

DEEPROCK MINERALS INC.

Condensed Interim Financial Statements

For the three months ended February 28, 2019 and 2018

(Expressed in Canadian dollars)

(Unaudited – Prepared by Management)

DEEPROCK MINERALS INC.

Condensed Interim Statement of Financial Position

February 28, 2019 and November 30, 2018

(Expressed in Canadian dollars)

Unaudited – Prepared by Management

	February 28, 2019 \$	November 30, 2018 \$
Assets		
Current		
Cash and cash equivalents	156,100	313,058
GST receivable	13,582	10,293
Prepaid expenses	19,348	-
	189,030	323,351
Exploration and evaluation asset (Note 4)	95,000	30,000
Total Assets	284,030	353,351
Liabilities		
Current		
Accounts payable	65,342	39,440
Due to related parties (Note 9)	38,812	84,614
Accrued liabilities	1,275	11,500
Loans payable (Note 7)	9,275	15,625
	114,704	151,179
Shareholders' Equity		
Share capital (Note 5)	766,297	704,291
Reserve (Note 5)	41,154	41,900
Deficit	(638,125)	(544,019)
	169,326	202,172
Total Liabilities and Shareholders' Equity	284,030	353,351

Nature and Continuance of Operations (Note 1)**Initial Public Offering (Note 12)****Approved and authorized for issue by the Board of Directors on April 29, 2019:***"Richard Shatto"*

Richard Shatto, Director

"Matthew Reams"

Matthew Reams, Director

The accompanying notes are an integral part of these Financial Statements

DEEPROCK MINERALS INC.

Condensed Interim Statement of Loss and Comprehensive Loss

For the three months ended February 28, 2019 and 2018

(Expressed in Canadian dollars)

Unaudited – Prepared by Management

	February 28, 2019	February 28, 2018
	\$	\$
Expenses		
Bank charges	41	19
Consulting fees (Note 9)	57,103	48,881
Exploration (Note 4)	2,598	-
Office rent and expenses	6,000	225
Professional fees	15,775	3,230
Transfer agent and filing fees	12,589	1,200
	(94,106)	(53,555)
Net loss and total comprehensive loss for the period	(94,106)	(53,555)
Basic and diluted loss per common share	(0.01)	(0.01)
Weighted average number of common shares outstanding	10,810,211	9,046,880

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DEEPROCK MINERALS INC.

Condensed Interim Statement of Changes in Shareholders' (Deficit) Equity

For the three months ended February 28, 2019 and 2018

(Expressed in Canadian dollars)

Unaudited – Prepared by Management

	Number of Shares #	Share Capital \$	Reserve \$	Deficit \$	Total \$
Balance, November 30, 2017	9,046,880	256,841	18,800	(271,738)	3,903
Net loss and comprehensive loss for the period	-	-	-	(53,555)	(53,555)
Balance, February 28, 2018	9,046,880	256,841	18,800	(325,293)	(49,652)
Cash					
Initial public offering	5,000,000	500,000	-	-	500,000
Share issue cost	-	(56,300)	-	-	(56,300)
Agent's shares issued	262,500	26,250	-	-	26,250
Share issue cost Agent's shares		(25,000)	-	-	(25,000)
Agent's warrants issued	-	(17,500)	17,500	-	-
Shares issued pursuant to mineral property agreement	200,000	20,000	-	-	20,000
Stock based compensation	-	-	5,600	-	5,600
Net loss and comprehensive loss for the period	-	-	-	(218,726)	(218,726)
Balance, November 30, 2018	14,509,380	704,291	41,900	(544,019)	202,172
Agent's shares issued	25,200	2,006	(746)	-	1,260
Shares issued pursuant to mineral property agreement	600,000	60,000	-	-	60,000
Net loss and comprehensive loss for the period	-	-	-	(94,106)	(84,106)
Balance, February 28, 2019	15,134,580	765,551	41,154	(638,125)	169,326

The accompanying notes are an integral part of these Financial Statements

DEEPROCK MINERALS INC.

Condensed Interim Statement of Cash Flows

For the three-months ended February 28, 2019 and 2018

(Expressed in Canadian dollars)

Unaudited – Prepared by Management

	February 28, 2019	February 28, 2018
	\$	\$
Cash (used in) /provided by:		
Operating activities		
Net loss for the period	(94,106)	(53,555)
Items not affecting cash:		
Consulting fees	-	30,357
	(94,106)	(23,198)
Change in non-cash working capital components		
GST receivable	(3,289)	(1,142)
Prepaid expenses	(19,348)	-
Accounts payable	(58,712)	(10,334)
Accrued liabilities	(10,225)	500
Net cash (used in) operating activities	(101,066)	(34,174)
Financing activities		
Loans payable	(6,350)	4,500
Shares issued for cash	1,260	-
Net cash provided by financing activities	(5,090)	4,500
Cash flows from investing activities:		
Exploration and evaluation assets	(5,000)	-
Due to/from related parties	(45,802)	21,675
Net cash (used in) / provided by investing activities	33,812	21,675
Change in cash	(156,958)	(7,999)
Cash, beginning of the period	313,058	8,079
Cash, end of the period	156,100	80
Supplemental Disclosure of Cash Flow Information:		
Cash paid during the period:		
Interest expense	-	-
Income taxes	-	-

The accompanying notes are an integral part of these Financial Statements

DEEPROCK MINERALS INC.

Notes to the Condensed Interim Financial Statements

February 28, 2019

(Expressed in Canadian dollars)

Unaudited – Prepared by Management

1. NATURE AND CONTINUANCE OF OPERATIONS

Deeprrock Minerals Inc. (the “Company”) is a mining property exploration company whose common shares trade on the Canadian Securities Exchange (“CSE”). On November 14, 2018, the Company completed its initial public offering (“IPO”) dated July 24, 2018 and became a reporting issuer. On November 16, 2018, the Company commenced trading under the trading symbol “DEEP”.

Deeprrock Minerals Inc. (formerly, 1020647 B.C. Ltd.) was incorporated on December 1, 2014 and, pursuant to a plan of arrangement (the “Arrangement”) between the Company and Azema Sciences Inc. (formerly Go Green Capital Corp. (“Azema” or “Go Green”) dated December 4, 2014, it would acquire the letter of intent signed between Go Green and Euroex Ventures Ltd. (“Euroex”) (the “Euroex LOI”) and \$25,500 in cash from Go Green as part of the arrangement agreement (the “Arrangement Agreement”). As consideration for this asset, the Company would issue 10,147,334 (5,073,667 pre-split) common shares, multiplied by the Conversion Factor, as defined in the Arrangement Agreement, which shares would be distributed to the Go Green shareholders who hold Go Green shares on the share distribution record date. Go Green completed the Arrangement in May of 2015 and issued a note payable in the amount of \$25,500 and assigned the Euroex LOI to the Company.

On March 6, 2017, the Company terminated its Euroex LOI and entered into an option agreement with Megastar Development Corp. and changed its name from 1020647 B.C. Ltd. to Deeprrock Minerals Inc. (See Note 4)

The head office and principal office of the Company is located at #13 – 7179 - 201st Street Langley BC V2Y 2Y9.

These financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. Different bases of measurement may be appropriate if the Company was not expected to continue operations for the foreseeable future. At February 28, 2019, the Company has not achieved profitable operations, has accumulated losses of \$628,125 since inception and expects to incur further losses in the development of its business. The above material uncertainties cast significant doubt about the Company’s ability to continue as a going concern. The Company’s continuation as a going concern is dependent upon successful results from its operations, its ability to attain profitable operations to generate funds and/or its ability to raise equity capital or borrowings sufficient to meet its current and future obligations. Although the Company has been successful in the past in raising funds to continue operations, there is no assurance it will be able to do so in the future.

2. BASIS OF PRESENTATION

These financial statements are prepared in accordance and compliance with International Financial Reporting Standards as issued by the International Accounting Standards Board (“IASB”) and interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”) applicable to the preparation of interim financial statements, including the International Accounting Standard (“IAS”) 34 – Interim Financial Reporting.

These financial statements are presented in Canadian dollars, which is the Company’s functional and reporting currency. These financial statements are prepared on a historical cost basis except for financial instruments classified as fair value through profit or loss (“FVTPL”), which are stated at their fair value.

DEEPROCK MINERALS INC.

Notes to the Condensed Interim Financial Statements

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3. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies used in the preparation of these financial statements set out below have been applied consistently with those used in the preparation of the audited consolidated financial statements as at November 30, 2018. The accompanying unaudited condensed interim financial statements should be read in conjunction with the Company's audited financial statements for the year ended July 31, 2018.

a. Significant 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 year. 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 judgement and estimates are as follows:

Going concern

The assumption that the Company is a going concern and will continue in operation for the foreseeable future and at least one year.

Income taxes

The determination of deferred income tax assets or liabilities requires subjective assumptions regarding future income tax rates and the likelihood of utilizing tax carry-forwards. Changes in these assumptions could materially affect the recorded amounts, and therefore do not necessarily provide certainty as to their recorded values.

Stock based compensation

The Company measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the stock option, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 5.

b. Financial instruments

On December 1, 2018, the Company adopted IFRS 9 – Financial Instruments (“IFRS 9”), which replaced IAS 39 Financial Instruments: Recognition and Measurement (“IAS 39”). IFRS 9 provides a revised model for classification and measurement of financial assets, including a new expected credit loss (“ECL”) impairment model. The revised model for classifying financial assets results in classification according to their contractual cash flow characteristics and the business models under which they are held. IFRS 9 also introduces a reformed approach to hedge accounting. IFRS 9 largely retains the existing requirements in IAS 39 for the classification of financial liabilities. The standard is effective for annual periods beginning on or after August 1, 2018.

As a result of the adoption of IFRS 9, the Company has changed its accounting policy for financial instruments retrospectively. IFRS 9 does not require restatement of comparative periods.

DEEPROCK MINERALS INC.

Notes to the Condensed Interim Financial Statements

February 28, 2019

(Expressed in Canadian dollars)

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

b. Financial instruments (continued)

The change in accounting policy did not result in a change in carrying value of any of the Company's financial instruments on transition date and did not have a significant impact on the Company's policies related to financial assets and liabilities. The adoption of the ECL impairment model did not have an impact on the Company's condensed interim consolidated financial statements.

	December 1, 2018	
	IAS 39	IFRS 9
<u>Financial Asset</u>		
Cash and cash equivalents	FVTPL	FVTPL
Accounts receivable	Amortized cost	Amortized cost
Due from related parties	Amortized cost	Amortized cost
<u>Financial Liabilities</u>		
Accounts payable and accrued liabilities	Amortized cost	Amortized cost
Due to related parties	Amortized cost	Amortized cost
Mortgage payable	Amortized cost	Amortized cost
Long-term debt	Amortized cost	Amortized cost

c. Revenue from contracts with customers

On December 1, 2018, the Company adopted IFRS 15, Revenue from Contracts with Customers. IFRS 15 specifies how and when revenue should be recognized as well as requiring more informative and relevant disclosures. The standard supersedes IAS 18 Revenue, IAS 11 Construction Contracts, and a number of revenue-related interpretations. Application of the standard is mandatory and it applies to nearly all contracts with customers: the main exceptions are leases, financial instruments and insurance contracts. IFRS 15 is effective for the Company's annual period beginning December 1, 2018.

The main features introduced by this new standard compared with predecessor IFRS are as follows:

Revenue is recognized based on a five-step model:

- 1) Identify the contract with customer;
- 2) Identify the performance obligations;
- 3) Determine the transaction price;
- 4) Allocate the transaction price to the performance obligations; and
- 5) Recognize revenue when (or as) the performance obligations are satisfied.

New disclosure requirements on information about the nature, amount timing and uncertainty of revenue and cash flows from contracts with customers.

Guidance is provided on topics such as the point in which revenue is recognized, accounting for variable consideration, costs of fulfilling and obtaining a contract and various related matters. New disclosures about revenue are also introduced. The adoption of IFRS 15 resulted in no impact to the opening accumulated deficit.

DEEPROCK MINERALS INC.

Notes to the Condensed Interim Financial Statements

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

- d. Accounting standards, interpretations and amendments to existing standards that have been recently adopted and that are not yet effective:

The following new standards and interpretations are not yet effective and have not been applied in preparing these financial statements. The Company is currently evaluating the potential impacts of these new standards and does not anticipate any material changes to the financial statements upon adoption of these new and revised accounting pronouncements.

On January 13, 2016, the IASB issued IFRS 16 *Leases* which requires entities to recognize lease assets and lease obligations on the balance sheet. IFRS 16 eliminates the classification of leases as either operating leases or finance leases for a lessee. Instead leases are “capitalized” by recognizing the present value of the lease payments and showing them either as lease assets (right-of-use assets) or together with property, plant and equipment. If lease payments are made over time, a company also recognizes a financial liability representing its obligations to make future lease payments. This standard is effective for reporting periods beginning on or after January 1, 2019.

4. EXPLORATION AND EVALUATION ASSETS

The following table summarizes the Company’s mineral property assets as at February 28, 2019 and November 30, 2018 and the changes for the years then ended, and exploration expenditures for the three-month period ended February 28, 2019 and the year ended November 30, 2018.

	Ralleau Property	Total
Balance November 30, 2017 and February 28, 2018	\$ 5,000	\$ 5,000
Shares issued (200,000 x \$0.10)	20,000	20,000
Paid in cash	5,000	5,000
Balance November 30, 2018	\$ 30,000	\$ 30,000
Shares issued (200,000 x \$0.10)	60,000	60,000
Paid in cash	5,000	5,000
Balance February 28, 2019	\$ 95,000	\$ 95,000

	Total Cumulative expenditure to November 30, 2018	Current period Exploration Expenditures to February 28, 2019	Total cumulative expenditure to February 28, 2019
Ralleau Property			
Exploration expenditures			
Geological	\$ 87,111	\$ 2,598	\$ 89,709
Geological report	3,958	-	3,958
Maintenance payment	11,890	-	11,890
	\$ 102,959	\$ 2,598	\$ 105,557

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Notes to the Condensed Interim Financial Statements

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4. EXPLORATION AND EVALUATION ASSETS (continued)

On April 5, 2017 and as amended on March 15, 2018 and June 30, 2018, the Company entered into an option agreement with Megastar Development Corp. ("Megastar"), whereby Megastar granted the Company the right to acquire a 50% interest in and to the Ralleau Property located in the Quevillon area of Quebec. In order to acquire the 50% interest in the Ralleau Property the Company shall pay \$100,000 in cash, issue 1,700,000 common shares of the Company and incur \$250,000 in eligible exploration work as follows:

(a) Cash payment of \$100,000 and issuance of 1,700,000 common shares as follows:

- (i) \$5,000 on or before the execution of this agreement (paid);
- (ii) \$5,000 (paid) and 600,000 common shares (issued) on the earlier of the exchange listing date or August 31, 2018;
- (iii) \$5,000 (paid) and 200,000 common shares (issued) on or before the first anniversary date of this agreement, April 5, 2018;
- (iv) \$10,000 (paid April 5, 2019) and 400,000 common shares (issued April 4, 2019) on or before the second anniversary date of this agreement, April 5, 2019;
- (v) \$75,000 and 500,000 common shares on or before the third anniversary date of this agreement, April 5, 2020.

(b) Exploration expenditures of \$250,000 on the Property as follows:

- (i) \$40,000 on or before May 30, 2017 (incurred);
- (ii) \$15,000 on or before July 31, 2017 (incurred);
- (iii) \$25,000 on or before October 31, 2018 (incurred);
- (iv) \$50,000 on or before the second anniversary date of this agreement, April 5, 2019;
- (v) \$120,000 on or before the third anniversary date of this agreement, April 5, 2020.

If the exploration expenditures incurred are less than the amount of the exploration expenditures required to be incurred in any period, the Company may at its option pay the deficiency to Megastar within sixty days after the end of such period in order to maintain the Option in good standing.

As at April 5, 2019, the Company had incurred exploration expenditures of approximately \$106,369, which is \$23,631 less than required as at the second anniversary date of this agreement. The deficiency in exploration expenditures was primarily a result of not completing the work required in the summer and fall of 2018. The Company is in the process of engaging contractors for drilling work to be substantially completed in May 2019 and expects to incur exploration expenditures in excess of \$23,631 on or before May 31, 2019 to rectify the exploration expenditure deficiency rather than to pay the deficiency to Megastar.

5. SHARE CAPITAL

a. Authorized

Unlimited Common shares without par value

DEEPROCK MINERALS INC.

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(Expressed in Canadian dollars)

Unaudited – Prepared by Management

5. SHARE CAPITAL (continued)

b. Issued share capital

For the three months ended February 28, 2019:

On January 29 2019, the Company issued 600,000 common shares pursuant to an option agreement with Megastar (Note 4).

On December 11, 2018, the Company issued 25,200 agent's shares on the exercise of 25,200 agent's options.

For the year ended November 30, 2018:

On November 14, 2018, the Company completed its IPO of 5,000,000 common shares of the Company at \$0.10 per share for gross proceeds of up to \$500,000. The Company paid the Agent a cash commission of 7% of the gross proceeds from the IPO totalling \$35,000 and \$21,300 in out of pocket cost. The Company also pay the Agent a Work Fee of \$25,000 plus GST, which were paid by the issuance of 262,500 common shares of the Company at a price of \$0.10 per share. The Company issued 350,000 agents' warrants at an exercise price of \$0.10 per share for up to 24 months from the date of closing of the IPO. The agents' warrants were fair valued at \$17,500 using the Black-Scholes model based on the following assumptions: risk-free rate - \$2.21%; expected dividend - nil; expected life - 2 years; expected volatility - 100%.

On April 5, 2018, the Company issued 200,000 common shares pursuant to an option agreement with Megastar (Note 4).

c. Stock options:

The Company has adopted an incentive stock option plan (the "Option Plan") which provides that the Board of Directors of the Company may from time to time, in its discretion, and in accordance with the applicable stock exchange's requirements, grant to directors, officers, employees and consultants to the Company, non-transferable options to purchase common shares. Pursuant to the Option Plan, the number of common shares reserved for issuance will not exceed 10% of the issued and outstanding common shares of the Company. Options granted under the Option Plan can have a maximum exercise term of 5 years from the date of grant. Vesting terms will be determined at the time of grant by the Board of Directors.

On September 19, 2017, the Company granted 875,000 stock options to consultants, directors and an officer of the Company at a price of \$0.10 per share expiring five years from the date on which the shares of the Company are first listed and called for trading on a Canadian stock exchange. The Company has recorded a fair value of \$17,500 or \$0.02 per option which was determined using the Black Scholes option pricing model with the following assumptions: \$0.0275 per share on grant date, 0.85% risk free rate, 0% dividend yield, 100% expected annualized volatility; 5 years expected stock option life and 0% forfeiture rate. Excepted annualized volatility was estimated based on reference to volatility of comparable companies. The Company recorded a stock based compensation charge of \$5,600 on November 14, 2018, date of listing. This transaction was recorded as a modification of stock options utilizing the Black-Scholes option pricing model with the following assumptions - \$0.10 per share on grant date, 2.27% risk-free rate, 0% dividend yield, 100% expected annualized volatility; 5 years expected stock option life and 0% forfeiture rate.

DEEPROCK MINERALS INC.

Notes to the Condensed Interim Financial Statements

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(Expressed in Canadian dollars)

Unaudited – Prepared by Management

5. SHARE CAPITAL (continued)

d. Stock options (continued):

Stock options outstanding are as follows:

	Number of Stock Options	Weighted Average Exercise Price
Balance, November 30, 2018	875,000	\$0.10
Balance, February 28, 2019	875,000	\$0.10

As at February 28, 2019, the Company has outstanding 875,000 stock options to consultants, directors and an officer of the Company at a price of \$0.10 per share expiring on November 14, 2023. As at February 28, 2019, the weighted average remaining life of the stock options was 4.71 years.

e. Agent's warrants:

Agent's warrant transactions for the three-month period ended February 28, 2019 and the year ended November 30, 2018 are as follows:

	Number of Warrants	Weighted Average Exercise Price
Balance, November 30, 2017	43,890	\$0.05
Issued	350,000	\$0.10
Balance, November 30, 2018	393,890	\$0.09
Exercised	(25,200)	\$0.05
Balance, February 28, 2019	368,690	\$0.10

The following Agent's warrants are outstanding as at February 28, 2019 are as follows:

Expiry Date	Exercise Price	Number of Shares	Remaining Contractual Life (Years)
May 29, 2019	\$0.05	18,690	0.25
November 14, 2020	\$0.10	350,000	1.71
Total		368,690	
Weighted average remaining life of warrants outstanding as at February 28, 2019			1.64

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Notes to the Condensed Interim Financial Statements

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(Expressed in Canadian dollars)

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5. SHARE CAPITAL (continued)

f. Escrow:

Pursuant to an escrow agreement dated September 18, 2017, 4,337,330 common shares were placed into escrow to be released as to 10% on the Listing Date with the remaining 90% to be released in equal tranches at six-month intervals over the 36 months following the Listing Date. On November 14, 2018, 10% of the escrow was released.

As at November 30, 2018, there were 4,049,630 common shares held in escrow. There were no shares released from escrow during the three-month period ended February 28, 2019. As at February 28, 2019, there were 4,049,630 common shares held in escrow. The next escrow release will be on May 14, 2019.

6. CAPITAL DISCLOSURES

The Company's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders. The Company considers the items included in shareholders' equity and cash as capital. The Company manages the capital structure and makes adjustments to it in response to changes in economic conditions and the risk characteristics of the underlying assets. The Company's primary objective with respect to its capital management is to ensure that it has sufficient cash resources to pay for general administrative costs, the Company will raise additional amounts as needed. The Company is not subject to any capital requirements imposed by a regulator. There has been no change in the Company's approach to capital management during the three-month period ended February 28, 2019.

7. LOANS PAYABLE

As at February 28, 2019, external parties had temporarily advanced \$9,275 (November 30, 2018: \$15,625) to the Company in order to finance its short-term operating expenses. These loans are non-interest bearing and have no fixed terms of repayment.

8. FINANCIAL INSTRUMENTS

The Company's financial instruments consist of cash, notes receivable, due from related party, accounts payable and accrued liabilities and loans payable. Cash is stated at fair value. The fair values of notes receivable, accounts payable, accrued liabilities and loans payable approximate their carrying values due to their short-term nature of these instruments.

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

The Company's credit risk was primarily attributable to bank balances. The Company limits its credit exposure on cash held in bank accounts by holding its key transactional bank accounts with banks of international financial institutions.

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at February 28, 2019, the Company had cash balance of \$156,100 and current liabilities of \$114,704. All of the Company's financial liabilities are subject to normal trade terms. Management is considering different alternatives to secure adequate debt or equity financing to meet the Company's short-term cash requirements.

DEEPROCK MINERALS INC.

Notes to the Condensed Interim Financial Statements

February 28, 2019

(Expressed in Canadian dollars)

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8. FINANCIAL INSTRUMENTS (continued)

Interest risk is the risk that the fair value or future cash flows will fluctuate as a result of changes in market risk. The Company's sensitivity to interest rates is currently immaterial.

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company holds no financial instruments that are denominated in a currency other than Canadian dollar. Accrued liabilities are denominated in Canadian currency. Therefore, the Company's exposure to currency risk is minimal.

9. RELATED PARTY BALANCES AND TRANSACTIONS

The amounts due to related parties are non-interest bearing, unsecured and due on demand.

Name	Relationship	February 28, 2019	November 30, 2018
		\$	\$
<u>Due to Related Parties</u>			
0999650 B.C. Ltd.	Controlled by Rodney Gelineau, a shareholder with significant influence	9,487	19,487
Geoff Balderson	Former CFO	-	21,075
Harmony Corporate Services	Controlled by Geoff Balderson	-	26,727
1011705 BC Ltd.	Common officers	2,000	-
Marjerrison Financial Management	Controlled by Paul Marjerrison, CFO	10,000	-
Point Nexus	Controlled by Richard Shatto, Director	17,325	17,325
		38,812	84,614

Name	Relationship	February 28, 2019	November 30, 2018
		\$	\$
<u>Loans Payable</u>			
Point Nexus	Controlled by Richard Shatto, Director	100	100
Geoff Balderson	Former CFO	-	3,100
Continental Agro Trade Corp.	Common directors	8,650	8,650
1011705 B.C. Ltd.	Common officers	525	525
		9,275	12,375

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9. RELATED PARTY BALANCES AND TRANSACTIONS (continued)

Key Management Compensation

The Company considers its Chief Executive Officer (“CEO”), Chief Financial Officer (“CFO”) and its Directors to be key management. During the three-month periods ended February 28, 2019 and February 28, 2018 the Company had the following charges to its key management.

Name	Relationship	February 28, 2019	February 28, 2018
		\$	\$
<u>Consulting fees</u>			
0999650 B.C. Ltd.	Controlled by Rodney Gelineau, a shareholder with significant influence	6,000	21,428
Reams Enterprises/ Brooklyn Pacific	Controlled by Matthew Reams, President	11,500	-
Darrel Woronchak	Former President	-	12,501
Point Nexus	Controlled by Richard Shatto, Director	3,000	8,952
Marjerrison Financial Management	Controlled by Paul Marjerrison, CFO	16,667	-
Geoff Balderson	Former CFO	-	3,000
Harmony Corporate Services	Controlled by Geoff Balderson	2,000	3,000
		39,167	48,881

During the three months ended February 28, 2019, the Company was charged \$6,000 for office rent by 1011705 BC Ltd., a company related by common officers.

These transactions above are in the normal course of operations and are measured at the agreed to amounts, which is the amount of consideration established and agreed to by the related parties.

10. SEGMENTED INFORMATION

During the three-month periods ended February 28, 2019 and 2018, the Company had one reportable operating segment, being the acquiring, exploration and development of mineral properties in Canada.

11. SUBSEQUENT EVENTS

On April 4, 2019, the Company issued 400,000 common shares of the Company and on April 5, 2019, the Company paid cash of \$10,000 pursuant to the agreement with Megastar (Note 4).

As at April 17, 2019, the Company was granted a permit by the Quebec Ministere des Forets, de la Faune et des Parcs for a seven-hole drilling program on a number of its claims. As of April 29, 2019, Company is making arrangements with contractors to expedite the completion of exploration work required pursuant to the agreement with Megastar (Note 4).

12. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to be consistent with current period presentation.