GPM METALS INC.
CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED
DECEMBER 31, 2014 AND 2013
(EXPRESSED IN CANADIAN DOLLARS)

Management's Responsibility for Consolidated Financial Statements

The accompanying audited consolidated financial statements of GPM Metals Inc. (the "Company" or "GPM") are the responsibility of management and the Board of Directors.

The audited consolidated financial statements have been prepared by management, on behalf of the Board of Directors, in accordance with the accounting policies disclosed in the notes to the audited consolidated financial statements. Where necessary, management has made informed judgments and estimates in accounting for transactions which were not complete at the statement of financial position date. In the opinion of management, the audited consolidated financial statements have been prepared within acceptable limits of materiality and are in compliance with all applicable International Financial Reporting Standards.

Management has established processes, which are in place to provide it sufficient knowledge to support management representations that it has exercised reasonable diligence that (i) the audited consolidated financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of, and for the periods presented by, the audited consolidated financial statements and (ii) the audited consolidated financial statements fairly present in all material respects the financial condition, results of operations and cash flows of the Company, as of the date of and for the periods presented by the audited consolidated financial statements.

The Board of Directors is responsible for reviewing and approving the audited consolidated financial statements together with other financial information of the Company and for ensuring that management fulfills its financial reporting responsibilities. An Audit Committee assists the Board of Directors in fulfilling this responsibility. The Audit Committee meets with management to review the financial reporting process and the audited consolidated financial statements together with other financial information of the Company. The Audit Committee reports its findings to the Board of Directors for its consideration in approving the audited consolidated financial statements together with other financial information of the Company for issuance to the shareholders.

Management recognizes its responsibility for conducting the Company's affairs in compliance with established financial standards, and applicable laws and regulations, and for maintaining proper standards of conduct for its activities.

(signed) *"J. Patrick Sheridan"*
J. Patrick Sheridan
Chief Executive Officer and President

(signed) *"Paul Murphy"*
Paul Murphy
Chief Financial Officer

Toronto, Canada
April 28, 2015

Collins Barrow

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INDEPENDENT AUDITORS' REPORT

To the Shareholders of
GPM Metals Inc.

We have audited the accompanying consolidated financial statements of GPM Metals Inc., and its subsidiaries, which comprise the consolidated statements of financial position as at December 31, 2014 and 2013 and the consolidated statements of loss and comprehensive loss, cash flows and changes in equity for the years then ended 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

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audits 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.

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

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of GPM Metals Inc. and its subsidiaries as at December 31, 2014 and 2013 and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

Collins Barrow Toronto LLP

Licensed Public Accountants
Chartered Professional Accountants
April 28, 2015
Toronto, Ontario

GPM METALS INC.

Consolidated Statements of Financial Position
(Expressed in Canadian Dollars)

	As at December 31, 2014	As at December 31, 2013
ASSETS		
Current assets		
Cash	**$ 2,299,287**	$ 4,658,065
Short-term investments (note 6)	**25,000**	40,000
Accounts receivable and other assets (note 7)	**104,625**	57,433
Total current assets	**2,428,912**	4,755,498
Non-current assets		
Restricted cash	**17,402**	15,954
Property and equipment (note 8)	**-**	262,914
Total assets	**$ 2,446,314**	$ 5,034,366
LIABILITIES AND EQUITY		
Current liabilities		
Amounts payable and other liabilities (note 14)	**$ 985,243**	$ 828,040
Capital and reserves		
Share capital (note 9)	**23,165,127**	23,165,127
Shares to be issued (note 15(e))	**6,500**	-
Capital surplus	**8,033,943**	7,874,743
Warrant reserve (note 12)	**4,563,401**	4,563,401
Deficit	**(34,307,900)**	(31,396,945)
Total capital and reserves	**1,461,071**	4,206,326
Total liabilities and equity	**$ 2,446,314**	$ 5,034,366

Nature of operations (note 1)
Subsequent events (note 18)

Approved on behalf of the Board:

(Signed) "J. Patrick Sheridan" , Director

(Signed) "Alan Ferry" , Director

The notes to the consolidated financial statements are an integral part of these statements.

GPM METALS INC.

Consolidated Statements of Loss and Comprehensive Loss
(Expressed in Canadian Dollars)

	Year Ended December 31, 2014	Year Ended December 31, 2013
Operating expenses		
General and administrative (note 13)	**$ 790,736**	$ 933,032
Foreign exchange (gain) loss	**(76,534)**	(113,088)
Exploration and evaluation expenditures (note 15)	**1,939,281**	304,715
Impairment of property and equipment (note 8)	**184,107**	-
Amortization	**78,807**	112,556
Operating loss	**(2,916,397)**	(1,237,215)
Interest income	**20,442**	21,724
Unrealized gain (loss) on short-term investments	**(15,000)**	(17,500)
Net loss and comprehensive loss for the year	**$ (2,910,955)**	$ (1,232,991)
Basic and diluted net loss per common share (note 11)	**$ (0.03)**	$ (0.01)
Weighted average number of common shares outstanding (note 11)	**110,514,513**	98,577,253

The notes to the consolidated financial statements are an integral part of these statements.

GPM METALS INC.

Consolidated Statements of Cash Flows
(Expressed in Canadian Dollars)

	Year Ended December 31, 2014	Year Ended December 31, 2013
Operating activities		
Net loss for the year	**$ (2,910,955)**	$ (1,232,991)
Adjustments for:		
Impairment of property and equipment (note 8)	**184,107**	-
Amortization	**78,807**	112,556
Unrealized foreign exchange gain	**(76,534)**	(113,088)
Unrealized loss on short-term investments	**15,000**	17,500
Share based payments (note 10)	**159,200**	179,851
Shares to be issued for exploration and evaluation expenditures	**6,500**	-
Non-cash working capital items:		
Accounts receivable and other assets	**(47,192)**	(8,769)
Amounts payable and other liabilities	**157,203**	186,372
Net cash used in operating activities	**(2,433,864)**	(858,569)
Financing activities		
Acquisition of DPG Resources Inc. (note 5)	**-**	820,303
Transaction costs (note 5)	**-**	(100,637)
Net cash provided by financing activities	**-**	719,666
Net change in cash	**(2,433,864)**	(138,903)
Cash, beginning of year	**4,658,065**	4,684,910
Effect of foreign exchange rate fluctuation on cash held	**75,086**	112,058
Cash, end of year	**$ 2,299,287**	$ 4,658,065

The notes to the consolidated financial statements are an integral part of these statements.

GPM METALS INC.
Consolidated Statements of Changes in Equity
(Expressed in Canadian Dollars)

	Share capital	Shares to be issued	Reserves: Capital surplus (note 10)	Reserves: Warrant reserve (note 12)	Deficit	Total
Balance, January 1, 2013	**$ 22,704,875**	**$ -**	**$ 7,694,892**	**$ 4,303,987**	**$ (30,163,954)**	**$ 4,539,800**
Acquisition of DPG Resources Inc., net of issue costs (note 5)	460,252	-	-	259,414	-	719,666
Share based payments (note 10)	-	-	179,851	-	-	179,851
Net loss and comprehensive loss for the year	-	-	-	-	(1,232,991)	(1,232,991)
Balance, December 31, 2013	**$ 23,165,127**	**$ -**	**$ 7,874,743**	**$ 4,563,401**	**$ (31,396,945)**	**$ 4,206,326**
Purchase of Pasco Gold Property (note 15)	-	6,500	-	-	-	6,500
Share based payments (note 10)	-	-	159,200	-	-	159,200
Net loss and comprehensive loss for the year	-	-	-	-	(2,910,955)	(2,910,955)
Balance, December 31, 2014	**$ 23,165,127**	**$ 6,500**	**$ 8,033,943**	**$ 4,563,401**	**$ (34,307,900)**	**$ 1,461,071**

The notes to the consolidated financial statements are an integral part of these statements.

1. Nature of operations

GPM Metals Inc. (the "Company" or "GPM") was incorporated under the Alberta Business Corporation Act on March 16, 1994 under the name of Minera Sierra Madre Inc. Effective December 15, 1999, the Company changed its name to MSA Capital Corp. and, subsequently, on October 28, 2002, changed its name to Coronation Minerals Inc. On April 5, 2004, the Company filed articles of continuance and was continued under the Business Corporations Act (Ontario). On August 17, 2009, the Company announced that it had filed articles of amendment to change its name to Guyana Precious Metals Inc. Effective August 27, 2013, the Company changed its name to GPM Metals Inc. The primary office is located at 141 Adelaide Street West, Suite 301, Toronto, Ontario, M5H 3L5.

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

While the Company has no source of revenue, it expects to fund its corporate costs for at least one year, starting from December 31, 2014, with its existing cash balance. In order to meet exploration costs, the Company will need to raise additional financing. Although the Company has been successful in raising funds to date, there can be no assurance that adequate funding will be available in the future, or available under terms favourable to the Company.

Although the Company has taken steps to verify title to the properties on which it is conducting exploration and in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements, unregistered claims, aboriginal claims and noncompliance with regulatory and environmental requirements.

2. Significant accounting policies

(a) Statement of compliance

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) issued by the International Accounting Standards Board (“IASB”) and Interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”), effective for the Company’s reporting for the years ended December 31, 2014 and 2013.

The policies applied in these consolidated financial statements are based on IFRS issued and effective as of April 28, 2015, the date the Board of Directors approved the statements.

(b) Basis of presentation

These consolidated financial statements have been prepared on a historical cost basis except for the revaluation of certain financial assets to fair value. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting except for cash flow information.

In the preparation of these consolidated financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of expenses during the period. Actual results could differ from these estimates. Of particular significance are the estimates and assumptions used in the recognition and measurement of items included in note 2(p).

2. Significant accounting policies (continued)

(c) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries.

The results of subsidiaries acquired or disposed of during the periods presented are included in the consolidated statement of loss and comprehensive loss from the date that control commences until it ceases, as appropriate. All intercompany transactions, balances, income and expenses are eliminated upon consolidation.

The following companies have been consolidated within the consolidated financial statements:

Corporation	Country of incorporation	Principal activity
GPM Metals Inc.	Canada	Parent company
1901743 Ontario Inc. [(1)(4)]	Canada	Holding Company
DPG Resources Australia Pty Ltd. [(2)]	Canada	Holding Company
Guyana Precious Metals (Barbados) Inc. [(1)]	Barbados	Holding company
PMG Inc. [(3)]	Guyana	Exploration company
Chaska Resources SAC [(3)(5)]	Peru	Exploration company

[(1)] 100% owned by GPM;
[(2)] 100% owned by 1901743 Ontario Inc.;
[(3)] 100% owned by Guyana Precious Metals (Barbados) Inc.;
[(4)] Also referred to as DPG Resources Inc. throughout these financial statements; and
[(5)] Also referred to as Chaska throughout these financial statements.

(d) Foreign currencies

The functional currency, as determined by management, of GPM, 1901743 Ontario Inc., Guyana Precious Metals (Barbados) Inc., DPG Resources Australia Pty Ltd., PMG Inc. and Chaska is the Canadian Dollar. For the purpose of the consolidated financial statements, the results and financial position are expressed in Canadian Dollars.

Transactions in currencies other than the functional currency are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the year end exchange rates are recognised in the consolidated statement of loss and comprehensive loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated based on the exchange rate at the date of the transaction.

(e) Financial instruments

Financial assets:

Financial assets are classified into the following categories: financial assets ‘at fair value through profit or loss’ (“FVTPL”), ‘held-to-maturity investments‘, ‘available-for-sale‘ financial assets and ‘loans and receivables‘. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

All financial assets are recognized and derecognized on the trade date where the purchase or sale of a financial asset is under a contract whose terms require delivery of the financial asset within the time frame established by the market concerned, and are initially measured at fair value.

Financial assets classified as FVTPL are subsequently measured at fair value on each subsequent reporting date.

2. Significant accounting policies (continued)

(e) Financial instruments (continued)

Financial liabilities:

Financial liabilities are classified as either financial liabilities ‘at FVTPL’ or ‘other financial liabilities’.

All financial liabilities including borrowings are initially measured at fair value, net of transaction costs.

Financial liabilities classified as FVTPL are subsequently measured at fair value on each subsequent reporting date. Other financial liabilities are subsequently measured at amortized cost using the effective interest method, with interest recognized on the Consolidated Statement of Loss on an effective yield basis.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest costs over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability or (where appropriate) to the net carrying amount on initial recognition.

De-recognition of financial liabilities:

The Company derecognizes financial liabilities when the obligations are discharged, cancelled or expire.

Transaction costs associated with FVTPL financial assets are expensed as incurred while transaction costs associated with all other financial assets and liabilities are included in the initial carrying value of the asset and liability.

The Company’s financial instruments consist of the following:

Financial assets:	**Classification:**
Cash	FVTPL
Short-term investments	FVTPL
Restricted cash	FVTPL

Financial liabilities:	**Classification:**
Amounts payable and other liabilities	Other financial liabilities

As at December 31, 2014 and December 31, 2013, the fair value of the Company's financial instruments approximates the carrying value, due to the short term nature of the instruments.

Impairment of financial assets:

Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial assets, the estimated future cash flows of the investments have been negatively impacted. Evidence of impairment could include: significant financial difficulty of the issuer or counterparty; default or delinquency in interest or principal payments; or the likelihood that the borrower will enter bankruptcy or financial reorganization.

The carrying amount of financial assets is reduced by any impairment loss directly for all financial assets. Subsequent recoveries of amounts previously written off are credited against the allowance account.

2. Significant accounting policies (continued)

(e) Financial instruments (continued)

Impairment of financial assets (continued):

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized.

Financial instruments recorded at fair value:

Financial instruments recorded at fair value on the consolidated statements of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1 - valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 - valuation techniques based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 - valuation techniques using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

As of December 31, 2014 and December 31, 2013, cash, restricted cash and the Company's investment in Prophecy Coal Corp. ("Prophecy Coal") (note 6) are recorded at fair value and are considered as Level 1 financial instruments. As at December 31, 2014, Prophecy Coal common shares are carried at a fair value of $25,000 (December 31, 2013 - $40,000).

(f) Impairment of non-financial assets

At the end of each reporting period, the Company reviews the carrying amounts of its non-financial assets with finite lives to determine whether there is any indication that those assets have suffered an impairment loss. Where such an indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. The recoverable amount is the higher of an asset’s fair value less cost to sell or its value in use. In addition, long-lived assets that are not amortized are subject to an annual impairment assessment.

(g) Exploration and evaluation expenditures

The Company expenses exploration and evaluation expenditures as incurred. Exploration and evaluation expenditures include acquisition costs of mineral properties, property option payments and evaluation activities.

Once a project has been established as commercially viable and technically feasible, related development expenditure is capitalized. This includes costs incurred in preparing the site for mining operations. Capitalization ceases when the mine is capable of commercial production, with the exception of development costs that give rise to a future benefit.

2. Significant accounting policies (continued)

(h) Property and equipment

Property and equipment ("PE") are carried at cost, less accumulated depreciation and accumulated impairment losses.

The cost of an item of PE consists of the purchase price, any costs directly attributable to bringing the asset to the location and condition necessary for its intended use and an initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

Depreciation is recognized based on the cost of an item of property and equipment, less its estimated residual value, over its estimated useful life at the following rates:

Detail	Percentage	Method
Vehicle	30%	Declining balance
Excavation equipment	30%	Declining balance

Where parts of an item of property and equipment have different useful lives, they are accounted for as separate items of property and equipment.

An asset's residual value, useful life and depreciation method are reviewed, and adjusted if appropriate, on an annual basis.

(i) Cash

Cash in the statements of financial position comprise cash at banks and on hand. The Company does not invest in any asset-backed deposits/investments.

(j) Provisions

A provision is recognized when the Company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and the amount of the obligation can be reliably estimated. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

A provision for onerous contracts is recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract.

The Company had no material provisions or onerous contracts at December 31, 2014 and December 31, 2013.

(k) Share based payment transactions

Share based payments to employees:

The Company measures share based payments to employees at the fair value of the options at the grant date. The fair value of share options granted to employees is recognized as an expense over the vesting or service period with a corresponding increase in equity. The fair value of the options granted is measured using the Black-Scholes valuation model, taking into account the terms and conditions upon which the options were granted. At each financial reporting date, the amount recognized as an expense is adjusted to reflect the actual number of share options that are expected to vest. An individual is classified as an employee when the individual is an employee for legal or tax purposes (direct employee) or provides services similar to those performed by a direct employee, including directors of the Company.

2. Significant accounting policies (continued)

(k) Share based payment transactions (continued)

Share based payments to non-employees:

The Company measures share based payments to non-employees at the fair value of the goods or services received at the date of receipt of the goods or services. The fair value of share options granted to non-employees is recognized as an expense over the period the services have been provided. If the fair value of the goods or services cannot be measured reliably, the fair value of the options granted will be used, measured using the Black-Scholes option-pricing model.

(l) Income taxes

Tax expense comprises current and deferred tax. Current tax and deferred tax are recognized in profit or loss except to the extent that it relates to a business combination, or items recognized directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

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 the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future. In addition, deferred tax is not recognized for taxable temporary differences arising on the initial recognition of goodwill. 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 by the reporting date. 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, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they 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.

(m) Restoration, rehabilitation and environmental obligations

A legal or constructive obligation to incur restoration, rehabilitation and environmental costs may arise when environmental disturbance is caused by the exploration, development or ongoing production of a mineral property interest. Such costs arising from the decommissioning of plant and other site preparation work, discounted to their net present value, are provided for and capitalized at the start of each project to the carrying amount of the asset, as soon as the obligation to incur such costs arises. Discount rates using a pretax rate that reflects the time value of money are used to calculate the net present value. These costs are charged against profit or loss over the economic life of the related asset, through amortization using either a unit-of-production or the straight-line method as appropriate. The related liability is adjusted for each period for the unwinding of the discount rate and for changes to the current market-based discount rate and amount or timing of the underlying cash flows needed to settle the obligation. Costs for restoration of subsequent site damage that is created on an ongoing basis during production are provided for at their net present values and charged against profits as extraction progresses.

At December 31, 2014 and December 31, 2013, the Company has no material restoration, rehabilitation and environmental costs as the disturbance to date is minimal.

2. Significant accounting policies (continued)

(n) Interest income

Interest income is recognized on the accrual basis.

(o) Loss per share

The Company presents basic loss per share data for its common shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted loss per share is determined by adjusting the loss attributable to common shareholders and the weighted average number of common shares outstanding for the effects of all warrants and options outstanding that may add to the total number of common shares. The dilutive effect of outstanding stock options and warrants on earnings per share is calculated by determining the proceeds for the exercise of such securities which are then assumed to be used to purchase common shares of the Company. If the number of common shares outstanding increases or decreases as a result of share split or consolidation, the calculation of basic and diluted loss per share for all periods presented, is adjusted retrospectively.

(p) Significant accounting judgments and estimates

The preparation of these consolidated financial statements 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 reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. These consolidated financial statements include estimates that, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the consolidated financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates

Significant assumptions about the future that management has made that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

- the recoverable amount of PE;
- the inputs used in accounting for share based payment transactions and in valuation of warrants issued in unit financing;
- management assumption of no material restoration, rehabilitation and environmental obligations, based on the facts and circumstances that existed during the period; and
- management's position that there is no income tax asset recognized within these consolidated financial statements.

Critical accounting judgments

The categorization of financial assets and liabilities is an accounting policy that requires management to make judgments or assessments.

Management applied judgment in determining the functional currency of the Company as Canadian Dollars.

Management applied judgment in determining that DPG Resources Inc. ("DPG") did not meet the definition of a business in accordance with IFRS, as cash was the only asset acquired. As such, the acquisition of DPG has been accounted for as an issuance of units rather than a business combination (note 5).

2. Significant accounting policies (continued)

(q) Change in accounting policies

Certain pronouncements were issued by the IASB or the IFRS Interpretations Committee ("IFRIC") that are mandatory for accounting periods after December 31, 2013. The following new standards have been adopted:

(i) IAS 32 – Financial instruments: Presentations clarifies some of the requirements for offsetting financial assets and financial liabilities on the consolidated statement of financial position. At January 1, 2014, the Company adopted this pronouncement and there was no material impact on the Company's consolidated financial statements.

(r) Recent accounting pronouncements

(i) IFRS 9 – Financial instruments ("IFRS 9") was issued in final form in July 2014 by the IASB and will replace IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward unchanged to IFRS 9. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. IFRS 9 also includes requirements relating to a new hedge accounting model, which represents a substantial overhaul of hedge accounting which will allow entities to better reflect their risk management activities in the financial statements. The most significant improvements apply to those that hedge non-financial risk, and so these improvements are expected to be of particular interest to non-financial institutions. IFRS 9 is effective for annual periods beginning on or after January 1, 2018. Earlier application is permitted.

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

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

3. Capital risk management

The Company manages its capital with the following objectives:

- to ensure sufficient financial flexibility to achieve the ongoing business objectives including funding of future growth opportunities, and pursuit of accretive acquisitions; and
- to maximize shareholder return through enhancing the share value.

The Company monitors its capital structure and makes adjustments according to market conditions in an effort to meet its objectives given the current outlook of the business and industry in general. The Company may manage its capital structure by issuing new shares, repurchasing outstanding shares, adjusting capital spending, or disposing of assets. The capital structure is reviewed by management and the Board of Directors on an ongoing basis.

The Company considers its capital to be equity, which comprises share capital, reserves and deficit, which at December 31, 2014 $1,461,071 (December 31, 2013 - $4,206,326).

3. Capital risk management (continued)

The Company manages capital through its financial and operational forecasting processes. The Company reviews its working capital and forecasts its future cash flows based on operating expenditures, and other investing and financing activities. The forecast is updated based on activities related to its mineral properties. Selected information is provided to the Board of Directors. The Company's capital management objectives, policies and processes have remained unchanged during the year ended December 31, 2014.

The Company is not subject to any capital requirements imposed by a lending institution or regulatory body, other than Policy 2.5 of the TSXV Venture Exchange ("TSXV") which requires adequate working capital or financial resources of the greater of (i) $50,000 and (ii) an amount required in order to maintain operations and cover general and administrative expenses for a period of 6 months. As of December 31, 2014, the Company believes it is compliant with Policy 2.5.

4. Financial risk management

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk (including foreign currency risk and equity price risk).

Risk management is carried out by the Company's management team with guidance from the Audit Committee under policies approved by the Board of Directors. The Board of Directors also provides regular guidance for overall risk management.

(i) Credit risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash and restricted cash. Cash and restricted cash are held with select major Canadian, Guyanese, Barbadian and Australian chartered banks, from which management believes the risk of loss to be minimal.

(ii) Liquidity risk

Liquidity risk is the risk that the Company will not have sufficient cash resources to meet its financial obligations as they come due. The Company's liquidity and operating results may be adversely affected if its access to the capital market is hindered, whether as a result of a downturn in stock market conditions generally or matters specific to the Company. The Company generates cash flow primarily from its financing activities. As at December 31, 2014, the Company had cash of $2,299,287 (December 31, 2013 - $4,658,065) to settle current liabilities of $985,243 (December 31, 2013 - $828,040). All of the Company's financial liabilities have contractual maturities of less than 90 days and are subject to normal trade terms. The Company regularly evaluates its cash position to ensure preservation and security of capital as well as liquidity.

(iii) Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates and equity prices.

(a) Foreign currency risk

The Company's functional and presentation currency is the Canadian Dollar and major purchases are transacted in Canadian Dollars. As of December 31, 2014, the Company funds certain operations, exploration and administrative expenses in Guyana, Peru and Barbados on a cash call basis using US Dollar currency, and in Australia using the Australian Dollar currency converted from its Canadian Dollar bank accounts held in Canada. The Company maintains US Dollar bank accounts in Canada, Barbados, and Guyana, Australian Dollar bank accounts in Australia and Guyanese Dollar bank accounts in Guyana. The Company is subject to gains and losses from fluctuations in the US Dollar, the Guyanese Dollar and the Australian Dollar against the Canadian Dollar.

4. Financial risk management (continued)

(iii) Market risk (continued)

(b) Equity price risk

The Company is exposed to price risk with respect to equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. The Company's investment in the common shares of Prophecy Coal Corp. ("Prophecy Coal") (note 6) are subject to fair value fluctuations arising from changes in the equity market.

Sensitivity analysis

Based on management's knowledge and experience of the financial markets, the Company believes the following movements are reasonably possible over a twelve month period:

(i) The Company holds balances in foreign currencies which could give rise to exposure to foreign exchange risk. Sensitivity to a plus or minus 10% change in the foreign exchange rate against the Canadian Dollar would affect the reported loss and comprehensive loss for the year ended December 31, 2014 by approximately $63,600 (December 31, 2013 - $231,700).

(ii) The Company's investment in the common shares of Prophecy Coal (note 6) is subject to fair value fluctuations (included in 'short-term investments'). As at December 31, 2014, sensitivity to a plus or minus 10% change in the quoted market price of Prophecy Coal common shares, with all other variables held constant, would affect reported loss and comprehensive loss for the year ended December 31, 2014 by approximately $2,500 (December 31, 2013 - $4,000).

5. Acquisition of DPG Resources Inc. ("DPG")

On August 21, 2013, the Company completed the acquisition (the "Acquisition") of DPG. Upon closing of the Acquisition, an aggregate of 18,700,000 common shares and 18,700,000 share purchase warrants (each, a "Warrant") of GPM were issued to the former shareholders of DPG in exchange for the common shares of DPG held by such shareholders, being one common share of GPM and one Warrant of GPM for each common share of DPG outstanding. Each Warrant entitles the holder thereof to acquire one additional common share of GPM at an exercise price of $0.10 until August 21, 2015.

This transaction has been accounted for as an issuance of units and an acquisition of an asset, rather than a business combination, as cash was the only asset acquired and DPG does not meet the definition of a business in accordance with IFRS 3: Business Combinations. Each Unit consisted of one common share of the Company and one Warrant. The fair value of the cash acquired, net of transaction costs, has been allocated between the common shares and warrants issued to the former shareholders of DPG, based on the relative fair value of each common share and warrant. Total transaction costs of $100,637 have been recognized on the acquisition of DPG and were allocated between the common shares and warrants on a pro rata basis.

(Expressed in Canadian Dollars)

5. Acquisition of DPG Resources Inc. ("DPG") (continued)

The following summarizes the consideration transferred and the recognized amounts of assets acquired and liabilities assumed at the acquisition date:

Consideration:		
Common shares	**$**	**460,252**
Warrants		**259,414**
Total	**$**	**719,666**
Identified net assets acquired:		
Cash	**$**	**820,303**
Transaction costs		**(100,637)**
Total	**$**	**719,666**

6. Short-term investments

	As at December 31, 2014		As at December 31, 2013	
Prophecy Coal Corp. common shares	**$**	**25,000**	$	40,000

7. Accounts receivable and other assets

	As at December 31, 2014		As at December 31, 2013	
Harmonized sales tax recoverable - (Canada)	**$**	**26,677**	$	26,558
Sales tax recoverable - (Australia)		**16,565**		-
Accounts receivable		**1,610**		1,771
Prepaid expenses		**59,773**		29,104
	$	**104,625**	$	57,433

(Expressed in Canadian Dollars)

8. Property and equipment

Cost		Vehicle		Excavation equipment		Total
Balance, December 31, 2013 and December 31, 2014	$	47,398	$	552,058	$	599,456

Accumulated Amortization and Impairment		Vehicle		Excavation equipment		Total
Balance, December 31, 2013	$	37,298	$	299,244	$	336,542
Change during the year		2,273		76,534		78,807
Impairment in 2014		7,827		176,280		184,107
Balance, December 31, 2014	$	47,398	$	552,058	$	599,456

Carrying Value		Vehicle		Excavation equipment		Total
Balance, December 31, 2013	**$**	**10,100**	**$**	**252,814**	**$**	**262,914**
Balance, December 31, 2014	**$**	**-**	**$**	**-**	**$**	**-**

In 2014, the Company impaired the property and equipment located in Guyana to $nil, given the pending sale of the Peters and Aremu properties (see notes 15(c) and 18). Management estimated the net realizable value to be $nil.

9. Share capital

a) Authorized share capital

The authorized share capital consisted of an unlimited number of common shares. The common shares do not have a par value. All issued shares are fully paid.

b) Common shares issued

At December 31, 2014, the issued share capital amounted to $23,165,127. The changes in issued share capital for the periods were as follows:

	Number of common shares	Amount
Balance, December 31, 2012	**91,814,513**	**$ 22,704,875**
Acquisition of DPG, net of issue costs (i)	18,700,000	460,252
Balance, December 31, 2013 and December 31, 2014	**110,514,513**	**$ 23,165,127**

(i) Pursuant to the completion of the Acquisition of DPG on August 21, 2013, the Company issued 18,700,000 common shares (see note 5).

(Expressed in Canadian Dollars)

10. Stock options

The Company adopted a stock option plan for employees, consultants, officers and directors on April 24, 1995. The number of common shares reserved for issue under the stock option plan may not exceed 10% of the issued and outstanding capital of the Company at any given time. The term of options granted under the stock option plan may not exceed five years from the date of the grant and the option price, which may be determined by the directors of the Company, may not be less than the market price for the common shares at the grant date, less an approved discount.

The Company records a charge to the statements of loss and comprehensive loss using the Black-Scholes valuation model (for options granted to non-employees, the valuation is based on services provided if reliably measurable). The valuation is dependent on a number of estimates, including the risk free interest rate, the level of stock volatility, together with an estimate of the level of forfeiture. The level of stock volatility is calculated with reference to the historic traded daily closing share price at the date of issue.

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

The following tables reflect the continuity of stock options for the periods ended December 31, 2014 and 2013:

	Number of stock options	Weighted average exercise price ($)
Balance, January 1, 2013	**8,725,000**	**0.27**
Expired	(875,000)	0.47
Balance, December 31, 2013	**7,850,000**	**0.25**
Weighted average exercise price for vested options		**0.27**

	Number of stock options	Weighted average exercise price ($)
Balance, December 31, 2013	**7,850,000**	**0.25**
Granted	3,150,000	0.10
Expired and cancelled	(1,562,500)	0.26
Forfeited	(112,500)	0.17
Balance, December 31, 2014	**9,325,000**	**0.20**
Weighted average exercise price for vested options		**0.22**

The following table reflects the actual stock options issued and outstanding as of December 31, 2014:

Expiry date	Exercise price ($)	Weighted average remaining contractual life (years)	Number of options outstanding	Number of options vested (exercisable)	Number of options unvested
August 22, 2015 (iii)	0.10	0.64	1,000,000	1,000,000	-
October 12, 2015 (iv)	0.17	0.78	1,800,000	1,800,000	-
January 28, 2016 (vi)	0.36	1.08	2,625,000	2,625,000	-
April 28, 2016 (vi)	0.48	1.33	250,000	250,000	-
November 7, 2016 (i)	0.28	1.85	250,000	250,000	-
February 17, 2017 (v)	0.10	2.13	3,150,000	1,575,000	1,575,000
June 26, 2017 (ii)	0.10	2.49	250,000	250,000	-
		1.40	**9,325,000**	**7,750,000**	**1,575,000**

10. Stock options (continued)

(i) On November 7, 2011, the Company granted 1,550,000 options to a director and consultants of the Company at a price of $0.28 per share for services rendered. Of the options granted, 250,000 remained outstanding at September 30, 2014. The fair value of these options at the date of grant of $0.2519 was estimated using the Black-Scholes valuation model with the following assumptions: a five year expected term; a 145% expected volatility based on historical trends; risk free interest rate of 1.5%; share price at the date of grant of $0.28; and an expected dividend yield of 0%. The grant date fair value assigned to these options was $390,445. These options, which will vest by 25% upon date of grant and by 25% on each of the 6, 12 and 18 month anniversaries of the date of grant, will expire on November 7, 2016. For the year ended December 31, 2014, the impact on salaries and benefits (note 13) was $nil (year ended December 31, 2013 - $3,633). For the year ended December 31, 2014, the impact on consulting fees (note 13) was $nil (year ended December 31, 2013 - $17,439).

(ii) On June 26, 2012, the Company granted 250,000 options to a director of the Company at a price of $0.10 per share. The fair value of these options at the date of grant of $0.079 was estimated using the Black-Scholes valuation model with the following assumptions: a five year expected term; a 139% expected volatility based on historical trends; risk free interest rate of 1.21%; share price at the date of grant of $0.09; and an expected dividend yield of 0%. The grant date fair value assigned to these options was $19,750. These options, which will vest by 25% upon date of grant and by 25% on each of the 6, 12 and 18 month anniversaries of the date of grant, will expire on June 26, 2017. For the year ended December 31, 2014, the impact on salaries and benefits (note 13) was $nil (year ended December 31, 2013 - $5,638).

(iii) On August 22, 2012, the Company granted 1,000,000 options to an officer of the Company at a price of $0.10 per share. The fair value of these options at the date of grant of $0.061 was estimated using the Black-Scholes valuation model with the following assumptions: a three year expected term; a 116% expected volatility based on historical trends; risk free interest rate of 1.23%; share price at the date of grant of $0.09; and an expected dividend yield of 0%. The grant date fair value assigned to these options was $61,000. These options, which will vest by 25% upon date of grant and by 25% on each of the 6, 12 and 18 month anniversaries of the date of grant, will expire on August 22, 2015. For the year ended December 31, 2014, the impact on salaries and benefits (note 13) was $1,447 (year ended December 31, 2013 - $24,267).

(iv) On October 12, 2012, the Company granted 2,250,000 options to certain directors, officers and consultants of the Company at a price of $0.17 per share. Of the options granted, 1,800,000 remained outstanding at September 30, 2014. The fair value of these options at the date of grant of $0.114 was estimated using the Black-Scholes valuation model with the following assumptions: a three year expected term; a 118% expected volatility based on historical trends; risk free interest rate of 1.22%; share price at the date of grant of $0.165; and an expected dividend yield of 0%. The grant date fair value assigned to these options was $256,500. These options, which will vest by 25% upon date of grant and by 25% on each of the 6, 12 and 18 month anniversaries of the date of grant, will expire on October 12, 2015. For the year ended December 31, 2014, the impact on salaries and benefits (note 13) was $2,678 (year ended December 31, 2013 - $28,639). For the year ended December 31, 2014, the impact on consulting fees (note 13) was $9,374 (year ended December 31, 2013 - $100,235). In 2014, 112,500 of the options, valued at $12,825 have been forfeited and removed from consulting fees.

(v) On February 17, 2014, the Company granted 3,150,000 options to certain directors, officers and consultants of the Company at a price of $0.10 per share. The fair value of these options at the date of grant of $0.0584 was estimated using the Black-Scholes valuation model with the following assumptions: a three year expected term; a 134% expected volatility based on historical trends; risk free interest rate of 1.21%; share price at the date of grant of $0.08; and an expected dividend yield of 0%. The grant date fair value assigned to these options was $183,960. These options, which will vest by 25% upon date of grant and by 25% on each of the 6, 12 and 18 month anniversaries of the date of grant, will expire on February 17, 2017. For the year ended December 31, 2014, the impact on salaries and benefits (note 13) was $108,200. For the year ended December 31, 2014, the impact on consulting fees (note 13) was $50,326.

(vi) Subsequent to the year ended December 31, 2014, these options were cancelled.

(Expressed in Canadian Dollars)

11. Net loss per common share

The calculation of basic and diluted loss per share for the year ended December 31, 2014 was based on the loss attributable to common shareholders of $2,910,955 (year ended December 31, 2013 - loss of $1,232,991) and the weighted average number of common shares outstanding of 110,514,513 (year ended December 31, 2013 - 98,577,253). Diluted loss per share did not include the effect of 9,325,000 stock options (December 31, 2013 - 7,850,000 stock options) and 18,700,000 warrants (December 31, 2013 - 18,700,000) as they are anti-dilutive.

12. Warrants

The following table reflects the continuity of warrants for the periods ended December 31, 2014 and 2013:

	Number of warrants	Weighted average exercise price ($)
Balance, January 1, 2013	**35,000,000**	**0.45**
Issued (note 5)	18,700,000	0.10
Expired	(35,000,000)	0.45
Balance, December 31, 2013 and December 31, 2014	**18,700,000**	**0.10**

The following table reflects the actual warrants issued and outstanding as of December 31, 2014:

Number of warrants outstanding	Fair value	Exercise price	Expiry date
18,700,000	**$ 259,414**	**$0.10**	**August 21, 2015 (i)**

(i) Pursuant to the completion of the Acquisition on August 21, 2013, the Company issued 18,700,000 Warrants (note 5). A value of the $259,414 was estimated based on the fair value of the assets acquired, net of transaction costs, andassigned to the Warrants on a pro-rata basis.

13. General and administrative

	Year Ended December 31, 2014	Year Ended December 31, 2013
Salaries and benefits (note 10)	**$ 172,386**	$ 122,176
Consulting fees (note 10)	**189,749**	291,145
Administrative and general	**151,055**	198,734
Reporting issuer costs	**43,964**	59,764
Accounting fees	**74,925**	65,854
Professional fees	**132,035**	168,240
Insurance	**26,622**	27,119
	$ 790,736	$ 933,032

14. Related party balances and transactions

Related parties include the Board of Directors, officers, close family members and enterprises that are controlled by these individuals as well as certain persons performing similar functions. The transactions noted below are in the normal course of business and approved by the Board of Directors in strict adherence to conflict of interest laws and regulations.

(Expressed in Canadian Dollars)

14. Related party balances and transactions (continued)

(a) GPM entered into the following transactions with related parties:

	Notes	Year Ended December 31, 2014	2013
Bruce Rosenberg	(i)	**$ 41,547**	$ 52,509
1140301 Ontario Ltd.	(ii)	**12,000**	12,000
Grinslade Services Inc.	(ii)	**3,060**	-
Lewis Downey Tornosky Lassaline & Timpano	(iii)	**9,000**	12,000
Alexander Po	(iv)	**28,800**	28,800
Harry Burgess	(v)	**12,000**	12,000
J. Patrick Sheridan	(vi)	**120,000**	120,000
Guyana Goldfields Inc. ("GGI")	(vii)	**171,750**	173,696

(i) Bruce Rosenberg is a director of the Company. Fees related to legal services provided by Mr. Rosenberg and director's fees. Director fees were paid to a company controlled by Mr. Rosenberg. As at December 31, 2014, his company was owed $6,505 (December 31, 2013 - $3,000) and these amounts were included in amounts payable and other liabilities.

(ii) Director fees paid to companies controlled by directors of the Company. As at December 31, 2014, these companies were owed $18,789 (December 31, 2013 - $15,390) and these amounts were included in amounts payable and other liabilities.

(iii) Director fees paid to a firm in which a director of the Company is a partner. As at December 31, 2014, this firm was owed $nil (December 31, 2013 - $3,000) and these amounts were included in amounts payable and other liabilities.

(iv) Director and consulting fees paid to a director of the Company.

(v) Director fees paid to a director of the Company. As at December 31, 2014, this director was owed $3,000 (December 31, 2013 - $3,000) and these amounts were included in amounts payable and other liabilities.

(vi) Chief Executive Officer ("CEO") fees.

(vii) GGI and GPM have common management and directors. During the year ended December 31, 2014, the Company transferred $171,750 (year ended December 31, 2013 - $173,696) to GGI to be held in trust and used for expenditures on the Peter's property. As at December 31, 2014, a balance of $27,514 (December 31, 2013 - $18,565) was held in trust by GGI and is included in cash. As at December 31, 2014, amounts payable and other liabilities includes $20,093 (December 31, 2013 - $19,721) payable to GGI. See note 15(a).

In addition to the above amounts held in trust, the title to the Peter's and Aremu property is held by GGI in trust for use by GPM.

(b) Remuneration of Directors and key management personnel of the Company was as follows:

	Year Ended December 31, 2014	2013
Total salaries and benefits (1)	**$ 180,060**	$ 180,000
Total share based payments	**$ 112,326**	$ 62,179

14. Related party balances and transactions (continued)

(b) Remuneration of Directors and key management personnel of the Company was as follows (continued):

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

The above noted transactions are in the normal course of business and are measured at the exchange amount, as agreed to by the parties, and approved by the Board of Directors.

15. Exploration and evaluation expenditures

The Company enters into exploration agreements or permits with other companies or foreign governments pursuant to which it may explore, or earn interests in mineral properties by issuing common shares and/or making option or rental payments and/or incurring expenditures in varying amounts by varying dates. Failure by the Company to meet such requirements can result in a reduction or loss of the Company's ownership interests or entitlements under the agreements or permits.

(a) Coppermine River Project

The Company has a 100% interest in mining lease number 2797 located in the Coronation Gulf area, west of the Coppermine River (Coppermine River Property), approximately 60-75 km southwest of Kugluktuk, Nunavut, Canada. The Company intends to retain its ownership rights in the project by making any required payments to retain the property on a care and maintenance basis. For the year ended December 31, 2014, the Company accrued royalty fees on the project of $100,000 (year ended December 31, 2013 - $100,000) and these amounts are payable to GGI.

(b) Rory Group

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

(c) Peters and Aremu properties

The Peters Mine Property is located approximately 80km west-southwest of Bartica, a town in north-central Guyana in which the Essequibo, Mazaruni, and Cuyuni rivers meet, and approximately 140km southwest of Georgetown, the capital and largest city of Guyana, located in the Demerara-Mahaica region. The Aremu property comprises ten mining permits located about 60km west of Bartica and south of the Aremu River. At December 31, 2014, the Company holds a bond for US$15,000, held in trust for potential future restoration, rehabilitation and environmental obligations on the properties.

On June 13, 2014, GPM announced that it has entered into a non-binding letter of agreement (the "Letter Agreement") dated June 13, 2014 for the sale of its properties in Guyana, together with the interest of GPM in all property, assets and rights ancillary to the properties, to Bartica Investments Ltd. (the "Purchaser") for an aggregate cash payment to the Company of $650,000 (the "Sale Transaction"). The cash consideration shall be paid to GPM as follows:

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

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

15. Exploration and evaluation expenditures (continued)

(c) Peters and Aremu properties (continued)

On July 17, 2014, the shareholders of the Company approved the Sale Transaction at the Company's annual general meeting and on January 7, 2015, GPM entered into a definitive agreement with the Purchaser. The completion of the Sale Transaction is subject to the satisfaction of certain conditions, including among other things, the approval of the TSXV.

See note 18.

(d) Walker Gossan Project

On January 27, 2014, the Company, through its wholly owned subsidiary DPG Resources Australia Pty Limited entered into, an Earn-In/Joint Venture Agreement with Rio Tinto Exploration Pty Limited, a wholly owned subsidiary of Rio Tinto Limited ("Rio Tinto") covering base metal exploration and development rights, in relation to certain granted exploration tenements and tenement applications in McArthur Basin Mining District, Northern Territory, Australia (the "Walker Gossan project").

Rio Tinto and GPM have entered into a definitive Two Stage Earn-In/Joint Venture Agreement granting GPM an initial 51% interest under certain conditions that include:

<u>Stage One</u>
1. Payment of Australian Dollar ("AUD") $1,000,000 on signing (paid);
2. Minimum expenditure of AUD$2,000,000 within 3 years of effective date;
3. Combined expenditures of AUD$20,000,000 over a 10 year period; and
4. Milestone payments within the combined expenditures as follows:
    (i) AUD$100,000 upon the grant of licences to all of the properties;
    (ii) AUD$1,000,000 upon the completion of the first drill hole on the Walker Gossan project; and
    (iii) AUD$4,000,000 upon the completion of a resource study that shows an indicated status for minimum 20 million tons of greater than 8% combined lead and zinc, or lead, zinc and silver, within the licensed area or a Decision to Mine being made.

<u>Stage Two</u>
GPM may increase its interest to 75% by completing a Feasibility Study within 3 years of completing Stage One. Rio Tinto may elect to contribute pursuant to its participating share, not contribute and be diluted or convert its interest into a Net Smelter Return (2.5%) royalty. There are rights of first refusal on purchase and sale of interest for both parties at fair market value. GPM will be responsible for all negotiations with the Northern Land Council for consent to issue the exploration licence applications and work programs to be conducted by GPM under its sole rights or as operator.

(e) Pasco Gold Property

On September 15, 2014, the Company, through its wholly owned subsidiary Chaska, entered into a definite agreement to purchase 100% interest in the exploration concession known as Pasco Gold 1, which consists of 1000 hectares of land, located in the district of Huachon, Province of Pasco, in the Republic of Peru (the "Purchase").

The total consideration shall be paid to the seller as follows:

(a) Payment of USD $13,000 (paid); and
(b) Issuance of 50,000 common shares of GPM (to be issued).

The completion of the Purchase is subject to the satisfaction of certain conditions, including among other things, the approval of the TSXV.

(Expressed in Canadian Dollars)

15. Exploration and evaluation expenditures (continued)

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

	Year Ended December 31, 2014	Year Ended December 31, 2013
Guyana, South America		
Licence renewal fees	**$ 10,195**	$ 14,766
Supplies	**43,972**	38,849
General	**71,251**	22,871
Contractors	**59,376**	66,546
Feasibility	**-**	10,200
Geophysical	**-**	12,964
Transportation	**27,860**	22,292
Wages and salaries	**2,526**	10,721
Repairs and maintenance	**11,601**	1,362
	226,781	200,571
Canada		
Advance royalty payments	**100,000**	100,000
Maintenance costs	**14,588**	4,144
	114,588	104,144
Australia		
Access fee	**998,500**	-
General	**339,740**	-
Consulting	**198,381**	-
	1,536,621	-
Peru		
Acquisition costs	**20,866**	-
General	**40,425**	-
	61,291	-
	$ 1,939,281	$ 304,715

(Expressed in Canadian Dollars)

16. Segmented information

As at December 31, 2014, the Company operates primarily in four reportable geographical segments, being the exploration for minerals in Guyana, Canada, Australia and Peru. The Company maintains a head office in Toronto, Canada.

Year ended December 31, 2014

	Guyana	Canada	Australia	Peru	Total
Revenues	$ -	$ 5,358	$ 84	$ -	$ 5,442
Net loss and comprehensive loss	$ (324,739)	$ (892,116)	$ (1,633,040)	$ (61,060)	$ (2,910,955)

Year ended December 31, 2013

	Guyana	Canada	Australia	Peru	Total
Revenues	$ -	$ 3,836	$ 388	$ -	$ 4,224
Net loss and comprehensive loss	$ (371,958)	$ (651,473)	$ (209,560)	$ -	$ (1,232,991)

As at December 31, 2014

	Guyana	Canada	Australia	Total
Non-current assets	$ 10,332	$ 7,070	$ -	$ 17,402

As at December 31, 2013

	Guyana	Canada	Australia	Total
Non-current assets	$ 268,768	$ 10,100	$ -	$ 278,868

17. Income taxes

(a) Provision for income taxes

Income taxes differ from the amount that would be computed by applying the combined statutory income tax rates of 28.79% (2013 - 27.93%). The reasons for the differences are as follows:

	Year Ended December 31, 2014	Year Ended December 31, 2013
Loss for the year before income taxes	**$ (2,910,955)**	$ (1,232,991)
Statutory rates	**28.79 %**	27.93 %
Expected tax recovery at statutory rates	**(838,064)**	(344,374)
Increase (decrease) resulting from		
Rate differential on foreign subsidiaries	**-**	198,647
Non-deductible stock-based compensation	**42,188**	47,661
Impairment of property and equipment	**48,788**	-
Unrealized loss on short-term investment	**1,988**	2,319
Unrealized (gain) loss on foreign exchange	**(20,282)**	(14,984)
Deferred taxes not recognized	**765,382**	(298,189)
Cost of issue of shares	**-**	(26,669)
Change in rates and other	**-**	3,417
Adjustment to agree balances to tax return	**-**	432,172
	$ -	$ -

(Expressed in Canadian Dollars)

17. Income taxes (continued)

(b) Deferred tax balances

The tax effects of temporary differences that give rise to deferred tax assets and deferred income tax liabilities at December 31, 2014 and 2013 are as follows:

	As at December 31, 2014	As at December 31, 2013
Non-capital tax losses carry-forward - Canada	**$ 2,786,088**	$ 876,657
Non-capital tax losses carry-forward - Barbados	**98,228**	68,275
Non-capital tax losses carry-forward - Guyana	**1,306,936**	1,215,260
Non-capital tax losses carry-forward - Australia	**576,958**	87,046
Non-capital tax losses carry-forward - Peru	**18,318**	-
Resource expenditure pools	**242,721**	1,628,878
Fixed assets	**(12,069)**	(18,417)
Unrealized loss on short-term investment	**129,188**	127,200
Cost of issue of shares	**16,746**	25,546
Valuation allowance	**(5,163,114)**	(4,010,445)
Balance, end of year	**$ -**	$ -

(i) The Company has not recognized deferred tax assets because at present it is not probable that they will be realized.

(c) Non-capital losses

The Company has accumulated non-capital losses for income tax purposes which can be carried forward to be applied against future taxable income. The right to use these losses expires as follows:

Canada	Year	Tax loss
	2015	265,380
	2026	80,186
	2027	458,287
	2029	441,166
	2030	515,109
	2031	6,702,117
	2032	1,217,842
	2033	229,718
	2034	672,860
		$ 10,582,665

(Expressed in Canadian Dollars)

17. Income taxes (continued)

(c) Non-capital losses (continued)

Barbados	Year	Tax loss
	2018	$ 4,903
	2019	12,492
	2020	3,990
	2021	128,894
	2022	122,822
	2023	119,812
		$ 392,913

Australia	Year	Tax loss
	Indefinite	$ 1,923,129
		$ 1,923,129

Guyana	Year	Tax loss
	Indefinite	$ 4,356,452
		$ 4,356,452

Peru	Year	Tax loss
	Indefinite	$ 61,060
		$ 61,060

The potential benefit of these losses has not been recognized in these financial statements, as realization is not considered to be probable.

18. Subsequent event

Cancellation of stock options

On January 14, 2015, 2,875,000 stock options were cancelled.

Sale of properties

The Company completed the sale of the Peters and Aremu Properties and the first payment of $350,000 was received on March 30, 2015 (Note 15(c)).

18. Subsequent events (continued)

Option agreement

On April 15, 2015, the Company announced it had entered into a definitive earn-in option agreement (the "Agreement") whereby GPM has the right and option (the "50.1% Option") to earn an undivided 50.1% legal and beneficial interest in the Weebigee Project ("Weebigee" or the "Project") and the right and option (the "70% Option") to acquire a further 19.9% legal and beneficial interest in the Project for an aggregate undivided 70% legal and beneficial interest in the Project. The Agreement is subject to any further required regulatory approvals including without limitation, the approval of the TSX Venture Exchange.

The details of the Agreement are as follows:

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

Stage 1 The 50.1% Option

To exercise the 50.1% Option, GPM must:

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

Stage 2 The 70% Option

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

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

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