a 43-101 technical report (“**Technical Report**”) under its SEDAR profile on the Monster Property dated January 31, 2018. Readers are directed to review the Technical Report for more particulars on the Monster Property and see Section 4.3 below for a summary thereof. Section 15.1 of the Technical Report details the proposed two phase work program.

On June 14, 2018, the Issuer changed its name from Gorilla Minerals Corp. to Go Cobalt Mining Corp.

On September 17, 2018, the Issuer and Flow Metals Corp. (“Flow Metals”) closed a statutory plan of arrangement to spin-out the Issuer’s New Brenda Property to Flow Metals (the “Arrangement”). Under the terms of the arrangement, Flow Metals issued 9,767,233 common shares to the Issuer based on one Flow Metals share being issued for every six issued and outstanding common shares of the Issuer. Outstanding warrants and stock options to purchase the Issuer’s shares will be exercisable to acquire Flow Metals shares as well as the Issuer’s shares on the basis that the holder will receive, upon exercise, one Flow Metals share for every six shares of the Issuer acquired.

On November 2, 2018, the Issuer signed an option agreement with Contigo Resources Ltd. (“Contigo”) to acquire a 100% interest in the Barachois Vanadium Property located in Gaspé Peninsula, Quebec. For consideration, the Issuer is required to make cash payment of \$40,000 (paid) and issue 1,000,000 common shares of the Issuer staged over a 12 month period (500,000 common shares issued). Upon completion of these payments, the Issuer will earn a 100% interest in the property subject to a 2% NSR royalty retained by Contigo. At any time, the Issuer shall have the option to acquire one-half of the 2% NSR by paying \$1,500,000 to Contigo.

Subsequent to the year ended July 31, 2018, the Issuer issued 850,000 common shares for proceeds of \$63,750 as a result of the exercise of 850,000 warrants with an exercise price of \$0.075.

Subsequent to the year ended July 31, 2018, the Issuer issued 100,000 common shares for proceeds of \$9,000 as a result of the exercise of 100,000 stock options with an exercise price of \$0.09.

- 3.2 Other than as disclosed in item 3.1 herein, the Issuer has not completed an acquisition or proposed any significant probable acquisition, or completed a disposition for which *pro forma* financial statements would be required under National Instrument 41-101 if this document were a prospectus.
- 3.3 As a mining exploration company without revenues, the Issuer typically needs to raise more capital to meet ongoing operational and administrative financial requirements. In the past, the Issuer has had to raise, by way of equity financing, considerable funds to meet such needs. There is no guarantee that the Issuer will be able to continue to raise funds needed for its business. Failure to raise the necessary funds in a timely fashion, or at all, will limit the Issuer’s growth and impact its success and survival.

The acquisition of additional properties, and the exploration and development of the Issuer’s existing properties are subject to a number of factors, including laws and regulations in the areas of the environment, first nations consent requirements, governmental permits & licensing, taxation, and others including hiring qualified people and obtaining necessary services in jurisdictions where the Issuer operates.

The Issuer will be applying for the necessary licenses and permits under applicable laws and regulations to carry out exploration activities currently planned and management intends on complying with the terms of such licenses and permits.

Mineral exploration involves numerous risks including unexpected or unusual geological conditions, rock bursts, cave-ins, fires, floods, earthquakes and other environmental occurrences, and political and social instability. It is not always possible to insure against such risks.

Strategic and operational risks may arise if the Issuer fails to raise sufficient monies through proposed equity or debt financings in order to fund proposed mineral exploration and business development. Strategic risks may arise from a range of factors, which might include changing economic and political circumstances and regulatory approvals and competitor actions.

D. 4 Narrative Description of the Business

4.1 General

- (1) The Issuer has only one operating segment, which is the exploration and development of the Yukon Monster Property.
 - (a) The timing for commencement and completion of the proposed two phase work program as noted under *section 4.3 - 15.1. Proposed 2 Phase Work Program* below is reliant upon the hiring of key personnel, the acquisition of key equipment, obtaining the necessary permits & licenses, including potential consents from first nations, and other mining related regulatory approvals.
 - (b) The total funds available to the Issuer are set out below:
 - (i) the estimated consolidated working capital as of the most recent month end prior to filing the Listing Statement is \$559,000 in cash or equivalents, and
 - (ii) there is no immediate other source of funds, however the Issuer has a history of carrying out financings supported by the insiders of the Issuer;

Working Capital Allocations Over next 12 Months	Amount
Working Capital as at Nov 30, 2018	\$ 559,000
Allocation	
Phase One Expenditures	\$693,317
Out of Pocket Administrative Expenses ¹	125,000
Regulatory Expenses ²	25,000
Unallocated Working Capital	50,000

¹ Management fees, professional fees, transfer agent, bookkeeping and interest expense

² Listing fees, ongoing regulatory including Securities Commission fees

In addition to exploration of the Issuer's Yukon Monster Property, the Issuer has recently acquired a 100% interest in the Barachois Vanadium Property, located in Gaspé Peninsula, Quebec, Canada. The Issuer intends to engage in the

identification, evaluation and, as resources are available, acquisition of mineral properties that are prospective for the development of reserves towards mineral production or sale to a senior mining company.

- (2) As the Issuer is at an early stage of mineral exploration, the Issuer currently has no products or services.
- (3) As the Issuer is at an early stage of mineral exploration, the Issuer currently has no production or sales.
- (4) Significant and increasing competition exists for mineral opportunities in the jurisdictions in which the Issuer has mineral properties. There are a number of large established mineral exploration companies with substantial capabilities and greater financial and technical resources than the Issuer. The Issuer may be unable to acquire additional mineral properties or acquire such properties on terms it considers acceptable. There can be no assurance that the Issuer's exploration programs will be successful or result in either commercial mineral operations or a sale to a more established mining company.
- (5) The Issuer does not have any lending operations, or investment policies, except as described above, and it has not devised any lending and investment restriction policies.
- (6) There are no bankruptcy, receivership or similar proceedings against the Issuer or any voluntary bankruptcy, receivership or similar proceedings by the Issuer, within the three most recently completed financial years or the current financial year.
- (7) With respect to capital restructuring of the Issuer in the last three years, at the Issuer's annual and special shareholder meeting held on May 29, 2017, shareholder approval by way of special resolution was obtained for the alteration of the Issuer's Notice of Articles by way of creating an unlimited number of Class A Preferred shares ("**Preferred Shares**") with a par value of \$0.001 each.

On May 30, 2017, the directors resolved that 10,595,258 Preferred Shares be issued to the common shareholders of the Issuer on a 1:1 basis (pro rata in proportion to their common shareholdings). The directors then declared a dividend, in specie, on the outstanding Preferred Shares, effective immediately, totaling one million (1,000,000) K2 Shares rounded down, wherein each Preferred shareholder ("**Preferred Shareholder**") entitled to receive a Board Lot of 500 K2 Shares or more would receive the nearest whole number of K2 Shares, rounded down, that each such shareholder is entitled to receive (with fractions of a K2 Share retained by the Issuer), and each Preferred shareholder that would otherwise receive less than a Board Lot of K2 Shares would receive a cash dividend equal to the number of K2 Shares to which the Preferred shareholder is entitled multiplied by \$0.50.

On March 26, 2018, the Issuer split its common shares on the basis of two common shares for each existing common share held. All number of shares and per share amounts have been retroactively restated to reflect this share split.

On June 20, 2018, the directors declared a dividend, in specie, on the outstanding Preferred Shares, effective immediately, totaling one million (1,000,000) K2 Shares

rounded down, wherein each Preferred Shareholder entitled to receive a Board Lot of 500 K2 Shares or more would receive the nearest whole number of K2 Shares, rounded down, that each such shareholder is entitled to receive (with fractions of a K2 Share retained by the Issuer), and each Preferred shareholder that would otherwise receive less than a Board Lot of K2 Shares would receive a cash dividend equal to the number of K2 Shares to which the Preferred shareholder is entitled multiplied by \$0.30.

On September 17, 2018, the Issuer and Flow Metals Corp. ("Flow Metals") closed a statutory plan of arrangement to spin-out the Issuer's New Brenda Property to Flow Metals. Under the terms of the arrangement, Flow Metals issued 9,767,233 common shares to the Issuer based on one Flow Metals share being issued for every six issued and outstanding common shares of the Issuer. Outstanding warrants and stock options to purchase the Issuer's shares will be exercisable to acquire Flow Metals shares as well as the Issuer's shares on the basis that the holder will receive, upon exercise, one Flow Metals share for every six shares of the Issuer acquired.

- (8) The Issuer has not implemented social or environmental policies that are fundamental to the Issuer's operations.

4.2 The Issuer does not have any outstanding asset-backed securities.

4.3 The following information regarding the Monster Property, has been extracted from a "43-101 Technical Report on the Monster Property, Yukon Canada prepared by R. Allan Doherty, P. Geo and Co-authored by Jacob Verbaas, MSc, PhD dated January 31, 2018. The Technical Report has been prepared in accordance with National Instrument 43-101 and the report writer is an independent "Qualified Person" (as defined under the Instrument).

(1) Property Description and Location

The Monster Property is located in central-Yukon, approximately 85 km northeast of Dawson City (Figure 1). The claim block encompasses part of the northern Wernecke Breccia belt, a roughly linear EW trending belt of hematitic Iron Oxide Copper & Gold (IOCG) mineralized breccia zones. The Wernecke Breccia is exposed in a Proterozoic window in the Ogilvie Mountains (Figure 2). The Property consists of 283 contiguous 1500 x 1500 foot claim blocks and has a total surface area of 59.2 km² (Figure 3).

The Property encompasses several previous claim blocks that have been intermittently explored since the 70s. Historical work on the claim blocks has resulted in the description of numerous zones of Cu and Co mineralization using soil sampling, surface mapping, and geophysical surveys (Baknes, 1995; Falls and Baknes, 1995; Williams, 1997; Jones, 1999). The mineralization is hosted within and adjacent to hematitic breccia zones. Commonly Cu occurs in pods, veins, and disseminations of bornite and chalcopyrite and Co occurs as veinlets and disseminations of erythrite and cobaltite. Locally the mineralization includes anomalous gold, silver, lead and zinc.

The Monster Property comprises an area of 59.2 km². The Property is located 80 km NW of Dawson City. The center of the Property is located approximately at 64°49'48.59"N, 139°44'59.59"W. The Property consists of the Monster 1 – 283 quartz claims. Co Cobalt Mining Corp. holds 100% interest in the Property. The claims are registered in the stakers

names (Table 4.1).

The Property is located within Tr'ondëk Hwëch'in First Nation Traditional territory. The Tr'ondëk Hwëch'in First Nation encourages early engagement between them and mining companies. This engagement is crucial for the success of mining and exploration projects.

Under the Quartz Mining Act of the Yukon Regulations the Company is required to notify the Chief of the Tr'ondëk Hwëch'in of its activities on the Property. For phase 1 and phase 2 of the proposed work on the Property, depending on the details of the exact surveys (TBD, tentatively outlined in section 14), a class 1 notification is required. No notification has been given at the time of writing. Class I Notification allows a camp of up to 10 persons for a maximum of 250 man days of property work in a season.

Figure 1. Yukon Territory and the location of the Monster Property.

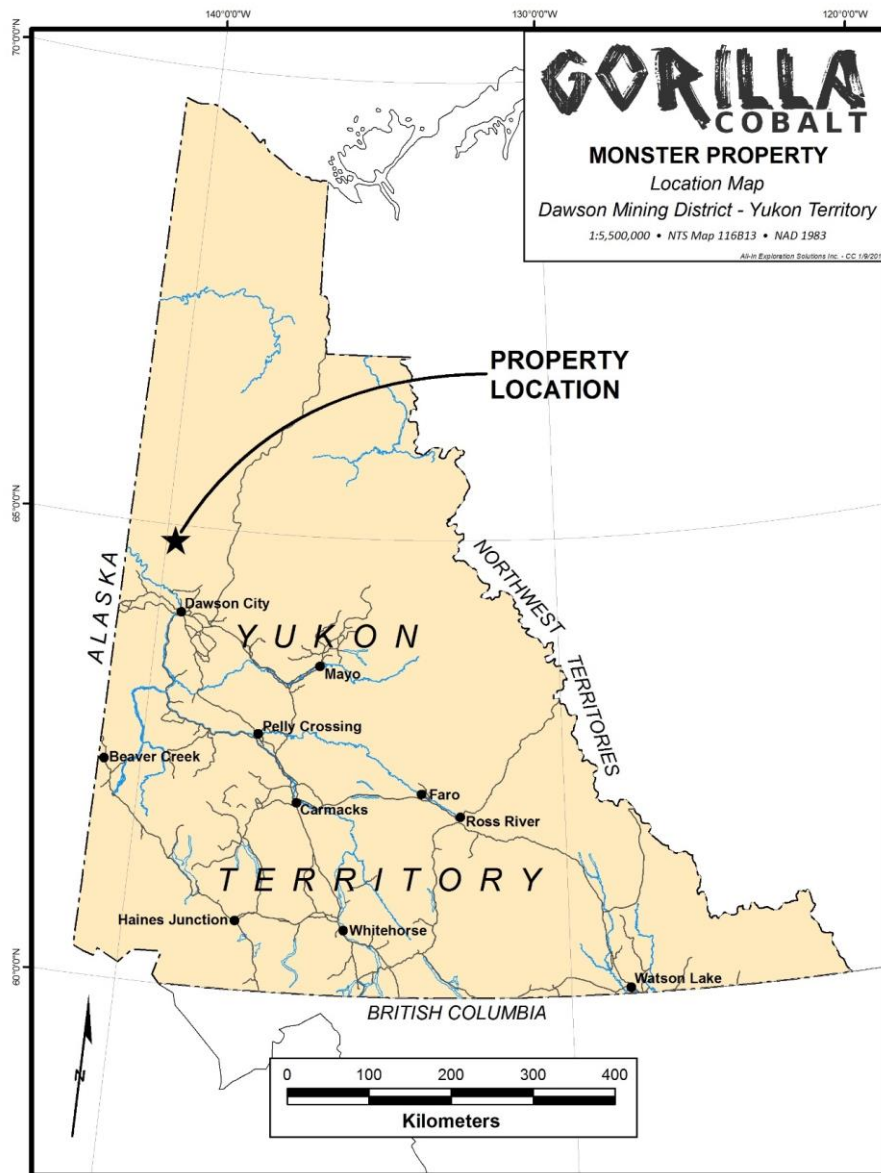


Figure 2. Proterozoic inliers in central Yukon and the location of the Monster Property.

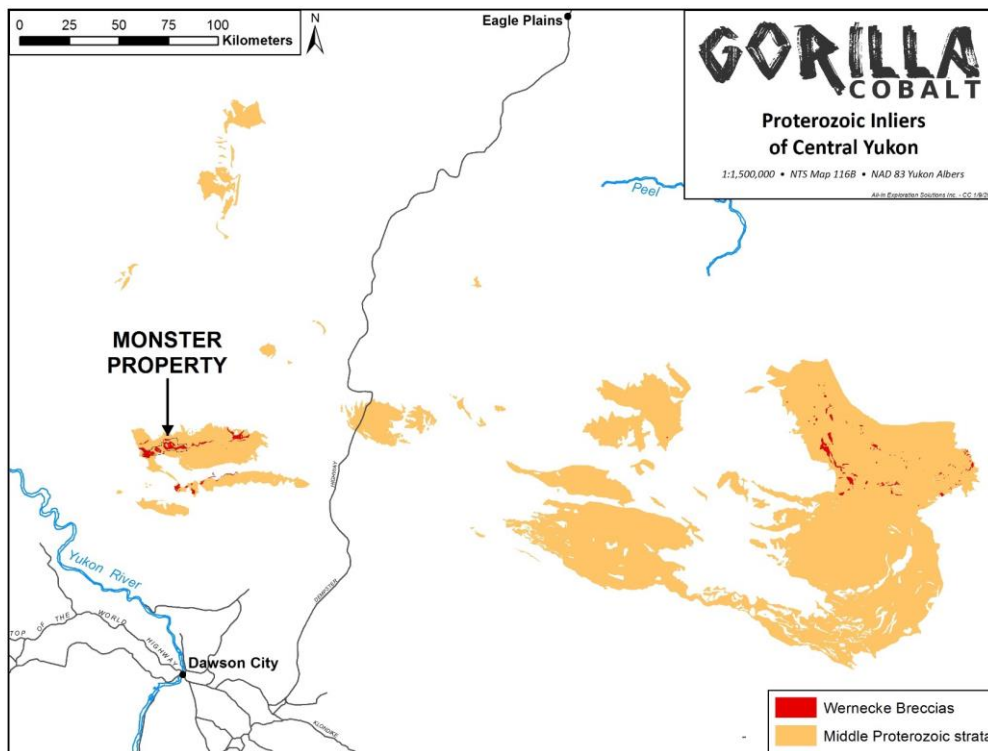


Figure 3. The 283 quartz claims of the Monster Property shaded in brown.

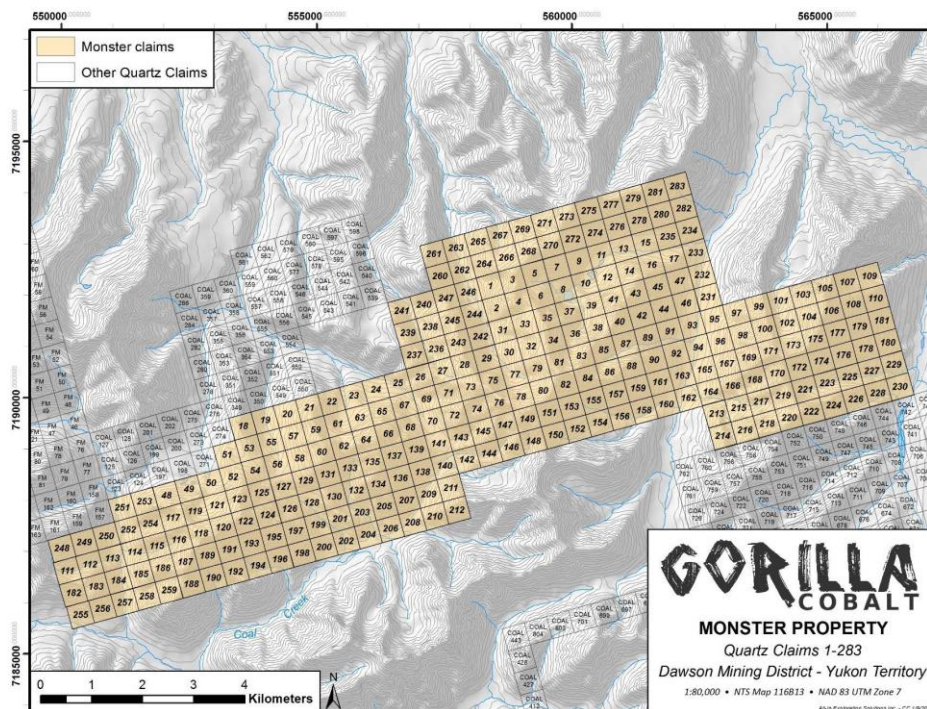


Table 1.1. Monster Property claim data

Claim Name	Grant Number	# Claims	Registered Owner	Expiry Date
Monster 1 - 212	YE91122 - YE91333	212	All-in Exploration Solutions Inc. - 100%	11/7/2018
Monster 213 - 230	YD03623 - YE03640	18	Riley Gibson - 100%	1/31/2019
Monster 231 - 247	YD03641 - YE03657	17	E. Charles Long - 100%	1/31/2019
Monster 248 - 259	YD03658 - YE03669	12	Riley Gibson - 100%	1/31/2019
Monster 260 - 283	YD03670 - YE03693	24	E. Charles Long - 100%	1/31/2019
	Total claims	283	5915 hectares	

(2) Accessibility, Climate, Local Resources, Infrastructure and Physiography

2.1 Accessibility and infrastructure

The Monster property is located approximately 85 km north of Dawson City in the Ogilvie Mountains, Yukon Territory, Canada. The nearest road is the Dempster Highway, 75 km west of the Monster property. The nearest fixed wing airstrip is a 600 m long gravel airstrip on the South Tatonduk River about 10 km north of the property (64°55.7' N 139°52.3' W). The nearest helicopter base is in Dawson City. Dawson City is a small placer mining town with hotels, motels, equipment and other services and is reachable by paved highway or aircraft from Whitehorse, Yukon.

2.2 Climate

The climate in the Yukon is typical of northern mountainous terrain. Snow commonly covers the property from late October to May, and the last patches of snow normally melt in late June. The best time for exploration activity is from June to early September. Snow may precipitate at any time of year, but it is unusual for a snowstorm to last more than week in summer. The mean annual precipitation on the Property is 300 – 400 mm. Summer temperatures in the valleys can reach over 20 °C during the daytime. The Yukon is close to the polar circle and the property receives more than 18 hours per day of direct sunlight during the peak of summer. During the winter the temperature can drop below -40 °C.

2.3 Physiography

The Ogilvie Mountains were unaffected by continental glaciation during the Pleistocene. Hence, relief on the Monster Property is over 1 km and elevation ranges from 900 m to over 2000 m. The terrain is steep and rugged, and the mountains are characterized by steep cirques and sharp ridges. Most of the Property is above the treeline and covered by grasses, mosses and shrubs. Exposure is excellent on steep mountain ridges and minor on less inclined ridge crests. Valleys and lower parts of steep slopes are commonly scree covered.

(3) History

3.1 1975 – 1976

Work during 1975 and 1976 focused on cobalt and copper on the DAS and Cobalt Cirque mineral claims. These historical claims overlap with the current Monster mineral claim. Union Miniere Exploration and mining Corporation Limited (UMEX) owned and explored the DAS and Cobalt Cirque mineral claims through geological mapping and soil sampling. Over 2 field seasons UMEX analyzed 1059 soil samples for Cu and Co, and a subset of these samples were also analyzed for Zn, and another subset for Ag.

A total of 170 soil samples of claims partly covering the Cobalt Cirque mineral claim were analyzed for Cu, Zn, Co and Ag during a soil sampling survey in 1975. Statistical analyses yielded anomalies of Cu > 190 ppm, possibly anomalous Zn of up to 270 ppm, uniformly low Ag and no anomalous Co (Dyson, 1976a).

A total of 645 soil samples of the DAS mineral claim were analyzed for Cu and Co during a soil sampling survey in 1976. Statistical analyses yielded anomalies of Cu > 480 ppm and possibly anomalous Cu of 290 – 450 ppm, and anomalies of Co > 110 ppm (Dyson, 1976b).

A total of 244 soil samples of the Cobalt Cirque mineral claim were analyzed for Cu and Co during a soil sampling survey in 1976. Statistical analyses incorporated the results of the aforementioned 1975 soil survey results and defined four Cu anomalies of > 200 ppm and spot anomalies of >100 ppm Co (Dyson, 1977).

3.2 1993 –1998

Renewed interest in the Wernecke Breccia followed the recognition of IOCG deposits as a separate deposit class and the discovery of the giant Olympic Dam deposit in Australia (Hitzman et al., 1992). The Monster mineral claim was explored by Monster Joint Ventures in 1993. The Cobalt Cirque mineral claim was staked separately and named the 'Cookie' mineral claim by Pendisle Resources in 1995. Pendisle Resources changed their name to Blackstone Resources and continued exploration on the Monster and Cookie Claims in 1996 and 1998. During this period, all of the exploration work was performed by Equity Engineering Ltd. partly in collaboration with Pamicon Developments Ltd. and Etheridge H. Williams.

A total of 872 soil samples and 377 rock samples were collected and analyzed from 1993 to 1998. Additionally geological, magnetic and gamma ray spectrometry maps were produced that helped define anomalous areas of Cu and Co.

Exploration in 1993 on the Monster and Monster west mineral claims, then 2 separate claims, confirmed the soil anomalies previously defined by UMEX, and confirmed the potential for Olympic Dam style mineralization on the Monster property. Several soil samples yielded Cu of > 1000 ppm, combined with anomalous Co, Zn, and Pb mineralization. Au, Ag and U in soil was uniformly low. Float samples yielded up to 1.70 % Cu.

Exploration in 1994 on the Monster claim, which then incorporated both the claims of 1993 and was significantly extended by further staking, focused on both rock and soil samples. Rock samples were both grab and float samples and demonstrated widespread alteration on the Monster claim. Grab samples yielded up to 25.9% Cu and 2.80% Co.

A total of 283 soil samples were collected in 1994 and analyzed for Au, Ag, Co, Cu, Pb, Zn and Ba. Statistical analyses of these soil samples was performed using 593 additional samples of other Wernecke Breccia zones within the Ogilvie Mountains (but not on the Monster mineral claim). In combination with older data, this soil sampling program outlined numerous anomalies of >300 up to >900 ppm Cu locally in combination with >50 up to >100 ppm Co.

A total of 11 stream sediment samples were collected in 1994. However, these samples were too few to allow a statistical treatment and were instead compared to regional background data. Elevated Cu and Co concentrations in stream sediment samples coincided with known mineralization in the catchment of the respective samples.

3.3 2001 – 2007

In 2001 Monster Copper Resources Inc. acquired 100% interest in the Monster/Cookie property. Monster Copper Resources Inc. invested in a gravity survey over part of the Monster/Cookie property and identified a large anomaly of 3 mgal. Additional gravity surveying was done in 2002. The interpreted anomaly declined slightly in intensity but was still considered prospective. The anomaly was drilled concurrently with further gravity surveying in 2003. An improved set of elevation data was obtained in 2003 which allowed for the reinterpretation of all the gravity data. The previously identified strong gravity anomaly appeared to be mostly an artifact of the low-quality elevation data that was used for the terrane correction prior to 2003. As a result the drill hole that was meant to intersect the supposed gravity anomaly failed to intersect anything of interest.

In 2007 Monster Copper Resources Inc. analyzed 1071 pulps of soil and rock samples collected by Blackstone Resources from 1993 – 1998 for U. The highest U in grab samples was 32 ppm. The highest U in soil samples was 20 ppm.

(4) Geophysical surveys

4.1 Induced polarization survey

UMEX obtained data from three IP lines on the DAS claim in the seventies. Unfortunately, the data itself is unreported. The anomalies were noted to be locally related to mineralization. However, some anomalies were not related to mineralization (Baknes, 1995).

4.2 Radiometric survey

In 1994 a ground radiometric survey was performed over 8 km of grid line in Monster West. Baknes (1995), noted that high K counts locally coincided with areas of known

mineralization or elevated Cu in soil. However, some anomalies did not relate to mineralization (Baknes, 1995).

Normalizing K counts to Th counts is commonly used as a correction for the effect of primary lithology. However, on the Monster West claim some false anomalies were noted due to very low Th in local host rock (Baknes, 1995).

In 1996 High-Sense Geophysics Ltd. performed a helicopter borne magnetic (Section 3.4.3) and radiometric survey. EHW subsequently analyzed and interpreted the data (Williams, 1997). The regional survey was flown on a line spacing of 1000 m with a detailed survey flown over a smaller area (The Monster Property) with a spacing of 250 m. The survey was flown without control lines. In addition to that, the effects of instrumental noise and rapid changes in flight path resulted in minor degradation of the data quality (Williams, 1997). Regionally the radiometric data can outline the major lithological units on the basis of the K and U counts. Within the Wernecke Breccia the radiometric data indicate variable potassic alteration. Locally these data coincide with known areas of mineralization. The 1000 m line spacing used in the regional survey was too high to adequately assess potassic alteration within the Wernecke Breccia. However, the detailed survey on the Monster Property was successful in outlining potential areas of high potassic alteration (Williams, 1997).

4.3. Magnetic survey

A comprehensive magnetic survey was carried out in 1996 by High-Sense Geophysics. The magnetic data was collected concurrently with radiometric data (Section 3.4.2). The study consisted of a regional aeromagnetic survey and a detailed aeromagnetic survey. Regional aeromagnetic data was obtained using 1000 m line spacing. The results from this survey are useful for defining broad target areas and the regional structural setting (further described in section 7.3). The detailed aeromagnetic data was obtained using 250 m line spacing and allowed for the outlining of the general structure of the Monster Property and magnetic anomalies that are related to geology. However, 250 m line spacing is still too large to identify specific drill targets.

Differences in the ratio of magnetite/hematite are commonly the cause of magnetic highs in IOCG deposits. Magnetite is an order of magnitude more magnetic than hematite. The magnetic highs are locally correlated to zones of increased mineralization, notably on the east side of the Monster Property (Williams, 1997), and remain areas of interest.

The former Cookie Claim (currently the eastern part of the Monster Property) contains a distinct magnetic high that is modeled at 200 m below the surface. This magnetic high may have a southern dip and continue westward. Mineral showings on the Cookie Claim are bounded by E-W faults to the north and south and NE-SW structures to the east and west (Williams, 1997).

4.4. Gravity survey

Gravity surveys were performed from 2001 – 2003 by Monster Copper Resources. A gravity anomaly defined in 2001 and 2002 was followed up by additional gravity surveying and drilling in 2003. Unfortunately, after applying an improved terrane correction the gravity anomaly was discovered to be an artifact of elevation. The drill

hole failed to intersect anything of interest (Setterfield, 2001, 2003; Setterfield and Tykajlo, 2002).

(5) Geological Setting and Mineralization

5.1 Regional geology

The geology of Yukon Territory is split into two different parts by the northwest striking Tintina fault. The Tintina fault is a dextral strike-slip fault with approximately 430 km of displacement. In general the Tintina Fault separates rocks of ancestral North American affinity to the North from allochthonous terranes in the South. The Monster Property lies entirely to the north of the Tintina fault.

The ancestral North American rocks to the north of the Tintina Fault comprise predominantly basinal rocks that were deposited from approximately 1.7 Ga to the middle Phanerozoic. Deposition was punctuated by intervals of orogenesis, erosion, hydrothermal brecciation and magmatism (Thorkelson et al., 2005). The Proterozoic history of Yukon is recorded in several Proterozoic Inliers. The Monster Property occurs in the Ogilvie Inlier, in the central-west of Yukon Territory (Figure 2) and contains hydrothermal breccias that were emplaced in deformed and metamorphosed basinal Late – Middle Proterozoic rocks.

5.1.1 The Wernecke Supergroup

The Wernecke Supergroup is the host rock to the hydrothermal breccias that host mineralization on the Monster Property. The Wernecke Supergroup consists of over 13 km of fine grained sedimentary carbonate and siliciclastic rock (Delaney, 1981; Thorkelson, 2000) that was deposited between 1.66 Ga and 1.60 Ga (Furlanetto et al., 2013). The entire Wernecke Supergroup was deposited as a passive margin on Laurentia (Furlanetto et al., 2016).

The Wernecke Supergroup is divided into three Groups. From old to young these groups are the Fairchild Lake Group, the Quartet Group and the Gillespie Lake Group. The Fairchild Lake Group consists of mud to siltstone and is locally metamorphosed to greenschist as a result of the Racklan Orogeny. The Quartet Group consists predominantly of well-bedded fine grained siliciclastic rocks and shale. The Gillespie Lake Group consists predominantly of carbonate rocks, commonly with stromatolites, and fine grained siliciclastic rocks (Delaney, 1981; Thorkelson, 2000).

The Wernecke Supergroup was deformed and metamorphosed during the ca. 1.6 Ga Racklan Orogeny (Thorkelson et al., 2005; Furlanetto et al., 2013). The Racklan Orogeny caused greenschist metamorphism of the lower part of the Wernecke Supergroup and thrusting and folding. The Racklan Orogeny is interpreted as the result of Australia-Laurentia collision by several researchers (Thorkelson and Laughton, 2016; Verbaas et al., 2018).

5.1.2 The Wernecke Breccia

The Wernecke Breccia comprise a set of hematitic breccia zones in Yukon Territory (Delaney, 1981). The breccias occur in the Wernecke Mountains, the Ogilvie Mountains and the southern Richardson Mountains (Thorkelson et al., 2001). The breccia zones in the Ogilvie Mountains were initially termed the Ogilvie Mountain Breccia (Lane, 1990), but were later considered a continuation of the Wernecke Breccia (Thorkelson et al., 2001). The Wernecke Breccia formed after the Racklan Orogeny (Mercier, 1989; Thorkelson, 2000). One of the breccia zones in the Wernecke Mountains was dated by U-Pb on metasomatic titanite at 1598.8 ± 1 Ma.

Individual Wernecke Breccia zones range from several metres across to 5 kilometres in size (Thorkelson, 2000). The breccia zones are tabular to roughly circular (Thorkelson et al., 2001). The breccia zones crosscut strata of the Wernecke Supergroup and deformational fabrics of the Racklan Orogeny. In the Ogilvie Mountains the Wernecke Breccia occur in a northern breccia belt and a southern breccia belt (Lane, 1990). The breccia belts are roughly aligned with the northern and southern edge of the Proterozoic Ogilvie Inlier and are aligned with younger faults (Lane and Godwin, 1992).

Alteration

The Wernecke Breccia is mainly potassically altered, although a large subset in the Wernecke Mountains are sodically altered (Laughton et al., 2003). Locally, calcic alteration is predominant. Albite, scapolite, calcite, dolomite, orthoclase, ankerite, sericite and barite comprise the main alteration minerals (Hunt et al., 2005). Both alteration types are locally overprinted by chloritic and carbonate alteration in the form of disseminations and veins (Verbaas, 2017). Hitzman (1992) developed a model in which different alteration types were correlated to depth of breccia formation. However, as noted by Thorkelson et al. (2001a), this interpretation was based upon the incorrect premise that the Wernecke Breccia formed prior to deformation of the Wernecke Supergroup, a situation in which stratigraphic position could be equated to crustal depth. Hunt et al. (2005, 2011) related the host rock chemistry to the type of alteration, however, this interpretation is dependent on the presence of (meta-)evaporites in the Wernecke Supergroup for which there is no independent evidence (Verbaas, 2017). Carbon, sulfur, hydrogen, and oxygen isotopes appear to be buffered by the immediate country rock (Hunt et al., 2011). A large variation exists between the alteration at different mineral occurrences, which has been explained as varying halite dissolution, input of different fluids including magmatic and meteoric waters, and depth of formation (Hitzman, 1992; Kendrick et al., 2008; Gillen, 2010; Hunt et al., 2011).

Mineralization

Mineralization of the Wernecke Breccia is associated with hematite and magnetite and includes chalcopyrite, pitchblende, brannerite and cobaltite (Hunt et al., 2005). Elevated

concentrations of Au are common in association with Cu but gold is not visible (Hunt et al., 2005). Mineralization of the Wernecke Breccia occurs as sulphide pods, veins, stringers, and disseminations. The most common Cu bearing sulphides are chalcopyrite and bornite, with minor chalcocite and tenorite. Other common Cu bearing minerals in fractures and on weathering surfaces are malachite, azurite, and chrysocolla. Cobalt occurs as cobaltite and erythrite in veins, stringers, blebs and disseminations. Uranium is common in many of the Wernecke Breccia zones and occurs as pitchblende and brannerite, but appears to be completely absent from the Monster Property (Setterfield, 2007).

The exact mineral paragenesis differs per mineral prospect but commonly follows three broad stages. The first stage coeval with early brecciation and characterized by potassic or sodic metasomatism abundant in magnetite ± hematite. The main phase of brecciation is accompanied by magnetite ± hematite ± chalcopyrite-pyrite mineralization, and the last stage may involve the deposition of carbonates ± magnetite, hematite, chalcopyrite and pyrite. Locally barite veins are abundant during the last stage (Hunt et al., 2005).

5.1.3. Post-brecciation

A roughly 150 m.y. hiatus separates the Wernecke Breccia from the subsequently deposited Pr1 basin (Medig, 2014). The Pr1 basin overlies the Wernecke Supergroup and Wernecke Breccia in the Ogilvie Mountains. This basin formed as an intracratonic rift basin and, together with similar basins further south on the Laurentian margin, represents rifting of Australia from Laurentia (Medig, 2014). The basin infill is characterized by immature sediments that were likely sourced from felsic intrusives.

The Pinguicula Group overlies the Wernecke Supergroup and Wernecke Breccia in the Wernecke Mountains. The Pinguicula Group consists of fine grained sediments that were deposited after 1.38 Ga (Medig, 2016).

5.1.4 Clasts within Wernecke Breccia

The Wernecke Breccia are predominantly heterolithic and clasts were derived not only from the immediate host rock, but also from formerly overly lithologies (Laughton et al., 2003; Furlanetto et al., 2013; Nielsen et al., 2013; Verbaas et al., 2018). Clasts within the Wernecke Breccia may include shale, carbonate rock, sandstone, greenschist, amygdaloidal basalts, sediments with soft sediment textures and mafic to intermediate intrusions (Thorkelson et al., 2001; Nielsen et al., 2013; Verbaas et al., 2015). The igneous clasts within Wernecke Breccia were sourced from a formerly overly thrust nappe which may have been the source of metals (Nielsen et al., 2013).

5.1.5. Correlation to IOCG deposits on Australia

The Wernecke Breccia are included in the IOCG deposit class (Hitzman et al., 1992). The Wernecke Breccia are considered a non-magmatic IOCG province (Hunt et al., 2007). The Wernecke Breccia have been correlated to the giant Olympic Dam deposit on the Gawler Craton, Australia (Thorkelson et al. 2001; Verbaas et al., 2018) on the basis of age, lithological similarity, and detrital zircons of sedimentary clasts within the breccia zones.

5.2 Property Geology

5.2.1 Wernecke Supergroup

The Monster Property is centered around several Wernecke Breccia zones that were emplaced within the Wernecke Supergroup (Lane, 1990; Lane and Godwin, 1992). The Wernecke Supergroup here consists of sediments of the Quartet Lake Group and the Gillespie Lake Group (Baknes, 1995; Lane and Godwin, 1992).

The Quartet Group consists of coarse quartzite to conglomerate, black shale, grey to black siltstone and grey mudstone. The conglomerate unit is highly variable and contains well sorted and sub-angular 0.2 –2.0 cm maroon mudstone, chert, and quartz pebbles. The shale to siltstone is commonly well bedded and cleaved, and interbedded with quartzite (Baknes, 1995).

The Gillespie Lake Group consists of grey to buff weathering silty dolostone, and buff weathering grey to orange silty dolostone to dolostone. The latter is commonly stromatolitic and may contain silica replacements of stromatolites as ragged masses or rhythmic beds. In areas of brecciation and accompanying deformation the bedding is contorted and silica may be replaced by jasperoid (Baknes, 1995).

The Wernecke Breccia crosscut the Wernecke Supergroup shortly after the Racklan Orogeny (Thorkelson, 2000; Furlanetto et al., 2013). The mineralization and alteration on the Monster Property is localized within and adjacent to the Wernecke Breccia. How far the breccias extend in the subsurface is unknown.

5.2.2. Wernecke Breccia

All of the mineralization on the Monster Property occurs within or adjacent to the Wernecke Breccia. The Wernecke Breccia on the Monster Property is close to 1.6 Ga in age (Lane, 1990; Furlanetto et al., 2013). The three main Wernecke Breccia zones on the Monster Property extend for more than 15 km NE-SW. The zones are elongated in a NE-SW direction and range from tabular to ellipsoidal to roughly circular with many apophyses.

The clasts within the Wernecke Breccia were sourced from the immediate Wernecke Supergroup, but likely also from formerly overlying igneous and sedimentary lithologies. Diorites that were mapped as continuous intrusions (Dyson, 1976; Baknes, 1995) may mostly be transported clasts within the breccia zones (Jones, 1999). The maroon and green mudstone and siltstones noted by Baknes (1995) may be derived from a formerly

overlying sedimentary succession (Verbaas et al., 2014) that is linked to a sedimentary source on the Gawler Craton on Australia (Verbaas et al., 2018).

The Wernecke Breccia were separated into homolithic and heterolithic breccias by Lane (1990). Subsequent workers have used this terminology and attempted to map the breccias in detail using this distinction. However, the homolithic and heterolithic breccias may have sharp to gradational contacts, and whether a breccia is considered heterolithic or homolithic depends on the size of the area considered. In their entirety, the breccia zones are heterolithic.

Homolithic breccias are commonly located at the edge of the breccia zones and range from fractured wall-rock to crackle breccia to (less common) matrix supported breccia. The matrix of the homolithic breccias ranges from carbonate to clastic or soft sediment. Homolithic breccias commonly contain a low percentage of specular hematite, with the exception of maroon mudstone breccias which may contain up to 10% specular hematite (Baknes, 1995).

The heterolithic breccias contain a variety of clast types, including siltstone, shale, dolostone, diorite, banded iron formation, chert and quartzite. The matrix of the heterolithic breccias commonly contains quartz ± chlorite ± carbonate ± specular hematite ± sericite. Some heterolithic breccias have a clastic or soft sediment matrix. The breccias are commonly matrix supported with sub-angular fragments ranging from 1 cm to 1 m (Baknes, 1995; Jones, 1999).

5.2.3. Alteration

The alteration within the Wernecke Breccia zones is varied and appears to depend at least in part on the lithology of both the immediate wall-rock and the breccia clasts. Ferroan dolomite is ubiquitous in the breccia zones and may be in part the result of assimilation of Gillespie Lake Group wall-rock. Siderite is another common carbonate mineral and can locally be related to Mn-staining. Siderite is commonly associated with silica alteration in dolomites and spatially associated with clastic rocks of the Quartet Group (Jones, 1999).

Hematite occurs as specular hematite and earthy hematite, and hematite alteration is ubiquitous on the Monster Property. Earthy hematite is most common on the margins of the breccia zones, and specular hematite is more common towards the center and in association with diorite clasts. Many of the breccia clasts are partially or completely replaced by hematite and/or silica. It is possible that several 'maroon mudstones', 'jasperites' and 'banded iron formations' are in fact replaced clasts of sedimentary rock. Dark red hematite-carbonate veins occur in the Cobalt Cirque area (Jones, 1999).

Another common alteration style is layered silica and carbonate. This alteration appears to be localized in dolomitic host rock. The layers of silica and carbonate are ragged and contorted and it is unclear if they are related to the original bedding of the host rock. The rock has a very rough weathered surface. This style of alteration occurs over 200 x 400 m in the Jasper Zone (Jones, 1999).

Magnetite is uncommon but is present in some mineralized zones. Magnetite blebs and massive magnetite occur locally in the eastern part of the Monster Property within

altered beds of a dolomite clast (Jones, 1999). A large magnetic high underlies the eastern Monster Property (Williams, 1997).

Chlorite alteration is pervasive in heterolithic breccia. This type of alteration is most commonly associated with diorite clasts and intrusions (Jones, 1999).

Potassic alteration is strongest in the western part of the Monster Property. Potassic alteration occurs as potassic feldspar and sericite alteration in breccia clasts and matrix. This type of alteration is less common in the eastern part of the Monster Property (Jones, 1999).

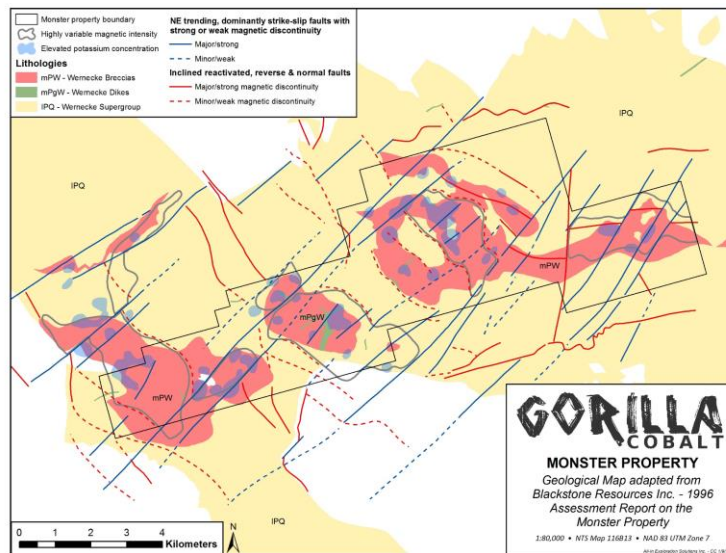
5.2.4. Structure

Primary bedding on the Monster Property forms a large EW striking anticline. Brecciation appears to be focused in the center of the breccia zone. Numerous steep faults striking roughly NS have been mapped by previous workers. These faults are commonly associated with drag folds in the Wernecke Supergroup strata. Aeromagnetic data implies a set of roughly EW striking faults is also present on the Monster Property. Drag folding associated with faults is common, and it is possible that the large EW anticline that encompasses the Monster Property is a drag fold associated with the Monster fault (Williams, 1997).

Structures that have been mapped on the basis of aeromagnetic data proved to be associated to mineralization during follow up geological mapping (Jones, 1999). The intersection between roughly NS faults and roughly EW striking faults appears to be an important control on mineralization. These structures may have provided bounds and/or pathways for breccia metasomatism and mineralization.

Several valleys on the Monster Property may represent major faults. The geology across the valley is markedly different and the valleys appear to be too linear to be purely erosional features. North trending valleys in the eastern Monster Property likely represent normal faults and linear steeply dipping NW trending valleys are faults of unknown type.

Figure 4. Structural framework as defined by airborne geophysics (Williams, 1997) and geological mapping (Lane, 1990; Lane and Godwin, 1992).



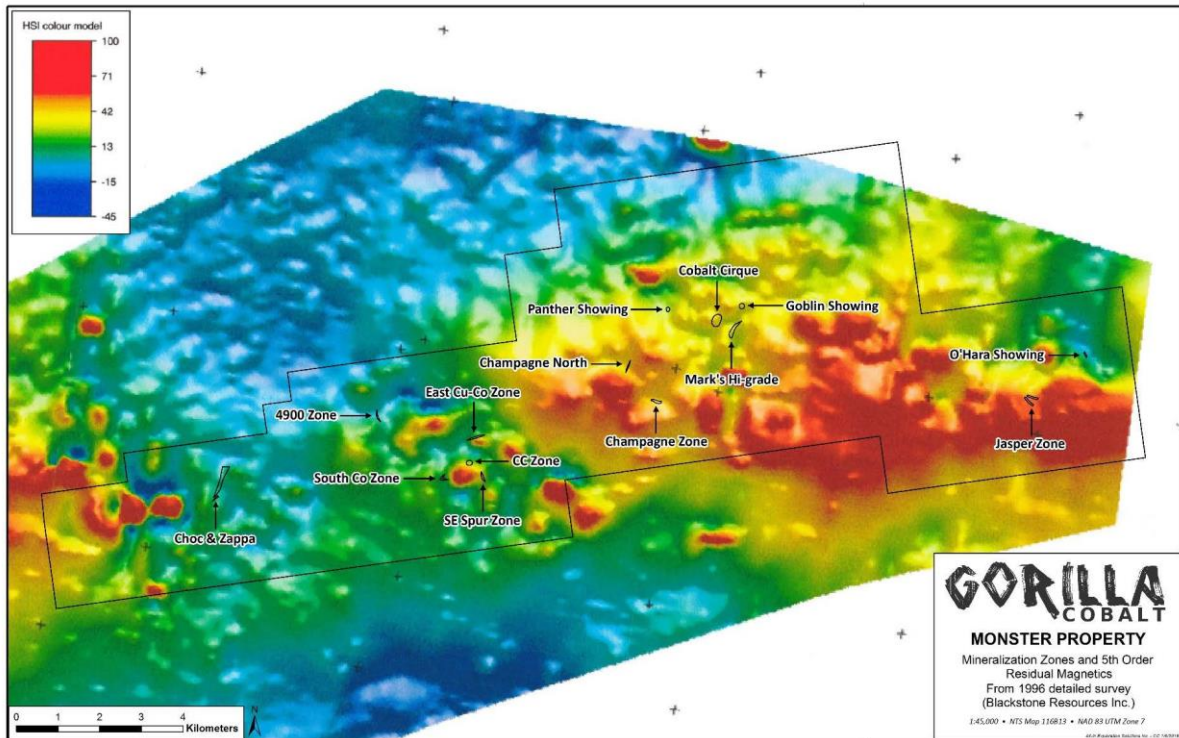
5.2.5. A possible buried intrusion and other magnetic anomalies

Based on total magnetic intensity, Williams (1997) postulated that a large buried intrusion underlies the western part of the Ogilvie Inlier. This intrusion is modeled as a 9 km deep magnetic high of 0.377 SI that underlies the western part of the Monster Property. The effects of this intrusion were removed to allow for the evaluation of residual anomalies (Williams, 1997).

Two anomalies underlie the eastern part of the Monster Property. These anomalies coincide with interpreted EW structures. The north anomaly is a magnetic high of 0.031 SI that starts at approximately 300 m and dips steeply to the north. The south anomaly is a magnetic high of 0.012 SI and dips to the south. The anomalies are somewhat interdependent and variations in size, shape and intensity are possible (Williams, 1997). During follow up ground mapping, Jones (1999) noted that mineralization is common on the surface above the magnetic anomalies (Figure 5).

The magnetic anomalies on the Monster Property are relatively small 5th order residual anomalies. The anomalies are likely due to higher ratios of metasomatic magnetite/hematite within the Wernecke Breccia. The anomalies are too high to be only due to increased hematite. Diorites that crop out on the claim do not coincide with magnetic highs, and are generally of low magnetic intensity, precluding a dioritic origin for the anomalies.

Figure 5. Mineralized showings overlain on 5th order residual magnetics. Note the SE SPUR, CC, and South CO Zone straddle the same magnetic anomaly



5.2.6. Cobalt, copper and gold anomalies from soil surveys

Anomalous Co, Cu and Au concentrations were defined by exploratory work from 1993 – 1998. The data from these programs (Caulfield, 1993; Baknes, 1995; Falls & Baknes, 1995; Jones, 1999) was used to generate soil anomaly maps (Figure 4, 5, 6) using a spline surface. Note that the dataset is limited and needs to be expanded in future programs.

Anomalies of Co and Cu are moderately correlative (Jones, 1999). Co anomalies are less ubiquitous on the property than Cu. The 99th percentile of Co is 177.5 – 2300 ppm. The 99th percentile of Cu is 2491 – 4810 ppm.

Anomalies of Au are weakly correlated to Cu (Jones, 1999). The highest Au in soil is 360 ppb.

Figure 6. Co anomalies in soil. This map was generated using a spline surface based on the data points presented in Figure 6.

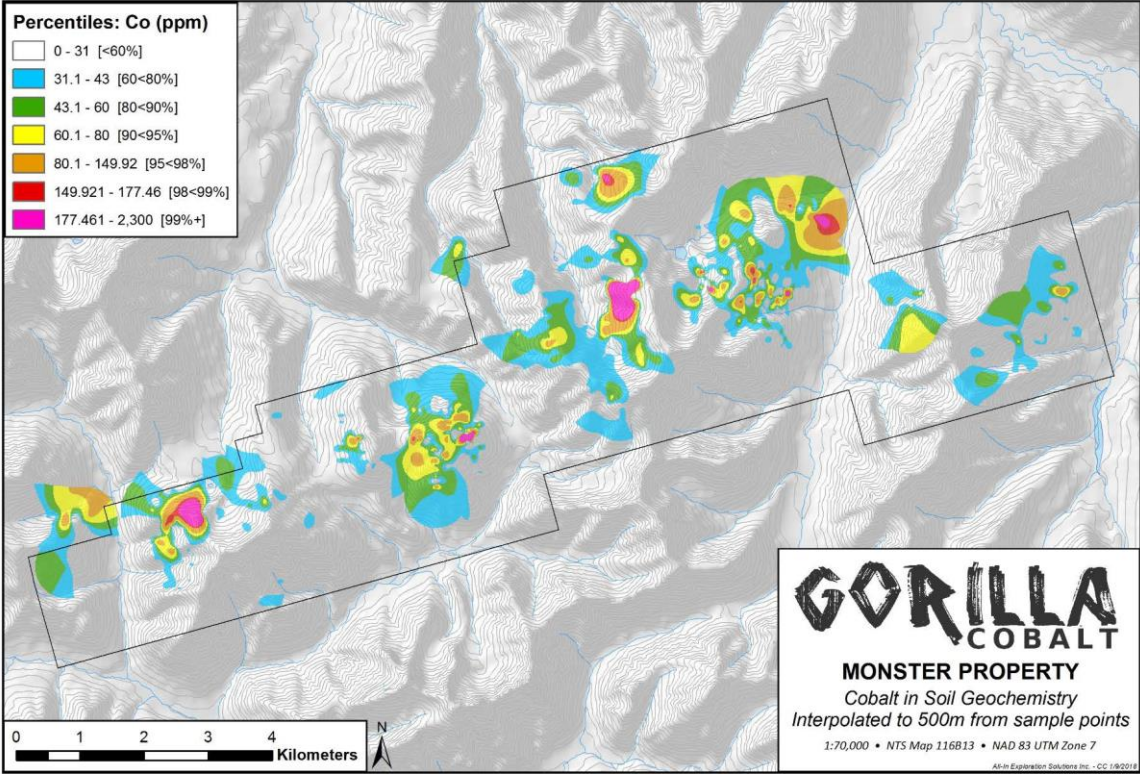


Figure 7. Co in soil.

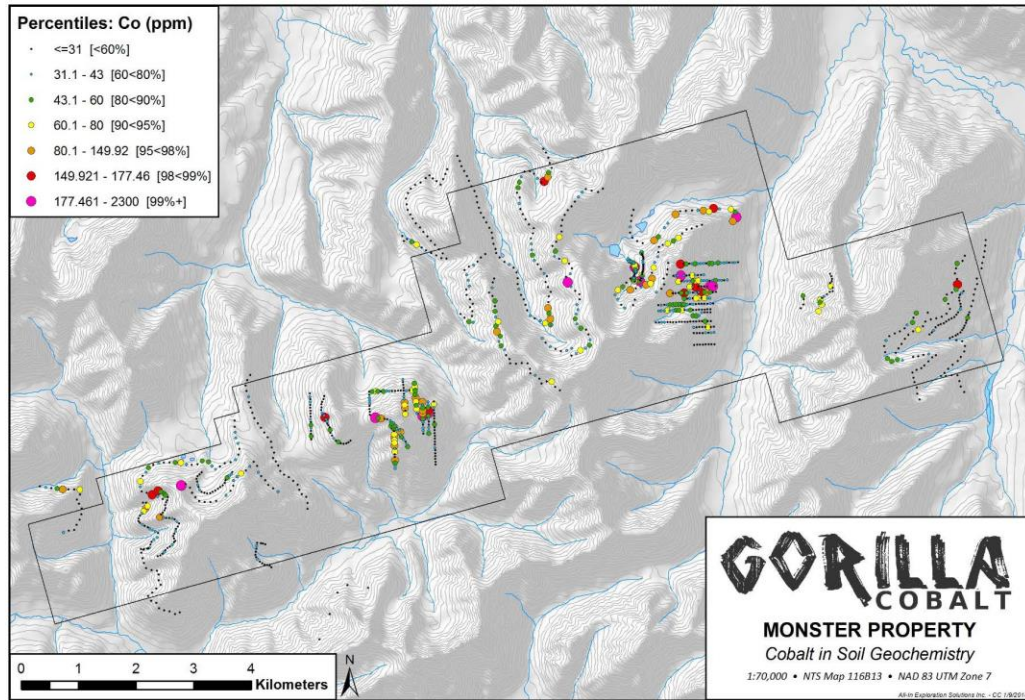


Figure 8. Cu anomalies in soil. This map was generated using a spline surface based on the data points presented in Figure 8.

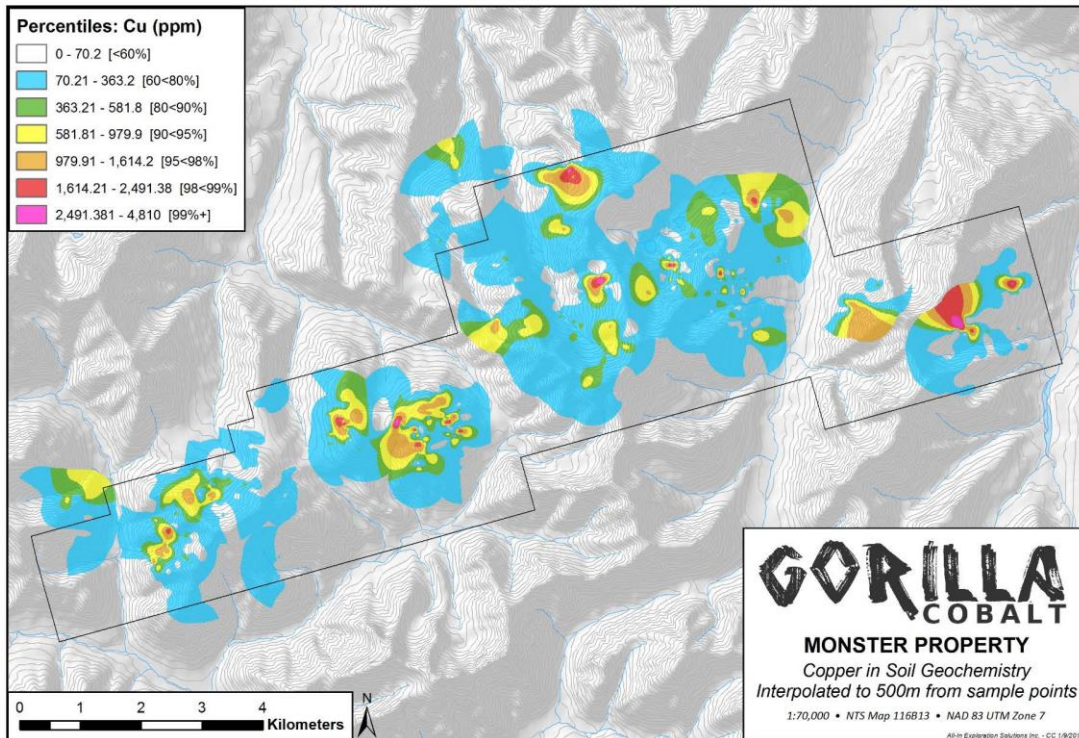


Figure 9. Cu in soil.

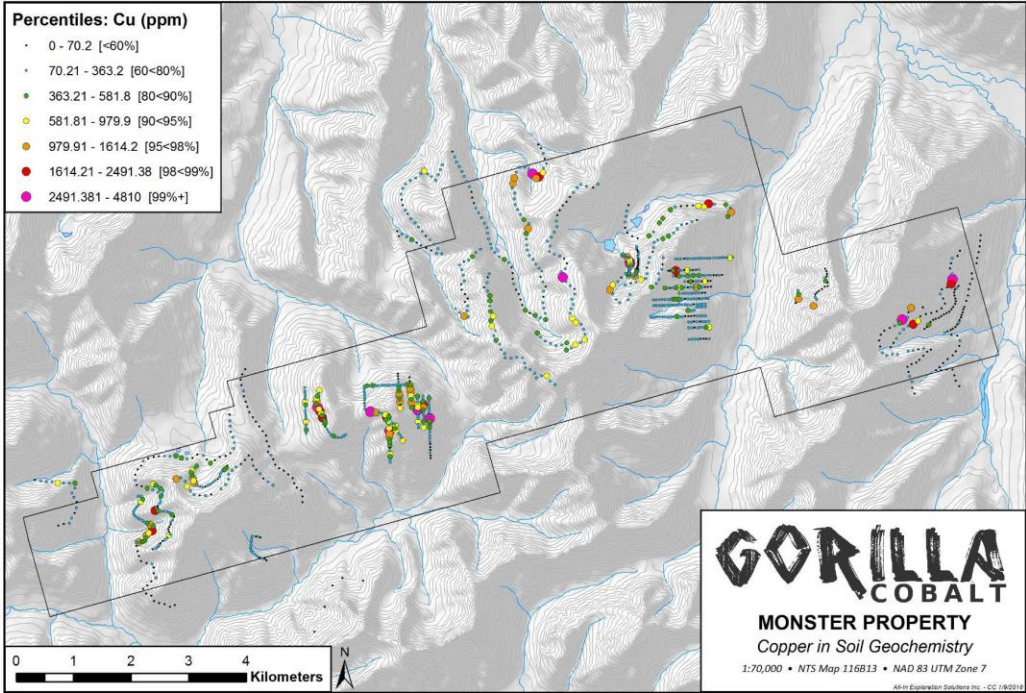


Figure 10. Au anomalies in soil. This map was generated using a spline surface based on the data points presented in Figure 10.

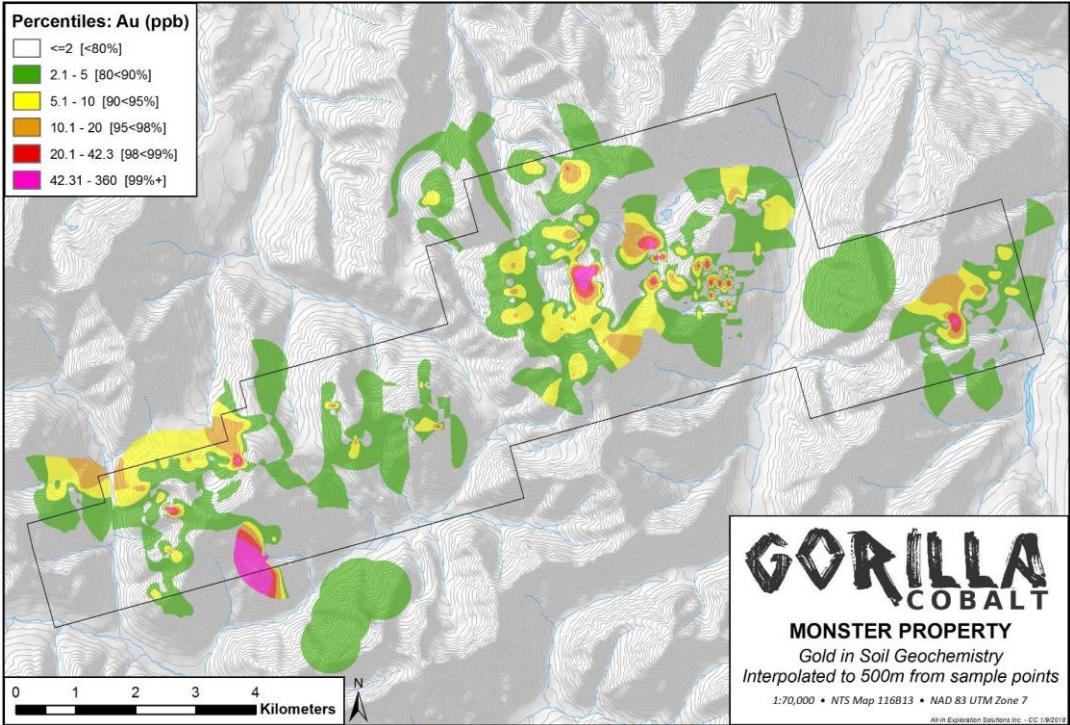
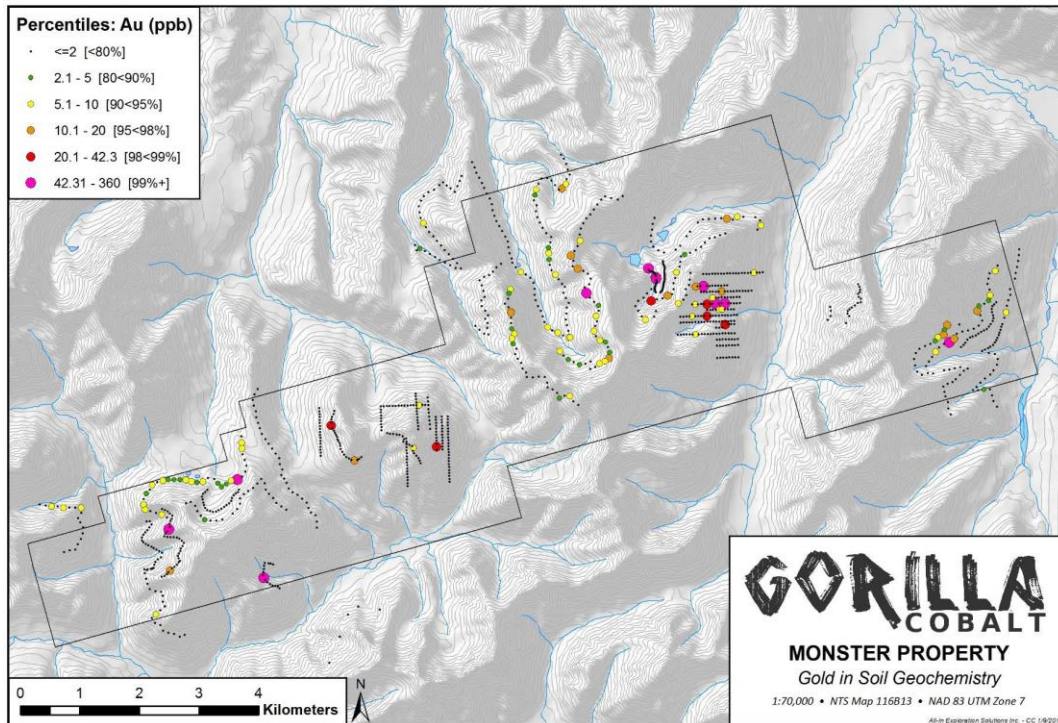


Figure 11. Au in soil.



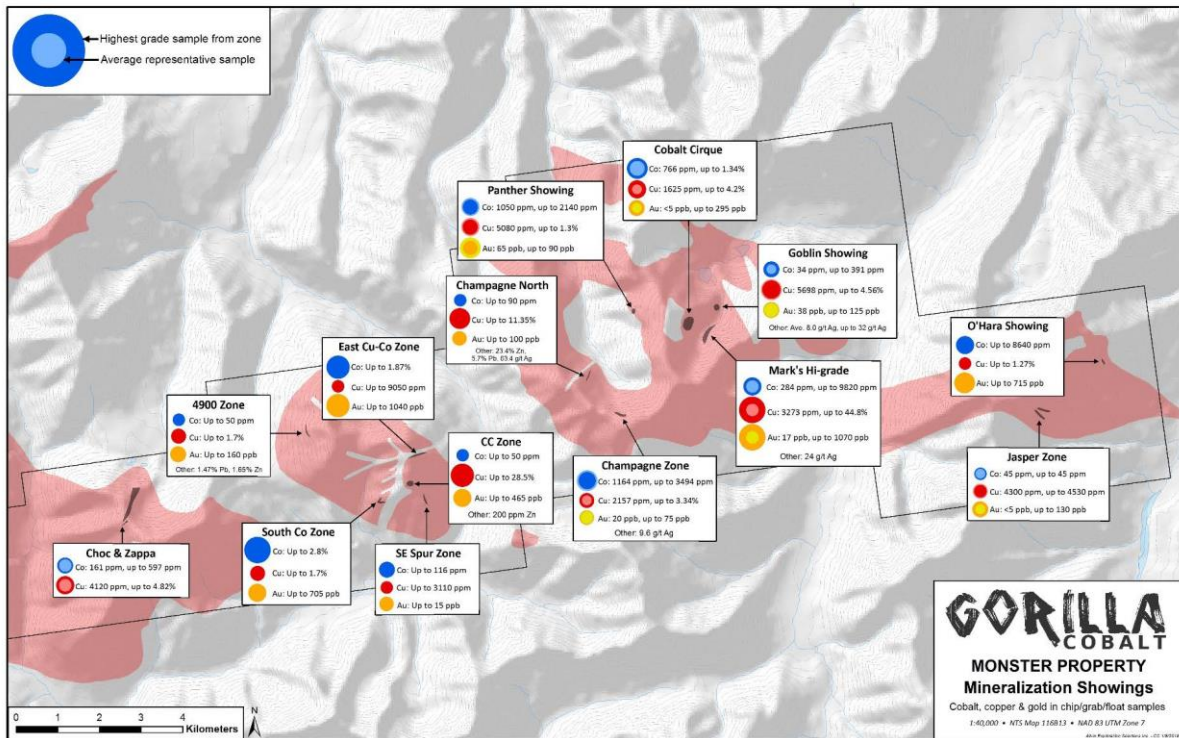
5.2.7. Mineralization

Mineralization on the Monster Mineral claim occurs within and immediately adjacent to the Wernecke Breccia. Mineralization commonly occurs as disseminated chalcopyrite ± cobaltite ± bornite, chalcopyrite-chalcocite-bornite stringers and disseminated cobaltite (Baknes, 1995). The type of alteration appears to depend on the lithology of the breccia clasts within and surrounding the mineralization (Caulfield, 1993; Baknes, 1995; Jones, 1999). For example, stringers of chalcopyrite and quartz occur within siliceous sedimentary clasts, and disseminated chalcopyrite occurs with chlorite within diorite fragments. Mineralization is commonly associated with increased potassic alteration, but also occurs without an apparent increase in alteration.

Numerous mineral occurrences on the property were described in detail during exploration programs from 1993 – 2003 (Figure 12). These mineralized zones are described in the following section from roughly west to east.

The results of rock samples in the following tables has not been confirmed by the Company. However, the data, including data verification, are publicly available in Yukon Assessment Reports (Caulfield, 1993; Baknes, 1995; Falls & Baknes, 1995; Jones, 1999; Setterfield, 2001, 2003; Setterfield & Tykajlo, 2002).

Figure 12. Mineralized Showings on the Monster Property.



Choc and Zappa Zone

The Choc Zone consists of a discontinuous 8 x 50 m zone of mineralization. The size of the Choc Zone is limited by the extent of exposure. Mineralization occurs as disseminated bornite and chalcopyrite in brown weathering laminated dolostone. The dolostone host is distinctive from the surrounding stromatolitic and locally jasperoidal dolostone (Baknes, 1995).

The Zappa Zone occurs 25 m west of the Choc Zone and consists of a narrow zone of mineralization that is continuous for about 50 meters at a strike of 020°. The 020° structure that hosts the mineralization may be a fault zone. Mineralization consists of disseminated chalcopyrite and bornite along bedding with minor cobaltite in veinlets and fractures. The mineralization is strongest within the structure but persists about 15 m to the east (Jones, 1999).

Table 5.1. Selected results from the Choc and Zappa Zone (Jones, 1999)

Choc and Zappa Zone					
Type	Locality	Cu (ppm)	Co (ppm)	Au (ppb)	Other
Grab	Choc	3870	5	<5	
Grab	Choc	2950	3	<5	
Grab	Choc	1780	3	<5	

5 m representative grab	Zappa	7460	300	<5	40 ppm Bi
select	Zappa	4.82%	597	<5	
5 m representative grab	Zappa	780	22	<5	

4900 Zone

The 4900 zone consists of a 70 x 100 m zone of mineralized subcrop and talus. Mineralization occurs as disseminated chalcopyrite in both matrix and clasts of a monolithic maroon mudstone breccia. The matrix of the breccia contains carbonate, specular hematite, and clastic mudstone. Chalcopyrite appears to be associated with increased hematite. Chalcopyrite with minor galena and sphalerite in laminated green mudstone and siltstone occurs in the southern part of the 4900 zone. The 4900 zone is poorly exposed, however soil geochemistry of >400 ppm Cu over a 700 x 100 – 400 area suggests continuous mineralization in the subsurface (Baknes, 1995).

Table 5.2. Selected results from the 4900 Zone (Baknes, 1995a)

4900 zone				
Type	Cu (ppm)	Co (ppm)	Au (ppb)	Other
float	7364	28	30	
float	1.70%	24	160	
float	3880	50	<5	0.1% Pb, 0.4% Zn
float	7960	24	<5	1.47% Pb, 1.65% Zn

South Co Zone

The South Co zone is poorly exposed but may exceed 50 by 70 m. The main host rock to mineralization is brecciated to non-brecciated siltstone and silty dolostone with minor jasper beds. These lithologies are silicified and carbonate altered, both pervasively and through stringer stockworks. Cobaltite occurs in disseminated veins and as fracture fillings in association with chalcopyrite. Copper mineralization occurs as blebby chalcopyrite in quartz-carbonate stringers and as disseminations (Baknes, 1995).

Table 5.3. Selected results from the South Co zone (Baknes, 1995a; Setterfield & Tyjkalo, 2002)

South Co Zone				
Type	Cu (ppm)	Co (ppm)	Au (ppb)	Other
4 m chip	3005	113	3	
5 m chip	4357	461	18	
5 m chip	767	51	3	
Grab	3840	256	<5	
Grab	8110	130	<5	
Grab	3160	1.43%	180	
Grab	1.70%	2.80%	705	

East Cu-Co Zone

The East Cu-Co Zone is located on an east-west trending ridge and is exposed over a 10 x 100 m area. The zone straddles a contact between east-west striking green laminated siltstones that contain either BIF or stratabound replacement features resembling BIF, and pink dolomitic siltstones. Large diorite clasts or intrusions are proximal to the East Cu-Co Zone.

Two styles of mineralization occur within the East Cu-Co Zone. The first style occurs as quartz-dolomite chalcopyrite stringer stockworks hosted in green and grey siltstones-mudstones. The second style occurs as cobaltite in stringers and haloes that crosscuts dolomitic siltstone with stratabound blebs of chalcopyrite (Baknes, 1995a).

Table 5.4. Selected results from the East Cu-Co Zone (Baknes, 1995a)

East Cu-Co Zone				
Type	Cu (ppm)	Co (ppm)	Au (ppb)	Other
Grab	153	1.87%	1040	
2 m chip	4940	83	<5	
Grab	124	5360	180	
3.8 m chip	9050	462	215	

CC Zone

The CC Zone occurs on a brecciated contact between diorite and purple mudstone. Two types of mineralization occur in the CC Zone. The first type consists of massive fine grained hematite and possibly tenorite with interstitial malachite. The massive hematite tenorite is botryoidal and occupies voids within a pink breccia consisting of orthoclase-quartz altered mudstone and diorite fragments. Abundant malachite occurs within voids in hematite/tenorite and within fractures. The second type of mineralization is hosted in variable orthoclase-silica-specularite altered purple mudstone near an intrusive lithology (Baknes, 1995b)

Table 5.5. Selected results from the CC Zone (Baknes, 1995a)

Type	CC Zone			
	Cu (ppm)	Co (ppm)	Au (ppb)	Other
Float	21%	19	465	200 ppm Zn
Float	4680	14	<5	
Float	4980	50	<5	
Float	4530	22	<5	
Grab	28.50%	11	176	
2.3 m chip	2657	27	<5	
4.5 m chip	4324	13	<5	

SE Spur Zone

The Southeast Spur Zone is exposed on a southeast trending ridge. The zone lies on the margin of a diorite clast or intrusion. Lithologies within the Southeast Spur Zone are purple mudstone with green laminated mudstone-siltstone-BIF. Mineralization occurs as a quartz-carbonate-chalcopryrite stockwork, as disseminated chalcopryrite and pyrite blebs with haloes lacking hematite and as disseminated chalcopryrite throughout the purple mudstone (Baknes, 1995a).

Table 5.6. Selected results from the SE Spur Zone (Baknes, 1995a)

Type	SE Spur Zone			
	Cu (ppm)	Co (ppm)	Au (ppb)	Other
12 m chip	2050	82	<5	

2.8 m chip	3110	116	15
Grab	3110	23	<5
Grab	2150	45	<5

Champagne Zone

The Champagne Zone occurs close to the head of a valley and is exposed over a 20 x 25 m area. Mineralization is associated with the contact between dolomite and shale/wacke and occurs as blebby to fracture controlled sulphides with minor malachite, azurite and erythrite on fractures. The Champagne Zone is open along strike in both directions (Jones, 1999).

Table 5.7. Selected results from the Champagne Zone (Jones, 1999).

Champagne Zone				
Type	Cu (ppm)	Co (ppm)	Au (ppb)	Other
5.6 m representative grab	3630	138	10	
3.0 m representative grab	47	2810	50	
7.2 m representative grab	636	546	<5	
float select	7030	1795	75	
2 m grab	3.34%	32	10	9.6 g/t Ag

Champagne North

Similar to the mineralization at the Champagne Zone, mineralization at Champagne North occurs along the contact of dolostone with shale/wacke. Mineralization occurs as chalcopryrite and bornite in brecciated, silica-carbonate altered dolomite and concretionary shale, locally with finely disseminated cobaltite. The Champagne North area contains anomalous Pb-Zn mineralization and strong pyrite alteration (Jones, 1999).

Table 5.8. Selected results from Champagne North (Jones, 1999; Setterfield, 2001)

Champagne North				
Type	Cu (ppm)	Co (ppm)	Au (ppb)	Other
4 m grab	1.41%	70	35	560 ppm Pb
Float	11.35%	90	90	1415 ppm Pb, 63.4 g/t Ag
Select	2570	45	40	1200 ppm Pb, 12.8 g/t Ag
Float	2340	47	20	23.4% Zn, 5.7% Pb, 11.8 g/t Ag
grab	340	29	100	

Panther Showing

The Panther Showing is a 1 x 10 m zone of mineralization. The Panther Showing is situated close to a structure defined by aeromagnetics (EHW, 1997). Mineralization occurs as chalcopyrite-bornite in silica altered dolomite associated with carbonate veining and potassic feldspar alteration (Jones, 1999).

Table 5.9. Selected results from the Panther Showing (Jones, 1999)

Panther Showing				
Type	Cu (ppm)	Co (ppm)	Au (ppb)	Other
Select	1.30%	2140	90	
5 m representative grab	5080	1050	65	

Cobalt Cirque

Cobalt Cirque is a steep north facing cirque with several mineralized areas within it. The first area was termed the Upper Cobalt Cirque Showing in 1998 and occurs on the west slope immediately east of Cobalt Cirque. Two types of mineralization have been described from mapping and prospecting the cirque. The first type is a chalcopyrite-bornite-cobaltite-quartz stockwork in heterolithic and carbonate rich breccias. Malachite, azurite and erythrite are

indicative of mineralized outcrop. The second type is chalcopyrite and minor bornite in a dark green chlorite and hematite altered heterolithic breccia (Caulfield, 1993). The mineralization occurs at the contact of crackle brecciated dolomite and shale and is associated with shearing and diorite intrusions or clasts (Jones, 1999).

Table 5.10. Selected results from Cobalt Cirque (Caulfield, 1993; Baknes, 1995; Jones, 1999)

Cobalt Cirque				
Type	Cu (ppm)	Co (ppm)	Au (ppb)	Other
Grab	4.20%	193	205	
Grab	1043	1.34	295	
Grab 4 m	5720	28	5	
5.6 m representative grab	1625	766	<5	
select	1.31%	49	<5	

Mark's Hi-grade Showing

Mark's Hi-grade occurs at the edge of exposure on the southeast wall of Cobalt Cirque. Mineralization is traceable along the edge of the outcrop for about 50 m upslope. Lower grade disseminated mineralization is approximately 30 meters wide. Mineralization consists of chalcopyrite, bornite, pyrite and cobaltite as disseminated blebs and veinlets in pink dolomite and shale (Jones, 1999).

Table 5.11. Selected results from Mark's Hi-grade Showing (Jones, 1999; Setterfield, 2001; Setterfield & Tyjkalo, 2002)

Marks Hi-Grade Showing				
Type	Cu (ppm)	Co (ppm)	Au (ppb)	Other
Select	44.80%	9820	510	24 g/t Ag
5.0 m representative grab	2170	145	<5	
6.0 m representative grab	4620	341	50	

4.0 m representative grab	3030	367	<5
3.0 m chip	5150	1265	25

Goblin Showing

The Goblin Showing was discovered through soil sampling in 1994 and subsequent geological work in 1998. The Goblin Showing is mostly inaccessible due to the relief in the immediate area. Mineralization consists of bornite, chalcopyrite and cobaltite in a carbonate-quartz stockwork (Jones, 1999).

Table 5.12. Selected results from the Goblin Showing (Jones, 1999)

Goblin Showing				
Type	Cu (ppm)	Co (ppm)	Au (ppb)	Other
5.0 m representative grab	3870	23	<5	4.4 g/t Ag
5.0 m representative grab	4890	26	<5	5.6 g/t Ag
5.0 m representative grab	2850	32	10	4.0 g/t Ag
5.0 m representative grab	16300	45	80	32.0 g/t Ag
5.0 m representative grab	4220	36	125	5.2 g/t Ag
5.0 m representative grab	5210	46	15	7.0 g/t Ag
5.0 m representative grab	2550	36	35	
Grab 1 m	1.40%	391	10	2.0 g/t Ag

Jasper Zone

The Jasper Zone is located at the intersection of a steep reverse fault to the south and northeast trending basement faults to the east and west. There is also a northwest trending fault on the north side of the zone (Williams, 1997). The Jasper Zone is 200 x 400 m and situated adjacent to a magnetic anomaly described by Williams (1997). The Jasper Zone is strongly silica and carbonate altered and derives its name from the jasper replacement of both breccia clasts and individual beds within dolomite. Two significant zones of mineralization about 10 – 15 x 30 – 50 m each occur within the Jasper Zone. Mineralization occurs as disseminated blebs and fracture fillings of chalcopyrite. The best mineralization appears to occur in carbonate altered host rock (Jones, 1999).

Table 5.13. Selected results from the Jasper Showing (Jones, 1999)

Jasper Zone				
Type	Cu (ppm)	Co (ppm)	Au (ppb)	Other
6.8 m chip	4530	17	15	
1.6 m chip	3640	7	<5	
Select (5m)			130	
7.0 m representative grab	4300	45	<5	

O'Hara Showing

The O'Hara Showing occurs at the intersection of two structures detected during the aeromagnetic survey in 1996 (Williams, 1997). The O'Hara Showing is 20 x 25 m zone that contains disseminated cobaltite, bornite and chalcopyrite in altered dolomite with quartz-carbonate veins (Jones, 1999).

Table 5.14. Selected results from the O'Hara Showing

O'Hara Showing				
Type	Cu (ppm)	Co (ppm)	Au (ppb)	Other
Select	1.27%	8640	715	
2.0 m chip	5030	1360	100	

6. Deposit types

The Monster Property hosts IOCG (iron oxide copper & gold) mineralization. IOCG deposits were defined by Hitzman (1992) as a separate deposit class. This deposit class is characterized by abundant hematite and magnetite, low in sulphides and commonly enriched in light rare earth elements (LREE, Hitzman et al., 1992; Groves et al., 2010). Since its definition the IOCG deposit class has become to incorporate a variety of deposits, obscuring the critical features of IOCG 'sensu stricto' deposits (Groves et al., 2010).

IOCG sensu stricto deposits are structurally controlled magmatic – hydrothermal and commonly contain significant volumes of breccia. Mineralization commonly occurs in sulphides that are paragenetically younger than, but closely associated with, low Ti-oxides. Commonly these deposits are temporally, but not necessarily spatially, associated with alkaline to sub-alkaline intrusions (Groves et al., 2010).

The Wernecke Breccia on the property is interpreted as a steep sided breccia pipe that contains igneous and potentially other fall-back clasts (Thorkelson, 2000; Thorkelson et al., 2001; Nielsen et al., 2013; Verbaas et al., 2018)

7. Exploration

The Company has not yet undertaken exploration. All the data, interpretations, and conclusions within this report are based on or derived from historical work.

8. Drilling

The Company has not yet drilled the property. One hole was drilled by Monster Copper Resources Inc. in 2003. The drillhole was collared at 559225E 7190193N and angled at -50° at azimuth 015°. The drillhole was meant to intersect a positive gravity anomaly defined in 2002. The end of hole was at 194.15 m. During the same field season, the gravity anomaly was determined to be an artifact of elevation correction. The drillhole intersected 1.5 m @ 1.66% Cu.

9. Sample Preparation, Analyses, Verification and Security

The authors have relied on previously filed reports, including the sample preparation, analyses, verification and security protocols therein.

10. Data verification

None of the historical data provided within this report has been verified by the Company. All historical data provided within this report is publicly disclosed in Yukon Assessment Reports 93204 93260 93296 93965 94370 94354 94430 93600 with certificates of analyses and/or data reduction methods (Caulfield, 1993; Falls & Baknes, 1995; Jones, 1999; Setterfield, 2001; Setterfield and Tykajlo, 2002; Setterfield, 2003; Williams, 1997). Data on the Uranium concentration in pulps was derived from assessment report 094186, but certificates of analyses and quality control methods are not disclosed (Setterfield, 2007).

11. Mineral processing and metallurgical testing

The Company has not yet undertaken mineral processing or metallurgical testing.

12. Adjacent Properties

The Coal claims are adjacent to the Monster Property in the northeast and southwest. These claims cover mostly the Wernecke Supergroup and a small part of the Wernecke Breccia. The focus of exploration on the Coal claims has been carbonate replacement lead-zinc-silver mineralization. This mineralization occurs within carbonate beds of the Wernecke Supergroup.

13. Other Relevant Data and Information

The Wernecke Breccia are interpreted to be steeply dipping breccia bodies by academic workers (Nielsen et al., 2013; Verbaas et al., 2018). However, their original orientation may have changed during deformation and their continuation in the subsurface has not been tested.

An unpaved government-managed road runs through the adjacent Coal claims. This road is currently overgrown and unusable but could be cleared in the future.

14. Interpretation and Conclusions

Historical exploration work on the Monster Property and academic work on the Wernecke Breccia indicates the presence of IOCG mineralization. The host rocks to the IOCG mineralization are the Wernecke Breccia, which are exposed over much of the claim. There is ample evidence in historical reports (section 6 & 7) for the presence of cobalt, copper and gold in sufficient concentrations to warrant further exploration.

15. Recommendations

Mineralization on the Monster Property is localized but possibly widespread. The inherently chaotic distribution of clasts within Wernecke Breccia is expected to result in a partly chaotic distribution of mineralization as well. Mineralization may only be relatively continuous where it follows or is redistributed along faults and other pathways for fluid flow. Two end member types of mineralization are expected:

- Mineralization as a result of clast composition and preferential hydrothermal replacement. Due to the chaotic nature of the Wernecke Breccia this mineralization will be chaotically distributed.
- Mineralization as a result of focused fluid flow along structural pathways.

Future programs need to ascertain which anomalies and/or showings are continuous due to structural control and fluid flow pathways, and which anomalies and/or showings are not continuous but are due to local breccia chemistry and clast content. The first complication in making this distinction is that the mineralogical expression of both types of mineralization may be similar. The second complication in making this distinction is that clasts within Wernecke Breccia are up to 800 m long (Nielsen et al., 2013) and as a result mineralization

that falls in the first category may be as extensive. However, clasts are commonly on the order of centimeters or metres.

15.1. Proposed 2 Phase Work Program

The objective of the following work program is to: 1) increase the resolution of existing datasets, 2) use new techniques to probe the subsurface (IP and resistivity), and 3) to drill the anomalies that may result from these combined datasets. Because of the short weather window on the Property it is likely that these programs will be spread over the exploration seasons of 2018 and 2019. This proposed 2 phase work program (Table 6.1) is a guideline only and the results of the individual surveys may affect the subsequent allocation of company resources.

Table 15.1. Recommended 2 phase work program

Phase 1			
Survey	Duration (days)	Cost/day	Total cost
UAV and photogrammetric survey @ 40 m AGL 2	21	NA	\$149,740.00
Expected standby	7	\$2,500.00	\$17,500.00
Surface mapping	14		
travel to/from Dawson City			
Salary	14	\$300.00	\$4,200.00
Soil Survey (1000 samples)			
Sampling	28		\$20,000.00
Assays			\$30,705.00
IP & TEM over 3 showings, 5 x 415 m, 6.2 line km			
Survey cost (excluding mobilization post-processing)	12	\$3,900.00	\$46,800.00
			\$5,000.00
Mobilization & logistics			
Bell L/R @ 4hrs/day on camp + fuel	30	\$6,480.00	\$194,400.00
Camp rental/setup/cook	30		\$45,000.00
Food (total of 200 person days in camp)		\$40/person per day	\$8,000.00
Total cost (including 8% contingency and 10% admin fee)			\$619,317
Total cost (including 12% sales tax)			\$693,635
Phase 2			
Survey	Duration (days)	Cost/day	Total cost
IP & TEM, 25 line km	30	\$3,900	\$258,000
Mobilization (flycamps)			\$21,700
Rab drilling (45 100m holes)	45	Approx. \$150/m	\$675,000
Mobilization (flycamps)			\$43,500
Total cost (including 8% contingency and 10% admin fee)			\$1,177,935
Total cost (including 12% sales tax)			\$1,319,287

15.2 Soil sampling

The current soil anomalies are based on the results of four different soil sampling programs from 1993 – 1998 and a total of 872 samples (Caulfield, 1993; Baknes, 1994; Falls & Baknes, 1995; Jones, 1998). Part of these soil samples were taken along contour lines and part in a grid. The soil samples do not completely cover the Monster Property. Future exploration should aim to fill the gaps in the current soil sampling record.

15.3. Surface mapping

Surface maps of the Monster Property have been produced on a variety of scales ranging from 1:5.000 to 1:20.000. These maps have been produced assuming continuity of diorite bodies and breccia clasts. However, recent academic work (Nielsen et al., 2013) that the dioritic bodies within Wernecke Breccia are commonly not continuous, but are clasts that have fallen back into the breccias, and most breccia clasts cannot be correlated from outcrop to outcrop. If exposure permits, a new geological map should be produced taking into account that nothing within the breccia is necessarily continuous, except for structures and intrusions that also continue into the wall-rock.

Other material that may or may not be continuous is maroon mudstone. Maroon mudstone has been mapped in several localities but is not common in the Wernecke Supergroup. There are two possible origins for the maroon mudstone:

- The Wernecke Ogilvie Unlithified Succession (WOUS, Verbaas et al., 2018), which consists of predominantly red mud and wacke. The WOUS is preserved within Wernecke Breccia as clasts. In this scenario the maroon mudstone is not continuous.
- The Pinguicula Group (Medig, 2016), which contains ample maroon mudstone and postdates the Wernecke Breccia. In this case the maroon mudstone overlies the Wernecke Breccia and should be mapped as continuous.

Maroon mudstones of both origins may be present on the Monster Property, however, following the mapping of Lane (1990) and Lane and Godwin (1992), it appears unlikely that the maroon mudstone is of the Pinguicula Group.

15.4 UAV photogrammetry and/or LIDAR

The Monster Property is located on rugged terrain and is partly inaccessible by foot. Steep ridges and mountain sides that are excellently exposed are out of reach for a traversing geologist. Photogrammetry and/or LiDAR (light detection and ranging) obtained with an unmanned aerial vehicle (UAV, otherwise known as a drone) would allow for a detailed and safe reconnaissance of the entire property.

The benefit of photogrammetry over LiDAR is that images are returned in true colour. Elevation errors can be within 0.25 m using photogrammetry. The benefit of using LiDAR over photogrammetry is that the measurements of topography can be accurate to within 0.01 m. Using photogrammetry allows geologists to see inaccessible exposure in the same colours as accessible exposure and will likely prove to be of more use than LiDAR alone. For the best

results the two methods are combined.

15.5. UAV magnetic survey

The magnetic survey performed on the Monster Property in 1997 was successful in delineating structures, providing a structural framework of the Property, and showed that magnetic anomalies coincided with mineralization. The line spacing of this survey was 250 m (Williams, 1997). It is recommended that an aeromagnetic survey is flown on the property that uses a dense grid (for example with 40 m line spacing as opposed to 250 m). This survey can be flown at two altitudes for better data quality. The benefit of UAV over traditional airborne magnetic surveys is that a consistent height above ground can be maintained.

15.6. Radiometric survey

Radiometric data reported in Williams (1997) locally coincided with mineralization on the Monster Property. This radiometric data was obtained during an airborne survey with 250 m line spacing. The dataset can be improved by using a lower line spacing.

15.7. Geophysical methods

Using areas of known mineralization, geophysical methods should be tested on a small area prior to a Property-wide survey. For example, a shallow induced polarization survey is a low-cost method that can be tested over for two mineralized showings to identify whether it is successful in delineating a target.

15.7.1. Induced polarization survey

Induced polarization (IP) is a survey method that measures the chargeability of the subsurface. The chargeability of sulfide minerals is relatively high. If the concentration of sulfides in a specific rock or ore are >10 % this will commonly result in an IP anomaly that can be regarded as a target for exploration.

On the Monster Property, Co and Cu are localized predominantly in the sulfide minerals chalcopyrite, bornite, and cobaltite. An IP survey may be able to highlight zones with elevated concentrations of sulfides, and hence of Co and Cu. IP is a ground method and it is unlikely that the entire Monster Property can be covered due to the high relief.

15.7.2. Electromagnetic survey

An electromagnetic (EM) survey can outline conductivity anomalies in the subsurface, and has traditionally been used to search for massive sulfides. These conductivity anomalies may be due to the presence of differing rock types or mineralization and alteration. EM surveys can be done on the ground or airborne. Considering the high relief on the Monster Property an airborne EM survey may be more cost effective than a ground survey. However, because only high concentrations of sulfide minerals will yield an EM anomaly, the use of EM is not warranted if there are no indications of massive sulfide pods in the subsurface of the property.

E. 5. Selected Consolidated Financial Information

5.1 Annual Audited Information

PRESCRIBED ANNUAL INFORMATION

The following financial information is derived from the Issuer's audited financial statements for the years indicated. This summary is qualified by, and should be read in conjunction with, the Issuer's financial statements, including the notes thereto as filed on SEDAR, and the accompanying management's discussion and analysis, included below in this Listing Statement, and the Issuer's management discussion and analysis filed on SEDAR.

	Year ended July 31, 2018 (Audited)	Year ended July 31, 2017 (Audited)	Year ended July 31, 2016 (Audited)
Total Revenue (Arrangements)	Nil	Nil	Nil
Total Profit (Loss)	(912,969)	207,471	\$(242,927)
Basic and Diluted Profit (Loss) per Common Share	\$(0.02)	\$(0.01)	\$(0.03)
Total Assets	1,448,029	212,138	\$146,293
Total Long-Term Financial Liabilities	Nil	Nil	Nil
Cash Dividends per Common Share	Nil	Nil	Nil

Discussion of the factors affecting the comparability of the data, including discontinued operations, changes in accounting policies, significant acquisitions or significant dispositions and major changes in the direction of the Issuer's business:

For the year ended July 31, 2018, the Company incurred a net loss of \$912,969 (2017: net income of \$207,471) as a result of a gain of \$427,500 (2017: \$414,590) on the Option Agreement. Significant expenses included exploration expenses of \$238,141 (2017: \$63,442) incurred on the New Brenda and Monster property; audit and accounting fees of \$42,932 (2017: \$43,630); consulting fees of \$355,000 (2017: \$Nil); legal fees of \$127,969 (2017: \$28,970); management fees of \$102,000 (2017: \$24,000); transfer agent, filing and stock exchange fees of \$30,064 (2017: \$15,547); and travel of \$71,833 (2017: \$Nil) due mainly to the Company transition to Canadian Securities Exchange, the closing of private placements, shares for debt agreement, conversion of the convertible promissory notes payable, the spin-out of the Company's New Brenda Property to Flow Metals and stock-based compensation of \$266,482 (2017: \$Nil) to management, directors and consultants of the Company. Interest expense for the year ended July 31, 2018 was \$11,263 which was lower than \$21,165 for 2017 as a result of the Company paying back a loan at the end of 2017 fiscal year and conversion of the convertible promissory notes to common shares of the Company during the year ended July 31, 2018.

5.2 Quarterly Information — For each of the eight most recently completed quarters ending at the end of the most recently completed financial year, provide the information required in paragraphs (a), (b) and (b) of Section 5.1.

	Q3 April 30, 2018	Q2 Jan 31, 2018	Q1 Oct 31, 2017	Q4 July 31, 2017	Q3 April 30, 2017	Q2 Jan 31, 2017	Q1 Oct 31, 2016	Q4 July 31, 2016
Total Revenue	-	-	-	-	\$260,000	\$154,590	Nil	Nil
Total Profit (Loss)	(264,458)	(488,287)	200,080	(85,955)	\$190,739	\$130,205	\$(27,518)	\$(22,487)
Basic and Diluted Profit (Loss) per Common Share	(0.01)	(0.01)	0.01	(0.00)	\$0.02	\$0.01	\$(0.00)	\$(0.00)

5.3 Dividends:

- (a) there are no restriction that could prevent the Issuer from paying dividends; and
- (b) the Issuer has not paid dividends on its common shares in the past and does not anticipate paying dividends on the common shares in the near future. The Issuer expects to retain any cash earnings to finance future growth and pay down debt as and when appropriate.

However, the Issuer has paid a dividend in specie to its Preferred Shareholders (see Subsection 4.1(7) above) being a dividend of approximately one (1) million K2 common shares received by the Issuer pursuant to the Wels Property Option (see also Subsection 3.1 above). The Issuer may declare further dividends on the Preferred Shares in the discretion of the Board of Directors subject to the working capital needs of the Issuer.

5.4 Foreign GAAP —The Issuer has not presented the selected consolidated financial information required in this section on the basis of foreign GAAP.

F. 6. Management's Discussion and Analysis

Annual MD&A

Introduction

Basis of Discussion & Analysis

The following Management's Discussion and Analysis ("MD&A") should be read in conjunction with the financial statements of the Company for the year ended July 31, 2018, which were prepared in accordance with International Financial Reporting Standards ("IFRS"). All financial amounts are stated in Canadian currency unless stated otherwise.

This MD&A contains certain forward-looking statements based on the best beliefs, and reasonable assumptions of the management of the Company. There are many risks and uncertainties attached to the mineral exploration business. Given these risks and uncertainties,

the reader should not place undue reliance on these forward-looking statements. (See “Risks and Uncertainties” in this MD&A for more information).

G. Overview of the Year Ended July 31, 2018

On August 14, 2017, the Issuer acquired the New Brenda Property with a cash payment of \$65,000 and 5,220,000 common shares of the Company with a deemed value of \$0.05 per share.

On December 27, 2017, the Company closed a non-brokered financing of 2,000,000 units at \$0.05 per unit for gross proceeds of \$100,000. Each unit consists of one common share of the Company and one share purchase warrant, with each warrant entitling the holder to acquire an additional common share of the Company at a price of \$0.075 per share for a period of two years.

On January 23, 2018, the Company granted 3,400,000 stock options at an exercise price of \$0.09 per share over a five year period.

On February 12, 2018, the Company closed a non-brokered private placement of 12,000,000 units issued at a price of \$0.10 per unit for gross proceeds of \$1,200,000. Each unit consisted of one common share and one common share purchase warrant. Each warrant entitles the holder thereof to purchase one additional common share at a price of \$0.15 per common share until February 11, 2020. Finders fees of 1,200,000 common shares issued valued at \$144,000 were paid to two individual finders in connection with the transaction.

On February 13, 2018, the Company acquired a 100% interest in a cobalt exploration property located in the Yukon by paying \$45,000 cash and issuing 1,600,000 common shares valued at \$192,000.

On March 2, 2018, the Company closed a shares for debt transaction with three consultants by issuing 2,857,140 common shares to extinguish \$300,000 in debt.

On March 15, 2018, the Company issued 6,576,000 common shares related to the conversion of convertible promissory notes in the principal amount of \$164,381.

On March 26, 2018, the Company split its common shares on the basis of two common shares for each existing common share held. All number of shares and per share amounts have been retroactively restated to reflect this share split.

On June 14, 2018, the Company changed its name from Gorilla Minerals Corp. to Go Cobalt Mining Corp.

On September 17, 2018, the Company and Flow Metals Corp. (“Flow Metals”) closed a statutory plan of arrangement to spin-out the Company’s New Brenda Property to Flow Metals (the “Arrangement”). Under the terms of the arrangement, Flow Metals issued 9,767,233 common shares to the Company based on one Flow Metals share being issued for every six issued and outstanding common shares of the Company. Outstanding warrants and stock options to purchase the Company’s shares will be exercisable to acquire Flow Metals shares as well as the Company’s shares on the basis that the holder will receive, upon exercise, one Flow Metals share for every six shares of the Company acquired.

On November 2, 2018, the Company signed an option agreement with Contigo Resources Ltd. (“Contigo”) to acquire a 100% interest in the Barachois Vanadium Property located in Gaspé Peninsula, Quebec. For consideration, the Company is required to make cash payment of \$40,000 (paid) and issue 1,000,000 common shares of the Company staged over a 12 month period (500,000 common shares issued). Upon completion of these payments, the Company will earn a 100% interest in the property subject to a 2% NSR royalty retained by Contigo. At any time, the Company shall have the option to acquire one-half of the 2% NSR by paying \$1,500,000 to Contigo.

Subsequent to the year ended July 31, 2018, the Company issued 850,000 common shares for proceeds of \$63,750 as a result of the exercise of 850,000 warrants with an exercise price of \$0.075.

Subsequent to the year ended July 31, 2018, the Company issued 100,000 common shares for proceeds of \$9,000 as a result of the exercise of 100,000 stock options with an exercise price of \$0.09.

The Company will continue to develop its exploration strategies with a view to maximizing shareholder value and focusing on its long term goal of moving the Company into production.

H. Overall Performance and Description of Business

The Company is an exploration stage company located at Suite 810, 789 West Pender Street, Vancouver, British Columbia, Canada V6C 1H2, engaged in the acquisition, exploration and development of mineral resource properties located in Canada.

During the year ended July 31, 2018, the Company acquired a 100% interest in the New Brenda Property, consisting of 15 contiguous mineral claims in Southern British Columbia and Monster Property, a cobalt property, located in the Yukon.

Effective on June 14, 2018, the Company changed its name from Gorilla Minerals Corp. to Go Cobalt Mining Corp.

Further to the spin-out of the New Brenda Property to Flow Metals as described above, the Company is undertaking the reorganization to shift focus towards the development of its cobalt exploration property located in Yukon known as the “Monster Property”, which is owned 100% by the Company. The Monster Property, which consists of 283 contiguous claim blocks totaling a surface area of 59.2 square kilometres, will remain in the Company. Management believes that holding the New Brenda Property in a separate public company offers benefits to the Company and its shareholders, including the following, among others:

- The Company can avoid dilution of the Company’s shares held by its shareholders that would result from financing the New Brenda Property in the Company.
- It is expected that holding the Monster Property in the Company and the New Brenda Property in Flow Metals will accelerate development of the properties.
- The Arrangement is expected to maximize shareholder value by allowing the market to value each property independently of the other property.

- Because the Company and Flow Metals will be focused on separate exploration properties with separate metal prospects, they will be more readily understood by public investors, allowing each company to be better positioned to raise capital and align management and employee incentives with the interests of shareholders.
- Flow Metals will be managed by the Company's current team of officers and its Board of Directors will initially be comprised of the same individuals as the Company's board.

I. Results of Operations

Selected Annual Information – For the year ended July 31, 2018

Year Ended:	July 31, 2018	July 31, 2017	July 31, 2016
Financial			
Exploration expenses (recovery)	\$ 238,141	\$ 63,442	\$ (13,930)
Net loss for the year	(912,969)	207,471	(242,927)
Basic and diluted loss per share	(0.02)	0.01	(0.01)
Balance			
Cash	\$ 868,674	\$ 207,67	\$ 70
Total assets	1,448,02	212,138	146,293
Accounts payable and accrued liabilities	92,323	39,886	56,706
Shareholders' equity (deficiency)	\$ 1,260,458	\$ (37,022)	\$ (152,726)
Cash Flow			
Increase (decrease) in cash for the year	\$ 661,002	\$ 207,602	\$ (23,930)

The Company did not have any sales, discontinued operations, extraordinary items, and cash dividends during the year. Material factors affecting operations and mineral property expenditures are described elsewhere in the MD&A.

J. Results of Operations – For the quarter ended July 31, 2018

For the three months ended July 31, 2018, the Company incurred a net loss of \$360,303 (2017: \$85,955). Significant expenses included exploration expenses of \$152,418 (2017: \$34,063) incurred on the New Brenda and Monster property; audit and accounting fees of \$16,700 (2017: \$16,500); consulting fees of \$39,000 (2017: \$Nil); legal fees of \$37,320 (2017: \$12,219); management fees of \$30,000 (2017: \$6,000); and travel of \$62,186 (2017: \$Nil) due mainly to the Company's transition to Canadian Securities Exchange and the spin-out of the Company's New Brenda Property to Flow Metals. Interest expense for the quarter ended July 31, 2018 was \$Nil which was lower than \$4,430 for 2017 as a result of the Company paying back a loan at the end of 2017 fiscal year and conversion of the convertible promissory notes to common shares of the Company during the prior quarter.

K. Results of Operations – For the year ended July 31, 2018

For the year ended July 31, 2018, the Company incurred a net loss of \$912,969 (2017: net income of \$207,471) as a result of a gain of \$427,500 (2017: \$414,590) on the Option Agreement. Significant expenses included exploration expenses of \$238,141 (2017: \$63,442) incurred on the New Brenda and Monster property; audit and accounting fees of \$42,932 (2017: \$43,630); consulting fees of \$355,000 (2017: \$Nil); legal fees of \$127,969 (2017: \$28,970); management fees of \$102,000 (2017: \$24,000); transfer agent, filing and stock exchange fees of \$30,064 (2017: \$15,547); and travel of \$71,833 (2017: \$Nil) due mainly to the Company transition to Canadian Securities Exchange, the closing of private placements, shares for debt agreement, conversion of the convertible promissory notes payable, the spin-out of the Company's New Brenda Property to Flow Metals and stock-based compensation of \$266,482 (2017: \$Nil) to management, directors and consultants of the Company. Interest expense for the year ended July 31, 2018 was \$11,263 which was lower than \$21,165 for 2017 as a result of the Company paying back a loan at the end of 2017 fiscal year and conversion of the convertible promissory notes to common shares of the Company during the year ended July 31, 2018

Summary of Quarterly Results:

<u>2018/17 Quarterly Results:</u>	<u>4th Quarter</u>	<u>3rd Quarter</u>	<u>2nd Quarter</u>	<u>1st Quarter</u>
Revenue	\$ -	\$ -	\$ -	\$ -
Loss and comprehensive loss	(360,303)	(264,458)	(488,287)	200,080
Basic and diluted loss per share	(0.01)	(0.01)	(0.01)	0.01
Total assets	1,448,029	1,709,778	491,881	543,847
Working capital	697,458	1,057,761	(113,194)	114,036

<u>2017/16 Quarterly Results:</u>	<u>4th Quarter</u>	<u>3rd Quarter</u>	<u>2nd Quarter</u>	<u>1st Quarter</u>
Revenue	\$ -	\$ -	\$ -	\$ -
Loss and comprehensive loss	(85,955)	190,739	130,205	(27,518)
Basic and diluted loss per share	(0.00)	0.01	0.01	(0.00)
Total assets	212,138	4,667	24,273	146,278
Working capital	114,454	(249,067)	(200,039)	(325,654)

During the first quarter ended October 31, 2017, the Company received \$100,000 cash and 500,000 K2 shares pursuant to the Option Agreement related to the Wels property resulting in gain of \$305,000 on the Statement of Income (Loss) and Comprehensive Income (Loss).

During the second quarter ended January 31, 2017, the Company received \$150,000 cash and 500,000 K2 shares pursuant to the Option Agreement related to the Wels property resulting in a decrease of both the capitalized mineral properties of \$145,410 on the Statement of Financial Position, and a gain of \$154,590 on the Statement of Income (Loss) and Comprehensive Income (Loss).

During the third quarter ended April 30, 2017, the Company received additional 500,000 K2 shares resulting in an additional gain of \$260,000 on the Statement of Income (Loss) and Comprehensive Income (Loss).

During the first quarter ended October 31, 2017, the Company received additional 500,000 K2 shares resulting in an additional gain of \$205,000 on the Statement of Income (Loss) and Comprehensive Income (Loss).

During the third quarter ended April 30, 2018, the Company received additional 500,000 K2 shares resulting in an additional gain of \$122,500 on the Statement of Income (Loss) and Comprehensive Income (Loss).

L. Project Summaries and Activities

CANADA

Wels Property (Yukon Territory)

Pursuant to an option agreement dated June 6, 2011, the Company was granted an option to acquire a 100% interest in the Wels property located in Whitehorse, Yukon Territory, Canada. On April 23, 2012, the Company assigned all the benefits, rights and obligations under the option agreement to the Company. The property consists of 136 unpatented mining claims and is subject to a 3% Net Smelter Returns (“NSR”) in favour of the optionor. The Company has the right to buy back the NSR for a cash payment of \$750,000 for each 1%, to a maximum of \$1,500,000, at any time. To maintain and exercise the option, the Company must:

- Make cash payments of \$15,900 upon signing (paid by the Company.);
- Make cash payments of \$15,450 upon the completion of a National Instrument 43-101 technical report (paid by the Company);
- Issue 150,000 common shares on the sixth month anniversary (issued by the Company);
- Make cash payments of \$25,000 and issue 100,000 common shares on or before September 30, 2012 (subsequently extended to make a cash payment of \$10,000 by October 31, 2012 and \$15,000 by January 31, 2013) (paid/issued by the Company);
- Make payments of \$40,000 on or before September 30, 2013, payable in cash, common shares, or a combination of cash and common shares (subsequently amended to payment of \$20,000 in cash on or before February 28, 2014 pursuant to a payment extension agreement dated November 19, 2013) (paid by the Company);
- Issue 100,000 common shares on or before 14 days from the date of a payment extension agreement dated November 19, 2013 pursuant to a payment extension agreement dated November 19, 2013 (issued on November 21, 2013);
- Make payments of \$80,000 on or before September 30, 2014, payable in cash, common shares, or a combination of cash and common shares (amended to payment of \$40,000 in cash on October 16, 2014 and \$40,000 issued in shares on October 24, 2014). (paid/issued by the Company).

On November 12, 2013, the Company granted to Enfield Resources an option to acquire a 100% undivided right, title and interest in certain mineral claims of the Wels property (“Wels Nickel Project”). The Company was entitled to receive a royalty interest equal to 5% of NSR. Enfield Resources was entitled to redeem the entitlement of the Company to its share of NSR by paying \$1,500,000 to the Company for each 1% so redeemed, to a maximum of \$7,500,000. In order to the option and to earn the interests in the Wels Nickel Project, Enfield was to make the following payments in cash to the Company:

- \$10,000 on or before November 12, 2013 (received);
- \$15,000 within 5 days of CSE Listing (received);
- \$2,500 on or before May 1, 2014 (received);

- \$80,000 on or before September 30, 2014 (Enfield defaulted on payment. The Option Agreement was terminated on October 30, 2014); and
- \$80,000 on or before September 30, 2015.

On January 7, 2014, the Company entered into an Option and Joint Venture Agreement with First Ferro whereby the Company granted First Ferro an option to acquire a 40% undivided beneficial interest in certain mineral claims of the Wels property (“Wels Gold Project”) by making the following payments:

- \$7,500 on execution of the Arrangement Agreement (received);
- \$10,500 within 5 days of the CSE Listing (received);
- \$100,000 on or before June 30, 2014 (First Ferro defaulted on payment, Option Agreement was terminated on August 31, 2014);
- \$100,000 on or before December 31, 2014;
- \$100,000 on or before June 30, 2015; and
- \$100,000 on or before December 31, 2015.

The Company was to be the operator of the Wels Gold Project and as such shall be responsible in its reasonable discretion for carrying out and administering exploration, development and mining work on the Wels Gold Project.

On August 11, 2016, the Company entered into an Option to Joint Venture Agreement (the “Option Agreement”) with West Melville Metals Inc. (“WMM”). Pursuant to the Option Agreement, the Company agreed to grant to WMM the sole and exclusive right and option to acquire an undivided 90% interest in the Wels property and other assets, as defined in the Option Agreement, subject to 3% NSR royalty on the minerals produced from the property, and upon the exercise of such option, the parties have agreed to form a joint venture (the “Option”).

In order to exercise the Option, WMM must:

(a) pay to the Company:

- \$50,000, within five Business Days after the date of TSX Venture Exchange (“TSX-V”)’s acceptance of the Option Agreement (received);
- an additional \$100,000 on or before the date that is 30 days after the date of the Option Agreement (received);
- an additional \$100,000 on or before the date that is 12 months after the date of the Option Agreement (received in August 2017);
- an additional \$50,000 on or before the date that is 24 months after the date of the Option Agreement (received in August 2018); and
- an additional \$50,000 on or before the date that is 27 months after the date of the Option Agreement (the Company granted an extension for the remaining cash payment of \$50,000 to be due on November 11, 2018) (received)

for total cash payments in aggregate of \$350,000;

(b) issue and deliver to the Company:

- 500,000 K2 shares within five Business Days after the date of TSX-V's acceptance of the Option Agreement (received);
- an additional 500,000 K2 shares on or before the date that is 6 months after the date of the Option Agreement (received);
- an additional 500,000 K2 shares on or before the date that is 12 months after the date of the Option Agreement (received in August 2017);
- an additional 500,000 K2 shares on or before the date that is 18 months after the date of the Option Agreement (received in February 2018);
- an additional 500,000 K2 shares on or before the date that is 24 months after the date of the Option Agreement (received in August 2018);
- an additional 500,000 K2 shares on or before the date that is 30 months after the date of the Option Agreement

for a total issuance in aggregate of 3,000,000 K2 shares. The Company intends to distribute its K2 shares to the Company's shareholders as soon as is reasonably practicable following the receipt of any such shares from K2.

New Brenda Property (British Columbia)

On August 14, 2017, the Company acquired the New Brenda Property with a cash payment of \$65,000 (paid) and 5,220,000 common shares of the Company (issued).

The New Brenda Property is comprised of 16 contiguous mineral claims covering an area of 10,500 Hectares west of the past producing Brenda Cu-Mo open pit located in southern British Columbia, approximately 40 kilometers west of Kelowna. The property is readily vehicle accessible via a well developed network of forest service roads connected to Highway 97c or from the community of Peachland.

A soil sampling and prospecting program was carried out in June 2017 on the Property. The areas sampled were within Twilight and Silverback Zones. Soil samples were collected every 50m along lines spaced at 200m. Three contiguous samples from the Twilight Zone are highly anomalous in gold and occur in the central portion of the target area. There is also a E-W trending line of moderately anomalous samples extending from the central highly anomalous area to the west of the target area. At the south end of the target is an inverted "U" shaped series of highly anomalous soil samples. The large target (600m X 500m) remains open to the south.

Dan Meldrum, M.Sc. P.Geo, author of the Technical Report is the Qualified Person, in accordance with the NI 43-101 of the Canadian Securities Administrators, and is responsible for the technical content of this press release.

On September 17, 2018, the Company and Flow Metals closed a statutory plan of arrangement to spin-out the Company's New Brenda Property to Flow Metals.

Monster Property (Yukon Territory)

On February 13, 2018, the Company acquired a 100% interest in a cobalt exploration property located in the Yukon by paying \$45,000 cash (paid) and issuing 1,600,000 common shares valued at \$192,000 (issued). The Copper Cobalt Monster Property consists of one block of 212

mineral claims totaling a surface area of 43.3 km². The property is in the Dawson Mining District within the traditional territory of the Tr'ondëk Hwëch'in First Nation.

Barachois Vanadium Property (Quebec)

On November 2, 2018, the Company signed an option agreement with Contigo Resources Ltd. ("Contigo") to acquire a 100% interest in the Barachois Vanadium Property located in Gaspé Peninsula, Quebec. For consideration, the Company is required to make cash payment of \$40,000 (paid) and issue 1,000,000 common shares of the Company staged over a 12 month period (500,000 common shares issued). Upon completion of these payments, the Company will earn a 100% interest in the property subject to a 2% NSR royalty retained by Contigo. At any time, the Company shall have the option to acquire one-half of the 2% NSR by paying \$1,500,000 to Contigo. The property is a sedimentary hosted Vanadium-Selenium-Silver-Lead-Zinc prospect covering 1,801 hectares where Carboniferous aged sediments have been shown to host sedimentary vanadium-zinc-lead mineralization. Historical work has identified three showings with samples yielding Vanadium Pentoxide grades in excess of 2%, lead over 8% and zinc over 5%.

M. New Opportunities

The Company continues to evaluate mineral properties and is focused on deposits in Canada with economic merit and good logistics will be considered for acquisition.

N. Outstanding Share Data

The Company has an authorized share capital of an unlimited number of common shares and an unlimited number of Class A Preferred Shares with a par value of \$0.001.

On March 26, 2018, the Company split its common shares on the basis of two common shares for each existing common share held. All number of shares and per share amounts have been retroactively restated to reflect this share split.

As at the date of this report, 60,253,656 common shares and 10,595,258 Class A preferred shares were issued and outstanding.

The Company has 5,710,000 share purchase warrants exercisable at \$0.075 per share until July 28, 2019, 1,400,000 share purchase warrants exercisable at \$0.075 per share until December 22, 2019 and 12,000,000 share purchase warrants exercisable at \$0.15 per share until February 11, 2020.

The Company has 3,300,000 stock options exercisable at \$0.09 per share until January 23, 2023.

O. Related Party Transactions

During the year ended July 31, 2018, the Company incurred \$90,000 (2017: \$24,000) in management fees from a company owned by the President of the Company, \$29,000 (2017: \$Nil) in consulting fees included in exploration expenses from a company owned by a Director of the Company and \$108,006 (2017: \$11,909) in legal fees from a company owned by the Corporate Secretary of the Company. At July 31, 2018, the Company owed \$60,125 (2017: \$22,675) to directors, Corporate Secretary and their companies and had \$35,123 (2017: \$35,123) of notes

payable and \$Nil (2017: \$100,984) of convertible promissory notes payable to directors and their companies.

P. Liquidity and Solvency

The following table summarizes the Company's cash on hand, working capital and cash flow:

As at	July 31, 2018	July 31, 2017
	\$ 868,674	\$ 207,672
Cash		
Working capital	697,458	114,454
Period Ended	July 31, 2016	July 31, 2015
	\$ (628,998)	\$ (219,685)
Cash used in operating activities		
Cash provided by investing activities	(10,000)	150,000
Cash provided by financing activities	1,300,000	277,287
Change in cash	\$ 661,002	\$ 207,602

The Company is dependent on the sale of treasury shares to finance its exploration activities, property acquisition payments and general and administrative costs. The Company will have to raise additional funds in the future to continue its operations. There can be no assurance, however, that the Company will be successful in its efforts. If such funds are not available or other sources of financing cannot be obtained, then the Company will be forced to curtail its activities.

Q. Capital Resources

The Company has no operations that generate cash flow and its long term financial success is dependent on discovering properties that contain mineral reserves that are economically recoverable. The Company's primary capital asset is a resource property. Exploration expenditures are expensed as incurred.

The Company's resource property agreement is an option agreement and the exercise thereof is at the discretion of the Company. To earn its interest in the properties, the Company must incur certain expenditures in accordance with the agreements (see "Project Summaries and Activities" in this MD&A for more information).

The Company depends on equity sales to finance its exploration programs and to cover administrative expenses.

R. Off-Balance Sheet Arrangements

The Company does not utilize off-balance sheet transactions.

S. Proposed Transactions

There are no proposed transactions that will materially affect the performance of the Company.

T. Accounting Policies

The accounting policies and methods employed by the Company determine how it reports its financial condition and results of operations, and may require management to make judgements or rely on assumptions about matters that are inherently uncertain. The Company's results of operations are reported using policies and methods in accordance with IFRS. In preparing financial statements in accordance with IFRS, management is required to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses for the period. Management reviews its estimates and assumptions on an ongoing basis using the most current information available.

Critical Accounting Estimates

The Company prepares its financial statements in accordance with IFRS, which require management to estimate various matters that are inherently uncertain as of the date of the financial statements. Accounting estimates are deemed critical when a different estimate could have reasonably been used or where changes in the estimate are reasonably likely to occur from period to period, and would materially impact the Company's financial statements. The Company's significant accounting policies are discussed in the consolidated financial statements. Critical estimates in these accounting policies are discussed below.

Environmental Rehabilitation Provision

The Company recognizes the fair value of a liability for environmental rehabilitation in the period in which the Company is legally or constructively required to remediate, if a reasonable estimate of fair value can be made, based on an estimated future cash settlement of the environmental rehabilitation obligation, discounted at a pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. The environmental rehabilitation obligation is capitalized as part of the carrying amount of the associated long-lived asset and a liability is recorded. The environmental rehabilitation cost is amortized on the same basis as the related asset. The liability is adjusted for the accretion of the discounted obligation and any changes in the amount or timing of the underlying future cash flows. Significant judgments and estimates are involved in forming expectations of the amounts and timing of environmental rehabilitation cash flows.

Future Changes in Accounting Standards

IFRS 9 Financial Instruments ("IFRS 9") is part of the IASB's wider project to replace IAS 39 - Financial Instruments: Recognition and Measurement. IFRS 9 retains but simplifies the mixed measurement model and establishes two primary measurement categories for financial assets: amortized cost and fair value. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. The standard is effective for annual periods beginning on or after January 1, 2018, with early adoption permitted. The Company does not expect the adoption of this standard to have any significant impact on its consolidated financial statements.

On May 28, 2014, the IASB issued IFRS 15 Revenue from Contracts with Customers ("IFRS 15"). IFRS 15 deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. Revenue is recognized

when a customer obtains control of a good or service and thus has the ability to direct the use and obtain the benefits from the goods or services. The standard replaces IAS 18 Revenue and IAS 11 Construction contracts and related interpretations. IFRS15 is effective for reporting periods beginning on or after January 1, 2018 with early application permitted. The Company does not expect the adoption of this standard to have any significant impact on its consolidated financial statements.

In June 2016, the IASB issued IFRS 16 Leases (“IFRS 16”). IFRS 16 establishes principles for the recognition, measurement, presentation and disclosure of leases, with the objective of ensuring that lessees and lessors provide relevant information that faithfully represents those transactions. IFRS 16 substantially carries forward the lessor accounting requirements in IAS 17. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently. However, lessees are no longer classifying leases as either operating leases or finance leases as it is required by IAS 17. The standard is effective for annual periods beginning on or after January 1, 2019. The Company is currently evaluating the impact the final standard is expected to have on its consolidated financial statements.

U. Financial Instruments

Designation and Valuation of Financial Instruments

The Company’s financial instruments consist of receivables, accounts payable, due to related parties, notes payable and convertible promissory notes payable. Receivables are classified as loans and receivables, and accounts payable, due to related parties, notes payable, and convertible promissory notes payable are classified as other financial liabilities, and recorded at amortized cost using the effective interest rate method. The Company does not hold any derivative financial instruments.

As at July 31, 2018, the fair values of accounts payable, due to related parties and notes payable, approximate their carrying values due to the relatively short-term maturity of these instruments.

V. Risks

Foreign exchange risk

The Company’s functional and reporting currency is the Canadian dollar and major purchases are transacted in Canadian dollars. As a result, the Company’s exposure to foreign currency risk is minimal.

Credit risk

The Company’s cash is largely held in large Canadian financial institutions. The Company does not have any asset-backed commercial paper. The Company’s receivables consist of GST/HST receivable due from the Federal Government of Canada. The Company maintains cash deposits with Schedule A financial institutions, which from time to time may exceed federally insured limits. The Company has not experienced any significant credit losses and believes it is not exposed to any significant credit risk.

Interest rate risk

Interest rate risk is the risk the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Financial assets and liabilities with variable interest rates expose the Company to cash flow interest rate risk. The Company does not hold any financial liabilities with variable interest rates. The Company does maintain bank accounts which earn interest at variable rates but it does not believe it is currently subject to any significant interest rate risk.

Liquidity risk

The Company's ability to continue as a going concern is dependent on management's ability to raise required funding through future equity issuances and through short-term borrowing. The Company manages its liquidity risk by forecasting cash flows from operations and anticipating any investing and financing activities. Management and the Board of Directors are actively involved in the review, planning and approval of significant expenditures and commitments.

Price risk

The ability of the Company to explore its mineral properties and the future profitability of the Company are directly related to the market price of precious metals. The Company monitors precious metals prices to determine the appropriate course of action to be taken by the Company.

W. Risks and Uncertainties

The Company's principal activity is mineral exploration and development. Companies in this industry are subject to many and varied kinds of risk, including but not limited to, environmental, metal prices, political and economical.

The mineral exploration business is risky and most exploration projects will not become mines. The Company may offer an opportunity to a mining company to acquire an interest in a property in return for funding all or part of the exploration and development of the property. For the funding of property acquisitions and exploration that the Company conducts, the Company depends on the issue of shares from the treasury to investors. These stock issues depend on numerous factors including a positive mineral exploration environment, positive stock market conditions, a company's track record and the experience of management.

The Company has no significant source of operating cash flow and no revenues from operations. The Company has not yet determined whether its mineral property contains mineral reserves that are economically recoverable. The Company has limited financial resources. Substantial expenditures are required to be made by the Company to establish reserves.

There is no guarantee that the Company will be able to contribute or obtain all necessary resources and funds for the exploration and exploitation of its permits, and may fail to meet its exploration commitments.

The property that the Company has an option to earn an interest in is in the exploration stages only, are without known bodies of commercial mineralization and have no ongoing mining operations. Mineral exploration involves a high degree of risk and few properties, that are explored, are ultimately developed into producing mines.

Exploration of the Company's mineral property may not result in any discoveries of commercial bodies of mineralization. If the Company's efforts do not result in any discovery of commercial mineralization, the Company will be forced to look for other exploration projects or cease operations.

The Company is subject to the laws and regulations relating to environmental matters in all jurisdictions in which it operates, including provisions relating to property reclamation, discharge of hazardous material and other matters.

X. Financial and Disclosure Controls and Procedures

During the year ended July 31, 2018, there has been no significant change in the Company's internal control over financial reporting since last year.

The Chief Executive Officer and Chief Financial Officer of the Company are responsible for establishing and maintaining appropriate information systems, procedures and controls to ensure that information used internally and disclosed externally is complete, reliable and timely. They are also responsible for establishing adequate internal controls over financial reporting to provide sufficient knowledge to support the representations made in this MD&A and the Company's consolidated financial statements of the Company for the year ended July 31, 2018.

The Chief Executive Officer and Chief Financial Officer of the Company have filed the Venture Issuer Basic Certificate with the Interim and Annual Filings on SEDAR at www.sedar.com.

In contrast to the certificate required for non-venture issuers under National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"), the venture issuer basic certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as defined in NI 52-109. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency, and timeliness of interim and annual filings and other reports provided under securities legislation.

INTERIM MD&A

The following Management's Discussion and Analysis ("MD&A") should be read in conjunction with the unaudited condensed consolidated interim financial statements of the Company for the nine months ended April 30, 2017, which were prepared in accordance with International Financial Reporting Standards ("IFRS"). All financial amounts are stated in Canadian currency unless stated otherwise.

This MD&A contains certain forward-looking statements based on the best beliefs, and reasonable assumptions of the management of the Company. There are many risks and uncertainties attached to the mineral exploration business. Given these risks and

uncertainties, the reader should not place undue reliance on these forward-looking statements. (See “Risks and Uncertainties” in this MD&A for more information).

Y. Overview of the Quarter Ended April 30, 2018

On August 14, 2017, the Company acquired the New Brenda Property with a cash payment of \$65,000 and 5,220,000 common shares of the Company with a deemed value of \$0.05 per share.

On December 27, 2017, the Company closed a non-brokered financing of 2,000,000 units at \$0.05 per unit for gross proceeds of \$100,000. Each unit consists of one common share of the Company and one share purchase warrant, with each warrant entitling the holder to acquire an additional common share of the Company at a price of \$0.075 per share for a period of two years.

On January 23, 2018, the Company granted 3,400,000 stock options at an exercise price of \$0.09 per share over a five year period.

On February 12, 2018, the Company closed a non-brokered private placement of 12,000,000 units issued at a price of \$0.10 per unit for gross proceeds of \$1,200,000. Each unit consisted of one common share and one common share purchase warrant. Each warrant entitles the holder thereof to purchase one additional common share at a price of \$0.15 per common share until February 11, 2020. Finders fees of 1,200,000 common shares issued valued at \$144,000 were paid to two individual finders in connection with the transaction.

On February 13, 2018, the Company acquired a 100% interest in a cobalt exploration property located in the Yukon by paying \$45,000 cash (paid) and issuing 1,600,000 common shares valued at \$192,000 (issued).

On March 2, 2018, the Company closed a shares for debt transaction with three consultants by issuing 2,857,140 common shares to extinguish \$300,000 in debt.

On March 15, 2018, the Company issued 6,576,000 common shares related to the conversion of convertible promissory notes in the principal amount of \$164,381.

On March 26, 2018, the Company split its common shares on the basis of two common shares for each existing common share held. All number of shares and per share amounts have been retroactively restated to reflect this share split.

On June 14, 2018, the Company changed its name from Gorilla Minerals Corp. to Go Cobalt Mining Corp.

The Company will continue to develop its exploration strategies with a view to maximizing shareholder value and focusing on its long term goal of moving the Company into production.

Z. Overall Performance and Description of Business

The Company is an exploration stage company located at Suite 810, 789 West Pender Street, Vancouver, British Columbia, Canada V6C 1H2, engaged in the acquisition, exploration and development of mineral resource properties located in Canada.

Working capital		1,057,761	(113,194)	114,036
2017/16 Quarterly Results:		4th Quarter	3rd Quarter	2nd Quarter
		1st Quarter		
Revenue	\$	-	\$ -	\$ -
Loss and comprehensive loss		(85,955)	190,739	130,205
Basic and diluted loss per share		(0.00)	0.01	0.01
Total assets		212,138	4,667	24,273
Working capital		114,454	(249,067)	(200,039)
				(325,654)
2016/15 Quarterly Results:		4th Quarter	3rd Quarter	2nd Quarter
		1st Quarter		
Revenue	\$	-	\$ -	\$ -
Loss and comprehensive loss		(22,487)	(42,747)	(30,182)
Basic and diluted loss per share		(0.00)	(0.00)	(0.00)
Total assets		146,293	127,032	144,810
Working capital		(144,764)	(85,612)	(51,538)
				(79,652)

*No exercise or conversion is assumed during the quarters in which a net loss is incurred, as the effect is anti-dilutive.

During the first quarter ended October 31, 2017, the Company received \$100,000 cash and 500,000 K2 shares pursuant to the Option Agreement related to the Wels property resulting in gain of \$305,000 on the Statement of Income (Loss) and Comprehensive Income (Loss).

During the second quarter ended January 31, 2017, the Company received \$150,000 cash and 500,000 K2 shares pursuant to the Option Agreement related to the Wels property resulting in a decrease of both the capitalized mineral properties of \$145,410 on the Statement of Financial Position, and a gain of \$154,590 on the Statement of Income (Loss) and Comprehensive Income (Loss).

During the third quarter ended April 30, 2017, the Company received additional 500,000 K2 shares resulting in an additional gain of \$260,000 on the Statement of Income (Loss) and Comprehensive Income (Loss).

During the first quarter ended October 31, 2017, the Company received additional 500,000 K2 shares resulting in an additional gain of \$205,000 on the Statement of Income (Loss) and Comprehensive Income (Loss).

During the third quarter ended April 30, 2018, the Company received additional 500,000 K2 shares resulting in an additional gain of \$122,500 on the Statement of Income (Loss) and Comprehensive Income (Loss).

AD. Project Summaries and Activities

CANADA

Wels Property (Yukon Territory)

Pursuant to an option agreement dated June 6, 2011, the Company was granted an option to acquire a 100% interest in the Wels property located in Whitehorse, Yukon Territory, Canada. On April 23, 2012, the Company assigned all the benefits, rights and obligations under the option agreement to the Company. The property consists of 136 unpatented mining claims and is subject to a 3% Net Smelter Returns ("NSR") in favour of the optionor. The

Company has the right to buy back the NSR for a cash payment of \$750,000 for each 1%, to a maximum of \$1,500,000, at any time. To maintain and exercise the option, the Company must:

- Make cash payments of \$15,900 upon signing (paid by the Company);
- Make cash payments of \$15,450 upon the completion of a National Instrument 43-101 technical report (paid by the Company);
- Issue 150,000 common shares on the sixth month anniversary (issued by the Company);
- Make cash payments of \$25,000 and issue 100,000 common shares on or before September 30, 2012 (subsequently extended to make a cash payment of \$10,000 by October 31, 2012 and \$15,000 by January 31, 2013) (paid/issued by the Company);
- Make payments of \$40,000 on or before September 30, 2013, payable in cash, common shares, or a combination of cash and common shares (subsequently amended to payment of \$20,000 in cash on or before February 28, 2014 pursuant to a payment extension agreement dated November 19, 2013) (paid by the Company);
- Issue 100,000 common shares on or before 14 days from the date of a payment extension agreement dated November 19, 2013 pursuant to a payment extension agreement dated November 19, 2013 (issued on November 21, 2013);
- Make payments of \$80,000 on or before September 30, 2014, payable in cash, common shares, or a combination of cash and common shares (amended to payment of \$40,000 in cash on October 16, 2014 and \$40,000 issued in shares on October 24, 2014). (paid/issued by the Company).

On November 12, 2013, the Company granted to Enfield Resources an option to acquire a 100% undivided right, title and interest in certain mineral claims of the Wels property ("Wels Nickel Project"). The Company was entitled to receive a royalty interest equal to 5% of NSR. Enfield Resources was entitled to redeem the entitlement of the Company to its share of NSR by paying \$1,500,000 to the Company for each 1% so redeemed, to a maximum of \$7,500,000. In order to the option and to earn the interests in the Wels Nickel Project, Enfield was to make the following payments in cash to the Company:

- \$10,000 on or before November 12, 2013 (received);
- \$15,000 within 5 days of CSE Listing (received);
- \$2,500 on or before May 1, 2014 (received);
- \$80,000 on or before September 30, 2014 (Enfield defaulted on payment. The Option Agreement was terminated on October 30, 2014); and
- \$80,000 on or before September 30, 2015.

On January 7, 2014, the Company entered into an Option and Joint Venture Agreement with First Ferro whereby the Company granted First Ferro an option to acquire a 40% undivided beneficial interest in certain mineral claims of the Wels property ("Wels Gold Project") by making the following payments:

- \$7,500 on execution of the Arrangement Agreement (received);
- \$10,500 within 5 days of the CSE Listing (received);
- \$100,000 on or before June 30, 2014 (First Ferro defaulted on payment, Option Agreement was terminated on August 31, 2014);
- \$100,000 on or before December 31, 2014;
- \$100,000 on or before June 30, 2015; and
- \$100,000 on or before December 31, 2015.

The Company was to be the operator of the Wels Gold Project and as such shall be responsible in its reasonable discretion for carrying out and administering exploration, development and mining work on the Wels Gold Project.

On August 11, 2016, the Company entered into an Option Agreement with WMM. Pursuant to the Option Agreement, the Company agreed to grant to WMM the sole and exclusive right and option to acquire an undivided 90% interest in the Wels property and other assets, as defined in the Option Agreement, subject to 3% NSR royalty on the minerals produced from the property, and upon the exercise of such option, the parties have agreed to form a joint venture ("Option").

In order to exercise the Option, WMM must:

(a) pay to the Company:

- \$50,000, within five Business Days after the date of TSX Venture Exchange ("TSX-V")'s acceptance of the Option Agreement (received);
- an additional \$100,000 on or before the date that is 30 days after the date of the Option Agreement (received);
- an additional \$100,000 on or before the date that is 12 months after the date of the Option Agreement (received in August 2017); and
- an additional \$100,000 on or before the date that is 24 months after the date of the Option Agreement;

for total cash payments in aggregate of \$350,000;

(b) issue and deliver to the Company:

- 500,000 K2 shares within five Business Days after the date of TSX-V's acceptance of the Option Agreement (received);
- an additional 500,000 K2 shares on or before the date that is 6 months after the date of the Option Agreement (received);
- an additional 500,000 K2 shares on or before the date that is 12 months after the date of the Option Agreement (received in August 2017);
- an additional 500,000 K2 shares on or before the date that is 18 months after the date of the Option Agreement (received in February 2018);
- an additional 500,000 K2 shares on or before the date that is 24 months after the date of the Option Agreement;
- an additional 500,000 K2 shares on or before the date that is 30 months after the date of the Option Agreement;

for a total issuance in aggregate of 3,000,000 K2 shares. The Company intends to distribute its K2 shares to the Company's shareholders as soon as is reasonably practicable following the receipt of any such shares from K2.

New Brenda Property (British Columbia)

On August 14, 2017, the Company acquired the New Brenda Property with a cash payment of \$65,000 and 5,220,000 common shares of the Company.

The New Brenda Property is comprised of 16 contiguous mineral claims covering an area of 10,500 Hectares west of the past producing Brenda Cu-Mo open pit located in southern British Columbia, approximately 40 kilometers west of Kelowna. The property is readily vehicle accessible via a well developed network of forest service roads connected to Highway 97c or from the community of Peachland.

A soil sampling and prospecting program was carried out in June 2017 on the Property. The areas sampled were within Twilight and Silverback Zones. Soil samples were collected every 50m along lines spaced at 200m. Three contiguous samples from the Twilight Zone are highly anomalous in gold and occur in the central portion of the target area. There is also a E-W trending line of moderately anomalous samples extending from the central highly anomalous area to the west of the target area. At the south end of the target is an inverted "U" shaped series of highly anomalous soil samples. The large target (600m X 500m) remains open to the south.

Dan Meldrum, M.Sc. P.Geo, author of the Technical Report is the Qualified Person, in accordance with the NI 43-101 of the Canadian Securities Administrators, and is responsible for the technical content of this press release.

Monster Property (Yukon Territory)

On February 13, 2018, the Company acquired a 100% interest in a cobalt exploration property located in the Yukon by paying \$45,000 cash (paid) and issuing 1,600,000 common shares valued at \$192,000 (issued). The Copper Cobalt Monster Property consists of one block of 212 mineral claims totaling a surface area of 43.3 km². The property is in the Dawson Mining District within the traditional territory of the Tr'ondëk Hwëch'in First Nation.

AE. New Opportunities

The Company continues to evaluate mineral properties and is focused on deposits in Canada with economic merit and good logistics will be considered for acquisition.

AF. Outstanding Share Data

The Company has an authorized share capital of an unlimited number of common shares and an unlimited number of Class A Preferred Shares with a par value of \$0.001.

On March 26, 2018, the Company split its common shares on the basis of two common shares for each existing common share held. All number of shares and per share amounts have been retroactively restated to reflect this share split.

As at the date of this report, 58,603,656 common shares and 10,595,258 Class A preferred shares were issued and outstanding.

The Company has 5,960,000 share purchase warrants exercisable at \$0.075 per share until July 28, 2019, 2,000,000 share purchase warrants exercisable at \$0.075 per share until December 22, 2019 and 12,000,000 share purchase warrants exercisable at \$0.15 per share until February 11, 2020.

The Company has 3,400,000 stock options exercisable at \$0.09 per share until January 23, 2023.

AG. Related Party Transactions

During the nine months ended April 30, 2018, the Company incurred \$66,000 (2017: \$18,000) in management fees from a company owned by the President of the Company and \$23,000 (2017: \$Nil) in consulting fees included in exploration expenses from a company owned by a Director of the Company. At April 30, 2018, the Company owed \$22,070 (July 31, 2017: \$22,675) to directors, Corporate Secretary and their companies and had \$35,123 (July 31, 2017: \$35,123) of notes payable and \$Nil (July 31, 2017: \$100,984) of convertible promissory notes payable to directors and their companies.

AH. Liquidity and Solvency

The following table summarizes the Company's cash on hand, working capital and cash flow:

As at	April 30, 2018	July 31, 2017
Cash	\$ 1,093,285	\$ 207,672
Working capital	1,057,761	114,454
	April 30, 2018	July 31, 2017
Cash used in operating activities	\$ (354,387)	\$ (219,685)
Cash provided by investing activities	(10,000)	150,000
Cash provided by financing activities	1,250,000	277,287
Change in cash	<u>\$ 885,613</u>	<u>\$ 207,602</u>

The Company is dependent on the sale of treasury shares to finance its exploration activities, property acquisition payments and general and administrative costs. The Company will have to raise additional funds in the future to continue its operations. There can be no assurance, however, that the Company will be successful in its efforts. If such funds are not available or other sources of financing cannot be obtained, then the Company will be forced to curtail its activities.

AI. Capital Resources

The Company has no operations that generate cash flow and its long term financial success is dependent on discovering properties that contain mineral reserves that are economically recoverable. The Company's primary capital asset is a resource property. Exploration expenditures are expensed as incurred.

The Company's resource property agreement is an option agreement and the exercise thereof is at the discretion of the Company. To earn its interest in the properties, the Company must incur certain expenditures in accordance with the agreements (see "Project Summaries and Activities" in this MD&A for more information).

The Company depends on equity sales to finance its exploration programs and to cover administrative expenses.

AJ. Off-Balance Sheet Arrangements

The Company does not utilize off-balance sheet transactions.

AK. Proposed Transactions

There are no proposed transactions that will materially affect the performance of the Company.

AL. Accounting Policies

The accounting policies and methods employed by the Company determine how it reports its financial condition and results of operations, and may require management to make judgements or rely on assumptions about matters that are inherently uncertain. The Company's results of operations are reported using policies and methods in accordance with IFRS. In preparing financial statements in accordance with IFRS, management is required to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses for the period. Management reviews its estimates and assumptions on an ongoing basis using the most current information available.

Critical Accounting Estimates

The Company prepares its financial statements in accordance with IFRS, which require management to estimate various matters that are inherently uncertain as of the date of the financial statements. Accounting estimates are deemed critical when a different estimate could have reasonably been used or where changes in the estimate are reasonably likely to occur from period to period, and would materially impact the Company's financial statements. The Company's significant accounting policies are discussed in the unaudited consolidated interim financial statements. Critical estimates in these accounting policies are discussed below.

Environmental Rehabilitation Provision

The Company recognizes the fair value of a liability for environmental rehabilitation in the period in which the Company is legally or constructively required to remediate, if a reasonable estimate of fair value can be made, based on an estimated future cash settlement of the environmental rehabilitation obligation, discounted at a pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. The environmental rehabilitation obligation is capitalized as part of the carrying amount of the associated long-lived asset and a liability is recorded. The environmental rehabilitation cost is amortized on the same basis as the related asset. The liability is adjusted for the accretion of the discounted obligation and any changes in the amount or timing of the underlying future cash flows. Significant judgments and estimates are involved in forming expectations of the amounts and timing of environmental rehabilitation cash flows.

Future Changes in Accounting Standards

IFRS 9 Financial Instruments (“IFRS 9”) is part of the IASB's wider project to replace IAS 39 - Financial Instruments: Recognition and Measurement. IFRS 9 retains but simplifies the mixed measurement model and establishes two primary measurement categories for financial assets: amortized cost and fair value. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. The standard is effective for annual periods beginning on or after January 1, 2018, with early adoption permitted. The Company is currently evaluating the impact the final standard is expected to have on its consolidated financial statements.

On May 28, 2014, the IASB issued IFRS 15 Revenue from Contracts with Customers (“IFRS 15”). IFRS 15 deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. Revenue is recognized when a customer obtains control of a good or service and thus has the ability to direct the use and obtain the benefits from the goods or services. The standard replaces IAS 18 Revenue and IAS 11 Construction contracts and related interpretations. IFRS15 is effective for reporting periods beginning on or after January 1, 2018 with early application permitted. The Company does not expect the adoption of this standard to have any significant impact on its consolidated financial statements.

In June 2016, the IASB issued IFRS 16 Leases (“IFRS 16”). IFRS 16 establishes principles for the recognition, measurement, presentation and disclosure of leases, with the objective of ensuring that lessees and lessors provide relevant information that faithfully represents those transactions. IFRS 16 substantially carries forward the lessor accounting requirements in IAS 17. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently. However, lessees are no longer classifying leases as either operating leases or finance leases as it is required by IAS 17. The standard is effective for annual periods beginning on or after January 1, 2019. The Company is currently evaluating the impact the final standard is expected to have on its consolidated financial statements.

AM. Financial Instruments

Designation and Valuation of Financial Instruments

The Company's financial instruments consist of receivables, accounts payable, due to related parties, notes payable and convertible promissory notes payable. Receivables are classified as loans and receivables, and accounts payable, due to related parties, notes payable, and convertible promissory notes payable are classified as other financial liabilities, and recorded at amortized cost using the effective interest rate method. The Company does not hold any derivative financial instruments.

As at April 30, 2018, the fair values of accounts payable, due to related parties and notes payable, approximate their carrying values due to the relatively short-term maturity of these instruments. The Amended Convertible Notes, bearing 5% interest, unsecured, and due on February 28, 2019, are booked at amortized costs.

AN. Risks

Foreign exchange risk

The Company's functional and reporting currency is the Canadian dollar and major purchases are transacted in Canadian dollars. As a result, the Company's exposure to foreign currency risk is minimal.

Credit risk

The Company's cash is largely held in large Canadian financial institutions. The Company does not have any asset-backed commercial paper. The Company's receivables consist of GST/HST receivable due from the Federal Government of Canada. The Company maintains cash deposits with Schedule A financial institutions, which from time to time may exceed federally insured limits. The Company has not experienced any significant credit losses and believes it is not exposed to any significant credit risk.

Interest rate risk

Interest rate risk is the risk the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Financial assets and liabilities with variable interest rates expose the Company to cash flow interest rate risk. The Company does not hold any financial liabilities with variable interest rates. The Company does maintain bank accounts which earn interest at variable rates but it does not believe it is currently subject to any significant interest rate risk.

Liquidity risk

The Company's ability to continue as a going concern is dependent on management's ability to raise required funding through future equity issuances and through short-term borrowing. The Company manages its liquidity risk by forecasting cash flows from operations and anticipating any investing and financing activities. Management and the Board of Directors are actively involved in the review, planning and approval of significant expenditures and commitments.

Price risk

The ability of the Company to explore its mineral properties and the future profitability of the Company are directly related to the market price of precious metals. The Company monitors precious metals prices to determine the appropriate course of action to be taken by the Company.

AO. Risks and Uncertainties

The Company's principal activity is mineral exploration and development. Companies in this industry are subject to many and varied kinds of risk, including but not limited to, environmental, metal prices, political and economical.

The mineral exploration business is risky and most exploration projects will not become mines. The Company may offer an opportunity to a mining company to acquire an interest in a property in return for funding all or part of the exploration and development of the property. For the funding of property acquisitions and exploration that the Company conducts, the Company depends on the issue of shares from the treasury to investors. These stock issues depend on numerous factors including a positive mineral exploration environment, positive stock market conditions, a company's track record and the experience of management.

The Company has no significant source of operating cash flow and no revenues from operations. The Company has not yet determined whether its mineral property contains mineral reserves that are economically recoverable. The Company has limited financial resources. Substantial expenditures are required to be made by the Company to establish reserves.

There is no guarantee that the Company will be able to contribute or obtain all necessary resources and funds for the exploration and exploitation of its permits, and may fail to meet its exploration commitments.

The property that the Company has an option to earn an interest in is in the exploration stages only, are without known bodies of commercial mineralization and have no ongoing mining operations. Mineral exploration involves a high degree of risk and few properties, that are explored, are ultimately developed into producing mines.

Exploration of the Company's mineral property may not result in any discoveries of commercial bodies of mineralization. If the Company's efforts do not result in any discovery of commercial mineralization, the Company will be forced to look for other exploration projects or cease operations.

The Company is subject to the laws and regulations relating to environmental matters in all jurisdictions in which it operates, including provisions relating to property reclamation, discharge of hazardous material and other matters.

AP. Financial and Disclosure Controls and Procedures

During the nine months ended April 30, 2018, there has been no significant change in the Company's internal control over financial reporting since last year.

The Chief Executive Officer and Chief Financial Officer of the Company are responsible for establishing and maintaining appropriate information systems, procedures and controls to ensure that information used internally and disclosed externally is complete, reliable and timely. They are also responsible for establishing adequate internal controls over financial reporting to provide sufficient knowledge to support the representations made in this MD&A and the Company's consolidated financial statements of the Company for the nine months ended April 30, 2018.

The Chief Executive Officer and Chief Financial Officer of the Company have filed the Venture Issuer Basic Certificate with the Interim and Annual Filings on SEDAR at www.sedar.com.

In contrast to the certificate required for non-venture issuers under National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"), the venture issuer basic certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal control over financial reporting

(“ICFR”), as defined in NI 52-109. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency, and timeliness of interim and annual filings and other reports provided under securities legislation.

AQ. 7. Market for Securities

7.1 The Issuer’s securities are currently listed and posted on CSE (“GOCO”), Frankfurt (“47G”) and OTC Pink Sheets (“GOCOF”).

AR. 8. Consolidated Capitalization

8.1 Describe any material change in, and the effect of the material change on, the share and loan capital of the Issuer, on a consolidated basis, since the date of the comparative financial statements for the Issuer's most recently completed financial year contained in the Listing Statement.

Security	Outstanding as at July 31, 2018		Outstanding as at the date of this Listing Statement	
	Amount	Number	Amount	Number
Common Shares	\$3,677,574	58,603,656	\$3,941,837	60,253,656
Short Term Debt	n/a	n/a	n/a	n/a

AS. 9. Options to Purchase Securities

9.1 The directors of the Issuer established a 10% rolling Stock Option Plan. The maximum number of the Issuer’s shares reserved for issuance under the Stock Option Plan is 10% of the issued and outstanding shares of Issuer at any given time. The following stock options are currently outstanding:

Optionee	Date Granted	Options Granted	Number of Shares Exercised	Exercise Price per Share	Expiry Date
Michael Woods	Jan 23, 2018	100,000	-	\$0.09	Jan 23, 2023
Kostantinos Tsoutis	Jan 23, 2018	600,000	-	\$0.09	Jan 23, 2023
Don Sheldon	Jan 23, 2018	600,000	-	\$0.09	Jan 23, 2023
Brian Murray	Jan 23, 2018	600,000	-	\$0.09	Jan 23, 2023
Scott Sheldon	Jan 23, 2018	600,000	-	\$0.09	Jan 23, 2023
Adrian Smith	Jan 23, 2018	600,000	-	\$0.09	Jan 23, 2023
TOTAL		3,100,000	-		

At the Issuer's shareholder meeting held on May 29, 2017, the Issuer's shareholders approved a stock option plan (the "**Stock Option Plan**"). The Stock Option Plan provides that the Directors may, from time to time, authorize the issuance of options to Directors, officers, employees and consultants of the Company and its subsidiaries to a maximum of 10% of the issued and outstanding common shares at the time of the grant, with a maximum of 5% of the Company's issued and outstanding shares being reserved to any one person on a yearly basis. The exercise price of any Option when exercised may not be less than the greater of the closing market price of the Shares on: (a) the last trading day immediately preceding the date of grant of the Option; and (b) the date of grant of the Option. The term of any stock option cannot exceed five (5) years and will expire no later than one year following the cessation of a stock optionee's connection to the Issuer. The Stock Option Plan is also subject to the rules of any stock exchange that it has its shares listed and trading.

AT. 10. Description of the Securities

- 10.1 The Issuer has two classes of shares outstanding, common shares without par value and Class A Preferred shares with a par value of \$0.001 per share. Only the Issuer's common shares are listed on the CSE.

The Issuer is authorized to issue an unlimited number of common shares without par value. See "Consolidated Capitalization" above for the number of common shares issued and outstanding. All of the common shares of the Issuer rank equally as to voting rights, participation in a distribution of the assets of the Issuer on a liquidation, dissolution or winding-up of the Issuer, and entitlement to dividends. The holders of the common shares are entitled to receive notice of all meetings of shareholders and to attend and vote the shares at the meetings. Each common share carries with it the right to one vote.

In the event of the liquidation, dissolution or winding-up of the Issuer or other distribution of its assets, the holders of the common shares will be entitled to receive, on a pro rata basis, all of the assets remaining after the Issuer has paid out its liabilities. Distribution in the form of dividends, if any, is at the discretion of the Board of Directors provided any such dividend would not render the Issuer insolvent.

The special rights and restrictions attached to the Class A Preferred shares of the Issuer, of which there are 10,595,258 Class A Preferred shares issued and outstanding, are as follows:

- (1) The holders of the Class A Preferred shares shall not be entitled to vote at any meetings of the shareholders of the Issuer and shall not be entitled to receive any notice of or attend any meetings of the shareholders of the Issuer (except meetings of the holders of Class A Preferred shares);
- (2) The holders of Class A Preferred shares shall be entitled to non-cumulative dividends as and when declared by the Directors. The Class A Preferred shares have been initially created in order to dividend, on a pro rata basis, to Class A Preferred shareholders, the K2 Shares that the Issuer has and will receive from K2 in connection with the Wels Option Agreement, or the net proceeds from the sale by the Issuer of K2 Shares. The Directors retain absolute discretion with respect to all

matters in connection with the declaration and the delivery of dividends on the Class A Preferred Shares, including the type thereof;

- (3) In the event of the liquidation, dissolution or winding-up of the Issuer, whether voluntary or involuntary, or other distribution of the assets of the Issuer among its members for the purpose of winding up its affairs, the holders of the Class A Preferred shares shall not be entitled to have their shares redeemed nor be entitled to participate in any final distribution of assets;
- (4) Holders of Class A Preferred shares shall not be entitled to require the Issuer to redeem the holder's Class A Preferred shares, however holders may submit their shares to the Issuer for cancellation for no consideration; and
- (5) Upon K2 having completed the delivery of its shares to the Issuer pursuant to the Wels Option Agreement, or upon a valid and enforceable cancellation of the Wels Option Agreement, the Directors reserve the right to unilaterally buy back, for cancellation, all of the Class A Preferred shares against payment of their nominal par value to holders, as determined by the Directors.

10.2 Prior Sales in Past 12 Months

The following table summarizes details of the Common Shares issued by the Issuer during the 12-month period prior to the date of this Listing Statement:

<u>Date of Issuance</u>	<u>Reason for Issuance</u>	<u>Price Per Common Share</u>	<u>Number of Common Shares</u>
December 22, 2017	Private Placement	\$0.10	1,000,000
February 12, 2018	Private Placement	\$0.20	6,600,000
February 13, 2018	Acquisition of Monster Property	\$0.18	800,000
March 2, 2018	Share of debt	\$0.21	1,428,570
March 16, 2018	Conversion of promissory notes	\$0.05	3,288,000
March 30, 2018	Forward Stock Split	N/A	29,301,828
October 12, 2018	Warrant exercise	\$0.075	200,000
October 18, 2018	Warrant exercise	\$0.075	200,000
October 22, 2018	Warrant exercise	\$0.075	200,000
November 6, 2018	Warrant exercise	\$0.075	250,000
November 8, 2018	Stock Option exercise	\$0.09	100,000
November 12, 2018	Option to acquire Barachois Vanadium Project	\$0.27	500,000
November 15, 2018	Stock Option Exercise	\$0.09	200,000

10.3 Stock Exchange Price

The following table summarizes the particulars of the trading of the Issuer's Common Shares on the CSE during the 12 months preceding the date of this Listing Statement on a post-forward split basis:

Month	High (\$)	Low (\$)	Volume
December 2017	0.12	0.08	179,600
January 2018	0.13	0.0775	834,630
February 2018	0.15	0.0775	116,0363
March 2018	0.24	0.125	550,090
April 2018	0.18	0.16	791,594
May 2018	0.17	0.13	712,288
June 2018	0.15	0.115	630,364
July 2018	0.15	0.07	1,697,700
August 2018	0.19	0.09	389,444
September 2018	0.24	0.07	465,492
October 2018	0.375	0.23	3,946,069
November 2018	0.365	0.26	2,044,460

AU. 11. Escrowed Securities

11.1 The following common shares of the Issuer are subject to a prescribed escrow agreement pursuant to National Policy 46-201:

Designation of class held in escrow ¹	Number of securities held in escrow	Percentage of class
Common Shares	14,340,296	23.80%

¹ The escrow agent or depository for the escrowed securities is the Issuer's transfer agent, National Issuer Services Ltd., and the securities are subject to an NP 46-201 escrow agreement with release provisions applicable to an emerging issuer wherein 10% of the escrowed securities are released on the date of listing of the Issuer's common shares on the CSE, and 15% are released every 6 months thereafter with all shares having been released as at 3 years from the date of listing of the Issuer's shares on the CSE.

AV. 12. Principal Shareholders

12.1

Name, Province, Country of Residence & Position(s)	Registered and Beneficially Owned Number of Shares	Percentage of Shares Owned
G. MARK CURRY¹ Toronto, Ontario	9,842,070 Common Shares 3,150,035 Class A Preferred Shares	16.33% of Common Shares 29.7% of Preferred Shares

¹Fully Diluted, Mr. Curry also holds 2,000,000 common share purchase warrants (exercisable at \$0.075 per warrant share until July 28, 2019) so fully diluted he would hold 11,842,070 common shares which, if he was the only shareholder to exercise warrants, fully diluted is 19.02% (11,842,070/62,253,656).

AW. 13. Directors and Officers

13.1

Name, Province, Country of Residence & Position(s)	Principal Occupation Business or Employment for Last Five Years ⁽¹⁾	Periods during which Nominee has Served as a Director	Number & Percentage of Common Shares
SCOTT SHELDON British Columbia, Canada <i>President, Chief Executive Officer, and Director</i>	CEO, President & Director of Go Cobalt Mining; President & Director of Surgenia Productions Inc. (a private website marketing company)	April 27, 2012 To Present	3,610,000 Common Shares 6.0% of Common Shares
DONALD SHELDON ⁽¹⁾ British Columbia, Canada <i>Director</i>	Director of Go Cobalt Mining; President of DS Management Ltd.; Director of Merus Labs International Inc., Nebu Resources Inc. and Shoal Point Energy Ltd.; CEO and President of Range Gold Corp.; President of Range Energy Resources	April 27, 2012 To Present	4,763,300 Common Shares 7.9% of Common Shares
R. BRIAN MURRAY, CPA ⁽¹⁾ Ontario, Canada <i>Chief Financial Officer and Director</i>	President of Murcon Ltd., a private financial consulting entity; Director of Go Cobalt Mining; President and Director of Cava Resources Inc. (TSXV), also in resource exploration; CEO and Director White Pine Resources Inc. (an OSC reporting issuer); Director of Braveheart Resources Inc.; Director of Stina Resources Ltd. (listed on CSE)	April 27, 2012 to Present	205,000 Common Shares 0.3% of Common Shares
ADRIAN SMITH, P.Geo ⁽¹⁾ British Columbia, Canada <i>Director</i>	Director of Go Cobalt Mining; President and Director of ML Gold Corporation (TSXV), also in resource exploration.; Founder, CEO and Director of Divitiae Resources Ltd., a private mineral property assessment and geological services company;	April 15, 2015 to Present	2,020,000 Common Shares 3.3% of Common Shares
MICHAEL WOODS British Columbia, Canada <i>Corporate Secretary</i>	Barrister and Solicitor since 1990 specializing in securities law as a sole practitioner at Woods & Company since 2000	May 29, 2017 to Present	503,000 Common Shares
Totals			11,101,300 Common Shares 18.42% of Common Shares

(1) Member of the audit committee.

Brian Murray was a director of Antioquia Gold Inc. (formerly, High American Gold Inc.) when it had a cease trade order issued in August, 2002 for failure to file required financial statements. In December 2003 he resigned as a director. In June 2007, he agreed to rejoin as a director and Antioquia Gold Inc. brought its filings up to-date and had the cease trade order lifted in 2008.

Brian Murray was a director of Explorers Alliance Corp., an OTC company, in 2002 when it had a cease trade order issued by the Ontario Securities Commission (“**OSC**”) for failure to file financial statements. He resigned as a director of this company in January 2008. The company continues to have a cease trade order outstanding against it.

Process Capital Corp. an OTC company had a cease trade order issued against it by the OSC on May 12, 2012 for failure to file required financial statements. The company had run out of funds and Mr. Murray was an outside director who agreed to remain as a director while efforts were made to re capitalize the company. These efforts failed and he submitted his resignation as a director on June 21, 2017.

Some of the directors of the Issuer are also directors, or officers of other reporting and non-reporting issuers. Accordingly, conflicts of interest may arise which could influence these persons in evaluating possible acquisitions or in generally acting on behalf of the Issuer.

The following contains further information about each member of management:

Scott Sheldon, BA, age 43, is the CEO & President of the Issuer and its primary officer. He obtained a Bachelor of Arts from Dalhousie University. He devotes approximately 80% of his time to the Issuer. He has extensive experience with mineral exploration companies and has been a senior officer and Director publicly listed mineral exploration companies in excess of five (5) years. He is also the President of Surgenia Productions Inc. having held this role since 2002. Surgenia provides website development, optimization, consulting and web related marketing services. He is an independent contractor to the Issuer. He has not entered into a non-competition or non-disclosure agreement with the Issuer.

Don Sheldon, BA, MBA, age 73, is a Director of the Issuer. Mr. Sheldon is a 1966 graduate from the University of Alberta with a Bachelor of Arts degree in Economics and Philosophy and a 1969 graduate from the University of Western Ontario with a Masters degree in Business Administration. He devotes about 10% of his time to the Issuer. He has served as President of DS Management Ltd. a corporate management and consulting company since 1983. He is an independent contractor to the Issuer. Mr. Sheldon served as the Chief Executive Officer and President of Range Metals, Inc. since May 11, 2005. He served as the President of Range Oil & Gas Inc. He served as the Chief Executive Officer of Range Energy Resources Inc. since May 11, 2005. Mr. Sheldon has had an extensive career spanning decades managing junior resource companies and in raising capital for these companies in both Canada and Europe. He is an independent contractor to the Issuer. He has not entered into a non-competition or non-disclosure agreement with the Issuer.

R. Brian Murray, MBA, CPA, age 69, is the Chief Financial Officer and a Director of the Issuer. He is a chartered public accountant and has an MBA from York University. He devotes about 10% of his time to the Issuer. He has been the Chief Executive Officer and President of Cava Resources Inc. (formerly, Sea Green Capital Corp.) (TSXV listed) since May 2013, which is active in both mineral exploration and oil & gas exploration. Mr. Murray has been the President of Murcon Ltd. since October 1990, a financial consulting and merchant banking firm specializing in

starting and managing junior public companies in a wide range of industries. He has extensive experience in mineral exploration and environmental technology. He is an independent contractor to the Issuer. He has not entered into a non-competition or non-disclosure agreement with the Issuer.

Adrian Smith, P.Geo., B.Sc., age 31, is a Director of the Issuer. He obtained his Bachelor of Sciences degree from Simon Fraser University. He is a consulting geologist with ten (10) years' experience working in the mining and exploration industries. Mr. Smith began working for exploration companies in 2007, and worked as an underground mine geologist in the Shasta Gold-Silver Mine in Northern BC from 2008 until 2010. He then began work for North American Tungsten Corp. at the Cantung Mine where he was involved in successfully identifying, modeling, and producing ore in addition to known reserves. Since then Mr. Smith has taken his mining and exploration experience from underground and applied it to exploration projects across Canada. He is the founder, CEO and Director of Divitiae Resources Ltd. which acquires and sells mining prospects to mineral exploration companies after completing geological modelling that provides a measurement of the intrinsic value of a resource exploration property. Divitiae also provides comprehensive geological consulting services to the mining industry. He has been a member of APEG BC since 2008. He devotes about 10% of his time to the Issuer. He is also the President and a Director of ML Gold Corporation, a TSXV listed mineral exploration company. He also sits on the board of Natan Resources Ltd. He is an independent contractor to the Issuer. He has not entered into a non-competition or non-disclosure agreement with the Issuer.

Michael Woods, LLB, age 63, is the Corporate Secretary of the Issuer. He obtained his Bachelor of Laws from the University of British Columbia in 1989 and was called to the bar in British Columbia in 1990. He devotes about 5% of his time to the Issuer. Mr Woods specializes in securities law and exclusively provides his services to junior listed companies on the TSX Venture Exchange and, latterly, the Canadian Securities Exchange. He has extensive experience with mineral exploration companies. He is an independent contractor to the Issuer. He has not entered into a non-competition or non-disclosure agreement with the Issuer.

AX. 14. Capitalization

14.1 Prepare and file the following chart for each class of securities to be listed:

Issued Capital

	Number of Securities (non-diluted)	Number of Securities (fully-diluted)	% of Issued (non-diluted)	% of Issued (fully diluted)
<u>Public Float</u>				
Total outstanding (A)	60,253,656	82,463,656	100%	100%

Held by Related Persons or employees of the Issuer or Related Person of the Issuer, or by persons or companies who beneficially own or control, directly or indirectly, more than a 5%

voting position in the Issuer (or who would beneficially own or control, directly or indirectly, more than a 5% voting position in the Issuer upon exercise or conversion of other securities held) (B)	20,440,370	27,600,370	33.92%	33.47%
Total Public Float (A-B)	39,813,286	54,863,286	66.08%	66.53%
A.				
<u>Freely-Tradeable Float</u>				
Number of outstanding securities subject to resale restrictions, including restrictions imposed by pooling or other arrangements or in a shareholder agreement and securities held by control block holders (C)	14,340,296	14,340,296	23.80%	17.39%
Total Tradeable Float (A-C)	45,913,360	68,123,360	76.20%	82.61%

Public Securityholders (Registered)

Instruction: For the purposes of this report, "public securityholders" are persons other than persons enumerated in section (B) of the previous chart. List registered holders only.

<u>Size of Holding</u>	<u>Number of holders</u>	<u>Total number of securities</u>
1 – 99 securities	186	4,868
100 – 499 securities	61	12,664
500 – 999 securities	11	6,472
1,000 – 1,999 securities	15	19,271
2,000 – 2,999 securities	5	10,680
3,000 – 3,999 securities	2	6,400
4,000 – 4,999 securities	2	8,220
5,000 or more securities	20	41,962,692

338

42,031,267

Public Securityholders (Beneficial)

Instruction: Include (i) beneficial holders holding securities in their own name as registered shareholders; and (ii) beneficial holders holding securities through an intermediary where the Issuer has been given written confirmation of shareholdings. For the purposes of this section, it is sufficient if the intermediary provides a breakdown by number of beneficial holders for each line item below; names and holdings of specific beneficial holders do not have to be disclosed. If an intermediary or intermediaries will not provide details of beneficial holders, give the aggregate position of all such intermediaries in the last line.

<u>Size of Holding</u>	<u>Number of holders</u>	<u>Total number of securities</u>
1 – 99 securities	<u>0</u>	<u>0</u>
100 – 499 securities	<u>0</u>	<u>0</u>
500 – 999 securities	<u>3</u>	<u>1,500</u>
1,000 – 1,999 securities	<u>63</u>	<u>69,100</u>
2,000 – 2,999 securities	<u>4</u>	<u>8,000</u>
3,000 – 3,999 securities	<u>1</u>	<u>3,000</u>
4,000 – 4,999 securities	<u>0</u>	<u>0</u>
5,000 or more securities	<u>21</u>	<u>59,472,056</u>
Unable to confirm		<u>781,600</u>

Non-Public Securityholders (Registered)

Instruction: For the purposes of this report, "non-public securityholders" are persons enumerated in section (B) of the issued capital chart.

<u>Size of Holding</u>	<u>Number of holders</u>	<u>Total number of securities</u>
1 – 99 securities	7	343
100 – 499 securities	3	900
500 – 999 securities	0	0
1,000 – 1,999 securities	0	0
2,000 – 2,999 securities	2	4,076
3,000 – 3,999 securities	4	14,360
4,000 – 4,999 securities	1	4,460
5,000 or more securities	17	42,073,919

14.2 Provide the following details for any securities convertible or exchangeable into any class of listed securities

Description of Security (include conversion / exercise terms, including conversion / exercise price)	Number of convertible / exchangeable securities outstanding	Number of listed securities issuable upon conversion / exercise
Stock Options to purchase common shares at a price of \$0.08 per common shares until January 23, 2023	3,100,000	3,100,000
Share purchase warrants exercisable at \$0.075 per common share until July 28, 2019	5,710,000	5,710,000
Share purchase warrants exercisable at \$0.075 per common share until Dec 22, 2019	1,400,000	1,400,000
Share purchase warrants exercisable at \$0.15 per common share until February 11, 2020	12,000,000	12,000,000

14.3 The Issuer does not have any additional listed securities reserved for issuance that are not included in section 14.2.

AY. 15. Executive Compensation

15.1 Statement of Executive Compensation

Definitions

For the purposes of this section of the Listing Statement:

“CEO” means an individual who acted as chief executive officer of the Issuer, or acted in a similar capacity, for any part of the most recently completed financial year;

“CFO” means an individual who acted as chief financial officer of the Issuer, or acted in a similar capacity, for any part of the most recently completed financial year;

“company” includes other types of business organizations such as partnerships, trusts and other unincorporated business entities;

“compensation securities” includes stock options, convertible securities, exchangeable securities and similar instruments including stock appreciation rights, deferred share units and restricted stock units granted or issued by the Issuer or one of its subsidiaries for services provided or to be provided, directly or indirectly, to the Issuer or any of its subsidiaries;

“NEO” or **“named executive officer”** means each of the following individuals:

- (a) a CEO;
- (b) a CFO;
- (c) in respect of the Issuer and its subsidiaries, the most highly compensated executive officer other than the individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than \$150,000, as determined in accordance with subsection 1.3(5) of National Instrument 51-102, for that financial year; and
- (d) each individual who would be an NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the Issuer, nor acting in a similar capacity, at the end of that financial year;

“NI 52-107” means National Instrument 52-107 Acceptable Accounting Principles, Auditing Standards and Reporting Currency;

“non-equity incentive plan” means an incentive plan or portion of an incentive plan that is not an equity incentive plan;

“option-based award” means an award under an equity incentive plan of options, including, for greater certainty, share options, share appreciation rights, and similar instruments that have option-like features;

“plan” includes any plan, contract, authorization, or arrangement, whether or not set out in any formal document, where cash, securities, similar instruments or any other property may be received, whether for one or more persons;

“share-based award” means an award under an equity incentive plan of equity-based instruments that do not have option-like features, including, for greater certainty, common shares, restricted shares, restricted share units, deferred share units, phantom shares, phantom share units, common share equivalent units, and stock;

“underlying securities” means any securities issuable on conversion, exchange or exercise of compensation securities.

NAMED EXECUTIVE OFFICER AND DIRECTOR COMPENSATION

The following table summarizes the compensation paid to the directors and named executive officers of Go Cobalt for the last two completed financial years:

Table of compensation excluding compensation securities							
Name and position	Year Ended July 31	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Scott Sheldon ¹ President, CEO & Director	2018	90,000	Nil	Nil	Nil	47,026	137,026
	2017	24,000	Nil	Nil	Nil	Nil	24,000
Scott Sheldon President & CEO	2018	Nil	Nil	Nil	Nil	47,026	47,026
	2017	Nil	Nil	Nil	Nil	Nil	Nil
Donald Sheldon Director	2018	Nil	Nil	Nil	Nil	47,026	47,026
	2017	Nil	Nil	Nil	Nil	Nil	Nil
Robert Brian Murray Director	2018	Nil	Nil	Nil	Nil	47,026	47,026
	2017	Nil	Nil	Nil	Nil	Nil	Nil
Adrian Smith Director	2018	29,000	Nil	Nil	Nil	47,026	76,026
	2017	Nil	Nil	Nil	Nil	Nil	Nil

- (1) During the year ended July 31, 2017, Scott Sheldon, through his company Surgenia Productions Inc., received \$24,000 in management fees. He received no compensation in his capacity as a director. See "Statement of Executive Compensation – Employment, Consulting and Management Agreements".

Other than as set forth in the foregoing, the named executive officers and directors have not received, during the most recently completed financial year, compensation pursuant to any standard arrangement for the compensation of directors for their services in their capacity as directors, including any additional amounts payable for committee participation or special assignments, any other arrangement, in addition to, or in lieu of, any standard arrangement, for the compensation of directors in their capacity as directors, or any arrangement for the compensation of directors for services as consultants or expert.

Stock Options and Other Compensation Securities

The following table sets forth the details of all compensation securities granted or issued to each named executive officer and director by Go Cobalt (or any subsidiary, as applicable) in the most recently completed financial year for services provided or to be provided, directly or indirectly, to Go Cobalt (or any subsidiary, as applicable):

Compensation Securities							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry date
Scott Sheldon, President, CEO & Director	Stock Options	600,000 Stock Options to purchase 600,000	Jan 23, 2018	0.09	0.09	0.30	Jan 23, 2023

		common shares					
Donald Sheldon, Director	Stock Options	600,000 Stock Options to purchase 600,000 common shares	Jan 23, 2018	0.09	0.09	0.30	Jan 23, 2023
Robert Brian Murray, CFO & Director	Stock Options	600,000 Stock Options to purchase 600,000 common shares	Jan 23, 2018	0.09	0.09	0.30	Jan 23, 2023
Adrian Smith Director	Stock Options	600,000 Stock Options to purchase 600,000 common shares	Jan 23, 2018	0.09	0.09	0.30	Jan 23, 2023

Exercise of Compensation Securities by Directors and NEOs							
Name and position	Type of compensation security	Number of underlying securities exercised	Exercise price per security (\$)	Date of exercise	Closing price per security on date of exercise (\$)	Difference between exercise price and closing price on date of exercise (\$)	Total value on exercise date (\$)
Scott Sheldon, President, CEO & Director	N/A	Nil	N/A	N/A	N/A	N/A	N/A
Donald Sheldon, Director	N/A	Nil	N/A	N/A	N/A	N/A	N/A
Robert Brian Murray, CEO & Director	N/A	Nil	N/A	N/A	N/A	N/A	N/A
Adrian Smith Director	N/A	Nil	N/A	N/A	N/A	N/A	N/A

Stock Option Plans and Other Incentive Plans

The Board has adopted a Stock Option Plan whereby a maximum of 10% of the issued and outstanding Shares, from time to time, may be reserved for issuance pursuant to the exercise of options. Under the terms of the Stock Option Plan, options may be granted only to: (i) our employees, officers, directors, and consultants; (ii) employees, officers, directors, and consultants of an affiliate of ours; and (iii) any other person deemed suitable by the Board to receive options to purchase Shares.

The exercise price of any option when exercised may not be less than the greater of the closing market price of the Shares on: (a) the last trading day immediately preceding the date of grant of the option; and (b) the date of grant of the option; provided however, that if the Shares are not listed on any securities exchange, the exercise price may not be less than the fair market value of the Shares as may be determined by the Board on the day immediately preceding the date of the grant of such option.

The options are non-assignable and non-transferable. Options granted under the Stock Option Plan have a maximum term of five years and can only be exercised by the optionee as long as the optionee remains an eligible optionee pursuant to the Stock Option Plan or within 90 days (or as otherwise determined by the Board) after ceasing to be an eligible optionee, or, if the optionee dies, within one year from the date of the optionee's death.

Subject to shareholder approval in certain circumstances, the Board may from time to time amend or revise the terms of the Stock Option Plan or may terminate the Stock Option Plan at any time.

The decision to grant options is made by the Board of Directors of Go Cobalt Mining as a whole, and a grant is approved by directors' resolutions or at a meeting of the directors. Decisions address vesting, maximum term, number of options, exercise price and method of exercise.

Employment, Consulting and Management Agreements

The Company entered into a management services agreement dated February 16, 2018 (the "**Surgenia Agreement**") with Surgenia Productions Inc. ("**Surgenia Productions**"), a private company owned by Scott Sheldon, President and CEO of Go Cobalt, as amended and restated on April 1, 2017, pursuant to which it has secured the services of Mr. Sheldon to provide administration of the day-to-day affairs of Go Cobalt; oversight with respect to the resource exploration and development business of the Company, including future property acquisitions and dispositions; maintenance of campaigns and online presence; and such other services or activities as reasonably requested by the Board. The initial term of the Surgenia Agreement is three years from execution of the Surgenia Agreement. The term will automatically renew every three years, unless either party has given notice to terminate in accordance with the provisions of the Surgenia Agreement. The Surgenia Agreement may be terminated by Surgenia Productions by giving 30 days' notice or the Company, without cause, by giving 90 days' notice to Surgenia Productions, unless a shorter notice period is agreed to by both parties. The Company pays to Surgenia Productions an annual base consulting fee of \$96,000 (the "**Base Fee**"), payable monthly in equal installments of \$8,000. In addition to the Base Fee, the Company agrees to pay all reasonable expenses of Surgenia Productions and Mr. Sheldon is entitled to participate in the Go Cobalt Option Plan. If there is a take-over or change of control of the Company resulting in the termination of Mr. Sheldon as an officer of Go Cobalt, including any constructive dismissal, Mr. Sheldon will be entitled to the immediate payment of \$192,000 in severance (2 years' Base Fee).

The Company entered into a consulting services agreement dated February 16, 2018 (the "**Verbaas Agreement**") with a geologist Jaap (Jacob) Verbaas pursuant to which it has secured the services of Mr. Verbaas to provide project evaluation, preparation and execution; oversight of contractors and groups hired by the Company for such projects; oversight with respect to the resource exploration and development business of the Company, including future property acquisitions and dispositions; presenting to investors; and such other services or activities as reasonably requested by the Board. The initial term of the Verbaas Agreement is one year commencing on February 1, 2018. The term will automatically renew on a yearly basis unless either party has given notice to terminate in accordance with the provisions of the Verbaas Agreement. The Verbaas Agreement may be terminated by a party, without cause, by giving 30 days' notice to the other party, and without cause, by giving 90 days' notice, unless a shorter notice period is agreed to by both parties. The Company pays to Mr. Verbaas an annual base consulting fee of \$96,000 (the "**Base Fee**"), payable monthly in equal installments of \$8,000, plus an additional field rate of \$100 per day when working on site in the field. In addition to the Base Fee, the Company agrees to pay all reasonable expenses of Mr. Verbaas and he is entitled to participate in the Go Cobalt Option Plan.

The Company entered into a corporate management agreement (the "**PSCC Agreement**") dated April 1, 2015, with Pender Street Corporate Consulting Ltd. ("**PSCC**") to provide management,

accounting and administrative services to the Company in accordance with the terms of the PSCC Agreement for a monthly fee of \$3,000 plus applicable taxes and reimbursement of all out-of-pocket expenses incurred on behalf of the Company. PSCC is also entitled to charge a 15% administration fee on all disbursements paid by PSCC to a maximum of 2% per disbursement, and to charge interest of 2% on all disbursements not reimbursed within 30 days. The PSCC Agreement is for an initial term of 12 months, to be automatically renewed for further 12 month periods, unless either party gives 180 days' notice of non-renewal, in which case the PSCC Agreement will terminate. The PSCC Agreement can be terminated by either party on 90 days' written notice. It can also be terminated by the Company for cause without prior notice or upon the mutual consent in writing of both parties. If there is a take-over or change of control of the Company resulting in the termination of the PSCC Agreement, PSCC is entitled to receive an amount equal to 12 months of fees payable as a lump sum payment due on the day after the termination date.

PSCC was not indebted to the Company during the Company's last completed financial year, and the PSCC Agreement remains in effect.

During the most recently completed financial year, the Company paid or accrued a total \$36,000 in management and accounting fees.

Oversight and Description of Named Executive Officer and Director Compensation

The Board is responsible for determining, by way of discussions at board meetings, the compensation to be paid to the executive officers of Go Cobalt. Go Cobalt at this time does not have a formal compensation program with specific performance goals; however, the performance of each executive is considered along with Go Cobalt's ability to pay compensation and its results of operation for the period. Go Cobalt presently has two NEOs, Scott Sheldon and R. Brian Murray. Mr. Sheldon has served as CFO from April 27, 2018 until May 29, 2017 and as CEO, President and Director of Go Cobalt since April 27, 2012. Mr. Murray has served as the CFO from May 29, 2017 until present.

Go Cobalt's executive compensation is currently comprised of a base fee or salary. Base fees or salaries are intended to provide current compensation and a short-term incentive for the NEO to meet the Company's goals, as well as to remain competitive with the industry. Base fees or salaries are compensation for job responsibilities and reflect the level of skills, expertise and capabilities demonstrated by the NEO.

Compensation is designed to achieve the following key objectives:

- (a) to support our overall business strategy and objectives;
- (b) to provide market competitive compensation that is substantially performance-based;
- (c) to provide incentives that encourage superior corporate performance and retention of highly skilled and talented employees; and
- (d) to align executive compensation with corporate performance and therefore Shareholders' interests.

AZ. 16. Indebtedness of Directors and Executive Officers

16.1 No person who is, or at any time during the two most recently completed financial years was, a director or executive officer of Go Cobalt, a proposed nominee for election as a director of Go Cobalt, or an associate of any of the foregoing individuals, has been indebted to Go Cobalt at any time since the commencement of Go Cobalt's last completed financial year.

BA. 17. Risk Factors

17.1 The success of the Issuer is dependent upon certain factors that may be beyond the Issuer's control. Risk factors relating to the Issuer and its business likely to influence an investor's decision to purchase securities of the Issuer are as follows:

Early Stage of Mineral Exploration Business

The common shares of the Issuer should be considered highly speculative due to the nature of the Issuer's business and the present stage of its development. In evaluating the Issuer and its business, investors should carefully consider, in addition to the other information contained in this Listing Statement, the following risk factors. These risk factors are not a definitive list of all risk factors associated with an investment in the Issuer or in connection with the Issuer's operations. There may be other risks and uncertainties that are not known to the Issuer or that the Issuer currently believes are not material, but which also may have a material adverse effect on its business, financial condition, operating results or prospects. In that case, the trading price of the common shares could decline substantially, and investors may lose all or part of the value of the common shares held by them.

No Ongoing Operations and No Production History

As the Issuer is a mineral exploration company and has no operations or revenue, there are no ongoing operations and no production history.

Absence of Prior Public Market

There has been no prior public market for the common shares, and an active trading market may not develop or, if it does develop, may not be sustained. The lack of an active market may impair shareholders' ability to sell their shares at the time they wish to sell them or at a price that they consider reasonable. The lack of an active market may also reduce the fair market value and increase the volatility of the shares. An inactive market may also impair the Issuer's ability to raise capital by selling shares and to acquire other exploration properties or interests by using its shares as consideration.

Potential Volatility of Share Prices

Share prices are subject to changes because of numerous factors beyond the Issuer's control, including reports of new information, changes in its financial situation, the sale of its shares in the market, its failure to achieve financial results in line with the expectations of analysis, or announcements by the Issuer or any of its competitors concerning results. There is no guarantee that the market price of the shares will be protected from any such fluctuations in the future.

In the past, companies have experienced volatility in their share value and have been the subject of securities class action litigation. The Issuer might become involved in securities class action litigation in the future. Such litigation often results in substantial costs and diversion of management's attention and resources and could have a negative effect on the Issuer's business and results of operation.

Limited Operating History

The Issuer has no history of business earnings. There are no known commercial quantities of mineral reserves on the Issuer's properties. There is no assurance that the Issuer will ever discover any economic quantities of mineral reserves.

Requirement for Further Financing

The Issuer will likely need to raise additional funds to carry out additional exploration activities on its properties after completing phase one. There is no assurance the Issuer will be able to raise additional funds or will be able to raise additional funds on terms acceptable to the Issuer. If the Issuer's exploration programs are successful and favorable exploration results are obtained, the properties may be developed into commercial production. The Issuer will require additional funds to place the properties into production. The only sources of future funds presently available to the Issuer are the sale of equity capital, debt or offering of interests in its properties to be earned by another party or parties by carrying out development work. There is no assurance that any such funds will be available to the Issuer or be available on terms acceptable to the Issuer. If funds are available, there is no assurance that such funds will be sufficient to bring the properties to commercial production. Failure to obtain additional financing on a timely basis could have a material adverse effect on the Issuer, and could cause the Issuer to forfeit its interest in its properties and reduce or terminate its operations.

Exploration

At present, there are no known bodies of commercially recoverable copper on the properties. There is no assurance that the Issuer's mineral exploration activities will result in any discoveries of commercial bodies of copper on the properties.

Development

The business of exploration for precious metals involves a high degree of risk. Few exploration properties are ultimately developed into producing properties. The Issuer's properties are at the exploration stage.

Title to Properties

Acquisition of title to mineral properties is a very detailed and time-consuming process. Title to, and the area of, mineral properties may be disputed. Although the Issuer has investigated its title to the properties for which it holds an option to acquire concessions or other mineral leases or licenses and the Issuer is satisfied with its review of the title to the properties, the Issuer cannot give an assurance that title to the properties will not be challenged or impugned. Mineral properties sometimes contain claims or transfer histories that examiners cannot verify, and transfers under foreign law often are complex. A successful claim that the Issuer

does not have title could cause the Issuer to lose its rights to the properties, perhaps without compensation for its prior expenditures relating to the properties.

The Issuer's properties may now or in the future be the subject of First Nations land claims. The legal nature of aboriginal land claims is a matter of considerable complexity. The impact of any such claim on the Issuer's ownership interest in the properties cannot be predicted with any degree of certainty and no assurance can be given that a broad recognition of aboriginal rights in the areas in which the properties are located, by way of a negotiated settlement or judicial pronouncement, would not have an adverse effect on the Issuer's activities. Even in the absence of such recognition, the Issuer may at some point be required to negotiate with First Nations in order to facilitate exploration and development work on the properties.

Management

The success of the Issuer is largely dependent upon the performance of its management. The loss of the services of one or more of these persons may have a material adverse effect on the Issuer's business and prospects. There is no assurance that the Issuer can maintain the service of its management or other qualified personnel required to operate its business.

Requirement for Permits and Licenses

The Issuer will be applying for all necessary licenses and permits under applicable laws and regulations to carry on the exploration activities which it is currently planning in respect of the properties, and the Issuer believes it will comply in all material respects with the terms of such licenses and permits. However, such licenses and permits are subject to changes in regulations and in various operational circumstances. A substantial number of additional permits and licenses will be required should the Issuer proceed beyond exploration. There can be no guarantee that the Issuer will be able to obtain such licenses and permits.

Environmental Risks and other Regulatory Requirements

The current or future operations of the Issuer, including the exploration activities and commencement of production on the properties, will require permits from various federal and local governmental authorities, and such operations are and will be governed by laws and regulations governing exploration, development, production, taxes, labor standards, occupational health, waste disposal, toxic substances, land use, environmental protection, site safety and other matters. There can be no assurance that all permits which the Issuer may require for its facilities and conduct of exploration and development operations will be obtainable on reasonable terms or that such laws and regulations would not have a material adverse effect on any exploration and development project which the Issuer might undertake.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions. Parties engaged in exploration and development operations may be required to compensate those suffering loss

or damage by reason of the exploration and development activities and may have civil or criminal fines or penalties imposed upon them for violation of applicable laws or regulations.

Amendments to current laws, regulations and permits governing the operations and activities of mineral companies, or more stringent enforcement thereof, could have a material adverse impact on the Issuer and cause increases in capital expenditure or exploration and development costs or reduction in levels of production at producing properties or require abandonment or delays in development of new properties.

Uninsurable Risks

Exploration of mineral properties involves numerous risks, including unexpected or unusual geological conditions, rock bursts, cave-ins, fires, floods, earthquakes and other environmental occurrences, and political and social instability. It is not always possible to obtain insurance against all such risks and the Issuer may decide not to insure against certain risks as a result of high premiums or other reasons. Should such liabilities arise, they could reduce or eliminate any further profitability and result in increasing costs and a decline in the value of the securities of the Issuer. The Issuer does not maintain insurance against environmental risks.

Competition

Significant and increasing competition exists for mineral opportunities in the jurisdictions in which the Issuer has mineral properties. There are a number of large established mineral exploration companies with substantial capabilities and greater financial and technical resources than the Issuer. The Issuer may be unable to acquire additional mineral properties or acquire such properties on terms it considers acceptable. Accordingly, there can be no assurance that the Issuer's exploration programs will yield any reserves or result in any commercial mineral operations.

Conflicts of Interest

Directors of the Issuer may, from time to time, serve as directors of, or participate in ventures with other companies involved in natural resource development. As a result, there may be situations that involve a conflict of interest for such directors. Each director will attempt not only to avoid dealing with such other companies in situations where conflicts might arise but will also disclose all such conflicts in accordance with the BCBCA and will govern themselves in respect thereof to the best of their ability in accordance with the obligations imposed upon them by law.

Litigation

The Issuer and/or its directors may be subject to a variety of civil or other legal proceedings, with or without merit at any time following the date of this Listing Statement.

No Cash Dividends are Expected to be Paid in the Foreseeable Future

The Issuer has not declared any cash dividends to date. The Issuer intends to retain any future earnings to finance its business operations and any future growth. Therefore, the Issuer does not anticipate declaring any cash dividends in the foreseeable future.

Reserves and Reserve Estimates

The Issuer's business relies upon the ability to determine whether a given property has commercial quantities of recoverable minerals. No assurance can be given that any discovered mineral reserves and resources will be recovered or that they will be recovered at the rates estimated. Mineral reserve and resource estimates are based on limited sampling and, consequently, are uncertain because the samples may not be representative. Mineral reserve and resource estimates may require revision (either up or down) based on actual production experience.

17.2 There are no risks that security holders of the Issuer may become liable to make an additional contribution beyond the price of the security.

17.3 There are no risk factors material to the Issuer that a reasonable investor would consider relevant to an investment in the securities being listed and that are not otherwise described under sections 17.1 or 17.2.

BB. 18. Promoters

18.1 The Issuer does not have a promoter.

BC. 19. Legal Proceedings

19.1 To management's knowledge, there are no legal proceedings material to the Issuer to which the Issuer is a party or of which any of its properties is the subject matter. There are no such proceedings known to the Issuer to be threatened or contemplated.

BD. 20. Interest of Management and Others in Material Transactions

20.1 On May 4, 2017, the Issuer entered into an Acquisition Agreement with three (3) Vendors to acquire the New Brenda Property wherein one (1) of the Vendors, who was issued 1,010,000 shares of the total 2,610,000 common shares issued for the New Brenda Property, was Adrian Smith, a Director of the Issuer. The New Brenda Property was subsequently spun-out by way of a statutory plan of arrangement to Flow Metals Corp. The acquisition and disposition of the property are discussed in detail under section 3.1 above.

BE. 21. Auditors, Transfer Agents and Registrars

21.1 The auditor of the Issuer is Adam Sung Kim Ltd., suite 114B (2nd floor), 8988 Fraserton Court, Burnaby, BC V5J 5H8.

21.2 National Issuer Services Ltd. (the "Transfer Agent") has been appointed by the Issuer as the registrar and transfer agent of the Issuer. The Transfer Agent maintains the securities register and the register of transfers for the Common Shares and Class A Preferred shares of the Issuer. The office of the Transfer Agent (where the securities register and register of transfers are maintained) is suite 760 – 777 Hornby Street, Vancouver, BC V6Z 1S4.

BF. 22. Material Contracts

22.1 Material contracts of the Issuer, other than contracts entered into in the ordinary course of business, that were entered into within the two years before the date of this Listing Statement are as follows:

- Property Purchase & Sale Agreement dated May 4, 2017, as amended June 2, 2017, with Kostantinos Tsoutsis, Adrian Smith and Brian Morrison (see Section 3.1);
- Three (3) Convertible Promissory Notes dated March 1, 2017 with G. Mark Curry, Sayonara Holdings Ltd. (Don Sheldon controlling shareholder), and Surgenia Productions Inc. (Scott Sheldon controlling shareholder), respectively, each in the principal amount of \$54,793.67 (see Section 3.1 & 12.1);
- Arrangement Agreement dated July 16, 2018, with Flow Metals Corp. to spin out the Issuer's New Brenda Property (see Section 3.1);
- Property Purchase & Sale Agreement dated November 2, 2018, with Contigo Resources Ltd. (see Section 3.1).

BG. 23. Interest of Experts

23.1 No person or company who is named as having prepared or certified a part of the Listing Statement or prepared or certified a report or valuation described, included or incorporated by reference in the Listing Statement (whose profession or business provides expert authority) has received or will receive a direct or indirect interest in the property of the Issuer or of a Related Person to the Issuer.

BH. 24. Other Material Facts

24.1 There are no other material facts about the Issuer and its securities that are not disclosed under the preceding items and are necessary in order for the Listing Statement to contain full, true and plain disclosure of all material facts relating to the Issuer and its securities.

BI. 25. Financial Statements

25.1 The following financial statement for the Issuer are attached to this Listing Statement:

1. copies of all financial statements including the auditor's reports required to be prepared and filed under applicable securities legislation for the preceding three years; and
2. a copy of financial statements for any completed interim period of the current fiscal year.

CERTIFICATE OF THE ISSUER

Pursuant to a resolution duly passed by its Board of Directors, (full legal name of the Issuer), hereby applies for the listing of the above mentioned securities on the Exchange. The foregoing contains full, true and plain disclosure of all material information relating to (full legal name of the Issuer). It contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to prevent a statement that is made from being false or misleading in light of the circumstances in which it was made.

Dated at Vancouver, British Columbia, Canada.

This 18th day of December, 2018.

"Scott Sheldon"

Chief Executive Officer

Scott Sheldon

"R. Brian Murray"

Chief Financial Officer

R. Brian Murray

"Don Sheldon"

Director

Don Sheldon

"Adrian Smith"

Director

Adrian Smith

GORILLA MINERALS CORP.

Consolidated Financial Statements

For the Year Ended July 31, 2017

(Expressed in Canadian dollars)

SUITE 114B (2nd floor)
8988 FRASERTON COURT
BURNABY, BC, V5J 5H8

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Adam Kim
ADAM SUNG KIM LTD.
CHARTERED PROFESSIONAL ACCOUNTANT

INDEPENDENT AUDITOR'S REPORT

To: the Shareholders of
Gorilla Minerals Corp.

I have audited the accompanying consolidated financial statements of Gorilla Minerals Corp. (the "Company"), which comprise the consolidated statements of financial position as at July 31, 2017 and July 31, 2016, and the consolidated statements of loss and comprehensive loss, changes in shareholders' equity and cash flows for the years ended July 31, 2017 and July 31, 2016 and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

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

Auditors' Responsibility

My responsibility is to express an opinion on these consolidated financial statements based on my audits. I conducted my audits in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

I believe that the audit evidence I have obtained in my audits is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as at July 31, 2017 and July 31, 2016, and its financial performance and its cash flows for the years ended July 31, 2017 and July 31, 2016 in accordance with International Financial Reporting Standards.

Emphasis of Matter

Without qualifying my opinion, I draw attention to Note 1 in the consolidated financial statements which indicates that the Company has incurred losses to date. This condition, along with other matters as set forth in Note 1, indicates the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

"Adam Sung Kim Ltd."
Chartered Professional Accountant

Burnaby, British Columbia
November 17, 2017

GORILLA MINERALS CORP.
Consolidated Statements of Financial Position
(Expressed in Canadian dollars)

	July 31, 2017 \$	July 31, 2016 \$
Assets		
Current Assets		
Cash and cash equivalents	207,672	70
GST and other receivables	4,466	813
	212,138	883
Mineral properties (Note 4)	-	145,410
	212,138	146,293
Liabilities and Shareholders' Equity		
Current Liabilities		
Accounts payable and accrued liabilities	39,886	56,706
Due to related parties (Note 8)	22,675	35,933
Notes payable (Note 5)	35,123	53,008
Convertible promissory notes payable (Note 6)	-	153,372
	97,684	299,019
Convertible promissory notes payable (Note 6)	151,476	-
	249,160	299,019
Shareholders' Equity		
Share capital (Note 7)	1,367,412	1,069,412
Contributed surplus	185,787	165,554
Deficit	(1,590,221)	(1,387,692)
	(37,022)	(152,726)
	212,138	146,293

Nature of operations and continuance of business (Note 1)
Subsequent events (Note 12)

Approved by the Board of Directors on November 17, 2017:

"Scott Sheldon"

Scott Sheldon, Director & CEO

"Donald Sheldon"

Donald Sheldon, Director

(The accompanying notes are an integral part of these consolidated financial statements)

GORILLA MINERALS CORP.

Consolidated Statements of Income (Loss) and Comprehensive Income (Loss)
(Expressed in Canadian dollars)

	Year ended July 31, 2017 \$	Year ended July 31, 2016 \$
Exploration Expenses	63,442	(13,930)
Administrative Expenses		
Audit and accounting	43,630	25,000
Consulting fees	-	995
Interest expense	21,165	22,030
Legal	28,970	26,498
Management fees	24,000	42,000
General and administrative	10,365	5,223
Stock-based compensation	-	116,803
Transfer agent, filing and stock exchange fees	15,547	8,170
Travel	-	1,615
	(207,119)	(234,404)
Other Income		
Gain on Option Agreement (Note 4)	414,590	-
Loss on settlement of debts	-	(14,190)
Write off of accounts payable	-	5,667
Net income (loss) and comprehensive income (loss) for the year	207,471	(242,927)
Income (loss) per share, basic and diluted	0.02	(0.03)
Weighted average shares outstanding	10,627,916	8,643,931

(The accompanying notes are an integral part of these consolidated financial statements)

GORILLA MINERALS CORP.Consolidated Statement of Changes in Equity
(Expressed in Canadian dollars)

	Share Capital				
	Common Shares	Amount \$	Contributed surplus \$	Deficit \$	Total \$
Balance, at July 31, 2015	6,322,650	944,260	34,561	(1,144,765)	(165,944)
Shares issued for cash	4,100,000	82,000	-	-	82,000
Shares issued for debt	172,608	43,152	-	-	43,152
Stock-based compensation	-	-	116,803	-	116,803
Warrants issued for debt	-	-	14,190	-	14,190
Net loss for the year	-	-	-	(242,927)	(242,927)
Balance, at July 31, 2016	10,595,258	1,069,412	165,554	(1,387,692)	(152,726)
Shares issued for cash	2,980,000	298,000	-	-	298,000
Distribution of K2 shares to the shareholders (Note 4)	-	-	-	(410,000)	(410,000)
Equity portion of convertible promissory notes payable	-	-	20,233	-	20,233
Net income for the year	-	-	-	207,471	207,471
Balance, at July 31, 2017	13,575,258	1,367,412	185,787	(1,590,221)	(37,022)

(The accompanying notes are an integral part of these consolidated financial statements)

GORILLA MINERALS CORP.Consolidated Statements of Cash Flows
(Expressed in Canadian dollars)

	Year ended July 31, 2017 \$	Year ended July 31, 2016 \$
Cash provided by (used in):		
Operating activities		
Net income (loss) for the year	207,471	(242,927)
Adjustments for non-cash items		
Interest accrual on promissory note	21,165	22,030
Gain on Option Agreement (Note 4)	(414,590)	-
Loss on settlement of debts	-	14,190
Stock-based compensation	-	116,803
Write off of accounts payable	-	(5,667)
Changes in non-cash operating working capital:		
GST recoverable	(3,653)	12,493
Accounts payable and accrued liabilities	(16,820)	(18,596)
Due to related parties	(13,258)	3,764
	(219,685)	(97,910)
Investing activities		
Option payments received	150,000	-
	150,000	-
Financing activities		
Issue of shares	298,000	82,000
Proceeds from promissory note	-	6,980
Repayment of promissory note	(20,713)	(15,000)
	277,287	73,980
Increase (decrease) in cash	207,602	(23,930)
Cash, beginning of year	70	24,000
Cash, end of year	207,672	70
Supplemental information		
Interest paid	1,833	-
Taxes paid	-	-
Significant non-cash financing and investing activities		
Shares issued for debt	-	43,152
Warrants issued for debt	-	14,190

(The accompanying notes are an integral part of these consolidated financial statements)

GORILLA MINERALS CORP.

Notes to the Consolidated Financial Statements

For the year ended July 31, 2017

(Expressed in Canadian dollars)

1. Nature of Operations and Continuance of Business

Gorilla Minerals Corp. (“Gorilla” or the “Company”) was incorporated on April 27, 2012 in Canada with limited liability under the legislation of the Province of British Columbia. Gorilla’s registered office is located at Suite 2000 – 1177 West Hastings Street, Vancouver, BC, V6E 2K3, Canada.

Gorilla is an exploration stage company and is in the process of exploring its mineral properties in Canada and has not yet determined whether its properties contain ore reserves that are economically recoverable. The recoverability of amounts spent for mineral properties is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the exploration and development of its property, and upon future profitable production or proceeds from disposition of the properties. The operations of the Company will require various licences and permits from various governmental authorities which are or may be granted subject to various conditions and may be subject to renewal from time to time. There can be no assurance that the Company will be able to comply with such conditions and obtain or retain all necessary licences and permits that may be required to carry out exploration, development, and mining operations at its projects. Failure to comply with these conditions may render the licences liable to forfeiture.

These consolidated financial statements have been prepared on the going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. Should the Company be unable to continue as a going concern, it may be unable to realize the carrying value of its assets and to meet its liabilities as they become due. As at July 31, 2017, the Company has not generated any revenues from operations and has an accumulated deficit of \$1,590,221. The Company expects to incur further losses in the development of its business, all of which casts significant doubt about the Company’s ability to continue as a going concern. The continued operations of the Company are dependent on its ability to generate future cash flows or obtain additional financing. Management is of the opinion that sufficient working capital will be obtained from external financing to meet the Company’s liabilities and commitments as they become due, although there is a risk that additional financing will not be available on a timely basis or on terms acceptable to the Company. These consolidated financial statements do not reflect any adjustments to the carrying values of assets and liabilities, the reported expenses, and the balance sheet classifications used that may be necessary if the Company is unable to continue as a going concern.

2. Basis of Presentation

(a) Statement of Compliance

These consolidated financial statements, including comparatives, have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and Interpretations issued by the International Financial Reporting Interpretations Committee (“IFRIC”).

GORILLA MINERALS CORP.

Notes to the Consolidated Financial Statements

For the year ended July 31, 2017

(Expressed in Canadian dollars)

2. Basis of Presentation (continued)

(b) Basis of Measurement

These consolidated financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair value, as explained in the accounting policies set out in Note 3.

(c) Functional and Presentation Currency

The functional currency of a company is the currency of the primary economic environment in which the company operates. The presentation currency for a company is the currency in which the company chooses to present its financial statements. These consolidated financial statements are presented in Canadian dollars, which is the Company's presentation and functional currency.

(d) Subsidiaries

These consolidated financial statements include the financial statements of the Company and the wholly-owned subsidiary, Shiraz Petroleum Corporation (formerly Hella Resources Corp.) from the date of incorporation on November 17, 2014. Shiraz Petroleum Corporation is a dormant/inactive company.

3. Significant Accounting Policies

(a) Cash and Cash Equivalents

Cash and cash equivalents are comprised of cash and highly liquid investments that are readily convertible into known amounts of cash within three months.

(b) Mineral Properties

Recognition and Measurement

The Company charges to operations all exploration and evaluation expenses incurred prior to the determination of economically recoverable reserves. These costs would also include periodic fees such as license and maintenance fees and advance royalty payments.

The Company capitalizes direct mineral property acquisition costs and those expenditures incurred following the determination that the property has economically recoverable reserves. Mineral property acquisition costs include cash consideration and the fair value of common shares issued for mineral property interests, pursuant to the terms of the relevant agreement. These costs are amortized over the estimated life of the property following commencement of commercial production, or written off if the property is sold, allowed to lapse or abandoned, or when impairment in value has been determined to have occurred. A mineral property is reviewed for impairment whenever events or changes in circumstances indicate that its carrying amount may not be recoverable.

GORILLA MINERALS CORP.

Notes to the Consolidated Financial Statements

For the year ended July 31, 2017

(Expressed in Canadian dollars)

3. Significant Accounting Policies (continued)

(b) Mineral Properties (continued)

The Company may occasionally enter into option-out arrangements, whereby the Company will transfer part of a mineral interest, as consideration, for an agreement by the transferee to meet certain exploration and evaluation expenditures which would otherwise be undertaken by the Company.

The Company does not record any expenditures made by the optionee on its behalf. Any cash consideration received from the agreement is credited against the costs previously capitalized to the mineral interest given up by the Company, with any excess cash accounted as a gain on disposal.

(c) Provisions

Provisions are recorded when a present legal or constructive obligation exists as a result of past events where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at balance sheet date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. The increase in the obligation due to the passage of time is recognized as finance expense. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount receivable can be measured reliably.

(d) Income Taxes

Provision for income taxes consists of current and deferred tax expense. Income tax expense is recognized in the income statement except to the extent that it relates to items recognized either in other comprehensive income or directly in equity, in which case it is recognized in other comprehensive income or in equity, respectively. Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years. Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual earnings.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for temporary differences associated with the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable income or loss and temporary differences relating to investments in subsidiaries to the extent that it is probable that they will not reverse in the foreseeable future. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse based on the laws that have been enacted or substantively enacted at the reporting date.

GORILLA MINERALS CORP.

Notes to the Consolidated Financial Statements

For the year ended July 31, 2017

(Expressed in Canadian dollars)

3. Significant Accounting Policies (continued)

(d) Income Taxes (continued)

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity.

(e) Financial Instruments

Financial Assets

Financial assets are classified into one of the following categories based on the purpose for which the asset was acquired. Management determines the classification of its financial assets at initial recognition. All transactions related to financial instruments are recorded on a trade date basis. The Company's accounting policy for each category is as follows:

Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities of greater than 12 months after the end of the reporting periods, which are classified as non-current assets. They are initially recognized at fair value plus transaction costs that are directly attributable to their acquisition or issue and subsequently carried at amortized cost, using the effective interest rate method, less any impairment losses. Amortized cost is calculated by taking into account any discount or premium on acquisition and includes fees that are an integral part of the effective interest rate and transaction costs.

Gains and losses are recognized in the profit or loss when the loans and receivables are derecognized or impaired, as well as through the amortization process.

Financial Assets at Fair Value Through Profit or Loss

An instrument is classified at fair value through profit or loss if it is held for trading or is designated as such upon initial recognition. Financial instruments are designated at fair value through profit or loss if the Company manages such investments and makes purchases and sale decisions based on their fair value in accordance with the Company's risk management or investment strategy. Upon initial recognition, attributable transaction costs are recognized in profit or loss when incurred. Financial instruments at fair value through profit or loss are measured at fair value, and changes therein are recognized in profit or loss.

GORILLA MINERALS CORP.

Notes to the Consolidated Financial Statements

For the year ended July 31, 2017

(Expressed in Canadian dollars)

3. Significant Accounting Policies (continued)

(e) Financial Instruments (continued)

Available-for-sale Financial Assets

Available-for-sale financial assets are non-derivative financial assets that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless the investment matures or management intends to dispose of it within 12 months of the end of the reporting period. Subsequent to initial recognition, available-for-sale financial assets are measured at fair value and changes therein, other than impairment losses and foreign currency differences on available-for-sale equity instruments, are recognized in other comprehensive income and presented within equity in the fair value reserve. When an instrument is derecognized, the cumulative gain or loss in other comprehensive income is transferred to profit or loss.

Financial Liabilities

Financial liabilities other than derivative liabilities are recognized initially at fair value and are subsequently stated at amortized cost. These liabilities include accounts payable and accrued liabilities, other liabilities and loans. Transaction costs on financial assets and liabilities other than those classified as fair value through profit and loss are treated as part of the carrying value of the asset or liability. Transaction costs for assets and liabilities at fair value through profit and loss are expensed as incurred.

Impairment of Financial Assets

The Company assesses at the end of each reporting date whether there is objective evidence that a financial asset is impaired. A financial asset is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a "loss event") and that loss event (or events) has an impact on the estimated future cash flows of the financial asset that can be reliably estimated.

An impairment loss in respect of a financial asset carried at amortized cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted using the instrument's original effective interest rate.

An impairment loss in respect of an available-for-sale financial asset is calculated by reference to its fair value. In the case of equity instruments classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is also evidence that the assets are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss, measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset that was previously recognized in profit or loss, is removed from equity and recognized in the income statement.

GORILLA MINERALS CORP.

Notes to the Consolidated Financial Statements

For the year ended July 31, 2017

(Expressed in Canadian dollars)

3. Significant Accounting Policies (continued)

(e) Financial Instruments (continued)

All impairment losses are recognized in profit or loss. Any cumulative loss in respect of an available-for-sale financial asset recognized previously in equity is transferred to profit or loss.

An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognized. Impairment losses recognized for equity securities are not reversed.

(f) Loss Per Share

Basic earnings or loss per share is computed by dividing the earnings or loss for the period by the weighted average number of common shares outstanding during the relevant period. The treasury stock method is used for the calculation of diluted earnings or loss per share. Stock options, share purchase warrants, and other equity instruments are dilutive when the average market price of the common shares during the period exceeds the exercise price of the options, warrants and other equity instruments. When a loss has been incurred, basic and diluted loss per share is the same because the exercise of options and warrants would be anti-dilutive.

(g) Comprehensive Income

Comprehensive income or loss is the change in net assets arising from transactions and other events and circumstances from non-owner sources, and comprises net income or loss and other comprehensive income or loss. Financial assets that are classified as available for sale will have revaluation gains and losses included in other comprehensive income or loss until the asset is removed from the balance sheet.

(h) Share Capital

The Company records proceeds from share issuances net of issue costs and any tax effects in shareholders' equity. Common shares issued for consideration other than cash are valued based on their market value at the date the agreement to issue shares was concluded. Common shares held by the Company are classified as treasury stock and recorded as a reduction to shareholders' equity.

(i) Related Parties

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control. Related parties may be individuals or corporate entities.

A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

GORILLA MINERALS CORP.

Notes to the Consolidated Financial Statements

For the year ended July 31, 2017

(Expressed in Canadian dollars)

3. Significant Accounting Policies (continued)

(j) Critical Accounting Judgments and Estimates

The preparation of financial statements in conformity with IFRS requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported revenues and expenses during the period. Although management uses historical experience and its best knowledge of the amount, events or actions to form the basis for judgments and estimates, actual results may differ from these estimates.

The most significant accounts that require estimates as the basis for determining the stated amounts include recognition of deferred income tax amounts and provision for restoration, rehabilitation and environmental costs.

Critical judgments exercised in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are as follows:

Economic recoverability and probability of future economic benefits of mineral properties

Management has determined that mineral property costs incurred which were capitalized have future economic benefits and are economically recoverable. Management uses several criteria in its assessments of economic recoverability and probability of future economic benefits including geological and metallurgic information, history of conversion of mineral deposits to proven and probable reserves, scoping and feasibility studies, accessible facilities, existing permits and life of mine plans.

Determination of functional currency

The Company determines the functional currency through an analysis of several indicators such as expenses and cash flow, financing activities, retention of operating cash flows, and frequency of transactions with the reporting entity.

Income taxes

In assessing the probability of realizing income tax assets, management makes estimates related to expectations of future taxable income, applicable tax opportunities, expected timing of reversals of existing temporary differences and the likelihood that tax positions taken will be sustained upon examination by applicable tax authorities. In making its assessments, management gives additional weight to positive and negative evidence that can be objectively verified.

Site decommissioning obligations

The Company recognizes a provision for future abandonment activities in the financial statements equal to the net present value of the estimated future expenditures required to settle the estimated future obligation at the statement of financial position date. The measurement of the decommissioning obligation involves the use of estimates and assumptions including the discount rate, the expected timing of future expenditures and the amount of future abandonment costs. The estimates were made by management and external consultants considering current costs, technology and enacted legislation. As a result, there could be significant adjustments to the provisions established which would affect future financial results.

GORILLA MINERALS CORP.

Notes to the Consolidated Financial Statements
For the year ended July 31, 2017
(Expressed in Canadian dollars)

3. Significant Accounting Policies (continued)

(k) New Accounting Standards

New accounting standards issued but not yet effective

Certain new standards, interpretations and amendments to existing standards have been issued by the IASB or the IFRIC that are mandatory for future accounting periods. Some updates that are not applicable or are not consequential to the Company may have been excluded from the list below. The Company has not yet assessed the impact, if any, that the new amended standards will have on its consolidated financial statements or whether to early adopt any of the new requirements. The following standard will be effective for annual periods beginning on or after January 1, 2018:

IFRS 9, *Financial Instruments* – The IASB intends to replace IAS 39, *Financial Instruments: Recognition and Measurement* in its entirety with IFRS 9 which is intended to reduce the complexity in the classification and measurement of financial instruments. In February 2014, the IASB tentatively determined that the revised effective date for IFRS 9 would be January 1, 2018. The Company is currently evaluating the impact the final standard is expected to have on its consolidated financial statements.

4. Mineral Properties

Whitehorse, Yukon Territory, Canada

Pursuant to an option agreement dated June 6, 2011, Gorilla Resources Corp. was granted an option to acquire a 100% interest in the Wels property located in Whitehorse, Yukon Territory, Canada. On April 23, 2012, Gorilla Resources Corp. assigned all the benefits, rights and obligations under the option agreement to the Company. The property consists of 136 unpatented mining claims and is subject to a 3% Net Smelter Returns (“NSR”) in favour of the optionor. The Company has the right to buy back the NSR for a cash payment of \$750,000 for each 1%, to a maximum of \$1,500,000, at any time. To maintain and exercise the option, the Company must:

- Make cash payments of \$15,900 upon signing (paid by Gorilla Resources Corp.);
- Make cash payments of \$15,450 upon the completion of a National Instrument 43-101 technical report (paid by Gorilla Resources Corp.);
- Issue 15,000 common shares on the sixth month anniversary (issued by Gorilla Resources Corp.);
- Make cash payments of \$25,000 and issue 10,000 common shares on or before September 30, 2012 (subsequently extended to make a cash payment of \$10,000 by October 31, 2012 and \$15,000 by January 31, 2013) (paid/issued by the Company);
- Make payments of \$40,000 on or before September 30, 2013, payable in cash, common shares, or a combination of cash and common shares (subsequently amended to payment of \$20,000 in cash on or before February 28, 2014 pursuant to a payment extension agreement dated November 19, 2013) (paid by the Company);
- Issue 10,000 common shares on or before 14 days from the date of a payment extension agreement dated November 19, 2013 pursuant to a payment extension agreement dated November 19, 2013 (issued on November 21, 2013);
- Make payments of \$80,000 on or before September 30, 2014, payable in cash, common shares, or a combination of cash and common shares (amended to payment of \$40,000 in cash on October 16, 2014 and \$40,000 issued in shares on October 24, 2014). (Paid/issued by the Company).

GORILLA MINERALS CORP.

Notes to the Consolidated Financial Statements
For the year ended July 31, 2017
(Expressed in Canadian dollars)

4. Mineral Properties (continued)

On November 12, 2013, the Company granted to Enfield Resources an option to acquire a 100% undivided right, title and interest in certain mineral claims of the Wels property ("Wels Nickel Project"). The Company was entitled to receive a royalty interest equal to 5% of NSR. Enfield Resources was entitled to redeem the entitlement of the Company to its share of NSR by paying \$1,500,000 to the Company for each 1% so redeemed, to a maximum of \$7,500,000. In order to the option and to earn the interests in the Wels Nickel Project, Enfield was to make the following payments in cash to the Company:

- \$10,000 on or before November 12, 2013 (received);
- \$15,000 within 5 days of CSE Listing (received);
- \$2,500 on or before May 1, 2014 (received);
- \$80,000 on or before September 30, 2014 (Enfield defaulted on payment. The option agreement was terminated on October 30, 2014); and
- \$80,000 on or before September 30, 2015.

On January 7, 2014, the Company entered into an Option and Joint Venture Agreement with First Ferro whereby the Company granted First Ferro an option to acquire a 40% undivided beneficial interest in certain mineral claims of the Wels property ("Wels Gold Project") by making the following payments:

- \$7,500 on execution of the Arrangement Agreement (received);
- \$10,500 within 5 days of the CSE Listing (received);
- \$100,000 on or before June 30, 2014 (First Ferro defaulted on payment, Option Agreement was terminated on August 31, 2014);
- \$100,000 on or before December 31, 2014;
- \$100,000 on or before June 30, 2015; and
- \$100,000 on or before December 31, 2015.

During the year ended July 31, 2017, the Company received \$Nil (2016: \$40,000) from the Government of Yukon in contribution funds for mining exploration.

During the year ended July 31, 2017 and 2016, the Company incurred exploration expenditures as follows:

	<u>Year ended July 31, 2017</u>	<u>Year ended July 31, 2016</u>
Exploration and related expenditures		
Assays	\$ 5,552	\$ 473
Claim staking / maintenance	10,395	-
Geological	16,076	4,337
Geophysical survey	31,419	-
Land administration	-	1,260
Royalties	-	20,000
Government of Yukon Contribution Funds	-	(40,000)
Total mineral property expenditures	<u>\$ 63,442</u>	<u>\$ (13,930)</u>

GORILLA MINERALS CORP.

Notes to the Consolidated Financial Statements

For the year ended July 31, 2017

(Expressed in Canadian dollars)

4. Mineral Properties (continued)

On August 11, 2016, the Company entered into an Option to Joint Venture Agreement (the "Option Agreement") with West Melville Metals Inc. ("WMM", later changed its name to K2 Gold Corporation ("K2")). Pursuant to the Option Agreement, the Company agreed to grant to K2 the sole and exclusive right and option to acquire an undivided 90% interest in the Wels property and other assets, as defined in the Option Agreement, subject to 3% NSR royalty on the minerals produced from the property, and upon the exercise of such option, the parties have agreed to form a joint venture (the "Option").

In order to exercise the Option, WMM must:

(a) pay to the Company:

- (i) \$50,000, within five Business Days after the date of TSX Venture Exchange ("TSX-V")'s acceptance of the Option Agreement (received);
- (ii) an additional \$100,000 on or before the date that is 30 days after the date of the Option Agreement (received);
- (iii) an additional \$100,000 on or before the date that is 12 months after the date of the Option Agreement (Note 13); and
- (iv) an additional \$100,000 on or before the date that is 24 months after the date of the Option Agreement;

for total cash payments in aggregate of \$350,000;

(b) issue and deliver to Gorilla:

- (i) 500,000 K2 shares within five Business Days after the date of TSX-V's acceptance of the Option Agreement (received, valued at \$150,000);
- (ii) an additional 500,000 K2 shares on or before the date that is 6 months after the date of the Option Agreement (received, valued at \$260,000);
- (iii) an additional 500,000 K2 shares on or before the date that is 12 months after the date of the Option Agreement (Note 13);
- (iv) an additional 500,000 K2 shares on or before the date that is 18 months after the date of the Option Agreement;
- (v) an additional 500,000 K2 shares on or before the date that is 24 months after the date of the Option Agreement;
- (vi) an additional 500,000 K2 shares on or before the date that is 30 months after the date of the Option Agreement;

for a total issuance in aggregate of 3,000,000 K2 shares. The Company is to distribute its K2 shares to the Company's shareholders as soon as is reasonably practicable following the receipt of any such shares from K2 (Note 7).

GORILLA MINERALS CORP.

Notes to the Consolidated Financial Statements

For the year ended July 31, 2017

(Expressed in Canadian dollars)

5. Notes Payable

During the year ended July 31, 2014, the Company received loan proceeds of \$40,365 from directors and companies owned by directors of the Company. During the year ended July 31, 2014, the Company repaid \$7,567. The notes payable was accounted for at amortized cost using the effective interest rate method with the effective interest rate of 12% per annum. During the year ended July 31, 2014, the debt discount of \$4,290 was credited to contributed surplus, debited to notes payable and amortized over the term of the notes.

During the year ended July 31, 2015, the Company received additional loan proceeds of \$22,500 from directors and companies owned by directors of the Company. On March 31, 2015, the Company entered into two loan agreements with companies owned by directors of the Company in the amounts of \$35,000 and \$10,000, respectively (the "Loans"). The Loans replaced the notes payable, in the same amounts, that were previous owed to related parties. The Loans bears 5% interest, are unsecured, and are due on March 31, 2017. The Loans were accounted for at amortized cost using the effective interest rate method with the effective interest rate of 12% per annum. During the year ended July 31, 2015, the debt discount of \$5,539 was credited to contributed surplus, debited to notes payable and amortized over the term of the notes.

On March 31, 2015, the Company entered into a convertible promissory note agreement with a company controlled by a director of the Company to convert \$50,000 of the note into a convertible promissory note (Note 6).

During the year ended July 31, 2017, the Company accrued an interest expense of \$2,828 (2016 - \$4,496) related to the Loans.

6. Convertible Promissory Notes Payable

On March 31, 2015, the Company entered into various convertible promissory note agreements for a total principal amount of \$150,000 (the "Convertible Notes"). Total proceeds of \$50,000 was received from a third party, \$50,000 note payable was converted by a company controlled by a director of the Company (Note 5), and \$50,000 amount due to related party was converted by a company controlled owned by the President of the Company (Note 8).

The Convertible Notes bear 5% interest, are unsecured, and are due on March 31, 2017. At any time prior to the maturity date, the lenders may convert all or any part of the principal amount into shares of the Company at a price of \$0.15 per share. At the date of issue, the debt portion of the convertible Notes was recorded at its fair value of \$131,538, assuming a fair value of interest rate for comparable debt of 12% per annum. The equity component, which is the fair value attributed to the conversion feature, had a carrying value of \$18,462, being the difference between the face amount and the fair value of the debt. The carrying value of the equity component was recorded as a separate component of shareholders' equity. Subsequent to initial recognition, the debt has been amortized over the term of the debt using the effective interest rate method at discount rate of 12%.

GORILLA MINERALS CORP.

Notes to the Consolidated Financial Statements

For the year ended July 31, 2017

(Expressed in Canadian dollars)

6. Convertible Promissory Notes Payable (continued)

On March 1, 2017, the Company amended and replaced the Convertible Notes with new convertible promissory note agreements for a total principal amount of \$164,381 (the "Amended Convertible Notes") which included accrued interest up to March 1, 2017. The Amended Convertible Notes bear 5% interest, are unsecured, and are due on February 28, 2019. At any time prior to the maturity date, the lenders may convert all or any part of the principal amount into shares of the Company at a price of \$0.05 per share. At the date of issue, the debt portion of the convertible Notes was recorded at its fair value of 144,148, assuming a fair value of interest rate for comparable debt of 12% per annum. The equity component, which is the fair value attributed to the conversion feature, had a carrying value of \$20,233, being the difference between the face amount and the fair value of the debt. The carrying value of the equity component was recorded as a separate component of shareholders' equity. Subsequent to initial recognition, the debt has been amortized over the term of the debt using the effective interest rate method at discount rate of 12%.

During the year ended July 31, 2017, the Company accrued an interest and accretion expense of \$18,337 (2016 - \$16,558) related to the Convertible Notes and the Amended Convertible Notes.

7. Share Capital

(a) Authorized

Unlimited number of common shares without par value.

On May 29, 2017, the Company held its annual and special shareholders' meeting and approved the creation of an unlimited number of Class A Preferred Shares with a par value of \$0.001.

(b) Share transactions for the year ended July 31, 2017 and 2016:

On July 28, 2017, the Company closed a non-brokered financing of 2,980,000 units at \$0.10 per unit for gross proceeds of \$298,000. Each unit consists of one common share of the Company and one share purchase warrant, with each warrant entitling the holder to acquire an additional common share of the Company at a price of \$0.15 per share for a period of two years.

On May 30, 2017, the Company issued 10,595,258 Preferred Shares to the existing common shareholders of the Company pro rata wherein for every common share held, a shareholder receives one Preferred Share.

On May 30, 2017, the Company formally declared a dividend in specie on the outstanding Preferred Shares totaling 1,000,000 K2 shares (Note 4).

On March 1, 2016, the Company issued 4,100,000 common shares for \$82,000 cash from various private placements.

On August 18, 2015, the Company issued 172,608 common shares to settle accounts payable of \$43,152.

GORILLA MINERALS CORP.

Notes to the Consolidated Financial Statements

For the year ended July 31, 2017

(Expressed in Canadian dollars)

7. Share Capital (continued)

(c) Warrants

Warrants	Year ended July 31, 2017		Year ended July 31, 2016	
	Warrants	Weighted Average Exercise Price	Warrants	Weighted Average Exercise Price
Opening	1,052,608	\$ 0.30	880,000	\$ 0.30
Granted	2,980,000	0.15	172,608	0.30
Expired	(1,052,608)	0.30		
Ending	<u>2,980,000</u>	\$ 0.15	<u>1,052,608</u>	\$ 0.30

As at July 31, 2017, the Company had the following warrants outstanding:

Number of warrants	Exercise price	Expiry date
2,980,000	\$0.15	July 28, 2019

(d) Stock options

Options	Year ended July 31, 2017		Year Ended July 31, 2016	
	Number of Options	Weighted Average Exercise Price	Number of Options	Weighted Average Exercise Price
Opening	630,000	\$ 0.25	-	-
Granted	-	-	630,000	\$ 0.25
Cancelled	(630,000)	0.25		
Ending	<u>-</u>	\$ -	<u>630,000</u>	\$ 0.25
Exercisable	-	\$ -	630,000	\$ 0.25

The stock options granted during the year ended July 31, 2016 were valued at \$116,803 using the Black-Scholes Option Pricing Model, using the following assumptions:

Grant date	Expected life	Volatility	Dividend yield	Risk-free interest rate
August 10, 2015	5 years	100%	0%	0.79%

GORILLA MINERALS CORP.

Notes to the Consolidated Financial Statements
For the year ended July 31, 2017
(Expressed in Canadian dollars)

8. Related Party Transactions

During the year ended July 31, 2017, the Company incurred \$24,000 (2016: \$24,000) in management fees from a company owned by the President of the Company. At July 31, 2017, the Company owed \$22,675 (2016: \$35,933) to directors and their companies and had \$35,123 (2016: \$53,008) of notes payable (Note 5) and \$100,984 (2016: \$102,248) of convertible promissory notes payable (Note 6) to directors and their companies.

Refer to Notes 5, 6 and 7 for related party transactions.

9. Financial Instruments

(a) Classification of Financial Instruments

The Company has classified its financial instruments as follows:

	July 31, 2017
	\$
<hr/>	
Financial assets:	
Held for trading, measured at fair value:	
Cash	207,672
	<hr/>
	207,672
<hr/>	
Financial liabilities, measured at amortized cost:	
Trade payable	39,886
Due to related parties	22,675
Notes payable	35,123
Convertible promissory notes payable	151,476
	<hr/>
	249,160
	<hr/>

(b) Fair Values

The Company has classified fair value measurements of its financial instruments using a fair value hierarchy that reflects the significance of inputs used in making the measurements as follows:

- Level 1: Valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: Valuations based on directly or indirectly observable inputs in active markets for similar assets or liabilities, other than Level 1 prices, such as quoted interest or currency exchange rates; and
- Level 3: Valuations based on significant inputs that are not derived from observable market data, such as discounted cash flow methodologies based on internal cash flow forecasts.

GORILLA MINERALS CORP.

Notes to the Consolidated Financial Statements

For the year ended July 31, 2017

(Expressed in Canadian dollars)

9. Financial Instruments (continued)

As at July 31, 2017, the fair values of accounts payable, due to related parties and current portion of notes payable, approximate their carrying values due to the relatively short-term maturity of these instruments. The Amended Convertible Notes, bearing 5% interest, unsecured, and due on February 28, 2019, are booked at amortized costs.

(c) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company currently settles its financial obligations out of cash. The ability to do this relies on the Company raising equity financing in a timely manner and by maintaining sufficient cash in excess of anticipated needs. As at July 31, 2017, the Company does not have sufficient cash to settle current liabilities of \$97,684.

(d) Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

The Company's cash is largely held in large Canadian financial institutions. The Company does not have any asset-backed commercial paper. The Company's receivables consist of GST receivable due from the Federal Government of Canada. The Company maintains cash deposits with Schedule A financial institutions, which from time to time may exceed federally insured limits. The Company has not experienced any significant credit losses and believes it is not exposed to any significant credit risk.

(e) Price Risk

The Company is exposed to price risk with respect to commodity prices. The Company's ability to raise capital to fund exploration and development activities is subject to risks associated with fluctuations in the market price of commodities.

(f) Interest rate risk

Interest rate risk is the risk the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Financial assets and liabilities with variable interest rates expose the Company to cash flow interest rate risk. The Company does not hold any financial liabilities with variable interest rates other than notes and convertible notes payables (Notes 5 and 6). The Company does maintain bank accounts which earn interest at variable rates but it does not believe it is currently subject to any significant interest rate risk.

(g) Foreign currency exchange rate risk

The Company currently has no significant operations denominated in foreign currencies. Management believes there is no significant foreign currency exchange rate risk.

GORILLA MINERALS CORP.

Notes to the Consolidated Financial Statements

For the year ended July 31, 2017

(Expressed in Canadian dollars)

10. Capital Management

The Company defines its capital as cash and equity comprised of issued share capital and deficit. The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition and exploration and development of mineral properties. 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 sustain future development of the business. The properties in which the Company currently has an interest are in the exploration stage. As such, the Company has historically relied on the equity markets to fund its activities. In addition, the Company is dependent upon external financings to fund activities. In order to carry out planned exploration and pay for administrative costs, the Company will need to raise additional funds. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so. 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 is not subject to externally imposed capital requirements as at July 31, 2017.

11. Segmented Information

The Company operates in one reportable operating segment, being the acquisition and exploration of mineral properties in Canada. As the operations comprise a single reporting segment, amounts disclosed also represent segment amounts.

12. Income Taxes

The income taxes shown in the Statements of Loss and Comprehensive Loss differ from the amounts obtained by applying statutory rates to the loss before income taxes due to the following:

	<u>2017</u>	<u>2016</u>
Statutory tax rate	26.00%	26.0%
Income (loss) before income taxes	<u>\$ 207,471</u>	<u>\$ (242,927)</u>
Expected income tax (recovery)	53,942	(63,161)
Increase (decrease) in income tax recovery resulting from:		
Items deductible and not deductible for income tax purposes	(101,097)	33,291
Current and prior tax attributes not recognized	47,155	29,870
Deferred income tax recovery	<u>-</u>	<u>\$ -</u>

GORILLA MINERALS CORP.

Notes to the Consolidated Financial Statements
For the year ended July 31, 2017
(Expressed in Canadian dollars)

12. Income Taxes (continued)

Details of deferred tax assets are as follows:

	<u>2017</u>	<u>2016</u>
Non-capital losses	\$ 146,922	\$ 114,939
Resource expenditures	105,981	90,680
Share issuance costs and others	260	390
	<u>253,163</u>	<u>206,009</u>
Less: Unrecognized deferred tax assets	<u>(253,163)</u>	<u>(206,009)</u>
	<u>\$ -</u>	<u>\$ -</u>

The Company has approximately \$565,000 of non-capital losses available, which begin to expire in 2032 through to 2037 and may be applied against future taxable income. The Company also has approximately \$407,000 of exploration and development costs which are available for deduction against future income for tax purposes. At July 31, 2017, the net amount which would give rise to a deferred income tax asset has not been recognized as it is not probable that such benefit will be utilized in the future years.

13. Subsequent Events

On August 11, 2017, the Company received \$100,000 and 500,000 shares from K2 related to the Wels Gold Property (Note 4).

On August 14, 2017, the Company acquired the New Brenda Property with a payment of 2,610,000 common shares of the Company. The New Brenda Property is comprised of 16 contiguous mineral claims located in South Central British Columbia in the traditional territory of the West Bank First Nation.

GORILLA MINERALS CORP.

Consolidated Financial Statements
For the Year Ended July 31, 2016 and 2015
(Expressed in Canadian dollars)

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Adam Kim
ADAM SUNG KIM LTD.
CHARTERED PROFESSIONAL ACCOUNTANT

INDEPENDENT AUDITOR'S REPORT

To: the Shareholders of
Gorilla Minerals Corp.

I have audited the accompanying consolidated financial statements of Gorilla Minerals Corp. (the "Company"), which comprise the consolidated statements of financial position as at July 31, 2016 and July 31, 2015, and the consolidated statements of loss and comprehensive loss, changes in shareholders' equity and cash flows for the years ended July 31, 2016 and July 31, 2015 and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

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

Auditors' Responsibility

My responsibility is to express an opinion on these consolidated financial statements based on my audits. I conducted my audits in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

I believe that the audit evidence I have obtained in my audits is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as at July 31, 2016 and July 31, 2015, and its financial performance and its cash flows for the years ended July 31, 2016 and July 31, 2015 in accordance with International Financial Reporting Standards.

Emphasis of Matter

Without qualifying my opinion, I draw attention to Note 1 in the consolidated financial statements which indicates that the Company has incurred losses to date. This condition, along with other matters as set forth in Note 1, indicates the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

"Adam Sung Kim Ltd."
Chartered Professional Accountant

Burnaby, British Columbia
November 24, 2016

GORILLA MINERALS CORP.

Consolidated Statements of Financial Position

As at July 31, 2016 and July 31, 2015

(Expressed in Canadian dollars)

	July 31, 2016 \$	July 31, 2015 \$
Assets		
Current Assets		
Cash and cash equivalents	70	24,000
GST and other receivables	813	13,306
	883	37,306
Mineral properties (Note 4)	145,410	145,410
	146,293	182,716
Liabilities and Shareholders' Equity		
Current Liabilities		
Accounts payable and accrued liabilities	56,706	124,121
Due to related parties (Note 8)	35,933	32,169
Notes payable (Note 5)	53,008	12,434
Convertible promissory notes payable (Note 6)	153,372	-
	299,019	168,724
Notes payable (Note 5)	-	43,122
Convertible promissory notes payable (Note 6)		136,814
	299,019	348,660
Shareholders' Equity		
Share capital (Note 7)	1,069,412	944,260
Contributed surplus	165,554	34,561
Deficit	(1,387,692)	(1,144,765)
	(152,726)	(165,944)
	146,293	182,716

Nature of operations and continuance of business (Note 1)

Subsequent event (Note 13)

Approved by the Board of Directors on November 24, 2016:

*"Scott Sheldon"*_____
Scott Sheldon, Director*"Donald Sheldon"*_____
Donald Sheldon, Director

(The accompanying notes are an integral part of these consolidated financial statements)

GORILLA MINERALS CORP.

Consolidated Statements of Loss and Comprehensive Loss
For the Years Ended July 31, 2016 and July 31, 2015
(Expressed in Canadian dollars)

	2016	2015
	\$	\$
Exploration Expenses (recovery)	(13,930)	325,657
Administrative Expenses		
Audit and accounting	25,000	23,250
Consulting fees	995	6,000
Interest expense	22,030	10,786
Legal	26,498	34,154
Management fees	42,000	39,500
General and administrative	5,223	35,353
Stock-based compensation	116,803	-
Transfer agent, filing and stock exchange fees	8,170	18,670
Travel	1,615	8,596
	234,404	501,966
Other (Income) Expenses		
Plan of arrangement	-	(27,000)
Write off of accounts payable	(5,667)	-
Loss on settlement of debts	14,190	-
Net loss and comprehensive loss for the year	(242,927)	(474,966)
Loss per share, basic and diluted	(0.03)	(0.09)
Weighted average shares outstanding	8,643,931	5,338,583

(The accompanying notes are an integral part of these consolidated financial statements)

GORILLA MINERALS CORP.Consolidated Statement of Changes in Equity
(Expressed in Canadian dollars)

	Share Capital				
	Common Shares	Amount \$	Contributed surplus* \$	Deficit \$	Total \$
Balance, at July 31, 2014	4,529,241	577,930	10,560	(669,799)	(81,309)
Shares issued for property	276,666	41,500	-	-	41,500
Shares issued for cash	1,416,431	305,275	-	-	305,275
Shares issued for debt	100,312	19,555	-	-	19,555
Discount on notes payable	-	-	5,539	-	5,539
Equity portion of convertible promissory notes payable (Note 6)	-	-	18,462	-	18,462
Net loss for the year	-	-	-	(474,966)	(474,966)
Balance, at July 31, 2015	6,322,650	944,260	34,561	(1,144,765)	(165,944)
Shares issued for cash	4,100,000	82,000	-	-	82,000
Shares issued for debt	172,608	43,152	-	-	43,152
Stock-based compensation	-	-	116,803	-	116,803
Warrants issued for debt	-	-	14,190	-	14,190
Net loss for the year	-	-	-	(242,927)	(242,927)
Balance, at July 31, 2016	10,595,258	1,069,412	165,554	(1,387,692)	(152,726)

*Contributed surplus consists of fair values of stock options and warrants

(The accompanying notes are an integral part of these consolidated financial statements)

GORILLA MINERALS CORP.

Consolidated Statements of Cash Flows
For the Years Ended July 31, 2016 and July 31, 2015
(Expressed in Canadian dollars)

	2016	2015
	\$	\$
Cash provided by (used in):		
Operating activities		
Net loss for the year	(242,927)	(474,966)
Adjustments for non-cash items		
Interest accrual on promissory note	22,030	10,786
Write off of accounts payable	(5,667)	-
Loss on settlement of debts	14,190	-
Stock-based compensation	116,803	-
Changes in non-cash operating working capital:		
GST recoverable	12,493	(9,879)
Accounts payable and accrued liabilities	(18,596)	113,441
Due to related parties	3,764	39,562
	(97,910)	(321,056)
Investing activities		
Payment of property option	-	(40,000)
	-	(40,000)
Financing activities		
Issue of shares, net of share issue costs	82,000	305,275
Proceeds from promissory note	6,980	72,500
Repayment of promissory note	(15,000)	-
	73,980	377,775
Increase/(decrease) in cash	(23,930)	16,719
Cash, beginning of year	24,000	7,281
Cash, end of year	70	24,000
Supplemental information		
Interest paid	-	-
Taxes paid	-	-
Significant non-cash financing and investing activities		
Shares issued for mineral property option payment	-	41,500
Shares issued under the plan of arrangement	-	-
Shares issued for debt	43,152	19,555
Warrants issued for debt	14,190	-

(The accompanying notes are an integral part of these consolidated financial statements)

GORILLA MINERALS CORP.

Notes to the Consolidated Financial Statements
For the Years Ended July 31, 2016 and 2015
(Expressed in Canadian dollars)

1. Nature of Operations and Continuance of Business

Gorilla Minerals Corp. (“Gorilla” or the “Company”) was incorporated on April 27, 2012 in Canada with limited liability under the legislation of the Province of British Columbia. Gorilla’s registered office is located at Suite 2000 – 1177 West Hastings Street, Vancouver, BC, V6E 2K3, Canada.

Gorilla is an exploration stage company and is in the process of exploring its mineral properties in Canada and has not yet determined whether its properties contain ore reserves that are economically recoverable. The recoverability of amounts spent for mineral properties is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the exploration and development of its property, and upon future profitable production or proceeds from disposition of the properties. The operations of the Company will require various licences and permits from various governmental authorities which are or may be granted subject to various conditions and may be subject to renewal from time to time. There can be no assurance that the Company will be able to comply with such conditions and obtain or retain all necessary licences and permits that may be required to carry out exploration, development, and mining operations at its projects. Failure to comply with these conditions may render the licences liable to forfeiture.

These consolidated financial statements have been prepared on the going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. Should the Company be unable to continue as a going concern, it may be unable to realize the carrying value of its assets and to meet its liabilities as they become due. As at July 31, 2016, the Company has not generated any revenues from operations and has an accumulated deficit of \$1,387,692. The Company expects to incur further losses in the development of its business, all of which casts significant doubt about the Company’s ability to continue as a going concern. The continued operations of the Company are dependent on its ability to generate future cash flows or obtain additional financing. Management is of the opinion that sufficient working capital will be obtained from external financing to meet the Company’s liabilities and commitments as they become due, although there is a risk that additional financing will not be available on a timely basis or on terms acceptable to the Company. These consolidated financial statements do not reflect any adjustments to the carrying values of assets and liabilities, the reported expenses, and the balance sheet classifications used that may be necessary if the Company is unable to continue as a going concern.

2. Basis of Presentation

(a) Statement of Compliance

These financial statements, including comparatives, have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and Interpretations issued by the International Financial Reporting Interpretations Committee (“IFRIC”).

GORILLA MINERALS CORP.

Notes to the Consolidated Financial Statements
For the Years Ended July 31, 2016 and 2015
(Expressed in Canadian dollars)

2. Basis of Presentation (continued)

(b) Basis of Measurement

These consolidated financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair value, as explained in the accounting policies set out in Note 3.

(c) Functional and Presentation Currency

The functional currency of a company is the currency of the primary economic environment in which the company operates. The presentation currency for a company is the currency in which the company chooses to present its financial statements. These consolidated financial statements are presented in Canadian dollars, which is the Company's presentation and functional currency.

(d) Subsidiaries

These consolidated financial statements include the financial statements of the Company and the wholly-owned subsidiary, Shiraz Petroleum Corporation (formerly Hella Resources Corp.) from the date of incorporation on November 17, 2014. Shiraz Petroleum Corporation is a dormant/inactive company (Note 9).

3. Significant Accounting Policies

(a) Cash and Cash Equivalents

Cash and cash equivalents are comprised of cash and highly liquid investments that are readily convertible into known amounts of cash within three months.

(b) Mineral Properties

Recognition and Measurement

The Company charges to operations all exploration and evaluation expenses incurred prior to the determination of economically recoverable reserves. These costs would also include periodic fees such as license and maintenance fees and advance royalty payments.

The Company capitalizes direct mineral property acquisition costs and those expenditures incurred following the determination that the property has economically recoverable reserves. Mineral property acquisition costs include cash consideration and the fair value of common shares issued for mineral property interests, pursuant to the terms of the relevant agreement. These costs are amortized over the estimated life of the property following commencement of commercial production, or written off if the property is sold, allowed to lapse or abandoned, or when impairment in value has been determined to have occurred. A mineral property is reviewed for impairment whenever events or changes in circumstances indicate that its carrying amount may not be recoverable.

GORILLA MINERALS CORP.

Notes to the Consolidated Financial Statements
For the Years Ended July 31, 2016 and 2015
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3. Significant Accounting Policies (continued)

(b) Mineral Properties (continued)

The Company may occasionally enter into option-out arrangements, whereby the Company will transfer part of a mineral interest, as consideration, for an agreement by the transferee to meet certain exploration and evaluation expenditures which would otherwise be undertaken by the Company.

The Company does not record any expenditures made by the optionee on its behalf. Any cash consideration received from the agreement is credited against the costs previously capitalized to the mineral interest given up by the Company, with any excess cash accounted as a gain on disposal.

(c) Provisions

Provisions are recorded when a present legal or constructive obligation exists as a result of past events where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at balance sheet date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. The increase in the obligation due to the passage of time is recognized as finance expense. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount receivable can be measured reliably.

(d) Income Taxes

Provision for income taxes consists of current and deferred tax expense. Income tax expense is recognized in the income statement except to the extent that it relates to items recognized either in other comprehensive income or directly in equity, in which case it is recognized in other comprehensive income or in equity, respectively. Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years. Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual earnings.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for temporary differences associated with the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable income or loss and temporary differences relating to investments in subsidiaries to the extent that it is probable that they will not reverse in the foreseeable future. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse based on the laws that have been enacted or substantively enacted at the reporting date.

GORILLA MINERALS CORP.

Notes to the Consolidated Financial Statements
For the Years Ended July 31, 2016 and 2015
(Expressed in Canadian dollars)

3. Significant Accounting Policies (continued)

(d) Income Taxes (continued)

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity.

(e) Financial Instruments

Financial Assets

Financial assets are classified into one of the following categories based on the purpose for which the asset was acquired. Management determines the classification of its financial assets at initial recognition. All transactions related to financial instruments are recorded on a trade date basis. The Company's accounting policy for each category is as follows:

Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities of greater than 12 months after the end of the reporting periods, which are classified as non-current assets. They are initially recognized at fair value plus transaction costs that are directly attributable to their acquisition or issue and subsequently carried at amortized cost, using the effective interest rate method, less any impairment losses. Amortized cost is calculated by taking into account any discount or premium on acquisition and includes fees that are an integral part of the effective interest rate and transaction costs.

Gains and losses are recognized in the profit or loss when the loans and receivables are derecognized or impaired, as well as through the amortization process.

Financial Assets at Fair Value Through Profit or Loss

An instrument is classified at fair value through profit or loss if it is held for trading or is designated as such upon initial recognition. Financial instruments are designated at fair value through profit or loss if the Company manages such investments and makes purchases and sale decisions based on their fair value in accordance with the Company's risk management or investment strategy. Upon initial recognition, attributable transaction costs are recognized in profit or loss when incurred. Financial instruments at fair value through profit or loss are measured at fair value, and changes therein are recognized in profit or loss.

The Company has classified cash as fair value through profit or loss.

GORILLA MINERALS CORP.

Notes to the Consolidated Financial Statements
For the Years Ended July 31, 2016 and 2015
(Expressed in Canadian dollars)

3. Significant Accounting Policies (continued)

(e) Financial Instruments (continued)

Available-for-sale Financial Assets

Available-for-sale financial assets are non-derivative financial assets that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless the investment matures or management intends to dispose of it within 12 months of the end of the reporting period. Subsequent to initial recognition, available-for-sale financial assets are measured at fair value and changes therein, other than impairment losses and foreign currency differences on available-for-sale equity instruments, are recognized in other comprehensive income and presented within equity in the fair value reserve. When an instrument is derecognized, the cumulative gain or loss in other comprehensive income is transferred to profit or loss.

Financial Liabilities

Financial liabilities other than derivative liabilities are recognized initially at fair value and are subsequently stated at amortized cost. These liabilities include accounts payable and accrued liabilities, other liabilities and loans. Transaction costs on financial assets and liabilities other than those classified as fair value through profit and loss are treated as part of the carrying value of the asset or liability. Transaction costs for assets and liabilities at fair value through profit and loss are expensed as incurred.

Impairment of Financial Assets

The Company assesses at the end of each reporting date whether there is objective evidence that a financial asset is impaired. A financial asset is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a "loss event") and that loss event (or events) has an impact on the estimated future cash flows of the financial asset that can be reliably estimated.

An impairment loss in respect of a financial asset carried at amortized cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted using the instrument's original effective interest rate.

An impairment loss in respect of an available-for-sale financial asset is calculated by reference to its fair value. In the case of equity instruments classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is also evidence that the assets are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss, measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset that was previously recognized in profit or loss, is removed from equity and recognized in the income statement.

GORILLA MINERALS CORP.

Notes to the Consolidated Financial Statements
For the Years Ended July 31, 2016 and 2015
(Expressed in Canadian dollars)

3. Significant Accounting Policies (continued)

(e) Financial Instruments (continued)

All impairment losses are recognized in profit or loss. Any cumulative loss in respect of an available-for-sale financial asset recognized previously in equity is transferred to profit or loss.

An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognized. Impairment losses recognized for equity securities are not reversed.

(f) Loss Per Share

Basic earnings or loss per share is computed by dividing the earnings or loss for the period by the weighted average number of common shares outstanding during the relevant period. The treasury stock method is used for the calculation of diluted earnings or loss per share. Stock options, share purchase warrants, and other equity instruments are dilutive when the average market price of the common shares during the period exceeds the exercise price of the options, warrants and other equity instruments. When a loss has been incurred, basic and diluted loss per share is the same because the exercise of options and warrants would be anti-dilutive.

(g) Comprehensive Income

Comprehensive income or loss is the change in net assets arising from transactions and other events and circumstances from non-owner sources, and comprises net income or loss and other comprehensive income or loss. Financial assets that are classified as available for sale will have revaluation gains and losses included in other comprehensive income or loss until the asset is removed from the balance sheet.

(h) Share Capital

The Company records proceeds from share issuances net of issue costs and any tax effects in shareholders' equity. Common shares issued for consideration other than cash are valued based on their market value at the date the agreement to issue shares was concluded. Common shares held by the Company are classified as treasury stock and recorded as a reduction to shareholders' equity.

(i) Related Parties

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control. Related parties may be individuals or corporate entities.

A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

GORILLA MINERALS CORP.

Notes to the Consolidated Financial Statements
For the Years Ended July 31, 2016 and 2015
(Expressed in Canadian dollars)

3. Significant Accounting Policies (continued)

(j) Critical Accounting Judgments and Estimates

The preparation of financial statements in conformity with IFRS requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported revenues and expenses during the period. Although management uses historical experience and its best knowledge of the amount, events or actions to form the basis for judgments and estimates, actual results may differ from these estimates.

The most significant accounts that require estimates as the basis for determining the stated amounts include recognition of deferred income tax amounts and provision for restoration, rehabilitation and environmental costs.

Critical judgments exercised in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are as follows:

Economic recoverability and probability of future economic benefits of mineral properties
Management has determined that mineral property costs incurred which were capitalized have future economic benefits and are economically recoverable. Management uses several criteria in its assessments of economic recoverability and probability of future economic benefits including geological and metallurgic information, history of conversion of mineral deposits to proven and probable reserves, scoping and feasibility studies, accessible facilities, existing permits and life of mine plans.

Determination of functional currency

The Company determines the functional currency through an analysis of several indicators such as expenses and cash flow, financing activities, retention of operating cash flows, and frequency of transactions with the reporting entity.

Income taxes

In assessing the probability of realizing income tax assets, management makes estimates related to expectations of future taxable income, applicable tax opportunities, expected timing of reversals of existing temporary differences and the likelihood that tax positions taken will be sustained upon examination by applicable tax authorities. In making its assessments, management gives additional weight to positive and negative evidence that can be objectively verified.

Site decommissioning obligations

The Company recognizes a provision for future abandonment activities in the financial statements equal to the net present value of the estimated future expenditures required to settle the estimated future obligation at the statement of financial position date. The measurement of the decommissioning obligation involves the use of estimates and assumptions including the discount rate, the expected timing of future expenditures and the amount of future abandonment costs. The estimates were made by management and external consultants considering current costs, technology and enacted legislation. As a result, there could be significant adjustments to the provisions established which would affect future financial results.

GORILLA MINERALS CORP.

Notes to the Consolidated Financial Statements
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(Expressed in Canadian dollars)

4. Mineral Properties

Whitehorse, Yukon Territory, Canada

Pursuant to an option agreement dated June 6, 2011, Gorilla Resources Corp. was granted an option to acquire a 100% interest in the Wels property located in Whitehorse, Yukon Territory, Canada. On April 23, 2012, Gorilla Resources Corp. assigned all the benefits, rights and obligations under the option agreement to the Company. The property consists of 136 unpatented mining claims and is subject to a 3% Net Smelter Returns ("NSR") in favour of the optionor. The Company has the right to buy back the NSR for a cash payment of \$750,000 for each 1%, to a maximum of \$1,500,000, at any time. To maintain and exercise the option, the Company must:

- Make cash payments of \$15,900 upon signing (paid by Gorilla Resources Corp.);
- Make cash payments of \$15,450 upon the completion of a National Instrument 43-101 technical report (paid by Gorilla Resources Corp.);
- Issue 15,000 common shares on the sixth month anniversary (issued by Gorilla Resources Corp.);
- Make cash payments of \$25,000 and issue 10,000 common shares on or before September 30, 2012 (subsequently extended to make a cash payment of \$10,000 by October 31, 2012 and \$15,000 by January 31, 2013) (paid/issued by the Company);
- Make payments of \$40,000 on or before September 30, 2013, payable in cash, common shares, or a combination of cash and common shares (subsequently amended to payment of \$20,000 in cash on or before February 28, 2014 pursuant to a payment extension agreement dated November 19, 2013) (paid by the Company);
- Issue 10,000 common shares on or before 14 days from the date of a payment extension agreement dated November 19, 2013 pursuant to a payment extension agreement dated November 19, 2013 (issued on November 21, 2013);
- Make payments of \$80,000 on or before September 30, 2014, payable in cash, common shares, or a combination of cash and common shares (amended to payment of \$40,000 in cash on October 16, 2014 and \$40,000 issued in shares on October 24, 2014). (Paid/issued by the Company).

On November 12, 2013, the Company granted to Enfield Resources an option to acquire a 100% undivided right, title and interest in certain mineral claims of the Wels property ("Wels Nickel Project"). The Company was entitled to receive a royalty interest equal to 5% of NSR. Enfield Resources was entitled to redeem the entitlement of the Company to its share of NSR by paying \$1,500,000 to the Company for each 1% so redeemed, to a maximum of \$7,500,000. In order to the option and to earn the interests in the Wels Nickel Project, Enfield was to make the following payments in cash to the Company:

- \$10,000 on or before November 12, 2013 (received);
- \$15,000 within 5 days of CSE Listing (received);
- \$2,500 on or before May 1, 2014 (received);
- \$80,000 on or before September 30, 2014 (Enfield defaulted on payment. The option agreement was terminated on October 30, 2014); and
- \$80,000 on or before September 30, 2015.

GORILLA MINERALS CORP.

Notes to the Consolidated Financial Statements
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4. Mineral Properties (continued)

On January 7, 2014, the Company entered into an Option and Joint Venture Agreement with First Ferro whereby the Company granted First Ferro an option to acquire a 40% undivided beneficial interest in certain mineral claims of the Wels property ("Wels Gold Project") by making the following payments:

- \$7,500 on execution of the Arrangement Agreement (received);
- \$10,500 within 5 days of the CSE Listing (received);
- \$100,000 on or before June 30, 2014 (First Ferro defaulted on payment, Option Agreement was terminated on August 31, 2014);
- \$100,000 on or before December 31, 2014;
- \$100,000 on or before June 30, 2015; and
- \$100,000 on or before December 31, 2015.

During the year ended July 31, 2016, the Company made cash payments of \$Nil (2015: \$40,000) and issued Nil common shares (2015: 276,666 common shares) of the Company at a fair value of \$Nil (2015: \$41,500).

During the year ended July 31, 2016, the Company received \$40,000 (2015: \$50,000) from the Government of Yukon in contribution funds for mining exploration.

During the years ended July 31, 2016 and 2015, the Company incurred exploration expenditures on the Wels Property as follows:

	<u>July 31, 2016</u>	<u>July 31, 2015</u>
Exploration and related expenditures (Wels)		
Assays	\$ 473	\$ 147,142
Drilling	-	82,195
Geological	4,337	34,602
Geophysical survey	-	10,000
Land administration	1,260	7,500
Royalties	20,000	-
Travel and transportation	-	94,218
Government of Yukon Contribution Funds	(40,000)	(50,000)
Total mineral property expenditures (recovery)	<u>\$ (13,930)</u>	<u>\$ 325,657</u>

GORILLA MINERALS CORP.

Notes to the Consolidated Financial Statements
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(Expressed in Canadian dollars)

5. Notes Payable

During the year ended July 31, 2014, the Company received loan proceeds of \$40,365 from directors and companies owned by directors of the Company. During the year ended July 31, 2014, the Company repaid \$7,567. The notes payable was accounted for at amortized cost using the effective interest rate method with the effective interest rate of 12% per annum. During the year ended July 31, 2014, the debt discount of \$4,290 was credited to contributed surplus, debited to notes payable and amortized over the term of the notes.

During the year ended July 31, 2015, the Company received additional loan proceeds of \$22,500 from directors and companies owned by directors of the Company. On March 31, 2015, the Company entered into two loan agreements with companies owned by directors of the Company in the amounts of \$35,000 and \$10,000, respectively (the "Loans"). The Loans replaced the notes payable, in the same amounts, that were previous owed to related parties. The Loans bears 5% interest, are unsecured, and are due on March 31, 2017. The Loans were accounted for at amortized cost using the effective interest rate method with the effective interest rate of 12% per annum. During the year ended July 31, 2015, the debt discount of \$5,539 was credited to contributed surplus, debited to notes payable and amortized over the term of the notes.

On March 31, 2015, the Company entered into a convertible promissory note agreement with a company controlled by a director of the Company to convert \$50,000 of the note into a convertible promissory note (Note 6).

During the year ended July 31, 2016, the Company received additional loan proceeds of \$6,980, repaid \$15,000 and accrued an interest expense of \$5,472 related to the Loans.

6. Convertible Promissory Notes Payable

On March 31, 2015, the Company entered into various convertible promissory note agreements for a total principal amount of \$150,000 (the "Convertible Notes"). Total proceeds of \$50,000 was received from a third party, \$50,000 note payable was converted by a company controlled by a director of the Company (Note 5), and \$50,000 amount due to related party was converted by a company controlled owned by the President of the Company (Note 8).

The Convertible Notes bear 5% interest, are unsecured, and are due on March 31, 2017. At any time prior to the maturity date, the lenders may convert all or any part of the principal amount into shares of the Company at a price of \$0.15 per share. At the date of issue, the debt portion of the convertible Notes was recorded at its fair value of \$131,538, assuming a fair value of interest rate for comparable debt of 12% per annum. The equity component, which is the fair value attributed to the conversion feature, had a carrying value of \$18,462, being the difference between the face amount and the fair value of the debt. The carrying value of the equity component was recorded as a separate component of shareholders' equity. Subsequent to initial recognition, the debt has been amortized over the term of the debt using the effective interest rate method at discount rate of 12%. During the year ended July 31, 2016, the Company accrued an interest and accretion expense of \$16,558 (2015 - \$5,276) related to the Convertible Notes.

GORILLA MINERALS CORP.

Notes to the Consolidated Financial Statements
For the Years Ended July 31, 2016 and 2015
(Expressed in Canadian dollars)

7. Share Capital

(a) Authorized

Unlimited number of common shares without par value

(b) Share transactions for the year ended July 31, 2016:

On January 21, 2016, the Company issued 4,100,000 common shares for \$82,000 cash from various private placements.

On August 18, 2015, the Company issued 172,608 common shares to settle accounts payable of \$43,152 and also issued 172,608 warrants at an exercised price of \$0.30 with an expiry date of August 18, 2016. The fair value of the warrants was estimated at \$14,190 based on the Black-Scholes option pricing model using the following assumptions: risk-free interest rate – 0.41%; expected life – 1 year; expected volatility – 100%; and expected dividends – nil.

(c) Share transactions for the year ended July 31, 2015:

On March 31, 2015, the Company issued 880,000 units for \$220,000 cash from various private placements. Each unit is comprised of one common share in the capital of the Company and one non-transferable common share purchase warrant. Each warrant entitles the holder thereof to acquire one additional common share of the Company at a price of \$0.30 on or before March 31, 2017. The Company paid a finder's fee of \$2,500 on subscriptions from purchasers introduced by the finder.

On March 11, 2015, the Company issued 89,512 common shares to settle accounts payable of \$17,903.

On January 29, 2015, the Company issued 73,100 common shares for \$18,275 cash from various private placements.

On October 24, 2014, the Company issued 463,331 common shares for \$69,500 cash from various private placements.

On October 24, 2014, the Company issued 10,800 common shares to settle \$1,652 in debt due to a former director (Note 8).

On October 24, 2014, the Company issued 276,666 common shares with a fair value of \$41,500 pursuant to the Company's Wells Property (Note 4).

(d) Warrants

As at July 31, 2016, outstanding warrants to purchase common shares were as follows:

<u>Number of warrants</u>	<u>Date of Grant</u>	<u>Expiration Date</u>	<u>Exercise Price</u>
880,000	March 31, 2015	March 31, 2017	\$0.30
172,608	August 18, 2015	August 18, 2016	\$0.30
<u>1,052,608</u>			

GORILLA MINERALS CORP.

Notes to the Consolidated Financial Statements
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7. Share Capital (continued)

(d) Warrants (continued)

<u>Warrants</u>	Year ended July 31, 2016		Year ended July 31, 2015	
	Warrants	Weighted Average Exercise Price	Warrants	Weighted Average Exercise Price
Opening	880,000	\$ 0.30	-	-
Granted	172,608	\$ 0.30	880,000	\$ 0.30
Ending	1,052,608	\$ 0.30	880,000	\$ 0.30

(e) Stock options

The table below lists the outstanding and exercisable options to purchase common shares as at July 31, 2016:

Options Outstanding	Date of Grant	Expiration Date	Exercise Price
630,000	August 10, 2015	August 10, 2020	\$0.25
630,000			

<u>Options</u>	Year ended July 31, 2016		Year Ended July 31, 2015	
	Number of Options	Weighted Average Exercise Price	Number of Options	Weighted Average Exercise Price
Opening	-	-	-	-
Granted	630,000	\$ 0.25	-	-
Ending	630,000	\$ 0.25	-	-
Exercisable	630,000	\$ 0.25	-	-

The stock options granted during the year ended July 31, 2016 were valued at \$116,803 using the Black-Scholes Option Pricing Model, using the following assumptions:

Grant date	Expected life	Volatility	Dividend yield	Risk-free interest rate
August 10, 2015	5 years	100%	0%	0.79%

GORILLA MINERALS CORP.

Notes to the Consolidated Financial Statements
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8. Related Party Transactions

During the year ended July 31, 2016, the Company incurred \$24,000 (2015: \$24,000) in management fees from a company owned by the President of the Company. At July 31, 2016, the Company owed \$35,933 (July 31, 2015: \$32,169) to directors and their companies and had \$53,008 (July 31, 2015: \$55,556) of notes payable (Note 5) and \$102,248 (July 31, 2015: \$89,538) of convertible promissory notes payable (Note 6) to directors and their companies.

Refer to Notes 5, 6 and 7 for related party transactions.

9. Plan of Arrangement

On September 26, 2014, the Company entered into an arrangement agreement (the "Arrangement Agreement") which includes a statutory plan of arrangement with Whole New Home Technologies Inc. ("Whole New Home") and PDT Technologies Inc. ("PDT"). Pursuant to the Arrangement Agreement: (1) PDT shall purchase all the issued and outstanding shares of Whole New Home from the Company (the "Purchase Shares"), (2) Whole New Home shall acquire all the outstanding shares of PDT from all the PDT shareholders through a 1-for-1 share exchange, (3) the Company shall issue 1,000 of its Common Shares to Whole New Home (the "Exchange Shares") and receive in exchange 500,000 Common Shares of Whole New Home (the "Distribution Shares"), (4) the Distribution Shares shall be distributed to the shareholders of the Company as of its record date on a pro-rated basis as a stock dividend, with certain shareholders of the Company agreeing to exclude the number of the Company's shares required from the calculation of the portion of the Distribution Shares to which they would otherwise be entitled so as to effect a 1:1 distribution with the Distribution Shares; (5) the Exchange Shares and the Purchase Shares shall then be cancelled, and (6) Whole New Home shall apply for listing on the Canadian Securities Exchange. The Supreme Court of British Columbia granted a Final Order approving the Plan of Arrangement with PDT and Whole New Home on January 5, 2015. On April 14, 2015, the Arrangement Agreement was terminated.

On July 13, 2015, Whole New Home changed its name to Hella Resources Corp.

On April 29, 2016, Hella Resources Corp. changed its name to Shiraz Petroleum Corporation.

GORILLA MINERALS CORP.

Notes to the Consolidated Financial Statements
For the Years Ended July 31, 2016 and 2015
(Expressed in Canadian dollars)

10. Financial Instruments

(a) Classification of Financial Instruments

The Company has classified its financial instruments as follows:

	2016 \$
Financial assets:	
Held for trading, measured at fair value:	
Cash	70
	70
Financial liabilities, measured at amortized cost:	
Trade payable	41,806
Due to related parties	35,933
Notes payable	53,008
Convertible promissory notes payable	153,372
	284,119

(b) Fair Values

The Company has classified fair value measurements of its financial instruments using a fair value hierarchy that reflects the significance of inputs used in making the measurements as follows:

- Level 1: Valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: Valuations based on directly or indirectly observable inputs in active markets for similar assets or liabilities, other than Level 1 prices, such as quoted interest or currency exchange rates; and
- Level 3: Valuations based on significant inputs that are not derived from observable market data, such as discounted cash flow methodologies based on internal cash flow forecasts.

As at July 31, 2016, the fair values of financial instruments measured on a recurring basis include cash, determined based on level one inputs and consisting of quoted prices in active markets for identical assets. The fair values of other financial instruments, which include accounts payable, due to related parties and current portion of notes payable, approximate their carrying values due to the relatively short-term maturity of these instruments. The Convertible Notes, bearing 5% interest, unsecured, and due on March 31, 2017, are booked at amortized costs.

GORILLA MINERALS CORP.

Notes to the Consolidated Financial Statements
For the Years Ended July 31, 2016 and 2015
(Expressed in Canadian dollars)

10. Financial Instruments (continued)

(c) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company currently settles its financial obligations out of cash. The ability to do this relies on the Company raising equity financing in a timely manner and by maintaining sufficient cash in excess of anticipated needs. As at July 31, 2016, the Company does not have sufficient cash to settle current liabilities of \$299,019.

(d) Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

The Company's cash is largely held in large Canadian financial institutions. The Company does not have any asset-backed commercial paper. The Company's receivables consist of GST receivable due from the Federal Government of Canada. The Company maintains cash deposits with Schedule A financial institutions, which from time to time may exceed federally insured limits. The Company has not experienced any significant credit losses and believes it is not exposed to any significant credit risk.

(e) Price Risk

The Company is exposed to price risk with respect to commodity prices. The Company's ability to raise capital to fund exploration and development activities is subject to risks associated with fluctuations in the market price of commodities.

(f) Interest rate risk

Interest rate risk is the risk the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Financial assets and liabilities with variable interest rates expose the Company to cash flow interest rate risk. The Company does not hold any financial liabilities with variable interest rates other than notes and convertible notes payables (Note 5 and 6). The Company does maintain bank accounts which earn interest at variable rates but it does not believe it is currently subject to any significant interest rate risk.

(g) Foreign currency exchange rate risk

The Company currently has no significant operations denominated in foreign currencies. Management believes there is no significant foreign currency exchange rate risk.

GORILLA MINERALS CORP.

Notes to the Consolidated Financial Statements
For the Years Ended July 31, 2016 and 2015
(Expressed in Canadian dollars)

11. Capital Management

The Company defines its capital as cash and equity comprised of issued share capital and deficit. The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition and exploration and development of mineral properties. 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 sustain future development of the business. The properties in which the Company currently has an interest are in the exploration stage. As such, the Company has historically relied on the equity markets to fund its activities. In addition, the Company is dependent upon external financings to fund activities. In order to carry out planned exploration and pay for administrative costs, the Company will need to raise additional funds. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so. 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 is not subject to externally imposed capital requirements as at July 31, 2016.

11. Segmented Information

The Company operates in one reportable operating segment, being the acquisition and exploration of mineral properties in Canada. As the operations comprise a single reporting segment, amounts disclosed also represent segment amounts.

12. Income Taxes

The income taxes shown in the Statements of Loss and Comprehensive Loss differ from the amounts obtained by applying statutory rates to the loss before income taxes due to the following:

	<u>2016</u>	<u>2015</u>
Statutory tax rate	26.0%	26.0%
Loss before income taxes	<u>\$ (242,927)</u>	<u>\$ (474,966)</u>
Expected income tax recovery	(63,161)	(123,491)
Increase (decrease) in income tax recovery resulting from:		
Items deductible and not deductible for income tax purposes	33,291	2,630
Current and prior tax attributes not recognized	29,870	120,861
Deferred income tax recovery	<u>\$ -</u>	<u>\$ -</u>

GORILLA MINERALS CORP.

Notes to the Consolidated Financial Statements
For the Years Ended July 31, 2016 and 2015
(Expressed in Canadian dollars)

12. Income Taxes (continued)

Details of deferred tax assets are as follows:

	2016	2015
Non-capital losses	\$ 114,939	\$ 81,317
Resource expenditures	90,680	94,302
Share issuance costs and others	390	520
	206,009	176,139
Less: Unrecognized deferred tax assets	(206,009)	(176,139)
	\$ -	\$ -

The Company has approximately \$442,000 of non-capital losses available, which begin to expire in 2032 through to 2036 and may be applied against future taxable income. The Company also has approximately \$494,000 of exploration and development costs which are available for deduction against future income for tax purposes. At July 31, 2016, the net amount which would give rise to a deferred income tax asset has not been recognized as it is not probable that such benefit will be utilized in the future years.

13. Subsequent Event

On August 11, 2016, the Company entered into an Option to Joint Venture Agreement (the "Option Agreement") with West Melville Metals Inc. ("WMM", later changed its name to K2 Gold Corporation). Pursuant to the Option Agreement, the Company agreed to grant to WMM the sole and exclusive right and option to acquire an undivided 90% interest in the Wels property and other assets, as defined in the Option Agreement, subject to 3% NSR royalty on the minerals produced from the property, and upon the exercise of such option, the parties have agreed to form a joint venture (the "Option").

In order to exercise the Option, WMM must:

(a) pay to the Company:

- (i) \$50,000, within five Business Days after the date of TSX Venture Exchange ("TSX-V")'s acceptance of the Option Agreement (received subsequent to July 31, 2016);
- (ii) an additional \$100,000 on or before the date that is 30 days after the date of the Option Agreement (received subsequent to July 31, 2016);
- (iii) an additional \$100,000 on or before the date that is 12 months after the date of the Option Agreement; and
- (iv) an additional \$100,000 on or before the date that is 24 months after the date of the Option Agreement;

for total cash payments in aggregate of \$350,000;

GORILLA MINERALS CORP.

Notes to the Consolidated Financial Statements
For the Years Ended July 31, 2016 and 2015
(Expressed in Canadian dollars)

13. Subsequent Event (continued)

(b) issue and deliver to Gorilla:

- (i) 500,000 WMM shares within five Business Days after the date of TSX-V's acceptance of the Option Agreement (received subsequent to July 31, 2016);
- (ii) an additional 500,000 WMM shares on or before the date that is 6 months after the date of the Option Agreement;
- (iii) an additional 500,000 WMM shares on or before the date that is 12 months after the date of the Option Agreement;
- (iv) an additional 500,000 WMM shares on or before the date that is 18 months after the date of the Option Agreement;
- (v) an additional 500,000 WMM shares on or before the date that is 24 months after the date of the Option Agreement;
- (vi) an additional 500,000 WMM shares on or before the date that is 30 months after the date of the Option Agreement;

for a total issuance in aggregate of 3,000,000 WMM shares.

Subsequent to July 31, 2016, 172,608 warrants at an exercise price of \$.30 expired unexercised.

GORILLA MINERALS CORP.

Financial Statements

For the Year Ended July 31, 2015 and 2014

(Expressed in Canadian dollars)

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Adam Kim

ADAM SUNG KIM LTD.

CHARTERED PROFESSIONAL ACCOUNTANT

INDEPENDENT AUDITOR'S REPORT

To: the Shareholders of
Gorilla Minerals Corp.

I have audited the accompanying financial statements of Gorilla Minerals Corp. (the "Company"), which comprise the statements of financial position as at July 31, 2015 and July 31, 2014, and the statements of loss and comprehensive loss, changes in shareholders' equity and cash flows for the years ended July 31, 2015 and July 31, 2014 and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, 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.

Auditors' Responsibility

My responsibility is to express an opinion on these financial statements based on my audits. I conducted my audits in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained in my audits is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Company as at July 31, 2015 and July 31, 2014, and its financial performance and its cash flows for the years ended July 31, 2015 and July 31, 2014 in accordance with International Financial Reporting Standards.

Emphasis of Matter

Without qualifying my opinion, I draw attention to Note 1 in the financial statements which indicates that the Company has incurred losses to date. This condition, along with other matters as set forth in Note 1, indicates the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

"Adam Sung Kim Ltd."
Chartered Professional Accountant

Burnaby, British Columbia
November 18, 2015

GORILLA MINERALS CORP.

Statements of Financial Position

As at July 31, 2015 and July 31, 2014

(Expressed in Canadian dollars)

	July 31, 2015 \$	July 31, 2014 \$
Assets		
Current Assets		
Cash and cash equivalents	24,000	7,281
GST and other receivables	13,306	3,427
	37,306	10,708
Mineral properties (Note 5)	145,410	63,910
	182,716	74,618
Liabilities and Shareholders' Equity		
Current Liabilities		
Accounts payable and accrued liabilities	124,121	28,558
Due to related parties (Note 9)	32,169	54,259
Notes payable (Note 6)	12,434	24,052
	168,724	106,869
Notes payable (Note 6)	43,122	49,058
Convertible promissory notes payable (Note 7)	136,814	-
	348,660	155,927
Shareholders' Equity		
Share capital (Note 8)	944,260	577,930
Contributed surplus	34,561	10,560
Deficit	(1,144,765)	(669,799)
	(165,944)	(81,309)
	182,716	74,618

Nature of operations and continuance of business (Note 1)

Subsequent event (Note 13)

Approved by the Board of Directors on November 18, 2015:

"Scott Sheldon"

Scott Sheldon, Director

"Donald Sheldon"

Donald Sheldon, Director

(The accompanying notes are an integral part of these financial statements)

GORILLA MINERALS CORP.

Statements of Loss and Comprehensive Loss
For the Years Ended July 31, 2015 and July 31, 2014
(Expressed in Canadian dollars)

	2015	2014
	\$	\$
Exploration Expenses	325,657	17,396
Administrative Expenses		
Audit and accounting	23,250	20,500
Consulting fees	6,000	4,000
Interest expense	10,786	8,052
Legal	34,154	26,528
Management fees	39,500	36,000
General and administrative	35,353	3,937
Transfer agent, filing and stock exchange fees	18,670	11,604
Travel	8,596	15,000
	501,966	143,017
Other (Income) Expenses		
Plan of arrangement (Note 4)	(27,000)	(65,500)
Write off of accounts payable	-	(5,000)
Loss on settlement of debts	-	422,500
Net loss and comprehensive loss for the year	(474,966)	(495,017)
Loss per share, basic and diluted	(0.09)	(0.31)
Weighted average shares outstanding	5,338,583	1,586,514

(The accompanying notes are an integral part of these financial statements)

GORILLA MINERALS CORP.Statement of Changes in Equity
(Expressed in Canadian dollars)

	Share Capital				
	Common Shares	Amount \$	Contributed surplus \$	Deficit \$	Total \$
Balance, at July 31, 2013	1,267,248	84,410	6,260	(174,782)	(84,112)
Shares issued for property	12,000	6,000	-	-	6,000
Discount on notes payable	-	-	4,290	-	4,290
Shares issued related to Plans of Arrangements (Note 4)	-	20	10	-	30
Shares issued for debt	3,250,000	487,500	-	-	487,500
Net loss for the year	-	-	-	(495,017)	(495,017)
Balance, at July 31, 2014	4,529,241	577,930	10,560	(669,799)	(81,309)
Shares issued for property	276,666	41,500	-	-	41,500
Shares issued for cash	1,416,431	305,275	-	-	305,275
Shares issued for debt	100,312	19,555	-	-	19,555
Discount on notes payable	-	-	5,539	-	5,539
Equity portion of convertible promissory notes payable (Note 7)	-	-	18,462	-	18,462
Net loss for the year	-	-	-	(474,966)	(474,966)
Balance, at July 31, 2015	6,322,650	944,260	34,561	(1,144,765)	(165,944)

(The accompanying notes are an integral part of these financial statements)

GORILLA MINERALS CORP.

Statements of Cash Flows

For the Years Ended July 31, 2015 and July 31, 2014

(Expressed in Canadian dollars)

	2015	2014
	\$	\$
Cash provided by (used in):		
Operating activities		
Net loss for the year	(474,966)	(495,017)
Adjustments for non-cash items		
Interest accrual on promissory note	10,786	8,052
Write off of accounts payable	-	(5,000)
Loss on settlement of debts	-	422,500
Changes in non-cash operating working capital:		
GST recoverable	(9,879)	(2,769)
Accounts payable and accrued liabilities	113,441	(4,890)
Due to related parties	39,562	25,630
	(321,056)	(51,494)
Investing activities		
Payment of property option	(40,000)	(20,000)
Proceeds on property option	-	45,530
	(40,000)	25,530
Financing activities		
Issue of shares, net of share issue costs	305,275	-
Proceeds from promissory note	72,500	40,365
Repayment of promissory note	-	(7,567)
	377,775	32,798
Increase/(decrease) in cash	16,719	6,834
Cash, beginning of year	7,281	447
Cash, end of year	24,000	7,281
Supplemental information		
Interest paid	-	-
Taxes paid	-	-
Significant non-cash financing and investing activities		
Shares issued for mineral property option payment	41,500	6,000
Shares issued under the plan of arrangement	-	30
Shares issued for debt	19,555	487,500

(The accompanying notes are an integral part of these financial statements)

GORILLA MINERALS CORP.

Notes to the Financial Statements

For the Years Ended July 31, 2015 and July 31, 2014

(Expressed in Canadian dollars)

1. Nature of Operations and Continuance of Business

Gorilla Minerals Corp. (“Gorilla” or the “Company”) was incorporated on April 27, 2012 in Canada with limited liability under the legislation of the Province of British Columbia. Gorilla’s registered office is located at Suite 2000 – 1177 West Hastings Street, Vancouver, BC, V6E 2K3, Canada.

Gorilla is an exploration stage company and is in the process of exploring its mineral properties in Canada and has not yet determined whether its properties contain ore reserves that are economically recoverable. The recoverability of amounts spent for mineral properties is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the exploration and development of its property, and upon future profitable production or proceeds from disposition of the properties. The operations of the Company will require various licences and permits from various governmental authorities which are or may be granted subject to various conditions and may be subject to renewal from time to time. There can be no assurance that the Company will be able to comply with such conditions and obtain or retain all necessary licences and permits that may be required to carry out exploration, development, and mining operations at its projects. Failure to comply with these conditions may render the licences liable to forfeiture.

These financial statements have been prepared on the going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. Should the Company be unable to continue as a going concern, it may be unable to realize the carrying value of its assets and to meet its liabilities as they become due. As at July 31, 2015, the Company has not generated any revenues from operations and has an accumulated deficit of \$1,144,765. The Company expects to incur further losses in the development of its business, all of which casts significant doubt about the Company’s ability to continue as a going concern. The continued operations of the Company are dependent on its ability to generate future cash flows or obtain additional financing. Management is of the opinion that sufficient working capital will be obtained from external financing to meet the Company’s liabilities and commitments as they become due, although there is a risk that additional financing will not be available on a timely basis or on terms acceptable to the Company. These financial statements do not reflect any adjustments to the carrying values of assets and liabilities, the reported expenses, and the balance sheet classifications used that may be necessary if the Company is unable to continue as a going concern.

2. Basis of Presentation

(a) Statement of Compliance

These financial statements, including comparatives, have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and Interpretations issued by the International Financial Reporting Interpretations Committee (“IFRIC”).

GORILLA MINERALS CORP.

Notes to the Financial Statements
For the Years Ended July 31, 2015 and July 31, 2014
(Expressed in Canadian dollars)

2. Basis of Presentation (continued)

(b) Basis of Measurement

These financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair value, as explained in the accounting policies set out in Note 3.

(c) Functional and Presentation Currency

The functional currency of a company is the currency of the primary economic environment in which the company operates. The presentation currency for a company is the currency in which the company chooses to present its financial statements. These financial statements are presented in Canadian dollars, which is the Company's presentation and functional currency.

(d) Subsidiaries

The following subsidiaries were spun out pursuant Plans of Arrangements (Note 4) and are no longer subsidiaries of the Company as at July 31, 2015:

Name	Ownership %	Incorporation Date	Disposition Date
Orca Touchscreen Technologies Ltd.	100%	December 31, 2013	March 6, 2014
European Ferro Metals Ltd.	100%	December 31, 2013	March 6, 2014
Enfield Exploration Corp.	100%	November 1, 2013	November 21, 2013
Big Rock Labs Inc.	100%	April 4, 2014	May 8, 2014
Highmark Acquisitions Ltd.	100%	April 2, 2014	April 17, 2014
Grenadier Resources Corp.	100%	June 2, 2014	June 18, 2014
Salient Corporate Services Inc.	100%	July 8, 2014	July 29, 2014
Whole New Home Technologies Inc.	100%	November 17, 2014	January 5, 2015

GORILLA MINERALS CORP.

Notes to the Financial Statements

For the Years Ended July 31, 2015 and July 31, 2014

(Expressed in Canadian dollars)

3. Significant Accounting Policies

(a) Cash and Cash Equivalents

Cash and cash equivalents are comprised of cash and highly liquid investments that are readily convertible into known amounts of cash within three months.

(b) Mineral Properties

Recognition and Measurement

The Company charges to operations all exploration and evaluation expenses incurred prior to the determination of economically recoverable reserves. These costs would also include periodic fees such as license and maintenance fees and advance royalty payments.

The Company capitalizes direct mineral property acquisition costs and those expenditures incurred following the determination that the property has economically recoverable reserves. Mineral property acquisition costs include cash consideration and the fair value of common shares issued for mineral property interests, pursuant to the terms of the relevant agreement. These costs are amortized over the estimated life of the property following commencement of commercial production, or written off if the property is sold, allowed to lapse or abandoned, or when impairment in value has been determined to have occurred. A mineral property is reviewed for impairment whenever events or changes in circumstances indicate that its carrying amount may not be recoverable.

The Company may occasionally enter into option-out arrangements, whereby the Company will transfer part of a mineral interest, as consideration, for an agreement by the transferee to meet certain exploration and evaluation expenditures which would otherwise be undertaken by the Company.

The Company does not record any expenditures made by the optionee on its behalf. Any cash consideration received from the agreement is credited against the costs previously capitalized to the mineral interest given up by the Company, with any excess cash accounted as a gain on disposal.

(c) Provisions

Provisions are recorded when a present legal or constructive obligation exists as a result of past events where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

GORILLA MINERALS CORP.

Notes to the Financial Statements

For the Years Ended July 31, 2015 and July 31, 2014

(Expressed in Canadian dollars)

3. Significant Accounting Policies (continued)

(c) Provisions (continued)

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at balance sheet date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. The increase in the obligation due to the passage of time is recognized as finance expense. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount receivable can be measured reliably.

(d) Income Taxes

Provision for income taxes consists of current and deferred tax expense. Income tax expense is recognized in the income statement except to the extent that it relates to items recognized either in other comprehensive income or directly in equity, in which case it is recognized in other comprehensive income or in equity, respectively. Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years. Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual earnings.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for temporary differences associated with the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable income or loss and temporary differences relating to investments in subsidiaries to the extent that it is probable that they will not reverse in the foreseeable future. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse based on the laws that have been enacted or substantively enacted at the reporting date.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity.

GORILLA MINERALS CORP.

Notes to the Financial Statements

For the Years Ended July 31, 2015 and July 31, 2014

(Expressed in Canadian dollars)

3. Significant Accounting Policies (continued)

(e) Financial Instruments

Financial Assets

Financial assets are classified into one of the following categories based on the purpose for which the asset was acquired. Management determines the classification of its financial assets at initial recognition. All transactions related to financial instruments are recorded on a trade date basis. The Company's accounting policy for each category is as follows:

Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities of greater than 12 months after the end of the reporting periods, which are classified as non-current assets. They are initially recognized at fair value plus transaction costs that are directly attributable to their acquisition or issue and subsequently carried at amortized cost, using the effective interest rate method, less any impairment losses. Amortized cost is calculated by taking into account any discount or premium on acquisition and includes fees that are an integral part of the effective interest rate and transaction costs.

Gains and losses are recognized in the profit or loss when the loans and receivables are derecognized or impaired, as well as through the amortization process.

Financial Assets at Fair Value Through Profit or Loss

An instrument is classified at fair value through profit or loss if it is held for trading or is designated as such upon initial recognition. Financial instruments are designated at fair value through profit or loss if the Company manages such investments and makes purchases and sale decisions based on their fair value in accordance with the Company's risk management or investment strategy. Upon initial recognition, attributable transaction costs are recognized in profit or loss when incurred. Financial instruments at fair value through profit or loss are measured at fair value, and changes therein are recognized in profit or loss.

The Company has classified cash as fair value through profit or loss.

Available-for-sale Financial Assets

Available-for-sale financial assets are non-derivative financial assets that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless the investment matures or management intends to dispose of it within 12 months of the end of the reporting period. Subsequent to initial recognition, available-for-sale financial assets are measured at fair value and changes therein, other than impairment losses and foreign currency differences on available-for-sale equity instruments, are recognized in other comprehensive income and presented within equity in the fair value reserve. When an instrument is derecognized, the cumulative gain or loss in other comprehensive income is transferred to profit or loss.

GORILLA MINERALS CORP.

Notes to the Financial Statements

For the Years Ended July 31, 2015 and July 31, 2014

(Expressed in Canadian dollars)

3. Significant Accounting Policies (continued)

(e) Financial Instruments (continued)

Financial Liabilities

Financial liabilities other than derivative liabilities are recognized initially at fair value and are subsequently stated at amortized cost. These liabilities include accounts payable and accrued liabilities, other liabilities and loans. Transaction costs on financial assets and liabilities other than those classified as fair value through profit and loss are treated as part of the carrying value of the asset or liability. Transaction costs for assets and liabilities at fair value through profit and loss are expensed as incurred.

Impairment of Financial Assets

The Company assesses at the end of each reporting date whether there is objective evidence that a financial asset is impaired. A financial asset is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a "loss event") and that loss event (or events) has an impact on the estimated future cash flows of the financial asset that can be reliably estimated.

An impairment loss in respect of a financial asset carried at amortized cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted using the instrument's original effective interest rate.

An impairment loss in respect of an available-for-sale financial asset is calculated by reference to its fair value. In the case of equity instruments classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is also evidence that the assets are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss, measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset that was previously recognized in profit or loss, is removed from equity and recognized in the income statement.

All impairment losses are recognized in profit or loss. Any cumulative loss in respect of an available-for-sale financial asset recognized previously in equity is transferred to profit or loss.

An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognized. Impairment losses recognized for equity securities are not reversed.

GORILLA MINERALS CORP.

Notes to the Financial Statements

For the Years Ended July 31, 2015 and July 31, 2014

(Expressed in Canadian dollars)

3. Significant Accounting Policies (continued)

(f) Loss Per Share

Basic earnings or loss per share is computed by dividing the earnings or loss for the period by the weighted average number of common shares outstanding during the relevant period. The treasury stock method is used for the calculation of diluted earnings or loss per share. Stock options, share purchase warrants, and other equity instruments are dilutive when the average market price of the common shares during the period exceeds the exercise price of the options, warrants and other equity instruments. When a loss has been incurred, basic and diluted loss per share is the same because the exercise of options and warrants would be anti-dilutive.

(g) Comprehensive Income

Comprehensive income or loss is the change in net assets arising from transactions and other events and circumstances from non-owner sources, and comprises net income or loss and other comprehensive income or loss. Financial assets that are classified as available for sale will have revaluation gains and losses included in other comprehensive income or loss until the asset is removed from the balance sheet.

(h) Share Capital

The Company records proceeds from share issuances net of issue costs and any tax effects in shareholders' equity. Common shares issued for consideration other than cash are valued based on their market value at the date the agreement to issue shares was concluded. Common shares held by the Company are classified as treasury stock and recorded as a reduction to shareholders' equity.

(i) Related Parties

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control. Related parties may be individuals or corporate entities.

A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

(j) Critical Accounting Judgments and Estimates

The preparation of financial statements in conformity with IFRS requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported revenues and expenses during the period.

Although management uses historical experience and its best knowledge of the amount, events or actions to form the basis for judgments and estimates, actual results may differ from these estimates.

GORILLA MINERALS CORP.

Notes to the Financial Statements

For the Years Ended July 31, 2015 and July 31, 2014

(Expressed in Canadian dollars)

3. Significant Accounting Policies (continued)

(j) Critical Accounting Judgments and Estimates (continued)

The most significant accounts that require estimates as the basis for determining the stated amounts include recognition of deferred income tax amounts and provision for restoration, rehabilitation and environmental costs.

Critical judgments exercised in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are as follows:

Economic recoverability and probability of future economic benefits of mineral properties

Management has determined that mineral property costs incurred which were capitalized have future economic benefits and are economically recoverable. Management uses several criteria in its assessments of economic recoverability and probability of future economic benefits including geological and metallurgic information, history of conversion of mineral deposits to proven and probable reserves, scoping and feasibility studies, accessible facilities, existing permits and life of mine plans.

Determination of functional currency

The Company determines the functional currency through an analysis of several indicators such as expenses and cash flow, financing activities, retention of operating cash flows, and frequency of transactions with the reporting entity.

Income taxes

In assessing the probability of realizing income tax assets, management makes estimates related to expectations of future taxable income, applicable tax opportunities, expected timing of reversals of existing temporary differences and the likelihood that tax positions taken will be sustained upon examination by applicable tax authorities. In making its assessments, management gives additional weight to positive and negative evidence that can be objectively verified.

4. Plan of Arrangement

On September 18, 2013, the Company received \$15,000, pursuant to the Company having entered into an Arrangement Agreement dated August 22, 2013 with ChitrChatr Communications Inc. and 0978557 BC Ltd. Under the Arrangement Agreement, the Company disposed of all the issued and outstanding shares of 0978557 BC Ltd. for consideration of \$15,000 in cash and the receipt of 1,000 warrants of ChitrChatr Communications Inc. at a price of \$0.10 per share for a period of three months after the effective date of the Arrangement, September 11, 2013. The Company will also issue 10,000 warrants (pre-consolidation) to ChitrChatr Communications Inc. on the same terms as those issued by the ChitrChatr Communications Inc. to the Company.

GORILLA MINERALS CORP.

Notes to the Financial Statements

For the Years Ended July 31, 2015 and July 31, 2014

(Expressed in Canadian dollars)

4. Plan of Arrangement (continued)

On October 25, 2013, the Company entered into another plan of arrangement (the "Plan of Arrangement with Enfield") and an arrangement agreement (the "Arrangement Agreement with Enfield") with Enfield Exploration Corp. ("Enfield Exploration") and Enfield Resources Corp. ("Enfield Resources"). Enfield Exploration was incorporated in British Columbia on November 1, 2013 as a wholly-owned subsidiary of the Company. Enfield Exploration was created solely for the purposes of affecting the Plan of Arrangement with Enfield. Pursuant to the Plan of Arrangement with Enfield: (1) Enfield Resources proposes to acquire from the Company the option to acquire certain Yukon nickel mineral rights known as the Wels Nickel Property, (2) the Company shall issue 4 (pre-consolidation) of its common shares to Enfield Exploration and receive 4,000 common shares of Enfield Exploration in return, (3) Enfield Resources shall purchase all the outstanding and issued shares of Enfield Exploration from the Company, and the Company shall cancel the 4 (pre-consolidation) shares it issued to Enfield Exploration, (4) Enfield Exploration shall acquire all the outstanding shares of Enfield Resources from all the Enfield Resources shareholders through a 1-for-1 share exchange, and (5) Enfield Exploration shall apply for a listing on the Canadian Securities Exchange (the "CSE"). The Supreme Court of British Columbia granted a Final Order approving the Plan of Arrangement with Enfield on November 21, 2013.

On January 6, 2014, the Company entered into another plan of arrangement which includes a statutory plan of arrangement (the "Plan of Arrangement") with Orca Touchscreen Technologies Ltd. ("Orca Touchscreen") and Orca Mobile Solutions Ltd. ("Orca Mobile"). Orca Touchscreen was incorporated in British Columbia on December 31, 2013 as a wholly-owned subsidiary of the Company for the sole purpose of affecting the Plan of Arrangement. Pursuant to the Plan of Arrangement: (1) Orca Mobile shall purchase all the issued and outstanding shares of Orca Touchscreen from the Company, (2) The Company shall issue 4 (pre-consolidation) of its common shares to Orca Touchscreen and receive in exchange 4,000 common shares of Orca Touchscreen, and then the Company shall cancel the 4 (pre-consolidation) shares it issued to Orca Touchscreen, (3) Orca Touchscreen shall acquire all the outstanding shares of Orca Mobile from all the Orca Mobile shareholders through a 1-for-1 share exchange, and (4) Orca Touchscreen shall apply for a listing on the CSE. The Supreme Court of British Columbia granted a Final Order approving the Plan of Arrangement with Orca Touchscreen and Orca Mobile on March 6, 2014.

On January 7, 2014, the Company entered into another plan of arrangement (the "Arrangement Agreement") which includes a statutory plan of arrangement (the "Plan of Arrangement") with European Ferro Metals Ltd. ("European Ferro") and First Ferro Mining Ltd. ("First Ferro"). European Ferro was incorporated in British Columbia on December 31, 2013 as a wholly-owned subsidiary of the Company for the sole purpose of effecting the Plan of Arrangement. Pursuant to the Plan of Arrangement: (1) First Ferro shall acquire from the Company the right to earn a 40% interest in the Yukon mineral claims in consideration of \$18,000, payable as to \$7,500 on execution of the Arrangement Agreement, and the balance within five days of the listing of European Ferro on the Canadian Securities Exchange (the "CSE") (2) First Ferro shall purchase all the issued and outstanding shares of European Ferro from the Company, (3) The Company shall issue 4 (pre-consolidation) of its common shares to European Ferro and receive in exchange 4,000 common shares of European Ferro, and then the Company shall cancel the 4 (pre-consolidation) shares it issued to European Ferro, (4) European Ferro shall acquire all the outstanding shares of First Ferro from all the First Ferro shareholders through a 1-for-1 share exchange, and (4) European Ferro shall apply for a CSE listing.

GORILLA MINERALS CORP.

Notes to the Financial Statements

For the Years Ended July 31, 2015 and July 31, 2014

(Expressed in Canadian dollars)

4. Plan of Arrangement (continued)

The Supreme Court of British Columbia granted a Final Order approving the Plan of Arrangement with European Ferro and First Ferro on March 6, 2014.

On February 25, 2014, the Company entered into another plan of arrangement (the "Arrangement Agreement with Eilat") which includes a statutory plan of arrangement with Eilat Minerals Inc. ("Eilat Minerals") and Eilat Resources Inc. ("Eilat Resources"). Eilat Minerals will be incorporated in British Columbia as a wholly-owned subsidiary of the Company for the sole purpose of effecting the plan of arrangement. Purpose to the Plan of Arrangement: (1) Eilat Resources Inc. shall purchase all the issued and outstanding shares of Eilat Minerals from the Company for a Purchase Price of \$8,000 (payable as to \$2,000 deposit on execution of the agreement and the balance on closing the plan of arrangement); (2) Eilat Minerals shall acquire all the outstanding shares of Eilat Resources from all the Eilat Resources shareholders through a 1-for-1 share exchange; (3) the Company shall issue 4 (pre-consolidation) of its common shares to Eilat Minerals and receive in exchange 4,000 common shares of Eilat Minerals, and then the Company shall cancel the 4 (pre-consolidation) shares it issued to Eilat Minerals; and (4) Eilat Minerals shall apply for a listing on the CSE. The proposed Plan of Arrangement was terminated as both parties decided not to proceed with the arrangement.

On April 4, 2014, the Company entered into another plan of arrangement (the "Arrangement Agreement with Big Rock") which includes a statutory plan of arrangement with Big Rock Labs Inc. ("Big Rock Labs") and Big Rock Technologies Inc. ("Big Rock Technologies"). Big Rock Labs was incorporated in British Columbia on April 4, 2014 as a wholly-owned subsidiary of the Company for the sole purpose of effecting the plan of arrangement. Pursuant to the plan of arrangement: (1) Big Rock Technologies shall purchase all the issued and outstanding shares of Big Rock Labs from the Company, (2) Big Rock Labs shall acquire all the outstanding shares of Big Rock Technologies from all the Big Rock Technologies shareholders through a 1-for-1 share exchange, (3) the Company shall issue 4 (pre-consolidation) of its common shares to Big Rock Labs and receive in exchange 4,000 common shares of Big Rock Labs, and then the Company shall cancel the 4 (pre-consolidation) shares it issued to Big Rock Labs, and (4) Big Rock Labs shall apply for a listing on the CSE. The Supreme Court of British Columbia granted Final Order approving the Plan of Arrangement with Bog Rock Labs and Big Rock Technologies on May 8, 2014.

On April 4, 2014, the Company entered into another plan of arrangement (the "Arrangement Agreement with Highmark") which includes a statutory plan of arrangement with Highmark Acquisitions Ltd. ("Highmark Acquisitions") and Highmark Marketing Corp. ("Highmark Marketing"). Highmark Acquisitions was incorporated in British Columbia on April 2, 2014 as a wholly-owned subsidiary of the Company for the sole purpose of effecting the plan of arrangement. Pursuant to the plan of arrangement: (1) Highmark Marketing shall purchase all the issued and outstanding shares of Highmark Acquisitions from the Company, (2) Highmark Acquisitions shall acquire all the outstanding shares of Highmark Marketing from all the Highmark Marketing shareholders through a 1-for-1 share exchange, (3) the Company shall issue 4 (pre-consolidation) of its common shares to Highmark Acquisitions and receive in exchange 4,000 common shares of Highmark Acquisitions, and then the Company shall cancel the 4 (pre-consolidation) shares it issued to Highmark Acquisitions, and (4) Highmark Acquisitions shall apply for a listing on the CSE. The Supreme Court of British Columbia granted a Final Order approving the Plan of Arrangement with Highmark Acquisitions and Highmark Marketing on April 17, 2014.

GORILLA MINERALS CORP.

Notes to the Financial Statements

For the Years Ended July 31, 2015 and July 31, 2014

(Expressed in Canadian dollars)

4. Plan of Arrangement (continued)

On May 15, 2014, the Company entered into another plan of arrangement (the "Arrangement Agreement with Grenadier") which includes a statutory plan of arrangement with Grenadier Resources Corp. ("Grenadier Resources") and Grenadier Exploration Corp. ("Grenadier Exploration"). Grenadier Resources was incorporated in British Columbia on June 2, 2014 as a wholly-owned subsidiary of the Company for the sole purpose of effecting the plan of arrangement. Pursuant to the plan of arrangement: (1) Grenadier Exploration shall purchase all the issued and outstanding shares of Grenadier Resources from the Company, (2) Grenadier Resources shall acquire all the outstanding shares of Grenadier Exploration from all the Grenadier Exploration shareholders through a 1-for-1 share exchange, (3) the Company shall issue 4 (pre-consolidation) of its common shares to Grenadier Resources and receive in exchange 4,000 common shares of Grenadier Resources, and then the Company shall cancel the 4 (pre-consolidation) shares it issued to Grenadier Resources, and (4) Grenadier Resources shall apply for a listing on the CSE. The Supreme Court of British Columbia granted a Final Order approving the Plan of Arrangement with Grenadier Resources and Grenadier Exploration on June 18, 2014.

On July 21, 2014, the Company entered into another plan of arrangement (the "Arrangement Agreement with Salient") which includes a statutory plan of arrangement with Salient Corporate Services Inc. ("Salient Corporate") and Salient Standard Holdings Inc. ("Salient Standard"). Pursuant to the plan of arrangement: (1) Salient Standard shall purchase all the issued and outstanding shares of Salient Corporate from the Company, (2) Salient Corporate shall acquire all the outstanding shares of Salient Standard from all the Salient Standard shareholders through a 1-for-1 share exchange, (3) the Company shall issue 4 (pre-consolidation) of its common shares to Salient Corporate and receive in exchange 4,000 common shares of Salient Corporate, and then the Company shall cancel the 4 (pre-consolidation) shares it issued to Salient Corporate, and (4) Salient Corporate shall apply for a listing on the CSE. The Supreme Court of British Columbia granted a Final Order approving the Plan of Arrangement with Salient Corporate and Salient Standard on July 29, 2014.

On September 26, 2014, the Company entered into another arrangement agreement (the "Arrangement Agreement") which includes a statutory plan of arrangement with Whole New Home Technologies Inc. ("Whole New Home") and PDT Technologies Inc. ("PDT"). Pursuant to the Plan of Arrangement: (1) PDT shall purchase all the issued and outstanding shares of Whole New Home from the Company (the "Purchase Shares"), (2) Whole New Home shall acquire all the outstanding shares of PDT from all the PDT shareholders through a 1-for-1 share exchange, (3) the Company shall issue 1,000 of its Common Shares to Whole New Home (the "Exchange Shares") and receive in exchange 500,000 Common Shares of Whole New Home (the "Distribution Shares"), (4) the Distribution Shares shall be distributed to the shareholders of the Company as of its record date on a pro-rated basis as a stock dividend, with certain shareholders of the Company agreeing to exclude the number of the Company's shares required from the calculation of the portion of the Distribution Shares to which they would otherwise be entitled so as to effect a 1:1 distribution with the Distribution Shares; (5) the Exchange Shares and the Purchase Shares shall then be cancelled, and (6) Whole New Home shall apply for listing on the Canadian Securities Exchange. The Supreme Court of British Columbia granted a Final Order approving the Plan of Arrangement with PDT and Whole New Home on January 5, 2015.

GORILLA MINERALS CORP.

Notes to the Financial Statements

For the Years Ended July 31, 2015 and July 31, 2014

(Expressed in Canadian dollars)

5. Mineral Properties

Whitehorse, Yukon Territory, Canada

Pursuant to an option agreement dated June 6, 2011, Gorilla Resources Corp. was granted an option to acquire a 100% interest in the Wels property located in Whitehorse, Yukon Territory, Canada. On April 23, 2012, Gorilla Resources Corp. assigned all the benefits, rights and obligations under the option agreement to the Company. The property consists of 136 unpatented mining claims and is subject to a 3% Net Smelter Returns ("NSR") in favour of the optionor. The Company has the right to buy back the NSR for a cash payment of \$750,000 for each 1%, to a maximum of \$1,500,000, at any time. To maintain and exercise the option, the Company must:

- Make cash payments of \$15,900 upon signing (paid by Gorilla Resources Corp.);
- Make cash payments of \$15,450 upon the completion of a National Instrument 43-101 technical report (paid by Gorilla Resources Corp.);
- Issue 15,000 common shares on the sixth month anniversary (issued by Gorilla Resources Corp.);
- Make cash payments of \$25,000 and issue 10,000 common shares on or before September 30, 2012 (subsequently extended to make a cash payment of \$10,000 by October 31, 2012 and \$15,000 by January 31, 2013) (paid/issued by the Company);
- Make payments of \$40,000 on or before September 30, 2013, payable in cash, common shares, or a combination of cash and common shares (subsequently amended to payment of \$20,000 in cash on or before February 28, 2014 pursuant to a payment extension agreement dated November 19, 2013) (paid by the Company);
- Issue 10,000 common shares on or before 14 days from the date of a payment extension agreement dated November 19, 2013 pursuant to a payment extension agreement dated November 19, 2013 (issued on November 21, 2013);
- Make payments of \$80,000 on or before September 30, 2014, payable in cash, common shares, or a combination of cash and common shares (amended to payment of \$40,000 in cash on October 16, 2014 and \$40,000 issued in shares on October 24, 2014). (Paid/issued by the Company).

On November 12, 2013, the Company granted to Enfield Resources an option to acquire a 100% undivided right, title and interest in certain mineral claims of the Wels property ("Wels Nickel Project"). The Company was entitled to receive a royalty interest equal to 5% of NSR. Enfield Resources was entitled to redeem the entitlement of the Company to its share of NSR by paying \$1,500,000 to the Company for each 1% so redeemed, to a maximum of \$7,500,000. In order to the option and to earn the interests in the Wels Nickel Project, Enfield was to make the following payments in cash to the Company:

- \$10,000 on or before November 12, 2013 (received);
- \$15,000 within 5 days of CSE Listing (received);
- \$2,500 on or before May 1, 2014 (received);
- \$80,000 on or before September 30, 2014 (Enfield defaulted on payment. The option agreement was terminated on October 30, 2014); and
- \$80,000 on or before September 30, 2015.

GORILLA MINERALS CORP.

Notes to the Financial Statements

For the Years Ended July 31, 2015 and July 31, 2014

(Expressed in Canadian dollars)

5. Mineral Properties (continued)

On January 7, 2014, the Company entered into an Option and Joint Venture Agreement with First Ferro whereby the Company granted First Ferro an option to acquire a 40% undivided beneficial interest in certain mineral claims of the Wels property ("Wels Gold Project") by making the following payments:

- \$7,500 on execution of the Arrangement Agreement (received);
- \$10,500 within 5 days of the CSE Listing (received);
- \$100,000 on or before June 30, 2014 (First Ferro defaulted on payment, Option Agreement was terminated on August 31, 2014);
- \$100,000 on or before December 31, 2014;
- \$100,000 on or before June 30, 2015; and
- \$100,000 on or before December 31, 2015.

During the year ended July 31, 2015, the Company made cash payments of \$40,000 (2014: \$20,000) and issued 276,666 common shares (2014: 12,000 common shares) of the Company at a fair value of \$41,500 (2014: \$6,000) (Note 8).

During the year ended July 31, 2015, the Company received \$50,000 (2014: \$4,374) from the Government of Yukon in contribution funds for mining exploration.

During the years ended July 31, 2015 and 2014, the Company incurred exploration expenditures on the Wels Property as follows:

	<u>July 31, 2015</u>	<u>July 31, 2014</u>
Exploration and related expenditures (Wels)		
Assays	\$ 147,142	\$ 2,567
Drilling	82,195	
Geological	34,602	15,293
Geophysical survey	10,000	-
Land administration	7,500	-
Travel and transportation	94,218	3,910
Government of Yukon Contribution Funds	(50,000)	(4,374)
Total mineral property expenditures	<u>\$ 325,657</u>	<u>\$ 17,396</u>

GORILLA MINERALS CORP.

Notes to the Financial Statements

For the Years Ended July 31, 2015 and July 31, 2014

(Expressed in Canadian dollars)

6. Notes Payable

During the year ended July 31, 2014, the Company received loan proceeds of \$40,365 from directors and companies owned by directors of the Company. During the year ended July 31, 2014, the Company repaid \$7,567. The notes payable was accounted for at amortized cost using the effective interest rate method with the effective interest rate of 12% per annum. During the year ended July 31, 2014, the debt discount of \$4,290 was credited to contributed surplus, debited to notes payable and amortized over the term of the notes.

During the year ended July 31, 2015, the Company received additional loan proceeds of \$22,500 from directors and companies owned by directors of the Company. On March 31, 2015, the Company entered into two loan agreements with companies owned by directors of the Company in the amounts of \$35,000 and \$10,000, respectively (the "Loans"). The Loans replaced the notes payable, in the same amounts, that were previous owed to related parties. The Loans bears 5% interest, are unsecured, and are due on March 31, 2017. The Loans were accounted for at amortized cost using the effective interest rate method with the effective interest rate of 12% per annum. During the year ended July 31, 2015, the debt discount of \$5,539 was credited to contributed surplus, debited to notes payable and amortized over the term of the notes.

On March 31, 2015, the Company entered into a convertible promissory note agreement with a company controlled by a director of the Company to convert \$50,000 of the note into a convertible promissory note (Note 7).

During the year ended July 31, 2015, the Company accrued an interest and accretion expense of \$5,510 related to the Loans.

7. Convertible Promissory Notes Payable

On March 31, 2015, the Company entered into various convertible promissory note agreements for a total principal amount of \$150,000 (the "Convertible Notes"). Total proceeds of \$50,000 was received from a third party, \$50,000 note payable was converted by a company controlled by a director of the Company (Note 6), and \$50,000 amount due to related party was converted by a company controlled owned by the President of the Company (Note 9).

The Convertible Notes bear 5% interest, are unsecured, and are due on March 31, 2017. At any time prior to the maturity date, the lenders may convert all or any part of the principal amount into shares of the Company at a price of \$0.15 per share. At the date of issue, the debt portion of the convertible Notes was recorded at its fair value of \$131,538, assuming a fair value of interest rate for comparable debt of 12% per annum. The equity component, which is the fair value attributed to the conversion feature, had a carrying value of \$18,462, being the difference between the face amount and the fair value of the debt. The carrying value of the equity component was recorded as a separate component of shareholders' equity. Subsequent to initial recognition, the debt has been amortized over the term of the debt using the effective interest rate method at discount rate of 12%. During the year ended July 31, 2015, the Company accrued an interest and accretion expense of \$5,276 related to the Convertible Notes.

GORILLA MINERALS CORP.

Notes to the Financial Statements

For the Years Ended July 31, 2015 and July 31, 2014

(Expressed in Canadian dollars)

8. Share Capital

(a) Authorized

Unlimited number of common shares without par value

(b) Share transactions for the year ended July 31, 2015:

On March 31, 2015, the Company issued 880,000 units for \$220,000 cash from various private placements. Each unit is comprised of one common share in the capital of the Company and one non-transferable common share purchase warrant. Each warrant entitles the holder thereof to acquire one additional common share of the Company at a price of \$0.30 on or before March 31, 2017. The Company paid a finder's fee of \$2,500 on subscriptions from purchasers introduced by the finder.

On March 11, 2015, the Company issued 89,512 common shares to settle accounts payable of \$17,903.

On January 29, 2015, the Company issued 73,100 common shares for \$18,275 cash from various private placements.

On October 24, 2014, the Company issued 463,331 common shares for \$69,500 cash from various private placements.

On October 24, 2014, the Company issued 10,800 common shares to settle \$1,652 in debt due to a former director (Note 9).

On October 24, 2014, the Company issued 276,666 common shares with a fair value of \$41,500 pursuant to the Company's Wels Property (Note 5).

(c) Share transactions for the year ended July 31, 2014:

On June 27, 2014, the Company issued 3,250,000 common shares at a fair value of \$0.15 per share to settle \$65,000 of debt due to various directors of the company. Loss of \$422,500 on settlement of debt was booked to statement of loss.

On April 29, 2014, the Company consolidated its authorized, issued and outstanding common shares at a consolidation ratio of 1:10 (1 new share for every 10 current shares). All figures have been updated in these financial statements unless otherwise noted.

On March 28, 2014, the Company issued 2,000 common shares with a fair value of \$1,000 pursuant to the Company's Wels Property (Note 5).

On November 21, 2013, the Company issued 10,000 common shares with a fair value of \$5,000 pursuant to the Company's Wels Property (Note 5).

(d) Warrants

During the year ended July 31, 2015, the Company issued a total of 880,000 warrants. Each warrant entitles the holder to acquire one common share of the Company at a price of \$0.30 on or before March 31, 2017.

GORILLA MINERALS CORP.

Notes to the Financial Statements
For the Years Ended July 31, 2015 and July 31, 2014
(Expressed in Canadian dollars)

9. Related Party Transactions

During the year ended July 31, 2015, the Company incurred \$24,000 (2014: \$24,000) in management fees from a company owned by the President of the Company. At July 31, 2015, the Company owed \$32,169 to directors and their companies and had \$55,556 of notes payable (Note 6) and \$89,538 of convertible promissory notes payable (Note 7) to directors and their companies.

Refer to Notes 6, 7 and 8 for related party transactions.

10. Financial Instruments

(a) Classification of Financial Instruments

The Company has classified its financial instruments as follows:

	2015 \$
<hr/>	
Financial assets:	
Held for trading, measured at fair value:	
Cash	24,000
	<hr/>
	24,000
<hr/>	
Financial liabilities, measured at amortized cost:	
Accounts payable	124,121
Due to related parties	32,169
Notes payable	55,556
Convertible promissory notes payable	136,814
	<hr/>
	348,660
	<hr/>

(b) Fair Values

The Company has classified fair value measurements of its financial instruments using a fair value hierarchy that reflects the significance of inputs used in making the measurements as follows:

- Level 1: Valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: Valuations based on directly or indirectly observable inputs in active markets for similar assets or liabilities, other than Level 1 prices, such as quoted interest or currency exchange rates; and
- Level 3: Valuations based on significant inputs that are not derived from observable market data, such as discounted cash flow methodologies based on internal cash flow forecasts.

GORILLA MINERALS CORP.

Notes to the Financial Statements

For the Years Ended July 31, 2015 and July 31, 2014

(Expressed in Canadian dollars)

10. Financial Instruments (continued)

As at July 31, 2015, the fair values of financial instruments measured on a recurring basis include cash, determined based on level one inputs and consisting of quoted prices in active markets for identical assets. The fair values of other financial instruments, which include accounts payable, due to related parties and current portion of notes payable, approximate their carrying values due to the relatively short-term maturity of these instruments. The long term portion of notes payable and the Convertible Notes, bearing 5% interest, unsecured, and due on March 31, 2017, are booked at amortized costs.

(c) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company currently settles its financial obligations out of cash. The ability to do this relies on the Company raising equity financing in a timely manner and by maintaining sufficient cash in excess of anticipated needs. As at July 31, 2015, the Company does not have sufficient cash to settle current liabilities of \$168,724.

(d) Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

The Company's cash is largely held in large Canadian financial institutions. The Company does not have any asset-backed commercial paper. The Company's receivables consist of GST/HST receivable due from the Federal Government of Canada. The Company maintains cash deposits with Schedule A financial institutions, which from time to time may exceed federally insured limits. The Company has not experienced any significant credit losses and believes it is not exposed to any significant credit risk.

(e) Price Risk

The Company is exposed to price risk with respect to commodity prices. The Company's ability to raise capital to fund exploration and development activities is subject to risks associated with fluctuations in the market price of commodities.

(f) Interest rate risk

Interest rate risk is the risk the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Financial assets and liabilities with variable interest rates expose the Company to cash flow interest rate risk. The Company does not hold any financial liabilities with variable interest rates other than notes and convertible notes payables (Note 6 and 7). The Company does maintain bank accounts which earn interest at variable rates but it does not believe it is currently subject to any significant interest rate risk.

(g) Foreign currency exchange rate risk

The Company currently has no significant operations denominated in foreign currencies. Management believes there is no significant foreign currency exchange rate risk.

GORILLA MINERALS CORP.

Notes to the Financial Statements

For the Years Ended July 31, 2015 and July 31, 2014

(Expressed in Canadian dollars)

11. Capital Management

The Company defines its capital as cash and equity comprised of issued share capital and deficit. The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition and exploration and development of mineral properties. 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 sustain future development of the business. The properties in which the Company currently has an interest are in the exploration stage. As such, the Company has historically relied on the equity markets to fund its activities. In addition, the Company is dependent upon external financings to fund activities. In order to carry out planned exploration and pay for administrative costs, the Company will need to raise additional funds. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so. 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 is not subject to externally imposed capital requirements as at July 31, 2015.

12. Segmented Information

The Company operates in one reportable operating segment, being the acquisition and exploration of mineral properties in Canada. As the operations comprise a single reporting segment, amounts disclosed also represent segment amounts.

13. Income Taxes

The income taxes shown in the Statements of Loss and Comprehensive Loss differ from the amounts obtained by applying statutory rates to the loss before income taxes due to the following:

	2015	2014
Statutory tax rate	26.0%	26.0%
Loss before income taxes	<u>\$ (474,966)</u>	<u>\$ (495,017)</u>
Expected income tax recovery	(123,491)	(128,704)
Increase (decrease) in income tax recovery resulting from:		
Items deductible and not deductible for income tax purposes	2,630	110,289
Current and prior tax attributes not recognized	120,861	18,415
Deferred income tax recovery	<u>\$ -</u>	<u>\$ -</u>

GORILLA MINERALS CORP.

Notes to the Financial Statements

For the Years Ended July 31, 2015 and July 31, 2014

(Expressed in Canadian dollars)

13. Income Taxes (continued)

Details of deferred tax assets are as follows:

	<u>2015</u>	<u>2014</u>
Non-capital losses	\$ 81,317	\$ 45,100
Resource expenditures	94,302	10,178
Share issuance costs and others	520	-
	<u>176,139</u>	<u>55,278</u>
Less: Unrecognized deferred tax assets	<u>(176,139)</u>	<u>(55,278)</u>
	<u>\$ -</u>	<u>\$ -</u>

The Company has approximately \$313,000 of non-capital losses available, which begin to expire in 2032 through to 2035 and may be applied against future taxable income. The Company also has approximately \$508,000 of exploration and development costs which are available for deduction against future income for tax purposes. At July 31, 2015, the net amount which would give rise to a deferred income tax asset has not been recognized as it is not probable that such benefit will be utilized in the future years.

14. Subsequent Event

On August 18, 2015, the Company issued 172,608 units to a consultant pursuant to a consulting agreement. Each unit comprises of one common share of the Company and a warrant to purchase one additional common share of the Company for a period of 12 months from the date of issuance at an exercise price of \$0.30 per common share.

GORILLA MINERALS CORP.

Condensed Consolidated Interim Financial Statements

For the Three Months Ended October 31, 2017

(Unaudited)

(Expressed in Canadian dollars)

GORILLA MINERALS CORP.

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December 28, 2017

Consolidated Interim Financial Statements

Third Quarter Report

For the three months period ended October 31, 2017 and 2016

NOTICE TO READER

In accordance with National Instrument 51-102 released by the Canadian Securities Administrators, the Company must disclose if an auditor has not performed a review of the interim financial statements.

The accompanying unaudited consolidated interim financial statements have been prepared by and are the responsibility of the Company's management.

These unaudited consolidated interim financial statements have not been reviewed on behalf of the shareholders by the independent external auditors of the Company.

Yours truly,

GORILLA MINERALS CORP.

"Scott Sheldon"

Scott Sheldon
CEO

GORILLA MINERALS CORP.

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

	October 31, 2017 \$	July 31, 2017 \$
Assets		
Current Assets		
Cash and cash equivalents	279,976	207,672
GST and other receivables	2,871	4,466
	282,847	212,138
Mineral properties (Note 4)	261,000	-
	543,847	212,138
Liabilities and Shareholders' Equity		
Current Liabilities		
Accounts payable and accrued liabilities	27,980	39,886
Due to related parties (Note 8)	105,708	22,675
Notes payable (Note 5)	35,123	35,123
	168,811	97,684
Convertible promissory notes payable (Note 6)	155,978	151,476
	324,789	249,160
Shareholders' Equity		
Share capital (Note 7)	1,628,412	1,367,412
Contributed surplus	185,787	185,787
Deficit	(1,595,141)	(1,590,221)
	219,058	(37,022)
	543,847	212,138

Nature of operations and continuance of business (Note 1)

Approved by the Board of Directors on December 28, 2017:

"Scott Sheldon"

Scott Sheldon, Director & CEO

"Donald Sheldon"

Donald Sheldon, Director

(The accompanying notes are an integral part of these consolidated interim financial statements)

GORILLA MINERALS CORP.

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

	Three months ended October 31, 2017 \$	Three months ended October 31, 2016 \$
Exploration Expenses	6,089	-
Administrative Expenses		
Audit and accounting	10,000	12,000
Interest expense	4,502	5,383
Legal	55,000	3,249
Management fees	27,000	6,000
General and administrative	919	256
Transfer agent, filing and stock exchange fees	457	630
Travel	954	-
	(207,119)	27,518
Other Income		
Gain on Option Agreement (Note 4)	305,000	-
Net income(loss) and comprehensive income (loss) for the period	200,080	(27,518)
Income (loss) per share, basic and diluted	0.01	(0.00)
Weighted average shares outstanding	15,816,454	10,595,258

(The accompanying notes are an integral part of these consolidated interim financial statements)

GORILLA MINERALS CORP.

Condensed Consolidated Interim Statement of Changes in Equity

(Unaudited)

(Expressed in Canadian dollars)

	Share Capital				
	Common Shares	Amount \$	Contributed surplus \$	Deficit \$	Total \$
Balance, at July 31, 2016	10,595,258	1,069,412	165,554	(1,387,692)	(152,726)
Net loss for the period	-	-	-	(27,518)	(27,518)
Balance, at October 31, 2016	10,595,258	1,069,412	165,554	(1,415,210)	(180,244)
Balance, at July 31, 2017	13,575,258	1,367,412	185,787	(1,590,221)	(37,022)
Distribution of K2 shares to the shareholders (Note 4)	-	-	-	(205,000)	(205,000)
Shares issued for property	2,610,000	261,000	-	-	261,000
Net income for the year	-	-	-	200,080	200,080
Balance, at October 31, 2017	16,185,258	1,628,412	185,787	(1,595,141)	219,058

(The accompanying notes are an integral part of these consolidated interim financial statements)

GORILLA MINERALS CORP.

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

	Three months ended October 31, 2017 \$	Three months ended October 31, 2016 \$
Cash provided by (used in):		
Operating activities		
Net income (loss) for the period	200,080	(27,518)
Adjustments for non-cash items		
Interest accrual on promissory note	4,502	5,383
Gain on Option Agreement (Note 4)	(305,000)	-
Loss on settlement of debts	-	14,190
Stock-based compensation	-	116,803
Write off of accounts payable	-	(5,667)
Changes in non-cash operating working capital:		
GST recoverable	1,595	(55)
Accounts payable and accrued liabilities	(11,906)	(35,610)
Due to related parties	83,033	57,730
	(27,696)	(70)
Investing activities		
Option payments received	100,000	-
	100,000	-
Increase in cash	72,304	(70)
Cash, beginning of period	207,672	70
Cash, end of period	279,976	-
Supplemental information		
Interest paid	-	-
Taxes paid	-	-
Significant non-cash financing and investing activities		
Shares issued for property	261,000	-

(The accompanying notes are an integral part of these consolidated interim financial statements)

GORILLA MINERALS CORP.

Notes to the Condensed Consolidated Interim Financial Statements

(Unaudited)

For the three months ended October 31, 2017

(Expressed in Canadian dollars)

1. Nature of Operations and Continuance of Business

Gorilla Minerals Corp. (“Gorilla” or the “Company”) was incorporated on April 27, 2012 in Canada with limited liability under the legislation of the Province of British Columbia. Gorilla’s registered office is located at Suite 810 – 789 West Pender Street, Vancouver, BC, V6C 1H2, Canada.

Gorilla is an exploration stage company and is in the process of exploring its mineral properties in Canada and has not yet determined whether its properties contain ore reserves that are economically recoverable. The recoverability of amounts spent for mineral properties is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the exploration and development of its property, and upon future profitable production or proceeds from disposition of the properties. The operations of the Company will require various licences and permits from various governmental authorities which are or may be granted subject to various conditions and may be subject to renewal from time to time. There can be no assurance that the Company will be able to comply with such conditions and obtain or retain all necessary licences and permits that may be required to carry out exploration, development, and mining operations at its projects. Failure to comply with these conditions may render the licences liable to forfeiture.

These condensed consolidated interim financial statements have been prepared on the going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. Should the Company be unable to continue as a going concern, it may be unable to realize the carrying value of its assets and to meet its liabilities as they become due. As at October 31, 2017, the Company has not generated any revenues from operations and has an accumulated deficit of \$1,595,141. The Company expects to incur further losses in the development of its business, all of which casts significant doubt about the Company’s ability to continue as a going concern. The continued operations of the Company are dependent on its ability to generate future cash flows or obtain additional financing. Management is of the opinion that sufficient working capital will be obtained from external financing to meet the Company’s liabilities and commitments as they become due, although there is a risk that additional financing will not be available on a timely basis or on terms acceptable to the Company. These consolidated financial statements do not reflect any adjustments to the carrying values of assets and liabilities, the reported expenses, and the balance sheet classifications used that may be necessary if the Company is unable to continue as a going concern.

2. Basis of Presentation

(a) Statement of Compliance

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

GORILLA MINERALS CORP.

Notes to the Condensed Consolidated Interim Financial Statements

(Unaudited)

For the three months ended October 31, 2017

(Expressed in Canadian dollars)

2. Basis of Presentation (continued)

(b) Basis of Measurement

These consolidated financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair value, as explained in the accounting policies set out in Note 3.

(c) Functional and Presentation Currency

The functional currency of a company is the currency of the primary economic environment in which the company operates. The presentation currency for a company is the currency in which the company chooses to present its financial statements. These consolidated financial statements are presented in Canadian dollars, which is the Company's presentation and functional currency.

(d) Subsidiaries

These consolidated financial statements include the financial statements of the Company and the wholly-owned subsidiary, Shiraz Petroleum Corporation (formerly Hella Resources Corp.) from the date of incorporation on November 17, 2014. Shiraz Petroleum Corporation is a dormant/inactive company.

3. Significant Accounting Policies

(a) Cash and Cash Equivalents

Cash and cash equivalents are comprised of cash and highly liquid investments that are readily convertible into known amounts of cash within three months.

(b) Mineral Properties

Recognition and Measurement

The Company charges to operations all exploration and evaluation expenses incurred prior to the determination of economically recoverable reserves. These costs would also include periodic fees such as license and maintenance fees and advance royalty payments.

The Company capitalizes direct mineral property acquisition costs and those expenditures incurred following the determination that the property has economically recoverable reserves. Mineral property acquisition costs include cash consideration and the fair value of common shares issued for mineral property interests, pursuant to the terms of the relevant agreement. These costs are amortized over the estimated life of the property following commencement of commercial production, or written off if the property is sold, allowed to lapse or abandoned, or when impairment in value has been determined to have occurred. A mineral property is reviewed for impairment whenever events or changes in circumstances indicate that its carrying amount may not be recoverable.

GORILLA MINERALS CORP.

Notes to the Condensed Consolidated Interim Financial Statements

(Unaudited)

For the three months ended October 31, 2017

(Expressed in Canadian dollars)

3. Significant Accounting Policies (continued)

(b) Mineral Properties (continued)

The Company may occasionally enter into option-out arrangements, whereby the Company will transfer part of a mineral interest, as consideration, for an agreement by the transferee to meet certain exploration and evaluation expenditures which would otherwise be undertaken by the Company.

The Company does not record any expenditures made by the optionee on its behalf. Any cash consideration received from the agreement is credited against the costs previously capitalized to the mineral interest given up by the Company, with any excess cash accounted as a gain on disposal.

(c) Provisions

Provisions are recorded when a present legal or constructive obligation exists as a result of past events where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at balance sheet date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. The increase in the obligation due to the passage of time is recognized as finance expense. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount receivable can be measured reliably.

(d) Income Taxes

Provision for income taxes consists of current and deferred tax expense. Income tax expense is recognized in the income statement except to the extent that it relates to items recognized either in other comprehensive income or directly in equity, in which case it is recognized in other comprehensive income or in equity, respectively. Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years. Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual earnings.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for temporary differences associated with the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable income or loss and temporary differences relating to investments in subsidiaries to the extent that it is probable that they will not reverse in the foreseeable future. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse based on the laws that have been enacted or substantively enacted at the reporting date.

GORILLA MINERALS CORP.

Notes to the Condensed Consolidated Interim Financial Statements

(Unaudited)

For the three months ended October 31, 2017

(Expressed in Canadian dollars)

3. Significant Accounting Policies (continued)

(d) Income Taxes (continued)

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity.

(e) Financial Instruments

Financial Assets

Financial assets are classified into one of the following categories based on the purpose for which the asset was acquired. Management determines the classification of its financial assets at initial recognition. All transactions related to financial instruments are recorded on a trade date basis. The Company's accounting policy for each category is as follows:

Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities of greater than 12 months after the end of the reporting periods, which are classified as non-current assets. They are initially recognized at fair value plus transaction costs that are directly attributable to their acquisition or issue and subsequently carried at amortized cost, using the effective interest rate method, less any impairment losses. Amortized cost is calculated by taking into account any discount or premium on acquisition and includes fees that are an integral part of the effective interest rate and transaction costs.

Gains and losses are recognized in the profit or loss when the loans and receivables are derecognized or impaired, as well as through the amortization process.

Financial Assets at Fair Value Through Profit or Loss

An instrument is classified at fair value through profit or loss if it is held for trading or is designated as such upon initial recognition. Financial instruments are designated at fair value through profit or loss if the Company manages such investments and makes purchases and sale decisions based on their fair value in accordance with the Company's risk management or investment strategy. Upon initial recognition, attributable transaction costs are recognized in profit or loss when incurred. Financial instruments at fair value through profit or loss are measured at fair value, and changes therein are recognized in profit or loss.

GORILLA MINERALS CORP.

Notes to the Condensed Consolidated Interim Financial Statements
(Unaudited)
For the three months ended October 31, 2017
(Expressed in Canadian dollars)

3. Significant Accounting Policies (continued)

(e) Financial Instruments (continued)

Available-for-sale Financial Assets

Available-for-sale financial assets are non-derivative financial assets that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless the investment matures or management intends to dispose of it within 12 months of the end of the reporting period. Subsequent to initial recognition, available-for-sale financial assets are measured at fair value and changes therein, other than impairment losses and foreign currency differences on available-for-sale equity instruments, are recognized in other comprehensive income and presented within equity in the fair value reserve. When an instrument is derecognized, the cumulative gain or loss in other comprehensive income is transferred to profit or loss.

Financial Liabilities

Financial liabilities other than derivative liabilities are recognized initially at fair value and are subsequently stated at amortized cost. These liabilities include accounts payable and accrued liabilities, other liabilities and loans. Transaction costs on financial assets and liabilities other than those classified as fair value through profit and loss are treated as part of the carrying value of the asset or liability. Transaction costs for assets and liabilities at fair value through profit and loss are expensed as incurred.

Impairment of Financial Assets

The Company assesses at the end of each reporting date whether there is objective evidence that a financial asset is impaired. A financial asset is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a "loss event") and that loss event (or events) has an impact on the estimated future cash flows of the financial asset that can be reliably estimated.

An impairment loss in respect of a financial asset carried at amortized cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted using the instrument's original effective interest rate.

An impairment loss in respect of an available-for-sale financial asset is calculated by reference to its fair value. In the case of equity instruments classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is also evidence that the assets are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss, measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset that was previously recognized in profit or loss, is removed from equity and recognized in the income statement.

GORILLA MINERALS CORP.

Notes to the Condensed Consolidated Interim Financial Statements
(Unaudited)
For the three months ended October 31, 2017
(Expressed in Canadian dollars)

3. Significant Accounting Policies (continued)

(e) Financial Instruments (continued)

All impairment losses are recognized in profit or loss. Any cumulative loss in respect of an available-for-sale financial asset recognized previously in equity is transferred to profit or loss.

An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognized. Impairment losses recognized for equity securities are not reversed.

(f) Loss Per Share

Basic earnings or loss per share is computed by dividing the earnings or loss for the period by the weighted average number of common shares outstanding during the relevant period. The treasury stock method is used for the calculation of diluted earnings or loss per share. Stock options, share purchase warrants, and other equity instruments are dilutive when the average market price of the common shares during the period exceeds the exercise price of the options, warrants and other equity instruments. When a loss has been incurred, basic and diluted loss per share is the same because the exercise of options and warrants would be anti-dilutive.

(g) Comprehensive Income

Comprehensive income or loss is the change in net assets arising from transactions and other events and circumstances from non-owner sources, and comprises net income or loss and other comprehensive income or loss. Financial assets that are classified as available for sale will have revaluation gains and losses included in other comprehensive income or loss until the asset is removed from the balance sheet.

(h) Share Capital

The Company records proceeds from share issuances net of issue costs and any tax effects in shareholders' equity. Common shares issued for consideration other than cash are valued based on their market value at the date the agreement to issue shares was concluded. Common shares held by the Company are classified as treasury stock and recorded as a reduction to shareholders' equity.

(i) Related Parties

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control. Related parties may be individuals or corporate entities.

A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

GORILLA MINERALS CORP.

Notes to the Condensed Consolidated Interim Financial Statements
(Unaudited)
For the three months ended October 31, 2017
(Expressed in Canadian dollars)

3. Significant Accounting Policies (continued)

(j) Critical Accounting Judgments and Estimates

The preparation of financial statements in conformity with IFRS requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported revenues and expenses during the period. Although management uses historical experience and its best knowledge of the amount, events or actions to form the basis for judgments and estimates, actual results may differ from these estimates.

The most significant accounts that require estimates as the basis for determining the stated amounts include recognition of deferred income tax amounts and provision for restoration, rehabilitation and environmental costs.

Critical judgments exercised in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are as follows:

Economic recoverability and probability of future economic benefits of mineral properties
Management has determined that mineral property costs incurred which were capitalized have future economic benefits and are economically recoverable. Management uses several criteria in its assessments of economic recoverability and probability of future economic benefits including geological and metallurgic information, history of conversion of mineral deposits to proven and probable reserves, scoping and feasibility studies, accessible facilities, existing permits and life of mine plans.

Determination of functional currency
The Company determines the functional currency through an analysis of several indicators such as expenses and cash flow, financing activities, retention of operating cash flows, and frequency of transactions with the reporting entity.

Income taxes
In assessing the probability of realizing income tax assets, management makes estimates related to expectations of future taxable income, applicable tax opportunities, expected timing of reversals of existing temporary differences and the likelihood that tax positions taken will be sustained upon examination by applicable tax authorities. In making its assessments, management gives additional weight to positive and negative evidence that can be objectively verified.

Site decommissioning obligations
The Company recognizes a provision for future abandonment activities in the financial statements equal to the net present value of the estimated future expenditures required to settle the estimated future obligation at the statement of financial position date. The measurement of the decommissioning obligation involves the use of estimates and assumptions including the discount rate, the expected timing of future expenditures and the amount of future abandonment costs. The estimates were made by management and external consultants considering current costs, technology and enacted legislation. As a result, there could be significant adjustments to the provisions established which would affect future financial results.

GORILLA MINERALS CORP.

Notes to the Condensed Consolidated Interim Financial Statements
(Unaudited)
For the three months ended October 31, 2017
(Expressed in Canadian dollars)

3. Significant Accounting Policies (continued)

(k) New Accounting Standards

New accounting standards issued but not yet effective

Certain new standards, interpretations and amendments to existing standards have been issued by the IASB or the IFRIC that are mandatory for future accounting periods. Some updates that are not applicable or are not consequential to the Company may have been excluded from the list below. The Company has not yet assessed the impact, if any, that the new amended standards will have on its consolidated financial statements or whether to early adopt any of the new requirements. The following standard will be effective for annual periods beginning on or after January 1, 2018:

IFRS 9, *Financial Instruments* – The IASB intends to replace IAS 39, *Financial Instruments: Recognition and Measurement* in its entirety with IFRS 9 which is intended to reduce the complexity in the classification and measurement of financial instruments. In February 2014, the IASB tentatively determined that the revised effective date for IFRS 9 would be January 1, 2018. The Company is currently evaluating the impact the final standard is expected to have on its consolidated financial statements.

4. Mineral Properties

Whitehorse, Yukon Territory, Canada

Pursuant to an option agreement dated June 6, 2011, Gorilla Resources Corp. was granted an option to acquire a 100% interest in the Wels property located in Whitehorse, Yukon Territory, Canada. On April 23, 2012, Gorilla Resources Corp. assigned all the benefits, rights and obligations under the option agreement to the Company. The property consists of 136 unpatented mining claims and is subject to a 3% Net Smelter Returns (“NSR”) in favour of the optionor. The Company has the right to buy back the NSR for a cash payment of \$750,000 for each 1%, to a maximum of \$1,500,000, at any time. To maintain and exercise the option, the Company must:

- Make cash payments of \$15,900 upon signing (paid by Gorilla Resources Corp.);
- Make cash payments of \$15,450 upon the completion of a National Instrument 43-101 technical report (paid by Gorilla Resources Corp.);
- Issue 15,000 common shares on the sixth month anniversary (issued by Gorilla Resources Corp.);
- Make cash payments of \$25,000 and issue 10,000 common shares on or before September 30, 2012 (subsequently extended to make a cash payment of \$10,000 by October 31, 2012 and \$15,000 by January 31, 2013) (paid/issued by the Company);
- Make payments of \$40,000 on or before September 30, 2013, payable in cash, common shares, or a combination of cash and common shares (subsequently amended to payment of \$20,000 in cash on or before February 28, 2014 pursuant to a payment extension agreement dated November 19, 2013) (paid by the Company);
- Issue 10,000 common shares on or before 14 days from the date of a payment extension agreement dated November 19, 2013 pursuant to a payment extension agreement dated November 19, 2013 (issued on November 21, 2013);

GORILLA MINERALS CORP.

Notes to the Condensed Consolidated Interim Financial Statements
(Unaudited)
For the three months ended October 31, 2017
(Expressed in Canadian dollars)

4. Mineral Properties (continued)

Whitehorse, Yukon Territory, Canada

- Make payments of \$80,000 on or before September 30, 2014, payable in cash, common shares, or a combination of cash and common shares (amended to payment of \$40,000 in cash on October 16, 2014 and \$40,000 issued in shares on October 24, 2014). (Paid/issued by the Company).

On November 12, 2013, the Company granted to Enfield Resources an option to acquire a 100% undivided right, title and interest in certain mineral claims of the Wels property ("Wels Nickel Project"). The Company was entitled to receive a royalty interest equal to 5% of NSR. Enfield Resources was entitled to redeem the entitlement of the Company to its share of NSR by paying \$1,500,000 to the Company for each 1% so redeemed, to a maximum of \$7,500,000. In order to the option and to earn the interests in the Wels Nickel Project, Enfield was to make the following payments in cash to the Company:

- \$10,000 on or before November 12, 2013 (received);
- \$15,000 within 5 days of CSE Listing (received);
- \$2,500 on or before May 1, 2014 (received);
- \$80,000 on or before September 30, 2014 (Enfield defaulted on payment. The option agreement was terminated on October 30, 2014); and
- \$80,000 on or before September 30, 2015.

On January 7, 2014, the Company entered into an Option and Joint Venture Agreement with First Ferro whereby the Company granted First Ferro an option to acquire a 40% undivided beneficial interest in certain mineral claims of the Wels property ("Wels Gold Project") by making the following payments:

- \$7,500 on execution of the Arrangement Agreement (received);
- \$10,500 within 5 days of the CSE Listing (received);
- \$100,000 on or before June 30, 2014 (First Ferro defaulted on payment, Option Agreement was terminated on August 31, 2014);
- \$100,000 on or before December 31, 2014;
- \$100,000 on or before June 30, 2015; and
- \$100,000 on or before December 31, 2015.

During the three months ended October 31, 2017, the Company received \$Nil (2016: \$Nil) from the Government of Yukon in contribution funds for mining exploration.

GORILLA MINERALS CORP.

Notes to the Condensed Consolidated Interim Financial Statements

(Unaudited)

For the three months ended October 31, 2017

(Expressed in Canadian dollars)

4. Mineral Properties (continued)

During the three months ended October 31, 2017 and 2016, the Company incurred exploration expenditures as follows:

	Three months ended October 31, 2017	Three months ended October 31, 2016
Exploration and related expenditures		
Assays	\$ 299	\$ -
Claim staking / maintenance	-	-
Geological	3,750	-
Geophysical survey	2,040	-
Land administration	-	-
Royalties	-	-
Government of Yukon Contribution Funds	-	-
Total mineral property expenditures	\$ 6,089	\$ -

On August 11, 2016, the Company entered into an Option to Joint Venture Agreement (the "Option Agreement") with West Melville Metals Inc. ("WMM", later changed its name to K2 Gold Corporation ("K2")). Pursuant to the Option Agreement, the Company agreed to grant to K2 the sole and exclusive right and option to acquire an undivided 90% interest in the Wels property and other assets, as defined in the Option Agreement, subject to 3% NSR royalty on the minerals produced from the property, and upon the exercise of such option, the parties have agreed to form a joint venture (the "Option").

In order to exercise the Option, WMM must:

(a) pay to the Company:

- (i) \$50,000, within five Business Days after the date of TSX Venture Exchange ("TSX-V")'s acceptance of the Option Agreement (received);
- (ii) an additional \$100,000 on or before the date that is 30 days after the date of the Option Agreement (received);
- (iii) an additional \$100,000 on or before the date that is 12 months after the date of the Option Agreement (Note 13); and
- (iv) an additional \$100,000 on or before the date that is 24 months after the date of the Option Agreement;

for total cash payments in aggregate of \$350,000;

GORILLA MINERALS CORP.

Notes to the Condensed Consolidated Interim Financial Statements

(Unaudited)

For the three months ended October 31, 2017

(Expressed in Canadian dollars)

4. Mineral Properties (continued)

(b) issue and deliver to Gorilla:

- (i) 500,000 K2 shares within five Business Days after the date of TSX-V's acceptance of the Option Agreement (received, valued at \$150,000);
- (ii) an additional 500,000 K2 shares on or before the date that is 6 months after the date of the Option Agreement (received, valued at \$260,000);
- (iii) an additional 500,000 K2 shares on or before the date that is 12 months after the date of the Option Agreement (received, valued at \$205,000);
- (iv) an additional 500,000 K2 shares on or before the date that is 18 months after the date of the Option Agreement;
- (v) an additional 500,000 K2 shares on or before the date that is 24 months after the date of the Option Agreement;
- (vi) an additional 500,000 K2 shares on or before the date that is 30 months after the date of the Option Agreement;

for a total issuance in aggregate of 3,000,000 K2 shares. The Company is to distribute its K2 shares to the Company's shareholders as soon as is reasonably practicable following the receipt of any such shares from K2 (Note 7).

On August 14, 2017, the Company acquired the New Brenda Property with a payment of 2,610,000 common shares of the Company with a deemed value of \$0.10 per share. The New Brenda Property is comprised of 16 contiguous mineral claims located in South Central British Columbia in the traditional territory of the West Bank First Nation.

GORILLA MINERALS CORP.

Notes to the Condensed Consolidated Interim Financial Statements

(Unaudited)

For the three months ended October 31, 2017

(Expressed in Canadian dollars)

5. Notes Payable

During the year ended July 31, 2014, the Company received loan proceeds of \$40,365 from directors and companies owned by directors of the Company. During the year ended July 31, 2014, the Company repaid \$7,567. The notes payable was accounted for at amortized cost using the effective interest rate method with the effective interest rate of 12% per annum. During the year ended July 31, 2014, the debt discount of \$4,290 was credited to contributed surplus, debited to notes payable and amortized over the term of the notes.

During the year ended July 31, 2015, the Company received additional loan proceeds of \$22,500 from directors and companies owned by directors of the Company. On March 31, 2015, the Company entered into two loan agreements with companies owned by directors of the Company in the amounts of \$35,000 and \$10,000, respectively (the "Loans"). The Loans replaced the notes payable, in the same amounts, that were previous owed to related parties. The Loans bears 5% interest, are unsecured, and are due on March 31, 2017. The Loans were accounted for at amortized cost using the effective interest rate method with the effective interest rate of 12% per annum. During the year ended July 31, 2015, the debt discount of \$5,539 was credited to contributed surplus, debited to notes payable and amortized over the term of the notes.

On March 31, 2015, the Company entered into a convertible promissory note agreement with a company controlled by a director of the Company to convert \$50,000 of the note into a convertible promissory note (Note 6).

During the three months ended October 31, 2017, the Company accrued an interest expense of \$2,071 (2016 - \$1,048) related to the Loans.

6. Convertible Promissory Notes Payable

On March 31, 2015, the Company entered into various convertible promissory note agreements for a total principal amount of \$150,000 (the "Convertible Notes"). Total proceeds of \$50,000 was received from a third party, \$50,000 note payable was converted by a company controlled by a director of the Company (Note 5), and \$50,000 amount due to related party was converted by a company controlled owned by the President of the Company (Note 8).

The Convertible Notes bear 5% interest, are unsecured, and are due on March 31, 2017. At any time prior to the maturity date, the lenders may convert all or any part of the principal amount into shares of the Company at a price of \$0.15 per share. At the date of issue, the debt portion of the convertible Notes was recorded at its fair value of \$131,538, assuming a fair value of interest rate for comparable debt of 12% per annum. The equity component, which is the fair value attributed to the conversion feature, had a carrying value of \$18,462, being the difference between the face amount and the fair value of the debt. The carrying value of the equity component was recorded as a separate component of shareholders' equity. Subsequent to initial recognition, the debt has been amortized over the term of the debt using the effective interest rate method at discount rate of 12%.

GORILLA MINERALS CORP.

Notes to the Condensed Consolidated Interim Financial Statements

(Unaudited)

For the three months ended October 31, 2017

(Expressed in Canadian dollars)

6. Convertible Promissory Notes Payable (continued)

On March 1, 2017, the Company amended and replaced the Convertible Notes with new convertible promissory note agreements for a total principal amount of \$164,381 (the "Amended Convertible Notes") which included accrued interest up to March 1, 2017. The Amended Convertible Notes bear 5% interest, are unsecured, and are due on February 28, 2019. At any time prior to the maturity date, the lenders may convert all or any part of the principal amount into shares of the Company at a price of \$0.05 per share. At the date of issue, the debt portion of the convertible Notes was recorded at its fair value of 144,148, assuming a fair value of interest rate for comparable debt of 12% per annum. The equity component, which is the fair value attributed to the conversion feature, had a carrying value of \$20,233, being the difference between the face amount and the fair value of the debt. The carrying value of the equity component was recorded as a separate component of shareholders' equity. Subsequent to initial recognition, the debt has been amortized over the term of the debt using the effective interest rate method at discount rate of 12%.

During the three months ended October 31, 2017, the Company accrued an interest and accretion expense of \$4,502 (2016 - \$4,335) related to the Convertible Notes and the Amended Convertible Notes.

7. Share Capital

(a) Authorized

Unlimited number of common shares without par value.

On May 29, 2017, the Company held its annual and special shareholders' meeting and approved the creation of an unlimited number of Class A Preferred Shares with a par value of \$0.001.

(b) Share transactions for the three months ended October 31, 2017 and year ended July 31, 2017:

On August 14, 2017, the Company acquired the New Brenda Property with a payment of 2,610,000 common shares of the Company with a deem value of \$0.10 per share.

On July 28, 2017, the Company closed a non-brokered financing of 2,980,000 units at \$0.10 per unit for gross proceeds of \$298,000. Each unit consists of one common share of the Company and one share purchase warrant, with each warrant entitling the holder to acquire an additional common share of the Company at a price of \$0.15 per share for a period of two years.

On May 30, 2017, the Company issued 10,595,258 Preferred Shares to the existing common shareholders of the Company pro rata wherein for every common share held, a shareholder receives one Preferred Share.

On May 30, 2017, the Company formally declared a dividend in specie on the outstanding Preferred Shares totaling 1,000,000 K2 shares (Note 4).

On March 1, 2016, the Company issued 4,100,000 common shares for \$82,000 cash from various private placements.

GORILLA MINERALS CORP.

Notes to the Condensed Consolidated Interim Financial Statements

(Unaudited)

For the three months ended October 31, 2017

(Expressed in Canadian dollars)

7. Share Capital (continued)

(c) Warrants

Warrants	Three months ended October 31, 2017		Year ended July 31, 2017	
	Warrants	Weighted Average Exercise Price	Warrants	Weighted Average Exercise Price
Opening	2,980,000	\$ 0.30	1,052,608	\$ 0.30
Granted	-	0.15	2,980,000	0.15
Expired	-	0.30	(1,052,608)	0.30
Ending	2,980,000	\$ 0.15	2,980,000	\$ 0.15

As at October 31, 2017, the Company had the following warrants outstanding:

Number of warrants	Exercise price	Expiry date
2,980,000	\$0.15	July 28, 2019

(d) Stock options

Options	Three months ended October 31, 2017		Year Ended July 31, 2017	
	Number of Options	Weighted Average Exercise Price	Number of Options	Weighted Average Exercise Price
Opening	-	\$ -	630,000	\$ 0.25
Granted	-	-	-	-
Cancelled	-	-	(630,000)	0.25
Ending	-	\$ -	-	\$ -
Exercisable	-	\$ -	-	\$ -

The stock options granted during the year ended July 31, 2016 were valued at \$116,803 using the Black-Scholes Option Pricing Model, using the following assumptions:

Grant date	Expected life	Volatility	Dividend yield	Risk-free interest rate
August 10, 2015	5 years	100%	0%	0.79%

GORILLA MINERALS CORP.

Notes to the Condensed Consolidated Interim Financial Statements
(Unaudited)
For the three months ended October 31, 2017
(Expressed in Canadian dollars)

8. Related Party Transactions

During the three months ended October 31, 2017, the Company incurred \$27,000 (2016: \$6,000) in management fees from a company owned by the President of the Company. At October 31, 2017, the Company owed \$105,708 (July 31, 2017: \$22,675) to directors and their companies and had \$35,123 (July 31, 2017: \$35,123) of notes payable (Note 5) and \$103,985 (July 31, 2017: \$100,984) of convertible promissory notes payable (Note 6) to directors and their companies.

Refer to Notes 5, 6 and 7 for related party transactions.

9. Financial Instruments

(a) Classification of Financial Instruments

The Company has classified its financial instruments as follows:

	October 31, 2017 \$
Financial assets:	
Held for trading, measured at fair value:	
Cash	297,976
	<u>297,976</u>
Financial liabilities, measured at amortized cost:	
Trade payable	27,980
Due to related parties	105,708
Notes payable	35,123
Convertible promissory notes payable	155,978
	<u>324,789</u>

(b) Fair Values

The Company has classified fair value measurements of its financial instruments using a fair value hierarchy that reflects the significance of inputs used in making the measurements as follows:

- Level 1: Valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: Valuations based on directly or indirectly observable inputs in active markets for similar assets or liabilities, other than Level 1 prices, such as quoted interest or currency exchange rates; and
- Level 3: Valuations based on significant inputs that are not derived from observable market data, such as discounted cash flow methodologies based on internal cash flow forecasts.

GORILLA MINERALS CORP.

Notes to the Condensed Consolidated Interim Financial Statements

(Unaudited)

For the three months ended October 31, 2017

(Expressed in Canadian dollars)

9. Financial Instruments (continued)

As at October 31, 2017, the fair values of accounts payable, due to related parties and current portion of notes payable, approximate their carrying values due to the relatively short-term maturity of these instruments. The Amended Convertible Notes, bearing 5% interest, unsecured, and due on February 28, 2019, are booked at amortized costs.

(c) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company currently settles its financial obligations out of cash. The ability to do this relies on the Company raising equity financing in a timely manner and by maintaining sufficient cash in excess of anticipated needs. As at October 31, 2017, the Company does have sufficient cash to settle current liabilities of \$168,811.

(d) Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

The Company's cash is largely held in large Canadian financial institutions. The Company does not have any asset-backed commercial paper. The Company's receivables consist of GST receivable due from the Federal Government of Canada. The Company maintains cash deposits with Schedule A financial institutions, which from time to time may exceed federally insured limits. The Company has not experienced any significant credit losses and believes it is not exposed to any significant credit risk.

(e) Price Risk

The Company is exposed to price risk with respect to commodity prices. The Company's ability to raise capital to fund exploration and development activities is subject to risks associated with fluctuations in the market price of commodities.

(f) Interest rate risk

Interest rate risk is the risk the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Financial assets and liabilities with variable interest rates expose the Company to cash flow interest rate risk. The Company does not hold any financial liabilities with variable interest rates other than notes and convertible notes payables (Notes 5 and 6). The Company does maintain bank accounts which earn interest at variable rates but it does not believe it is currently subject to any significant interest rate risk.

(g) Foreign currency exchange rate risk

The Company currently has no significant operations denominated in foreign currencies. Management believes there is no significant foreign currency exchange rate risk.

GORILLA MINERALS CORP.

Notes to the Condensed Consolidated Interim Financial Statements

(Unaudited)

For the three months ended October 31, 2017

(Expressed in Canadian dollars)

10. Capital Management

The Company defines its capital as cash and equity comprised of issued share capital and deficit. The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition and exploration and development of mineral properties. 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 sustain future development of the business. The properties in which the Company currently has an interest are in the exploration stage. As such, the Company has historically relied on the equity markets to fund its activities. In addition, the Company is dependent upon external financings to fund activities. In order to carry out planned exploration and pay for administrative costs, the Company will need to raise additional funds. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so. 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 is not subject to externally imposed capital requirements as at October 31, 2017.

11. Segmented Information

The Company operates in one reportable operating segment, being the acquisition and exploration of mineral properties in Canada. As the operations comprise a single reporting segment, amounts disclosed also represent segment amounts.

GORILLA MINERALS CORP.

Condensed Consolidated Interim Financial Statements

For the Six Months Ended January 31, 2018

(Unaudited)

(Expressed in Canadian dollars)

GORILLA MINERALS CORP.

Suite 810 – 789 West Pender Street
Vancouver, British Columbia, V6C 1H2
Phone: (604) 687-2038 Fax: (604) 687-3141

March 29, 2018

Consolidated Interim Financial Statements

Second Quarter Report

For the three and six months period ended January 31, 2018 and 2017

NOTICE TO READER

In accordance with National Instrument 51-102 released by the Canadian Securities Administrators, the Company must disclose if an auditor has not performed a review of the interim financial statements.

The accompanying unaudited consolidated interim financial statements have been prepared by and are the responsibility of the Company's management.

These unaudited consolidated interim financial statements have not been reviewed on behalf of the shareholders by the independent external auditors of the Company.

Yours truly,

GORILLA MINERALS CORP.

"Scott Sheldon"

Scott Sheldon
CEO

GORILLA MINERALS CORP.

Condensed Consolidated Interim Statements of Financial Position

(Unaudited)

(Expressed in Canadian dollars)

	January 31, 2018 \$	July 31, 2017 \$
Assets		
Current Assets		
Cash and cash equivalents	111,792	207,672
GST and other receivables	9,089	4,466
	120,881	212,138
Mineral properties (Note 4)	371,000	-
	491,881	212,138
Liabilities and Shareholders' Equity		
Current Liabilities		
Accounts payable and accrued liabilities	127,371	39,886
Due to related parties (Note 8)	71,581	22,675
Notes payable (Note 5)	35,123	35,123
	234,075	97,684
Convertible promissory notes payable (Note 6)	160,554	151,476
	394,629	249,160
Shareholders' Equity		
Share capital (Note 7)	1,728,412	1,367,412
Contributed surplus	452,269	185,787
Deficit	(2,083,429)	(1,590,221)
	97,252	(37,022)
	491,881	212,138

Nature of operations and continuance of business (Note 1)

Subsequent events (Note 12)

Approved by the Board of Directors on March 29, 2018:

*"Scott Sheldon"*_____
Scott Sheldon, Director & CEO*"Donald Sheldon"*_____
Donald Sheldon, Director

(The accompanying notes are an integral part of these consolidated interim financial statements)

GORILLA MINERALS CORP.

Condensed Consolidated Interim Statements of Income (Loss) and Comprehensive Income (Loss)

(Unaudited)

(Expressed in Canadian dollars)

	Three months ended January 31, 2018 \$	Three months ended January 31, 2017 \$	Six months ended January 31, 2018 \$	Six months ended January 31, 2017 \$
Exploration Expenses	39,303	-	45,392	-
Administrative Expenses				
Audit and accounting	11,732	6,130	21,732	18,130
Consulting fees	100,000	-	100,000	-
Interest expense	4,576	5,472	9,078	10,855
Legal	28,449	1,268	83,449	4,517
General and administrative	6,334	990	7,253	1,246
Management fees	15,000	6,000	42,000	12,000
Stock-based compensation	266,482	-	266,482	-
Transfer agent, filing and stock exchange fees	15,454	4,525	15,911	5,155
Travel	957	-	1,911	-
	(488,287)	(24,385)	(593,208)	(51,903)
Other Income				
Gain on Option Agreement (Note 4)	-	154,590	305,000	154,590
Net income (loss) and comprehensive income (loss) for the period	(488,287)	130,205	(288,208)	102,687
Income (loss) per share, basic and diluted	(0.01)	0.01	(0.00)	0.00
Weighted average shares outstanding	33,240,082	21,190,516	32,408,124	21,190,516

(The accompanying notes are an integral part of these consolidated interim financial statements)

GORILLA MINERALS CORP.

Condensed Consolidated Interim Statement of Changes in Equity

(Unaudited)

(Expressed in Canadian dollars)

	Share Capital						
	Common Shares	Amount \$	Preferred Shares	Amount \$	Contributed surplus \$	Deficit \$	Total \$
Balance, at July 31, 2016	21,190,156	1,069,412	-	-	165,554	(1,387,692)	(152,726)
Distribution of WMM shares to the shareholders (Note 4)	-	-	-	-	-	(150,000)	(150,000)
Net income for the period	-	-	-	-	-	102,687	102,687
Balance, at January 31, 2017	21,190,516	1,069,412	-	-	165,554	(1,435,005)	(200,039)
Balance, at July 31, 2017	27,150,516	1,367,412	10,595,258	-	185,787	(1,590,221)	(37,022)
Distribution of K2 shares to the shareholders (Note 4)	-	-	-	-	-	(205,000)	(205,000)
Private placement	2,000,000	100,000	-	-	-	-	100,000
Shares issued for property	5,220,000	261,000	-	-	-	-	261,000
Stock-based compensation	-	-	-	-	266,482	-	266,482
Net loss for the period	-	-	-	-	-	(288,208)	(288,208)
Balance, at January 31, 2018	34,370,516	1,728,412	10,595,258	-	452,269	(2,083,429)	97,252

(The accompanying notes are an integral part of these consolidated interim financial statements)

GORILLA MINERALS CORP.

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

	Six months ended January 31, 2018 \$	Six months ended January 31, 2017 \$
<hr/>		
Cash provided by (used in):		
Operating activities		
Net income (loss) for the period	(288,208)	102,687
Adjustments for non-cash items		
Interest accrual on promissory note	9,078	10,855
Gain on Option Agreement (Note 4)	(305,000)	(154,590)
Stock-based compensation	266,482	-
Changes in non-cash operating working capital:		
GST recoverable	(4,623)	(1,008)
Accounts payable and accrued liabilities	87,485	(56,545)
Due to related parties	48,906	(29,017)
	<hr/> (185,880)	<hr/> (127,618)
Investing activities		
Option payments made	(110,000)	-
Option payments received	100,000	150,000
	<hr/> (10,000)	<hr/> 150,000
Financing activities		
Issue of shares	100,000	-
	<hr/> 100,000	<hr/> -
Increase (decrease) in cash	(95,880)	22,382
Cash, beginning of period	207,672	70
Cash, end of period	<hr/> 111,792	<hr/> 22,452
<hr/>		
Supplemental information		
Interest paid	-	-
Taxes paid	-	-
<hr/>		
Significant non-cash financing and investing activities		
Shares issued for property	261,000	-
<hr/>		

(The accompanying notes are an integral part of these consolidated interim financial statements)

GORILLA MINERALS CORP.

Notes to the Condensed Consolidated Interim Financial Statements
(Unaudited)
For the six months ended January 31, 2018
(Expressed in Canadian dollars)

1. Nature of Operations and Continuance of Business

Gorilla Minerals Corp. ("Gorilla" or the "Company") was incorporated on April 27, 2012 in Canada with limited liability under the legislation of the Province of British Columbia. Gorilla's common shares trade on the Canadian Securities Exchange ("CSE") under the symbol "GOCO" and its registered office is located at Suite 810 – 789 West Pender Street, Vancouver, BC, V6C 1H2, Canada.

Gorilla is an exploration stage company and is in the process of exploring its mineral properties in Canada and has not yet determined whether its properties contain ore reserves that are economically recoverable. The recoverability of amounts spent for mineral properties is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the exploration and development of its property, and upon future profitable production or proceeds from disposition of the properties. The operations of the Company will require various licences and permits from various governmental authorities which are or may be granted subject to various conditions and may be subject to renewal from time to time. There can be no assurance that the Company will be able to comply with such conditions and obtain or retain all necessary licences and permits that may be required to carry out exploration, development, and mining operations at its projects. Failure to comply with these conditions may render the licences liable to forfeiture.

These condensed consolidated interim financial statements have been prepared on the going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. Should the Company be unable to continue as a going concern, it may be unable to realize the carrying value of its assets and to meet its liabilities as they become due. As at January 31, 2018, the Company has not generated any revenues from operations and has an accumulated deficit of \$2,083,429. The Company expects to incur further losses in the development of its business, all of which casts significant doubt about the Company's ability to continue as a going concern. The continued operations of the Company are dependent on its ability to generate future cash flows or obtain additional financing. Management is of the opinion that sufficient working capital will be obtained from external financing to meet the Company's liabilities and commitments as they become due, although there is a risk that additional financing will not be available on a timely basis or on terms acceptable to the Company. These consolidated financial statements do not reflect any adjustments to the carrying values of assets and liabilities, the reported expenses, and the balance sheet classifications used that may be necessary if the Company is unable to continue as a going concern.

2. Basis of Presentation

(a) Statement of Compliance

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

GORILLA MINERALS CORP.

Notes to the Condensed Consolidated Interim Financial Statements
(Unaudited)
For the six months ended January 31, 2018
(Expressed in Canadian dollars)

2. Basis of Presentation (continued)

(b) Basis of Measurement

These consolidated financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair value, as explained in the accounting policies set out in Note 3.

(c) Functional and Presentation Currency

The functional currency of a company is the currency of the primary economic environment in which the company operates. The presentation currency for a company is the currency in which the company chooses to present its financial statements. These consolidated financial statements are presented in Canadian dollars, which is the Company's presentation and functional currency.

(d) Subsidiaries

These consolidated financial statements include the financial statements of the Company and the wholly-owned subsidiary, Shiraz Petroleum Corporation (formerly Hella Resources Corp.) from the date of incorporation on November 17, 2014. Shiraz Petroleum Corporation is a dormant/inactive company.

3. Significant Accounting Policies

(a) Cash and Cash Equivalents

Cash and cash equivalents are comprised of cash and highly liquid investments that are readily convertible into known amounts of cash within three months.

(b) Mineral Properties

Recognition and Measurement

The Company charges to operations all exploration and evaluation expenses incurred prior to the determination of economically recoverable reserves. These costs would also include periodic fees such as license and maintenance fees and advance royalty payments.

The Company capitalizes direct mineral property acquisition costs and those expenditures incurred following the determination that the property has economically recoverable reserves. Mineral property acquisition costs include cash consideration and the fair value of common shares issued for mineral property interests, pursuant to the terms of the relevant agreement. These costs are amortized over the estimated life of the property following commencement of commercial production, or written off if the property is sold, allowed to lapse or abandoned, or when impairment in value has been determined to have occurred. A mineral property is reviewed for impairment whenever events or changes in circumstances indicate that its carrying amount may not be recoverable.

GORILLA MINERALS CORP.

Notes to the Condensed Consolidated Interim Financial Statements
(Unaudited)
For the six months ended January 31, 2018
(Expressed in Canadian dollars)

3. Significant Accounting Policies (continued)

(b) Mineral Properties (continued)

The Company may occasionally enter into option-out arrangements, whereby the Company will transfer part of a mineral interest, as consideration, for an agreement by the transferee to meet certain exploration and evaluation expenditures which would otherwise be undertaken by the Company.

The Company does not record any expenditures made by the optionee on its behalf. Any cash consideration received from the agreement is credited against the costs previously capitalized to the mineral interest given up by the Company, with any excess cash accounted as a gain on disposal.

(c) Provisions

Provisions are recorded when a present legal or constructive obligation exists as a result of past events where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at balance sheet date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. The increase in the obligation due to the passage of time is recognized as finance expense. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount receivable can be measured reliably.

(d) Income Taxes

Provision for income taxes consists of current and deferred tax expense. Income tax expense is recognized in the income statement except to the extent that it relates to items recognized either in other comprehensive income or directly in equity, in which case it is recognized in other comprehensive income or in equity, respectively. Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years. Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual earnings.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for temporary differences associated with the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable income or loss and temporary differences relating to investments in subsidiaries to the extent that it is probable that they will not reverse in the foreseeable future. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse based on the laws that have been enacted or substantively enacted at the reporting date.

GORILLA MINERALS CORP.

Notes to the Condensed Consolidated Interim Financial Statements

(Unaudited)

For the six months ended January 31, 2018

(Expressed in Canadian dollars)

3. Significant Accounting Policies (continued)

(d) Income Taxes (continued)

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity.

(e) Financial Instruments

Financial Assets

Financial assets are classified into one of the following categories based on the purpose for which the asset was acquired. Management determines the classification of its financial assets at initial recognition. All transactions related to financial instruments are recorded on a trade date basis. The Company's accounting policy for each category is as follows:

Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities of greater than 12 months after the end of the reporting periods, which are classified as non-current assets. They are initially recognized at fair value plus transaction costs that are directly attributable to their acquisition or issue and subsequently carried at amortized cost, using the effective interest rate method, less any impairment losses. Amortized cost is calculated by taking into account any discount or premium on acquisition and includes fees that are an integral part of the effective interest rate and transaction costs.

Gains and losses are recognized in the profit or loss when the loans and receivables are derecognized or impaired, as well as through the amortization process.

Financial Assets at Fair Value Through Profit or Loss

An instrument is classified at fair value through profit or loss if it is held for trading or is designated as such upon initial recognition. Financial instruments are designated at fair value through profit or loss if the Company manages such investments and makes purchases and sale decisions based on their fair value in accordance with the Company's risk management or investment strategy. Upon initial recognition, attributable transaction costs are recognized in profit or loss when incurred. Financial instruments at fair value through profit or loss are measured at fair value, and changes therein are recognized in profit or loss.

GORILLA MINERALS CORP.

Notes to the Condensed Consolidated Interim Financial Statements
(Unaudited)
For the six months ended January 31, 2018
(Expressed in Canadian dollars)

3. Significant Accounting Policies (continued)

(e) Financial Instruments (continued)

Available-for-sale Financial Assets

Available-for-sale financial assets are non-derivative financial assets that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless the investment matures or management intends to dispose of it within 12 months of the end of the reporting period. Subsequent to initial recognition, available-for-sale financial assets are measured at fair value and changes therein, other than impairment losses and foreign currency differences on available-for-sale equity instruments, are recognized in other comprehensive income and presented within equity in the fair value reserve. When an instrument is derecognized, the cumulative gain or loss in other comprehensive income is transferred to profit or loss.

Financial Liabilities

Financial liabilities other than derivative liabilities are recognized initially at fair value and are subsequently stated at amortized cost. These liabilities include accounts payable and accrued liabilities, other liabilities and loans. Transaction costs on financial assets and liabilities other than those classified as fair value through profit and loss are treated as part of the carrying value of the asset or liability. Transaction costs for assets and liabilities at fair value through profit and loss are expensed as incurred.

Impairment of Financial Assets

The Company assesses at the end of each reporting date whether there is objective evidence that a financial asset is impaired. A financial asset is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a "loss event") and that loss event (or events) has an impact on the estimated future cash flows of the financial asset that can be reliably estimated.

An impairment loss in respect of a financial asset carried at amortized cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted using the instrument's original effective interest rate.

An impairment loss in respect of an available-for-sale financial asset is calculated by reference to its fair value. In the case of equity instruments classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is also evidence that the assets are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss, measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset that was previously recognized in profit or loss, is removed from equity and recognized in the income statement.

GORILLA MINERALS CORP.

Notes to the Condensed Consolidated Interim Financial Statements

(Unaudited)

For the six months ended January 31, 2018

(Expressed in Canadian dollars)

3. Significant Accounting Policies (continued)

(e) Financial Instruments (continued)

All impairment losses are recognized in profit or loss. Any cumulative loss in respect of an available-for-sale financial asset recognized previously in equity is transferred to profit or loss.

An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognized. Impairment losses recognized for equity securities are not reversed.

(f) Loss Per Share

Basic earnings or loss per share is computed by dividing the earnings or loss for the period by the weighted average number of common shares outstanding during the relevant period. The treasury stock method is used for the calculation of diluted earnings or loss per share. Stock options, share purchase warrants, and other equity instruments are dilutive when the average market price of the common shares during the period exceeds the exercise price of the options, warrants and other equity instruments. When a loss has been incurred, basic and diluted loss per share is the same because the exercise of options and warrants would be anti-dilutive.

(g) Comprehensive Income

Comprehensive income or loss is the change in net assets arising from transactions and other events and circumstances from non-owner sources, and comprises net income or loss and other comprehensive income or loss. Financial assets that are classified as available for sale will have revaluation gains and losses included in other comprehensive income or loss until the asset is removed from the balance sheet.

(h) Share Capital

The Company records proceeds from share issuances net of issue costs and any tax effects in shareholders' equity. Common shares issued for consideration other than cash are valued based on their market value at the date the agreement to issue shares was concluded. Common shares held by the Company are classified as treasury stock and recorded as a reduction to shareholders' equity.

(i) Related Parties

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control. Related parties may be individuals or corporate entities.

A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

GORILLA MINERALS CORP.

Notes to the Condensed Consolidated Interim Financial Statements
(Unaudited)
For the six months ended January 31, 2018
(Expressed in Canadian dollars)

3. Significant Accounting Policies (continued)

(j) Critical Accounting Judgments and Estimates

The preparation of financial statements in conformity with IFRS requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported revenues and expenses during the period. Although management uses historical experience and its best knowledge of the amount, events or actions to form the basis for judgments and estimates, actual results may differ from these estimates.

The most significant accounts that require estimates as the basis for determining the stated amounts include recognition of deferred income tax amounts and provision for restoration, rehabilitation and environmental costs.

Critical judgments exercised in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are as follows:

Economic recoverability and probability of future economic benefits of mineral properties
Management has determined that mineral property costs incurred which were capitalized have future economic benefits and are economically recoverable. Management uses several criteria in its assessments of economic recoverability and probability of future economic benefits including geological and metallurgic information, history of conversion of mineral deposits to proven and probable reserves, scoping and feasibility studies, accessible facilities, existing permits and life of mine plans.

Determination of functional currency
The Company determines the functional currency through an analysis of several indicators such as expenses and cash flow, financing activities, retention of operating cash flows, and frequency of transactions with the reporting entity.

Income taxes
In assessing the probability of realizing income tax assets, management makes estimates related to expectations of future taxable income, applicable tax opportunities, expected timing of reversals of existing temporary differences and the likelihood that tax positions taken will be sustained upon examination by applicable tax authorities. In making its assessments, management gives additional weight to positive and negative evidence that can be objectively verified.

Site decommissioning obligations
The Company recognizes a provision for future abandonment activities in the financial statements equal to the net present value of the estimated future expenditures required to settle the estimated future obligation at the statement of financial position date. The measurement of the decommissioning obligation involves the use of estimates and assumptions including the discount rate, the expected timing of future expenditures and the amount of future abandonment costs. The estimates were made by management and external consultants considering current costs, technology and enacted legislation. As a result, there could be significant adjustments to the provisions established which would affect future financial results.

GORILLA MINERALS CORP.

Notes to the Condensed Consolidated Interim Financial Statements
(Unaudited)
For the six months ended January 31, 2018
(Expressed in Canadian dollars)

3. Significant Accounting Policies (continued)

(k) New Accounting Standards

New accounting standards issued but not yet effective

Certain new standards, interpretations and amendments to existing standards have been issued by the IASB or the IFRIC that are mandatory for future accounting periods. Some updates that are not applicable or are not consequential to the Company may have been excluded from the list below. The Company has not yet assessed the impact, if any, that the new amended standards will have on its consolidated financial statements or whether to early adopt any of the new requirements. The following standard will be effective for annual periods beginning on or after January 1, 2018:

IFRS 9, *Financial Instruments* – The IASB intends to replace IAS 39, *Financial Instruments: Recognition and Measurement* in its entirety with IFRS 9 which is intended to reduce the complexity in the classification and measurement of financial instruments. In February 2014, the IASB tentatively determined that the revised effective date for IFRS 9 would be January 1, 2018. The Company is currently evaluating the impact the final standard is expected to have on its consolidated financial statements.

IFRS 15, *Revenue from Contracts* – In May 2014, the IASB issued IFRS 15 – Revenue from Contracts with Customers ("IFRS 15") which supersedes IAS 11 – Construction Contracts, IAS 18 – Revenue, IFRIC 13 – Customer Loyalty Programs, IFRIC 15 – Agreements for the Construction of Real Estate, IFRIC 18 – Transfers of Assets from Customers, and SIC 31 – Revenue – Barter Transactions Involving Advertising Services. IFRS 15 establishes a comprehensive five-step framework for the timing and measurement of revenue recognition. The Company does not expect the adoption of this standard to have any significant impact on its consolidated financial statements.

IFRS 16, *Leases* – In June 2016, the IASB issued IFRS 16 – Leases. IFRS 16 establishes principles for the recognition, measurement, presentation and disclosure of leases, with the objective of ensuring that lessees and lessors provide relevant information that faithfully represents those transactions. IFRS 16 substantially carries forward the lessor accounting requirements in IAS 17. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently. However, lessees are no longer classifying leases as either operating leases or finance leases as it is required by IAS 17. The standard is effective for annual periods beginning on or after January 1, 2019. The Company is currently evaluating the impact the final standard is expected to have on its consolidated financial statements.

GORILLA MINERALS CORP.

Notes to the Condensed Consolidated Interim Financial Statements
(Unaudited)
For the six months ended January 31, 2018
(Expressed in Canadian dollars)

4. Mineral Properties

During the six months ended January 31, 2018, the Company incurred exploration expenditures as follows:

Exploration and related expenditures	New Brenda	Monster	Total
Assays	\$ 2,602	\$ -	\$ 2,602
Claim staking / maintenance	-	5,325	5,325
Geological	13,750	21,675	35,425
Geophysical survey	2,040	-	2,040
Land administration	-	-	-
Royalties	-	-	-
Government of Yukon Contribution Funds	-	-	-
Total mineral property expenditures	\$ 18,392	\$ 27,000	\$ 45,392

During the six months ended January 31, 2017, the Company did not incur any exploration expenditures.

Wels Property, Yukon Territory, Canada

Pursuant to an option agreement dated June 6, 2011, Gorilla Resources Corp. was granted an option to acquire a 100% interest in the Wels property located in Whitehorse, Yukon Territory, Canada. On April 23, 2012, Gorilla Resources Corp. assigned all the benefits, rights and obligations under the option agreement to the Company. The property consists of 136 unpatented mining claims and is subject to a 3% Net Smelter Returns ("NSR") in favour of the optionor. The Company has the right to buy back the NSR for a cash payment of \$750,000 for each 1%, to a maximum of \$1,500,000, at any time. To maintain and exercise the option, the Company must:

- Make cash payments of \$15,900 upon signing (paid by Gorilla Resources Corp.);
- Make cash payments of \$15,450 upon the completion of a National Instrument 43-101 technical report (paid by Gorilla Resources Corp.);
- Issue 30,000 common shares on the sixth month anniversary (issued by Gorilla Resources Corp.);
- Make cash payments of \$25,000 and issue 20,000 common shares on or before September 30, 2012 (subsequently extended to make a cash payment of \$10,000 by October 31, 2012 and \$15,000 by January 31, 2013) (paid/issued by the Company);
- Make payments of \$40,000 on or before September 30, 2013, payable in cash, common shares, or a combination of cash and common shares (subsequently amended to payment of \$20,000 in cash on or before February 28, 2014 pursuant to a payment extension agreement dated November 19, 2013) (paid by the Company);
- Issue 20,000 common shares on or before 14 days from the date of a payment extension agreement dated November 19, 2013 pursuant to a payment extension agreement dated November 19, 2013 (issued on November 21, 2013);
- Make payments of \$80,000 on or before September 30, 2014, payable in cash, common shares, or a combination of cash and common shares (amended to payment of \$40,000 in cash on October 16, 2014 and \$40,000 issued in shares on October 24, 2014). (Paid/issued by the Company).

GORILLA MINERALS CORP.

Notes to the Condensed Consolidated Interim Financial Statements
(Unaudited)
For the six months ended January 31, 2018
(Expressed in Canadian dollars)

4. Mineral Properties (continued)

Wels Property, Yukon Territory, Canada (continued)

On November 12, 2013, the Company granted to Enfield Resources an option to acquire a 100% undivided right, title and interest in certain mineral claims of the Wels property ("Wels Nickel Project"). The Company was entitled to receive a royalty interest equal to 5% of NSR. Enfield Resources was entitled to redeem the entitlement of the Company to its share of NSR by paying \$1,500,000 to the Company for each 1% so redeemed, to a maximum of \$7,500,000. In order to the option and to earn the interests in the Wels Nickel Project, Enfield was to make the following payments in cash to the Company:

- \$10,000 on or before November 12, 2013 (received);
- \$15,000 within 5 days of CSE Listing (received);
- \$2,500 on or before May 1, 2014 (received);
- \$80,000 on or before September 30, 2014 (Enfield defaulted on payment. The option agreement was terminated on October 30, 2014); and
- \$80,000 on or before September 30, 2015.

On January 7, 2014, the Company entered into an Option and Joint Venture Agreement with First Ferro whereby the Company granted First Ferro an option to acquire a 40% undivided beneficial interest in certain mineral claims of the Wels property ("Wels Gold Project") by making the following payments:

- \$7,500 on execution of the Arrangement Agreement (received);
- \$10,500 within 5 days of the CSE Listing (received);
- \$100,000 on or before June 30, 2014 (First Ferro defaulted on payment, Option Agreement was terminated on August 31, 2014);
- \$100,000 on or before December 31, 2014;
- \$100,000 on or before June 30, 2015; and
- \$100,000 on or before December 31, 2015.

During the six months ended January 31, 2018, the Company received \$Nil (2017: \$Nil) from the Government of Yukon in contribution funds for mining exploration.

On August 11, 2016, the Company entered into an Option to Joint Venture Agreement (the "Option Agreement") with West Melville Metals Inc. ("WMM", later changed its name to K2 Gold Corporation ("K2")). Pursuant to the Option Agreement, the Company agreed to grant to K2 the sole and exclusive right and option to acquire an undivided 90% interest in the Wels property and other assets, as defined in the Option Agreement, subject to 3% NSR royalty on the minerals produced from the property, and upon the exercise of such option, the parties have agreed to form a joint venture (the "Option").

GORILLA MINERALS CORP.

Notes to the Condensed Consolidated Interim Financial Statements
(Unaudited)
For the six months ended January 31, 2018
(Expressed in Canadian dollars)

4. Mineral Properties (continued)

Wels Property, Yukon Territory, Canada (continued)

In order to exercise the Option, WMM must:

(a) pay to the Company:

- (i) \$50,000, within five Business Days after the date of TSX Venture Exchange ("TSX-V")'s acceptance of the Option Agreement (received);
- (ii) an additional \$100,000 on or before the date that is 30 days after the date of the Option Agreement (received);
- (iii) an additional \$100,000 on or before the date that is 12 months after the date of the Option Agreement; and
- (iv) an additional \$100,000 on or before the date that is 24 months after the date of the Option Agreement;

for total cash payments in aggregate of \$350,000;

(b) issue and deliver to Gorilla:

- (i) 500,000 K2 shares within five Business Days after the date of TSX-V's acceptance of the Option Agreement (received, valued at \$150,000);
- (ii) an additional 500,000 K2 shares on or before the date that is 6 months after the date of the Option Agreement (received, valued at \$260,000);
- (iii) an additional 500,000 K2 shares on or before the date that is 12 months after the date of the Option Agreement (received, valued at \$205,000);
- (iv) an additional 500,000 K2 shares on or before the date that is 18 months after the date of the Option Agreement;
- (v) an additional 500,000 K2 shares on or before the date that is 24 months after the date of the Option Agreement;
- (vi) an additional 500,000 K2 shares on or before the date that is 30 months after the date of the Option Agreement;

for a total issuance in aggregate of 3,000,000 K2 shares. The Company is to distribute its K2 shares to the Company's shareholders as soon as is reasonably practicable following the receipt of any such shares from K2 (Note 7).

New Brenda Property, British Columbia, Canada

On August 14, 2017, the Company acquired the New Brenda Property with a cash payment of \$65,000 (paid) and 5,220,000 common shares of the Company with a deemed value of \$0.05 per share (issued). The New Brenda Property is comprised of 16 contiguous mineral claims located in South Central British Columbia in the traditional territory of the West Bank First Nation.

Monster Property, Yukon Territory, Canada

Subsequent to the six months ended January 31, 2018, the Company acquired a 100% interest in a cobalt indicated resource property located in the Yukon (the "Monster Property"). During the six months ended January 31, 2018, the Company made a cash payment of \$45,000 towards the consideration paid for this property (Note 12).

GORILLA MINERALS CORP.

Notes to the Condensed Consolidated Interim Financial Statements
(Unaudited)
For the six months ended January 31, 2018
(Expressed in Canadian dollars)

5. Notes Payable

During the year ended July 31, 2014, the Company received loan proceeds of \$40,365 from directors and companies owned by directors of the Company. During the year ended July 31, 2014, the Company repaid \$7,567. The notes payable was accounted for at amortized cost using the effective interest rate method with the effective interest rate of 12% per annum. During the year ended July 31, 2014, the debt discount of \$4,290 was credited to contributed surplus, debited to notes payable and amortized over the term of the notes.

During the year ended July 31, 2015, the Company received additional loan proceeds of \$22,500 from directors and companies owned by directors of the Company. On March 31, 2015, the Company entered into two loan agreements with companies owned by directors of the Company in the amounts of \$35,000 and \$10,000, respectively (the "Loans"). The Loans replaced the notes payable, in the same amounts, that were previous owed to related parties. The Loans bears 5% interest, are unsecured, and are due on March 31, 2017. The Loans were accounted for at amortized cost using the effective interest rate method with the effective interest rate of 12% per annum. During the year ended July 31, 2015, the debt discount of \$5,539 was credited to contributed surplus, debited to notes payable and amortized over the term of the notes.

On March 31, 2015, the Company entered into a convertible promissory note agreement with a company controlled by a director of the Company to convert \$50,000 of the note into a convertible promissory note (Note 6).

During the six months ended January 31, 2018, the Company accrued an interest expense of \$Nil (2017 - \$2,111) related to the Loans.

6. Convertible Promissory Notes Payable

On March 31, 2015, the Company entered into various convertible promissory note agreements for a total principal amount of \$150,000 (the "Convertible Notes"). Total proceeds of \$50,000 was received from a third party, \$50,000 note payable was converted by a company controlled by a director of the Company (Note 5), and \$50,000 amount due to related party was converted by a company controlled owned by the President of the Company (Note 8).

The Convertible Notes bear 5% interest, are unsecured, and are due on March 31, 2017. At any time prior to the maturity date, the lenders may convert all or any part of the principal amount into shares of the Company at a price of \$0.075 per share. At the date of issue, the debt portion of the convertible Notes was recorded at its fair value of \$131,538, assuming a fair value of interest rate for comparable debt of 12% per annum. The equity component, which is the fair value attributed to the conversion feature, had a carrying value of \$18,462, being the difference between the face amount and the fair value of the debt. The carrying value of the equity component was recorded as a separate component of shareholders' equity. Subsequent to initial recognition, the debt has been amortized over the term of the debt using the effective interest rate method at discount rate of 12%.

GORILLA MINERALS CORP.

Notes to the Condensed Consolidated Interim Financial Statements
(Unaudited)
For the six months ended January 31, 2018
(Expressed in Canadian dollars)

6. Convertible Promissory Notes Payable (continued)

On March 1, 2017, the Company amended and replaced the Convertible Notes with new convertible promissory note agreements for a total principal amount of \$164,381 (the "Amended Convertible Notes") which included accrued interest up to March 1, 2017 (Note 12). The Amended Convertible Notes bear 5% interest, are unsecured, and are due on February 28, 2019. At any time prior to the maturity date, the lenders may convert all or any part of the principal amount into shares of the Company at a price of \$0.05 per share. At the date of issue, the component was recorded as a separate component of shareholders' equity. Subsequent to initial recognition, the debt has been amortized over the term of the debt using the effective interest rate method at discount rate of 12%.

During the six months ended January 31, 2018, the Company accrued an interest and accretion expense of \$9,078 (2017 - \$8,744) related to the Convertible Notes and the Amended Convertible Notes.

7. Share Capital

(a) Authorized

Unlimited number of common shares without par value.

On May 29, 2017, the Company held its annual and special shareholders' meeting and approved the creation of an unlimited number of Class A Preferred Shares with a par value of \$0.001.

On March 26, 2018, the Company split its common shares on the basis of two common shares for each existing common share held. All number of shares and per share amounts have been retroactively restated in these consolidated financial statements to reflect this share split (Note 12).

(b) Share transactions for the six months ended January 31, 2018 and year ended July 31, 2017:

On December 27, 2017, the Company closed a non-brokered financing of 2,000,000 units at \$0.05 per unit for gross proceeds of \$100,000. Each unit consists of one common share of the Company and one share purchase warrant, with each warrant entitling the holder to acquire an additional common share of the Company at a price of \$0.075 per share for a period of two years.

On August 14, 2017, the Company acquired the New Brenda Property with a payment of 5,220,000 common shares of the Company with a deemed value of \$0.05 per share.

On July 28, 2017, the Company closed a non-brokered financing of 5,960,000 units at \$0.05 per unit for gross proceeds of \$298,000. Each unit consists of one common share of the Company and one share purchase warrant, with each warrant entitling the holder to acquire an additional common share of the Company at a price of \$0.075 per share for a period of two years.

On May 30, 2017, the Company issued 10,595,258 Preferred Shares to the existing common shareholders of the Company pro rata wherein for every common share held, a shareholder receives one Preferred Share.

GORILLA MINERALS CORP.

Notes to the Condensed Consolidated Interim Financial Statements
(Unaudited)
For the six months ended January 31, 2018
(Expressed in Canadian dollars)

7. Share Capital (continued)

On May 30, 2017, the Company formally declared a dividend in specie on the outstanding Preferred Shares totaling 1,000,000 K2 shares (Note 4).

On March 1, 2016, the Company issued 8,200,000 common shares for \$82,000 cash from various private placements.

(c) Warrants

	Six months ended January 31, 2018		Year ended July 31, 2017	
	Number of Warrants	Weighted Average Exercise Price	Number of Warrants	Weighted Average Exercise Price
Opening	5,960,000	\$ 0.075	2,105,216	\$ 0.15
Granted	2,000,000	0.075	5,960,000	0.075
Expired	-	-	(2,105,216)	0.15
Ending	<u>7,960,000</u>	\$ 0.075	<u>5,960,000</u>	\$ 0.075

As at January 31, 2018, the Company had the following warrants outstanding:

Number of warrants	Exercise price	Expiry date
5,960,000	\$0.075	July 28, 2019
2,000,000	\$0.075	December 22, 2019

(d) Stock options

	Six months ended January 31, 2018		Year Ended July 31, 2017	
	Number of Options	Weighted Average Exercise Price	Number of Options	Weighted Average Exercise Price
Opening	-	\$ -	1,260,000	\$ 0.125
Granted	3,400,000	0.09	-	-
Cancelled	-	-	(1,260,000)	0.125
Ending	<u>3,400,000</u>	\$ 0.09	-	\$
Exercisable	<u>3,400,000</u>	\$ 0.09	-	\$

The stock options granted during the six months ended January 31, 2018 were valued at \$266,482 using the Black-Scholes Option Pricing Model, using the following assumptions:

Grant date	Expected life	Volatility	Dividend yield	Risk-free interest rate
January 23, 2018	5 years	148%	0%	1.64%

GORILLA MINERALS CORP.

Notes to the Condensed Consolidated Interim Financial Statements
(Unaudited)
For the six months ended January 31, 2018
(Expressed in Canadian dollars)

8. Related Party Transactions

During the six months ended January 31, 2018, the Company incurred \$42,000 (2017: \$12,000) in management fees from a company owned by the President of the Company. At January 31, 2018, the Company owed \$71,581 (July 31, 2017: \$22,675) to directors, Corporate Secretary and their companies and had \$35,123 (July 31, 2017: \$35,123) of notes payable (Note 5) and \$107,036 (July 31, 2017: \$100,984) of convertible promissory notes payable (Note 6) to directors and their companies.

Refer to Notes 5, 6 and 7 for related party transactions.

9. Financial Instruments

(a) Classification of Financial Instruments

The Company has classified its financial instruments as follows:

	January 31, 2018 \$
Financial assets:	
Held for trading, measured at fair value:	
Cash	111,792
	<hr/> 111,792
Financial liabilities, measured at amortized cost:	
Trade payable	127,371
Due to related parties	71,581
Notes payable	35,123
Convertible promissory notes payable	160,554
	<hr/> 394,629

(b) Fair Values

The Company has classified fair value measurements of its financial instruments using a fair value hierarchy that reflects the significance of inputs used in making the measurements as follows:

- Level 1: Valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: Valuations based on directly or indirectly observable inputs in active markets for similar assets or liabilities, other than Level 1 prices, such as quoted interest or currency exchange rates; and
- Level 3: Valuations based on significant inputs that are not derived from observable market data, such as discounted cash flow methodologies based on internal cash flow forecasts.

GORILLA MINERALS CORP.

Notes to the Condensed Consolidated Interim Financial Statements

(Unaudited)

For the six months ended January 31, 2018

(Expressed in Canadian dollars)

9. Financial Instruments (continued)

(b) Fair Values (continued)

As at January 31, 2018, the fair values of accounts payable, due to related parties and notes payable, approximate their carrying values due to the relatively short-term maturity of these instruments. The Amended Convertible Notes, bearing 5% interest, unsecured, and due on February 28, 2019, are booked at amortized costs.

(c) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company currently settles its financial obligations out of cash. The ability to do this relies on the Company raising equity financing in a timely manner and by maintaining sufficient cash in excess of anticipated needs. As at January 31, 2018, the Company does have sufficient cash to settle current liabilities of \$234,075.

(d) Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

The Company's cash is largely held in large Canadian financial institutions. The Company does not have any asset-backed commercial paper. The Company's receivables consist of GST receivable due from the Federal Government of Canada. The Company maintains cash deposits with Schedule A financial institutions, which from time to time may exceed federally insured limits. The Company has not experienced any significant credit losses and believes it is not exposed to any significant credit risk.

(e) Price Risk

The Company is exposed to price risk with respect to commodity prices. The Company's ability to raise capital to fund exploration and development activities is subject to risks associated with fluctuations in the market price of commodities.

(f) Interest rate risk

Interest rate risk is the risk the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Financial assets and liabilities with variable interest rates expose the Company to cash flow interest rate risk. The Company does not hold any financial liabilities with variable interest rates other than notes and convertible notes payables (Notes 5 and 6). The Company does maintain bank accounts which earn interest at variable rates but it does not believe it is currently subject to any significant interest rate risk.

(g) Foreign currency exchange rate risk

The Company currently has no significant operations denominated in foreign currencies. Management believes there is no significant foreign currency exchange rate risk.

GORILLA MINERALS CORP.

Notes to the Condensed Consolidated Interim Financial Statements
(Unaudited)
For the six months ended January 31, 2018
(Expressed in Canadian dollars)

10. Capital Management

The Company defines its capital as cash and equity comprised of issued share capital and deficit. The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition and exploration and development of mineral properties. 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 sustain future development of the business. The properties in which the Company currently has an interest are in the exploration stage. As such, the Company has historically relied on the equity markets to fund its activities. In addition, the Company is dependent upon external financings to fund activities. In order to carry out planned exploration and pay for administrative costs, the Company will need to raise additional funds. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so. 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 is not subject to externally imposed capital requirements as at January 31, 2018.

11. Segmented Information

The Company operates in one reportable operating segment, being the acquisition and exploration of mineral properties in Canada. As the operations comprise a single reporting segment, amounts disclosed also represent segment amounts.

12. Subsequent Events

On February 12, 2018, the Company closed a non-brokered private placement of 12,000,000 units issued at a price of \$0.10 per unit for gross proceeds of \$1,200,000. Each unit consisted of one common share and one common share purchase warrant. Each warrant entitles the holder thereof to purchase one additional common share at a price of \$0.15 per common share until February 12, 2020. Finders fees of 1,200,000 common shares issued at a deemed value of \$0.09 per common share were paid to two individual finders in connection with the transaction.

On February 13, 2018, the Company acquired a 100% interest in a cobalt indicated resource exploration property located in the Yukon by paying \$45,000 cash (paid) and issuing 1,600,000 common shares with a deemed value of \$0.09 per common share (issued on February 13, 2018) (Note 4).

On March 2, 2018, the Company closed a shares for debt transaction with three consultants by issuing 2,857,140 common shares at a deemed price of \$0.105 to extinguish \$300,000 in debt.

On March 26, 2018, the Company split its common shares on the basis of two common shares for each existing common share held (Note 7).

GO COBALT MINING CORP.

(Formerly known as Gorilla Minerals Corp.)

Condensed Consolidated Interim Financial Statements

For the Nine Months Ended April 30, 2018

(Unaudited)

(Expressed in Canadian dollars)

GO COBALT MINING CORP.

Suite 810 – 789 West Pender Street
Vancouver, British Columbia, V6C 1H2
Phone: (604) 687-2038 Fax: (604) 687-3141

June 27, 2018

Consolidated Interim Financial Statements

Third Quarter Report

For the three and nine months period ended April 30, 2018 and 2017

NOTICE TO READER

In accordance with National Instrument 51-102 released by the Canadian Securities Administrators, the Company must disclose if an auditor has not performed a review of the interim financial statements.

The accompanying unaudited consolidated interim financial statements have been prepared by and are the responsibility of the Company's management.

These unaudited consolidated interim financial statements have not been reviewed on behalf of the shareholders by the independent external auditors of the Company.

Yours truly,

GO COBALT MINING CORP.

"Scott Sheldon"

Scott Sheldon
CEO

GO COBALT MINING CORP.

(Formerly known as Gorilla Minerals Corp.)

Condensed Consolidated Interim Statements of Financial Position

(Unaudited)

(Expressed in Canadian dollars)

	April 30, 2018 \$	July 31, 2017 \$
Assets		
Current Assets		
Cash and cash equivalents	1,093,285	207,672
GST and other receivables	3,493	4,466
Share subscriptions receivable (Note 7)	50,000	-
	1,146,778	212,138
Mineral properties (Note 4)	563,000	-
	1,709,778	212,138
Liabilities and Shareholders' Equity		
Current Liabilities		
Accounts payable and accrued liabilities	31,824	39,886
Due to related parties (Note 8)	22,070	22,675
Notes payable (Note 5)	35,123	35,123
	89,017	97,684
Convertible promissory notes payable (Note 6)	-	151,476
	89,017	249,160
Shareholders' Equity		
Share capital (Note 7)	3,677,574	1,367,412
Contributed surplus	413,574	185,787
Deficit	(2,470,387)	(1,590,221)
	1,620,761	(37,022)
	1,709,778	212,138

Nature of operations and continuance of business (Note 1)

Subsequent events (Note 12)

Approved by the Board of Directors on June 28, 2018:

*"Scott Sheldon"*_____
Scott Sheldon, Director & CEO*"Donald Sheldon"*_____
Donald Sheldon, Director

(The accompanying notes are an integral part of these consolidated interim financial statements)

GO COBALT MINING CORP.

(Formerly known as Gorilla Minerals Corp.)

Condensed Consolidated Interim Statements of Income (Loss) and Comprehensive Income (Loss)

(Unaudited)

(Expressed in Canadian dollars)

	Three months ended April 30, 2018 \$	Three months ended April 30, 2017 \$	Nine months ended April 30, 2018 \$	Nine months ended April 30, 2017 \$
Exploration Expenses	40,331	29,379	85,723	29,379
Administrative Expenses				
Audit and accounting	4,500	9,000	26,232	27,130
Consulting fees	216,000	-	316,000	-
Interest expense	2,185	5,880	11,263	16,735
Legal	7,200	12,234	90,649	16,751
General and administrative	7,345	6,768	14,598	8,014
Management fees	30,000	6,000	72,000	18,000
Stock-based compensation	-	-	266,482	-
Transfer agent, filing and stock exchange fees	7,376	-	23,287	5,155
Travel	7,736	-	9,647	-
	(322,673)	(69,261)	(915,881)	(121,164)
Other Income				
Gain on Option Agreement (Note 4)	122,500	260,000	427,500	414,590
Loss on settlement of debts (Note 7)	(64,285)	-	(64,285)	-
Net income (loss) and comprehensive income (loss) for the period	(264,458)	190,739	(552,666)	293,426
Income (loss) per share, basic and diluted	(0.01)	0.01	(0.01)	0.01
Weighted average shares outstanding	52,674,642	21,190,516	39,015,158	21,190,516

(The accompanying notes are an integral part of these consolidated interim financial statements)

GO COBALT MINING CORP.

(Formerly known as Gorilla Minerals Corp.)

Condensed Consolidated Interim Statement of Changes in Equity

(Unaudited)

(Expressed in Canadian dollars)

	Share Capital						
	Common Shares	Amount \$	Preferred Shares	Amount \$	Contributed surplus \$	Deficit \$	Total \$
Balance, at July 31, 2016	21,190,156	1,069,412	-	-	165,554	(1,387,692)	(152,726)
Distribution of K2 shares to the shareholders (Note 4)	-	-	-	-	-	(410,000)	(410,000)
Equity portion of convertible promissory notes payable	-	-	-	-	20,233	-	20,233
Net income for the period	-	-	-	-	-	293,426	293,426
Balance, at April 30, 2017	21,190,516	1,069,412	-	-	185,787	(1,504,266)	(249,067)
Balance, at July 31, 2017	27,150,516	1,367,412	10,595,258	-	185,787	(1,590,221)	(37,022)
Distribution of K2 shares to the shareholders (Note 4)	-	-	-	-	-	(327,500)	(327,500)
Private placement	14,000,000	1,300,000	-	-	-	-	1,300,000
Shares issued for finders fee	1,200,000	144,000	-	-	-	-	144,000
Share issue costs	-	(144,000)	-	-	-	-	(144,000)
Shares issued for property	6,820,000	453,000	-	-	-	-	453,000
Shares issued for debt settlement	2,857,140	364,285	-	-	-	-	364,285
Shares issued for conversion of convertible promissory notes	6,576,000	192,877	-	-	(38,695)	-	154,182
Stock-based compensation	-	-	-	-	266,482	-	266,482
Net loss for the period	-	-	-	-	-	(552,666)	(552,666)
Balance, at April 30, 2018	58,603,656	3,677,574	10,595,258	-	413,574	(2,470,387)	1,620,761

(The accompanying notes are an integral part of these consolidated interim financial statements)

GO COBALT MINING CORP.

(Formerly known as Gorilla Minerals Corp.)

Condensed Consolidated Interim Statements of Cash Flows

(Unaudited)

(Expressed in Canadian dollars)

	Nine months ended April 30, 2018 \$	Nine months ended April 30, 2017 \$
Cash provided by (used in):		
Operating activities		
Net income (loss) for the period	(552,666)	293,426
Adjustments for non-cash items		
Interest accrual on promissory note	11,263	16,735
Gain on Option Agreement (Note 4)	(427,500)	(414,590)
Loss on settlement of debts	64,285	-
Stock-based compensation	266,482	-
Changes in non-cash operating working capital:		
GST recoverable	973	(2,269)
Accounts payable and accrued liabilities	283,381	(20,689)
Due to related parties	(605)	(21,098)
	(354,387)	(148,485)
Investing activities		
Option payments made	(110,000)	-
Option payments received	100,000	150,000
	(10,000)	150,000
Financing activities		
Issue of shares	1,250,000	-
	1,250,000	-
Increase in cash	885,613	1,515
Cash, beginning of period	207,672	70
Cash, end of period	1,093,285	1,585
Supplemental information		
Interest paid	-	-
Taxes paid	-	-
Significant non-cash financing and investing activities		
Shares issued for property	453,000	-
Shares issued for debt settlement	364,285	-
Shares issued for conversion of convertible promissory notes	154,182	-
Shares issued for finders fees	144,000	-

(The accompanying notes are an integral part of these consolidated interim financial statements)

GO COBALT MINING CORP.

(Formerly known as Gorilla Minerals Corp.)

Notes to the Condensed Consolidated Interim Financial Statements

(Unaudited)

For the nine months ended April 30, 2018

(Expressed in Canadian dollars)

1. Nature of Operations and Continuance of Business

Go Cobalt Mining Corp. (formerly Gorilla Minerals Corp.) (“Go Cobalt” or the “Company”) was incorporated on April 27, 2012 in Canada with limited liability under the legislation of the Province of British Columbia. The Company’s common shares trade on the Canadian Securities Exchange (“CSE”) under the symbol “GOCO” and its registered office is located at Suite 810 – 789 West Pender Street, Vancouver, BC, V6C 1H2, Canada. The Company changed its name to Go Cobalt Mining Corp. on June 14, 2018 (Note 12).

The Company is an exploration stage company and is in the process of exploring its mineral properties in Canada and has not yet determined whether its properties contain ore reserves that are economically recoverable. The recoverability of amounts spent for mineral properties is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the exploration and development of its property, and upon future profitable production or proceeds from disposition of the properties. The operations of the Company will require various licences and permits from various governmental authorities which are or may be granted subject to various conditions and may be subject to renewal from time to time. There can be no assurance that the Company will be able to comply with such conditions and obtain or retain all necessary licences and permits that may be required to carry out exploration, development, and mining operations at its projects. Failure to comply with these conditions may render the licences liable to forfeiture.

These condensed consolidated interim financial statements have been prepared on the going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. Should the Company be unable to continue as a going concern, it may be unable to realize the carrying value of its assets and to meet its liabilities as they become due. As at April 30, 2018, the Company has not generated any revenues from operations and has an accumulated deficit of \$2,470,387. The Company expects to incur further losses in the development of its business, all of which casts significant doubt about the Company’s ability to continue as a going concern. The continued operations of the Company are dependent on its ability to generate future cash flows or obtain additional financing. Management is of the opinion that sufficient working capital will be obtained from external financing to meet the Company’s liabilities and commitments as they become due, although there is a risk that additional financing will not be available on a timely basis or on terms acceptable to the Company. These consolidated financial statements do not reflect any adjustments to the carrying values of assets and liabilities, the reported expenses, and the balance sheet classifications used that may be necessary if the Company is unable to continue as a going concern.

2. Basis of Presentation

(a) Statement of Compliance

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

GO COBALT MINING CORP.

(Formerly known as Gorilla Minerals Corp.)

Notes to the Condensed Consolidated Interim Financial Statements

(Unaudited)

For the nine months ended April 30, 2018

(Expressed in Canadian dollars)

2. Basis of Presentation (continued)

(b) Basis of Measurement

These consolidated financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair value, as explained in the accounting policies set out in Note 3.

(c) Functional and Presentation Currency

The functional currency of a company is the currency of the primary economic environment in which the company operates. The presentation currency for a company is the currency in which the company chooses to present its financial statements. These consolidated financial statements are presented in Canadian dollars, which is the Company's presentation and functional currency.

(d) Subsidiaries

These consolidated financial statements include the financial statements of the Company and the wholly-owned subsidiary, Shiraz Petroleum Corporation (formerly Hella Resources Corp.) from the date of incorporation on November 17, 2014. Shiraz Petroleum Corporation is a dormant/inactive company.

3. Significant Accounting Policies

(a) Cash and Cash Equivalents

Cash and cash equivalents are comprised of cash and highly liquid investments that are readily convertible into known amounts of cash within three months.

(b) Mineral Properties

Recognition and Measurement

The Company charges to operations all exploration and evaluation expenses incurred prior to the determination of economically recoverable reserves. These costs would also include periodic fees such as license and maintenance fees and advance royalty payments.

The Company capitalizes direct mineral property acquisition costs and those expenditures incurred following the determination that the property has economically recoverable reserves. Mineral property acquisition costs include cash consideration and the fair value of common shares issued for mineral property interests, pursuant to the terms of the relevant agreement. These costs are amortized over the estimated life of the property following commencement of commercial production, or written off if the property is sold, allowed to lapse or abandoned, or when impairment in value has been determined to have occurred. A mineral property is reviewed for impairment whenever events or changes in circumstances indicate that its carrying amount may not be recoverable.

GO COBALT MINING CORP.

(Formerly known as Gorilla Minerals Corp.)

Notes to the Condensed Consolidated Interim Financial Statements

(Unaudited)

For the nine months ended April 30, 2018

(Expressed in Canadian dollars)

3. Significant Accounting Policies (continued)

(b) Mineral Properties (continued)

The Company may occasionally enter into option-out arrangements, whereby the Company will transfer part of a mineral interest, as consideration, for an agreement by the transferee to meet certain exploration and evaluation expenditures which would otherwise be undertaken by the Company.

The Company does not record any expenditures made by the optionee on its behalf. Any cash consideration received from the agreement is credited against the costs previously capitalized to the mineral interest given up by the Company, with any excess cash accounted as a gain on disposal.

(c) Provisions

Provisions are recorded when a present legal or constructive obligation exists as a result of past events where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at balance sheet date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. The increase in the obligation due to the passage of time is recognized as finance expense. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount receivable can be measured reliably.

(d) Income Taxes

Provision for income taxes consists of current and deferred tax expense. Income tax expense is recognized in the income statement except to the extent that it relates to items recognized either in other comprehensive income or directly in equity, in which case it is recognized in other comprehensive income or in equity, respectively. Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years. Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual earnings.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for temporary differences associated with the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable income or loss and temporary differences relating to investments in subsidiaries to the extent that it is probable that they will not reverse in the foreseeable future. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse based on the laws that have been enacted or substantively enacted at the reporting date.

GO COBALT MINING CORP.

(Formerly known as Gorilla Minerals Corp.)

Notes to the Condensed Consolidated Interim Financial Statements

(Unaudited)

For the nine months ended April 30, 2018

(Expressed in Canadian dollars)

3. Significant Accounting Policies (continued)

(d) Income Taxes (continued)

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity.

(e) Financial Instruments

Financial Assets

Financial assets are classified into one of the following categories based on the purpose for which the asset was acquired. Management determines the classification of its financial assets at initial recognition. All transactions related to financial instruments are recorded on a trade date basis. The Company's accounting policy for each category is as follows:

Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities of greater than 12 months after the end of the reporting periods, which are classified as non-current assets. They are initially recognized at fair value plus transaction costs that are directly attributable to their acquisition or issue and subsequently carried at amortized cost, using the effective interest rate method, less any impairment losses. Amortized cost is calculated by taking into account any discount or premium on acquisition and includes fees that are an integral part of the effective interest rate and transaction costs.

Gains and losses are recognized in the profit or loss when the loans and receivables are derecognized or impaired, as well as through the amortization process.

Financial Assets at Fair Value Through Profit or Loss

An instrument is classified at fair value through profit or loss if it is held for trading or is designated as such upon initial recognition. Financial instruments are designated at fair value through profit or loss if the Company manages such investments and makes purchases and sale decisions based on their fair value in accordance with the Company's risk management or investment strategy. Upon initial recognition, attributable transaction costs are recognized in profit or loss when incurred. Financial instruments at fair value through profit or loss are measured at fair value, and changes therein are recognized in profit or loss.

GO COBALT MINING CORP.

(Formerly known as Gorilla Minerals Corp.)

Notes to the Condensed Consolidated Interim Financial Statements

(Unaudited)

For the nine months ended April 30, 2018

(Expressed in Canadian dollars)

3. Significant Accounting Policies (continued)

(e) Financial Instruments (continued)

Available-for-sale Financial Assets

Available-for-sale financial assets are non-derivative financial assets that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless the investment matures or management intends to dispose of it within 12 months of the end of the reporting period. Subsequent to initial recognition, available-for-sale financial assets are measured at fair value and changes therein, other than impairment losses and foreign currency differences on available-for-sale equity instruments, are recognized in other comprehensive income and presented within equity in the fair value reserve. When an instrument is derecognized, the cumulative gain or loss in other comprehensive income is transferred to profit or loss.

Financial Liabilities

Financial liabilities other than derivative liabilities are recognized initially at fair value and are subsequently stated at amortized cost. These liabilities include accounts payable and accrued liabilities, other liabilities and loans. Transaction costs on financial assets and liabilities other than those classified as fair value through profit and loss are treated as part of the carrying value of the asset or liability. Transaction costs for assets and liabilities at fair value through profit and loss are expensed as incurred.

Impairment of Financial Assets

The Company assesses at the end of each reporting date whether there is objective evidence that a financial asset is impaired. A financial asset is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a "loss event") and that loss event (or events) has an impact on the estimated future cash flows of the financial asset that can be reliably estimated.

An impairment loss in respect of a financial asset carried at amortized cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted using the instrument's original effective interest rate.

An impairment loss in respect of an available-for-sale financial asset is calculated by reference to its fair value. In the case of equity instruments classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is also evidence that the assets are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss, measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset that was previously recognized in profit or loss, is removed from equity and recognized in the income statement.

GO COBALT MINING CORP.

(Formerly known as Gorilla Minerals Corp.)

Notes to the Condensed Consolidated Interim Financial Statements

(Unaudited)

For the nine months ended April 30, 2018

(Expressed in Canadian dollars)

3. Significant Accounting Policies (continued)

(e) Financial Instruments (continued)

All impairment losses are recognized in profit or loss. Any cumulative loss in respect of an available-for-sale financial asset recognized previously in equity is transferred to profit or loss.

An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognized. Impairment losses recognized for equity securities are not reversed.

(f) Loss Per Share

Basic earnings or loss per share is computed by dividing the earnings or loss for the period by the weighted average number of common shares outstanding during the relevant period. The treasury stock method is used for the calculation of diluted earnings or loss per share. Stock options, share purchase warrants, and other equity instruments are dilutive when the average market price of the common shares during the period exceeds the exercise price of the options, warrants and other equity instruments. When a loss has been incurred, basic and diluted loss per share is the same because the exercise of options and warrants would be anti-dilutive.

(g) Comprehensive Income

Comprehensive income or loss is the change in net assets arising from transactions and other events and circumstances from non-owner sources, and comprises net income or loss and other comprehensive income or loss. Financial assets that are classified as available for sale will have revaluation gains and losses included in other comprehensive income or loss until the asset is removed from the balance sheet.

(h) Share Capital

The Company records proceeds from share issuances net of issue costs and any tax effects in shareholders' equity. Common shares issued for consideration other than cash are valued based on their market value at the date the agreement to issue shares was concluded. Common shares held by the Company are classified as treasury stock and recorded as a reduction to shareholders' equity.

(i) Related Parties

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control. Related parties may be individuals or corporate entities.

A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

GO COBALT MINING CORP.

(Formerly known as Gorilla Minerals Corp.)

Notes to the Condensed Consolidated Interim Financial Statements

(Unaudited)

For the nine months ended April 30, 2018

(Expressed in Canadian dollars)

3. Significant Accounting Policies (continued)

(j) Critical Accounting Judgments and Estimates

The preparation of financial statements in conformity with IFRS requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported revenues and expenses during the period. Although management uses historical experience and its best knowledge of the amount, events or actions to form the basis for judgments and estimates, actual results may differ from these estimates.

The most significant accounts that require estimates as the basis for determining the stated amounts include recognition of deferred income tax amounts and provision for restoration, rehabilitation and environmental costs.

Critical judgments exercised in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are as follows:

Economic recoverability and probability of future economic benefits of mineral properties

Management has determined that mineral property costs incurred which were capitalized have future economic benefits and are economically recoverable. Management uses several criteria in its assessments of economic recoverability and probability of future economic benefits including geological and metallurgic information, history of conversion of mineral deposits to proven and probable reserves, scoping and feasibility studies, accessible facilities, existing permits and life of mine plans.

Determination of functional currency

The Company determines the functional currency through an analysis of several indicators such as expenses and cash flow, financing activities, retention of operating cash flows, and frequency of transactions with the reporting entity.

Income taxes

In assessing the probability of realizing income tax assets, management makes estimates related to expectations of future taxable income, applicable tax opportunities, expected timing of reversals of existing temporary differences and the likelihood that tax positions taken will be sustained upon examination by applicable tax authorities. In making its assessments, management gives additional weight to positive and negative evidence that can be objectively verified.

Site decommissioning obligations

The Company recognizes a provision for future abandonment activities in the financial statements equal to the net present value of the estimated future expenditures required to settle the estimated future obligation at the statement of financial position date. The measurement of the decommissioning obligation involves the use of estimates and assumptions including the discount rate, the expected timing of future expenditures and the amount of future abandonment costs. The estimates were made by management and external consultants considering current costs, technology and enacted legislation. As a result, there could be significant adjustments to the provisions established which would affect future financial results.

GO COBALT MINING CORP.

(Formerly known as Gorilla Minerals Corp.)

Notes to the Condensed Consolidated Interim Financial Statements

(Unaudited)

For the nine months ended April 30, 2018

(Expressed in Canadian dollars)

3. Significant Accounting Policies (continued)

(k) New Accounting Standards

New accounting standards issued but not yet effective

Certain new standards, interpretations and amendments to existing standards have been issued by the IASB or the IFRIC that are mandatory for future accounting periods. Some updates that are not applicable or are not consequential to the Company may have been excluded from the list below. The following standard will be effective for annual periods beginning on or after January 1, 2018:

IFRS 9 *Financial Instruments* ("IFRS 9") is part of the IASB's wider project to replace IAS 39 - *Financial Instruments: Recognition and Measurement*. IFRS 9 retains but simplifies the mixed measurement model and establishes two primary measurement categories for financial assets: amortized cost and fair value. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. The standard is effective for annual periods beginning on or after January 1, 2018, with early adoption permitted. The Company is currently evaluating the impact the final standard is expected to have on its consolidated financial statements.

On May 28, 2014, the IASB issued IFRS 15 *Revenue from Contracts with Customers* ("IFRS 15"). IFRS 15 deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. Revenue is recognized when a customer obtains control of a good or service and thus has the ability to direct the use and obtain the benefits from the goods or services. The standard replaces IAS 18 Revenue and IAS 11 Construction contracts and related interpretations. IFRS15 is effective for reporting periods beginning on or after January 1, 2018 with early application permitted. The Company does not expect the adoption of this standard to have any significant impact on its consolidated financial statements.

In June 2016, the IASB issued IFRS 16 *Leases* ("IFRS 16"). IFRS 16 establishes principles for the recognition, measurement, presentation and disclosure of leases, with the objective of ensuring that lessees and lessors provide relevant information that faithfully represents those transactions. IFRS 16 substantially carries forward the lessor accounting requirements in IAS 17. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently. However, lessees are no longer classifying leases as either operating leases or finance leases as it is required by IAS 17. The standard is effective for annual periods beginning on or after January 1, 2019. The Company is currently evaluating the impact the final standard is expected to have on its consolidated financial statements.

GO COBALT MINING CORP.

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Notes to the Condensed Consolidated Interim Financial Statements

(Unaudited)

For the nine months ended April 30, 2018

(Expressed in Canadian dollars)

4. Mineral Properties

During the nine months ended April 30, 2018, the Company incurred exploration expenditures as follows:

Exploration and related expenditures	New Brenda	Monster	Total
Assays	\$ 2,602	\$ -	\$ 2,602
Claim staking / maintenance	-	5,325	5,325
Geological	16,750	59,006	75,756
Geophysical survey	2,040	-	2,040
Total mineral property expenditures	\$ 21,392	\$ 64,331	\$ 85,723

During the nine months ended April 30, 2017, the Company incurred exploration expenditures as follows:

Exploration and related expenditures	Wels	Total
Geophysical survey	\$ 29,379	\$ 29,379
Total mineral property expenditures	\$ 29,379	\$ 29,379

Wels Property, Yukon Territory, Canada

Pursuant to an option agreement dated June 6, 2011, Gorilla Resources Corp. was granted an option to acquire a 100% interest in the Wels property located in Whitehorse, Yukon Territory, Canada. On April 23, 2012, Gorilla Resources Corp. assigned all the benefits, rights and obligations under the option agreement to the Company. The property consists of 136 unpatented mining claims and is subject to a 3% Net Smelter Returns ("NSR") in favour of the optionor. The Company has the right to buy back the NSR for a cash payment of \$750,000 for each 1%, to a maximum of \$1,500,000, at any time. To maintain and exercise the option, the Company must:

- Make cash payments of \$15,900 upon signing (paid by Gorilla Resources Corp.);
- Make cash payments of \$15,450 upon the completion of a National Instrument 43-101 technical report (paid by Gorilla Resources Corp.);
- Issue 30,000 common shares on the sixth month anniversary (issued by Gorilla Resources Corp.);
- Make cash payments of \$25,000 and issue 20,000 common shares on or before September 30, 2012 (subsequently extended to make a cash payment of \$10,000 by October 31, 2012 and \$15,000 by January 31, 2013) (paid/issued by the Company);
- Make payments of \$40,000 on or before September 30, 2013, payable in cash, common shares, or a combination of cash and common shares (subsequently amended to payment of \$20,000 in cash on or before February 28, 2014 pursuant to a payment extension agreement dated November 19, 2013) (paid by the Company);
- Issue 20,000 common shares on or before 14 days from the date of a payment extension agreement dated November 19, 2013 pursuant to a payment extension agreement dated November 19, 2013 (issued on November 21, 2013);
- Make payments of \$80,000 on or before September 30, 2014, payable in cash, common shares, or a combination of cash and common shares (amended to payment of \$40,000 in cash on October 16, 2014 and \$40,000 issued in shares on October 24, 2014). (Paid/issued by the Company).

GO COBALT MINING CORP.

(Formerly known as Gorilla Minerals Corp.)

Notes to the Condensed Consolidated Interim Financial Statements

(Unaudited)

For the nine months ended April 30, 2018

(Expressed in Canadian dollars)

4. Mineral Properties (continued)

Wels Property, Yukon Territory, Canada (continued)

On November 12, 2013, the Company granted to Enfield Resources an option to acquire a 100% undivided right, title and interest in certain mineral claims of the Wels property ("Wels Nickel Project"). The Company was entitled to receive a royalty interest equal to 5% of NSR. Enfield Resources was entitled to redeem the entitlement of the Company to its share of NSR by paying \$1,500,000 to the Company for each 1% so redeemed, to a maximum of \$7,500,000. In order to the option and to earn the interests in the Wels Nickel Project, Enfield was to make the following payments in cash to the Company:

- \$10,000 on or before November 12, 2013 (received);
- \$15,000 within 5 days of CSE Listing (received);
- \$2,500 on or before May 1, 2014 (received);
- \$80,000 on or before September 30, 2014 (Enfield defaulted on payment. The option agreement was terminated on October 30, 2014); and
- \$80,000 on or before September 30, 2015.

On January 7, 2014, the Company entered into an Option and Joint Venture Agreement with First Ferro whereby the Company granted First Ferro an option to acquire a 40% undivided beneficial interest in certain mineral claims of the Wels property ("Wels Gold Project") by making the following payments:

- \$7,500 on execution of the Arrangement Agreement (received);
- \$10,500 within 5 days of the CSE Listing (received);
- \$100,000 on or before June 30, 2014 (First Ferro defaulted on payment, Option Agreement was terminated on August 31, 2014);
- \$100,000 on or before December 31, 2014;
- \$100,000 on or before June 30, 2015; and
- \$100,000 on or before December 31, 2015.

During the nine months ended April 30, 2018, the Company received \$Nil (2017: \$Nil) from the Government of Yukon in contribution funds for mining exploration.

On August 11, 2016, the Company entered into an Option to Joint Venture Agreement (the "Option Agreement") with West Melville Metals Inc. ("WMM", later changed its name to K2 Gold Corporation ("K2")). Pursuant to the Option Agreement, the Company agreed to grant to K2 the sole and exclusive right and option to acquire an undivided 90% interest in the Wels property and other assets, as defined in the Option Agreement, subject to 3% NSR royalty on the minerals produced from the property, and upon the exercise of such option, the parties have agreed to form a joint venture (the "Option").

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4. Mineral Properties (continued)

Wels Property, Yukon Territory, Canada (continued)

In order to exercise the Option, WMM must:

(a) pay to the Company:

- (i) \$50,000, within five Business Days after the date of TSX Venture Exchange ("TSX-V")'s acceptance of the Option Agreement (received);
- (ii) an additional \$100,000 on or before the date that is 30 days after the date of the Option Agreement (received);
- (iii) an additional \$100,000 on or before the date that is 12 months after the date of the Option Agreement; and
- (iv) an additional \$100,000 on or before the date that is 24 months after the date of the Option Agreement;

for total cash payments in aggregate of \$350,000;

(b) issue and deliver to the Company:

- (i) 500,000 K2 shares within five Business Days after the date of TSX-V's acceptance of the Option Agreement (received, valued at \$150,000);
- (ii) an additional 500,000 K2 shares on or before the date that is 6 months after the date of the Option Agreement (received, valued at \$260,000);
- (iii) an additional 500,000 K2 shares on or before the date that is 12 months after the date of the Option Agreement (received, valued at \$205,000);
- (iv) an additional 500,000 K2 shares on or before the date that is 18 months after the date of the Option Agreement (received, valued at \$122,500);
- (v) an additional 500,000 K2 shares on or before the date that is 24 months after the date of the Option Agreement;
- (vi) an additional 500,000 K2 shares on or before the date that is 30 months after the date of the Option Agreement;

for a total issuance in aggregate of 3,000,000 K2 shares. The Company is to distribute its K2 shares to the Company's shareholders as soon as is reasonably practicable following the receipt of any such shares from K2 (Note 7).

New Brenda Property, British Columbia, Canada

On August 14, 2017, the Company acquired the New Brenda Property with a cash payment of \$65,000 (paid) and 5,220,000 common shares of the Company valued at \$261,000 (issued). The New Brenda Property is comprised of 16 contiguous mineral claims located in South Central British Columbia in the traditional territory of the West Bank First Nation.

Monster Property, Yukon Territory, Canada

During the nine months ended April 30, 2018, the Company acquired a 100% interest in a cobalt indicated resource property located in the Yukon (the "Monster Property"). For consideration, the Company is required to make a cash payment of \$45,000 (paid) and issue 1,600,000 common shares valued at \$192,000 (issued).

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5. Notes Payable

During the year ended July 31, 2014, the Company received loan proceeds of \$40,365 from directors and companies owned by directors of the Company. During the year ended July 31, 2014, the Company repaid \$7,567. The notes payable was accounted for at amortized cost using the effective interest rate method with the effective interest rate of 12% per annum. During the year ended July 31, 2014, the debt discount of \$4,290 was credited to contributed surplus, debited to notes payable and amortized over the term of the notes.

During the year ended July 31, 2015, the Company received additional loan proceeds of \$22,500 from directors and companies owned by directors of the Company. On March 31, 2015, the Company entered into two loan agreements with companies owned by directors of the Company in the amounts of \$35,000 and \$10,000, respectively (the "Loans"). The Loans replaced the notes payable, in the same amounts, that were previous owed to related parties. The Loans bears 5% interest, are unsecured, and are due on March 31, 2017. The Loans were accounted for at amortized cost using the effective interest rate method with the effective interest rate of 12% per annum. During the year ended July 31, 2015, the debt discount of \$5,539 was credited to contributed surplus, debited to notes payable and amortized over the term of the notes.

On March 31, 2015, the Company entered into a convertible promissory note agreement with a company controlled by a director of the Company to convert \$50,000 of the note into a convertible promissory note (Note 6).

During the nine months ended April 30, 2018, the Company accrued an interest expense of \$Nil (2017 - \$2,828) related to the Loans.

6. Convertible Promissory Notes Payable

On March 31, 2015, the Company entered into various convertible promissory note agreements for a total principal amount of \$150,000 (the "Convertible Notes"). Total proceeds of \$50,000 was received from a third party, \$50,000 note payable was converted by a company controlled by a director of the Company (Note 5), and \$50,000 amount due to related party was converted by a company controlled owned by the President of the Company (Note 8).

The Convertible Notes bear 5% interest, are unsecured, and are due on March 31, 2017. At any time prior to the maturity date, the lenders may convert all or any part of the principal amount into shares of the Company at a price of \$0.075 per share. At the date of issue, the debt portion of the convertible Notes was recorded at its fair value of \$131,538, assuming a fair value of interest rate for comparable debt of 12% per annum. The equity component, which is the fair value attributed to the conversion feature, had a carrying value of \$18,462, being the difference between the face amount and the fair value of the debt. The carrying value of the equity component was recorded as a separate component of shareholders' equity. Subsequent to initial recognition, the debt has been amortized over the term of the debt using the effective interest rate method at discount rate of 12%.

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6. Convertible Promissory Notes Payable (continued)

On March 1, 2017, the Company amended and replaced the Convertible Notes with new convertible promissory note agreements for a total principal amount of \$164,381 (the "Amended Convertible Notes") which included accrued interest up to March 1, 2017. The Amended Convertible Notes bear 5% interest, are unsecured, and are due on February 28, 2019. At any time prior to the maturity date, the lenders may convert all or any part of the principal amount into shares of the Company at a price of \$0.025 per share. At the date of issue, the debt portion of the convertible Notes was recorded at its fair value of \$144,148, assuming a fair value of interest rate for comparable debt of 12% per annum. The equity component, which is the fair value attributed to the conversion feature, had a carrying value of \$20,233, being the difference between the face amount and the fair value of the debt. The carrying value of the equity component was recorded as a separate component of shareholders' equity. Subsequent to initial recognition, the debt has been amortized over the term of the debt using the effective interest rate method at discount rate of 12%.

On March 15, 2018, the Company issued 6,576,000 common shares related to the conversion of convertible promissory notes in the principal amount of \$164,381 (Note 7).

During the nine months ended April 30, 2018, the Company accrued an interest and accretion expense of \$11,263 (2017 - \$13,907) related to the Convertible Notes and the Amended Convertible Notes.

7. Share Capital

(a) Authorized

Unlimited number of common shares without par value.

On May 29, 2017, the Company held its annual and special shareholders' meeting and approved the creation of an unlimited number of Class A Preferred Shares with a par value of \$0.001.

On March 26, 2018, the Company split its common shares on the basis of two common shares for each existing common share held. All number of shares and per share amounts have been retroactively restated in these consolidated financial statements to reflect this share split.

(b) Share transactions for the nine months ended April 30, 2018 and year ended July 31, 2017:

On March 15, 2018, the Company issued 6,576,000 common shares related to the conversion of convertible promissory notes in the principal amount of \$164,381 (Note 6).

On February 23, 2018, the Company completed a debt settlement agreement with three consultants with respect to outstanding debt totalling \$300,000. Under the terms of settlement, the Company issued 2,857,140 common shares valued at \$364,285. The common shares are subject to a prescribed four month restricted trading period until July 3, 2018. The common shares issued resulted in a loss of \$64,285.

On February 13, 2018, the Company acquired the Monster Property with a payment of 1,600,000 common shares of the Company valued at \$192,000.

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7. Share Capital (continued)

On February 12, 2018, the Company closed a non-brokered private placement of 12,000,000 units issued at a price of \$0.10 per unit for gross proceeds of \$1,200,000. Each unit consisted of one common share and one common share purchase warrant. Each warrant entitles the holder thereof to purchase one additional common share at a price of \$0.15 per common share until February 11, 2020. Finders fees of 1,200,000 common shares valued at \$144,000 were paid to two individual finders in connection with the transaction. At April 30, 2018, there were subscriptions receivable of \$50,000.

On December 27, 2017, the Company closed a non-brokered financing of 2,000,000 units at \$0.05 per unit for gross proceeds of \$100,000. Each unit consists of one common share of the Company and one share purchase warrant, with each warrant entitling the holder to acquire an additional common share of the Company at a price of \$0.075 per share for a period of two years.

On August 14, 2017, the Company acquired the New Brenda Property with a payment of 5,220,000 common shares of the Company valued at \$261,000.

On July 28, 2017, the Company closed a non-brokered financing of 5,960,000 units at \$0.05 per unit for gross proceeds of \$298,000. Each unit consists of one common share of the Company and one share purchase warrant, with each warrant entitling the holder to acquire an additional common share of the Company at a price of \$0.075 per share for a period of two years.

On May 30, 2017, the Company issued 10,595,258 Preferred Shares to the existing common shareholders of the Company pro rata wherein for every common share held, a shareholder receives one Preferred Share.

On May 30, 2017, the Company formally declared a dividend in specie on the outstanding Preferred Shares totaling 1,000,000 K2 shares (Note 4).

On March 1, 2016, the Company issued 8,200,000 common shares for \$82,000 cash from various private placements.

(c) Warrants

	Nine months ended April 30, 2018		Year ended July 31, 2017	
	Number of Warrants	Weighted Average Exercise Price	Number of Warrants	Weighted Average Exercise Price
Opening	5,960,000	\$ 0.075	2,105,216	\$ 0.15
Granted	14,000,000	0.139	5,960,000	0.075
Expired	-	-	(2,105,216)	0.15
Ending	19,960,000	\$ 0.120	5,960,000	\$ 0.075

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7. Share Capital (continued)

As at April 30, 2018, the Company had the following warrants outstanding:

Number of warrants	Exercise price	Expiry date
5,960,000	\$0.075	July 28, 2019
2,000,000	\$0.075	December 22, 2019
12,000,000	\$0.150	February 11, 2020

(d) Stock options

	Nine months ended April 30, 2018		Year Ended July 31, 2017	
	Number of Options	Weighted Average Exercise Price	Number of Options	Weighted Average Exercise Price
Opening	-	\$ -	1,260,000	\$ 0.125
Granted	3,400,000	0.09	-	-
Cancelled	-	-	(1,260,000)	0.125
Ending	3,400,000	\$ 0.09	-	-
Exercisable	3,400,000	\$ 0.09	-	-

The stock options granted during the nine months ended April 30, 2018 were valued at \$266,482 using the Black-Scholes Option Pricing Model, using the following assumptions:

Grant date	Expected life	Volatility	Dividend yield	Risk-free interest rate
January 23, 2018	5 years	148%	0%	1.64%

8. Related Party Transactions

During the nine months ended April 30, 2018, the Company incurred \$66,000 (2017: \$18,000) in management fees from a company owned by the President of the Company and \$23,000 (2017: \$Nil) in consulting fees included in exploration expenses from a company owned by a Director of the Company. At April 30, 2018, the Company owed \$22,070 (July 31, 2017: \$22,675) to directors, Corporate Secretary and their companies and had \$35,123 (July 31, 2017: \$35,123) of notes payable (Note 5) and \$Nil (July 31, 2017: \$100,984) of convertible promissory notes payable (Note 6) to directors and their companies.

Refer to Notes 5, 6 and 7 for related party transactions.

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9. Financial Instruments

(a) Classification of Financial Instruments

The Company has classified its financial instruments as follows:

	April 30, 2018
	\$
Financial assets:	
Held for trading, measured at fair value:	
Cash	1,093,285
	<u>1,093,285</u>
Financial liabilities, measured at amortized cost:	
Trade payable	31,824
Due to related parties	22,070
Notes payable	35,123
Convertible promissory notes payable	-
	<u>89,017</u>

(b) Fair Values

The Company has classified fair value measurements of its financial instruments using a fair value hierarchy that reflects the significance of inputs used in making the measurements as follows:

- Level 1: Valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: Valuations based on directly or indirectly observable inputs in active markets for similar assets or liabilities, other than Level 1 prices, such as quoted interest or currency exchange rates; and
- Level 3: Valuations based on significant inputs that are not derived from observable market data, such as discounted cash flow methodologies based on internal cash flow forecasts.

As at April 30, 2018, the fair values of accounts payable, due to related parties and notes payable, approximate their carrying values due to the relatively short-term maturity of these instruments. The Amended Convertible Notes, bearing 5% interest, unsecured, and due on February 28, 2019, are booked at amortized costs.

(b) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company currently settles its financial obligations out of cash. The ability to do this relies on the Company raising equity financing in a timely manner and by maintaining sufficient cash in excess of anticipated needs. As at April 30, 2018, the Company does have sufficient cash to settle current liabilities of \$89,017.

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9. Financial Instruments (continued)

(c) Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

The Company's cash is largely held in large Canadian financial institutions. The Company does not have any asset-backed commercial paper. The Company's receivables consist of GST receivable due from the Federal Government of Canada. The Company maintains cash deposits with Schedule A financial institutions, which from time to time may exceed federally insured limits. The Company has not experienced any significant credit losses and believes it is not exposed to any significant credit risk.

(d) Price Risk

The Company is exposed to price risk with respect to commodity prices. The Company's ability to raise capital to fund exploration and development activities is subject to risks associated with fluctuations in the market price of commodities.

(e) Interest rate risk

Interest rate risk is the risk the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Financial assets and liabilities with variable interest rates expose the Company to cash flow interest rate risk. The Company does not hold any financial liabilities with variable interest rates other than notes and convertible notes payables (Notes 5 and 6). The Company does maintain bank accounts which earn interest at variable rates but it does not believe it is currently subject to any significant interest rate risk.

(f) Foreign currency exchange rate risk

The Company currently has no significant operations denominated in foreign currencies. Management believes there is no significant foreign currency exchange rate risk.

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10. Capital Management

The Company defines its capital as cash and equity comprised of issued share capital and deficit. The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition and exploration and development of mineral properties. 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 sustain future development of the business. The properties in which the Company currently has an interest are in the exploration stage. As such, the Company has historically relied on the equity markets to fund its activities. In addition, the Company is dependent upon external financings to fund activities. In order to carry out planned exploration and pay for administrative costs, the Company will need to raise additional funds. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so. 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 is not subject to externally imposed capital requirements as at April 30, 2018.

11. Segmented Information

The Company operates in one reportable operating segment, being the acquisition and exploration of mineral properties in Canada. As the operations comprise a single reporting segment, amounts disclosed also represent segment amounts.

12. Subsequent Events

Effective on June 14, 2018, the Company changed its name from Gorilla Minerals Corp. to Go Cobalt Mining Corp.