



Golden Predator Mining Corp.
(An Exploration Stage Company)

Condensed Interim Consolidated Financial Statements
(Unaudited – Prepared by Management)

Three months ended March 31, 2019 and 2018
(Expressed in Canadian Dollars)

Notice of No Auditor Review of Interim Financial Statements

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the condensed interim consolidated financial statements, they must be accompanied by a notice indicating that the condensed interim consolidated financial statements have not been reviewed by an auditor.

The accompanying condensed interim consolidated financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these condensed interim consolidated financial statements in accordance with standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by the entity's auditor.

Golden Predator Mining Corp.

Condensed Interim Consolidated Statements of Financial Position

March 31, 2019 and December 31, 2018

(Unaudited – Expressed in Canadian dollars)

	Notes	March 31, 2019	December 31, 2018
Assets			
Current assets			
Cash and cash equivalents		\$ 365,411	\$ 690,855
Marketable securities	3	136,584	215,120
Accounts receivable	4	57,476	344,890
Prepaid expenses and deposits		212,357	237,352
Inventories	5	208,898	908,145
		<u>980,726</u>	<u>2,396,362</u>
Reclamation bonds	6	673,183	673,183
Derivative asset	7	29,750	8,750
Investment in associate	8	1,947,122	1,648,343
Equipment	9	3,467,896	3,449,533
Mineral properties	10	4,161,055	4,376,055
		<u>\$ 11,259,732</u>	<u>\$ 12,552,226</u>
Liabilities and shareholders' equity			
Current liabilities			
Accounts payable and accrued liabilities		\$ 1,194,269	\$ 1,699,448
Lease obligations – current portion	11	243,267	175,238
		<u>1,437,536</u>	<u>1,874,686</u>
Non-current liabilities			
Lease obligations	11	132,305	33,923
		<u>1,569,841</u>	<u>1,908,609</u>
Shareholders' equity			
Share capital	13	75,033,834	74,878,584
Contributed surplus		7,753,364	7,625,025
Deficit		(73,097,307)	(71,859,992)
		<u>9,689,891</u>	<u>10,643,617</u>
		<u>\$ 11,259,732</u>	<u>\$ 12,552,226</u>

Nature of operations (Note 1)

Commitment (Note 19)

Subsequent events (Note 20)

See accompanying notes to these consolidated financial statements.

Approved by the board of directors:

"William Harris" Director
"Bradley Thiele" Director

Golden Predator Mining Corp.

Condensed Interim Consolidated Statements of Loss and Comprehensive Loss

Three months ended March 31, 2019 and 2018

(Unaudited – Expressed in Canadian dollars)

	Notes	2019	2018
Expenses			
Exploration	14	\$ 597,580	\$ 2,418,961
General and administrative	15	638,455	903,331
Recovery of impairment of mineral properties	10	(23,750)	-
		<u>(1,212,285)</u>	<u>(3,322,292)</u>
Other items			
Sales of gold coins and bars		56,044	342,219
Unrealized gain (loss) on derivative asset	7	21,000	(87,500)
Interest revenue		2,513	26,637
Cost of gold sales		(59,469)	(358,380)
Change in inventory value		(16,543)	21,674
Interest expense on lease obligation	11	(9,983)	(3,594)
Unrealized gain (loss) from investment in associate	8	(9,971)	619
Foreign exchange gain (loss)		(5,656)	3,749
Loss on marketable securities	3	(2,965)	(49,789)
Settlement of flow-through share premium liability	12	-	383,881
		<u>\$ (1,237,315)</u>	<u>\$ (3,042,776)</u>
Net loss and comprehensive loss for the period			
Basic and diluted loss per share		<u>\$ (0.01)</u>	<u>\$ (0.03)</u>
Weighted average number of common shares outstanding		<u>130,795,810</u>	<u>101,658,592</u>

See accompanying notes to these consolidated financial statements.

Golden Predator Mining Corp.

Condensed Interim Consolidated Statements of Cash Flows

Three months ended March 31, 2019 and 2018

(Unaudited – Expressed in Canadian dollars)

	Notes	2019	2018
Cash provided by (used in):			
Operating activities:			
Net loss		\$ (1,237,315)	\$ (3,042,776)
Adjustments for:			
Stock-based compensation	13, 15	185,839	286,592
Depreciation		256,731	134,039
Loss on marketable securities	3	2,965	49,789
Unrealized loss (gain) on derivative asset	7	(21,000)	87,500
Unrealized loss (gain) from investment in associate	8	9,971	(619)
Settlement of flow-through share premium liabilities	12	-	(383,881)
Net change in non-cash working capital	16	506,477	104,344
Recovery of impairment of mineral properties	10	(23,750)	-
		(320,082)	(2,765,012)
Financing activities:			
Proceeds of financings	13	-	8,383,264
Share issuance costs	13	-	(892,968)
Warrants exercised	13	-	793,500
Options exercised	13	97,750	158,200
Proceeds from leasing activities	11	227,294	340,000
Repayment of lease obligations net of interest accrual	11	(60,883)	(12,406)
		264,161	8,769,590
Investing activities:			
Acquisition of capital assets	9	(275,094)	(568,009)
Acquisition of mineral properties	10	(70,000)	(195,000)
Proceeds from sale of marketable securities	3	75,571	-
		(269,523)	(763,009)
Change in cash		(325,444)	5,241,569
Cash – beginning of period		690,855	3,829,802
Cash – end of period		\$ 365,411	\$ 9,701,371

Non-cash financing and investing activities (Note 16)
See accompanying notes to these consolidated financial statements.

Golden Predator Mining Corp.

Condensed Interim Consolidated Statements of Changes in Equity

Three months ended March 31, 2019 and 2018

(Unaudited – Expressed in Canadian dollars)

	Number of Shares	Share Capital	Contributed Surplus	Deficit	Total
Balance, December 31, 2017	94,373,210	\$ 63,516,726	\$ 6,577,839	\$ (55,181,987)	\$ 14,912,578
Private placements	9,212,378	8,383,264	-	-	8,383,264
Share issuance costs	-	(892,968)	-	-	(892,968)
Finders' warrants issued	-	(142,792)	142,792	-	-
Warrants exercised	4,600,000	793,500	-	-	793,500
Stock options exercised	435,000	298,810	(140,610)	-	158,200
Shares issued for property acquisition	100,000	68,000	-	-	68,000
Warrants issued for property acquisition	-	-	25,000	-	25,000
Flow-through share premium liabilities	-	(1,658,228)	-	-	(1,658,228)
Stock-based compensation	-	-	286,592	-	286,592
Net loss and comprehensive loss	-	-	-	(3,042,776)	(3,042,776)
Balance, March 31, 2018	108,720,588	\$ 70,366,312	\$ 6,891,613	\$ (58,224,763)	\$ 19,033,162
Balance, December 31, 2018	130,556,088	\$ 74,878,584	\$ 7,625,025	\$ (71,859,992)	\$ 10,643,617
Stock options exercised	575,500	155,250	(57,500)	-	97,750
Stock-based compensation	-	-	185,839	-	185,839
Net loss and comprehensive loss	-	-	-	(1,237,315)	(1,237,315)
Balance, March 31, 2019	131,131,088	\$ 75,033,834	\$ 7,753,364	\$ (73,097,307)	\$ 9,689,891

See accompanying notes to these consolidated financial statements.

Golden Predator Mining Corp.

Notes to the Condensed Interim Consolidated Financial Statements

Three months ended March 31, 2019 and 2018

(Unaudited – Expressed in Canadian dollars)

1. NATURE OF OPERATIONS AND GOING CONCERN

Golden Predator Mining Corp. (“Golden Predator” or the “Company”) was incorporated under the Business Corporations Act (Alberta) on April 29, 2008 and continued into British Columbia from the jurisdiction of Alberta on October 21, 2015. The Company’s head office is located at Suite 250 – 200 Burrard Street, Vancouver, British Columbia. Golden Predator is in the business of acquiring and exploring mineral properties, primarily in the Yukon, Canada.

These consolidated financial statements have been prepared using International Financial Accounting Standards (“IFRS”) applicable to a going concern, which assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of operations. The Company has no ongoing source of operating cash flow and operations to date have been funded primarily from the issue of share capital. At March 31, 2019, the Company had a deficit of \$73,097,307 (December 31, 2018 - \$71,859,992) and incurred a net loss and comprehensive loss of \$1,237,315 for the three-month period (2018 - \$3,042,776). At March 31, 2019 the Company had working capital deficit of \$456,810 (December 31, 2018 - working capital of \$521,676).

Management estimates that it currently does not have adequate working capital to fund all its planned activities for the current fiscal year. The Company’s continued operations are dependent on its abilities to raise additional funding from loans or equity financings, from successfully processing its bulk sample, or through other arrangements. There is no assurance that future financing activities will be successful. These conditions give rise to a material uncertainty which casts significant doubt on the Company’s ability to continue as a going concern and, therefore, its ability to realize its assets and discharge its liabilities in the normal course of business. These financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and balance sheet classifications that would be necessary were the going concern assumption not appropriate. Such adjustments could be material.

2. SIGNIFICANT ACCOUNTING POLICIES

a. Basis of consolidation

These consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries Golden Predator Exploration Ltd. and Yukon Mint Corporation.

Subsidiaries are entities that the Company controls, either directly or indirectly. Control is achieved when the Company is exposed to or has the rights to variable returns from its involvement with an entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is obtained and continue to be consolidated until the date that such control ceases. All intra-group balances and transactions, including unrealized profits and losses arising from intra-group transactions, have been eliminated in full.

Where necessary, adjustments are made to the results of the subsidiaries and entities to bring their accounting policies in line with those used by the Company.

Golden Predator Mining Corp.

Notes to the Condensed Interim Consolidated Financial Statements

Three months ended March 31, 2019 and 2018

(Unaudited – Expressed in Canadian dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

b. Basis of presentation and measurement

These unaudited condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard 34 (“IAS 34”) using accounting policies consistent with the International Financial Reporting Standards (“IFRS”) issued by the International Accounting Standards Board. Accordingly, certain information and footnote disclosure normally included in annual financial statements have been omitted or condensed. These unaudited condensed interim consolidated financial statements should be read in conjunction with the annual audited consolidated financial statements of the Company for the year ended December 31, 2018.

These unaudited condensed interim consolidated financial statements have been prepared on a historical cost basis, except for certain financial instruments that have been measured at fair value, and are presented in Canadian dollars, which is the Company’s functional currency as well as the functional currency of the Company’s subsidiaries. The unaudited condensed interim consolidated financial statements were authorized for issue by the board of directors on May 29, 2019.

c. Significant accounting policies

Except as set out below, these condensed interim consolidated financial statements follow the same accounting policies and methods of computation as the most recent audited annual consolidated financial statements of the Company for the year ended December 31, 2018. Accordingly, these condensed interim consolidated financial statements should be read in conjunction with the Company’s most recent annual audited consolidated financial statements.

d. New accounting policy – IFRS 16

The Company has adopted *IFRS 16 - Leases* (“IFRS 16”) effective January 1, 2019 using the modified retrospective approach. The modified retrospective approach does not require restatement of prior period financial information which continues to be reported under IAS 17, *Leases* (“IAS 17”).

Under IFRS 16 the Company is required to assess whether a contract is, or contains, a lease at the inception of the contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Company evaluates whether the contract involves the use of an identified asset, whether the Company has the right to obtain substantially all of the economic benefits from use of the asset during the term of the arrangement and if the Company has the right to direct the use of the asset.

As a lessee, the Company recognizes a right-of-use asset (which is included in equipment), and a lease liability at the commencement date of a lease. The right-of-use asset is initially measured at cost, which is comprised of the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, less any lease incentives received. The right-of-use asset is subsequently depreciated from the commencement date to the earlier of the end of the lease term, or the end of the useful life of the asset. In addition, the right-of-use asset may be reduced due to impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

Golden Predator Mining Corp.

Notes to the Condensed Interim Consolidated Financial Statements

Three months ended March 31, 2019 and 2018

(Unaudited – Expressed in Canadian dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

d. New accounting policy – IFRS 16 (Cont'd)

A lease liability is initially measured at the present value of the lease payments that are unpaid at the commencement date, discounted by the interest rate implicit in the lease, or if that rate cannot be readily determined, the incremental borrowing rate of the Company. Lease payments included in the measurement of the lease liability include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be payable under a residual value guarantee, and the exercise price of purchase options if the Company is reasonably certain to exercise that option.

The lease liability is subsequently measured at amortized cost using the effective interest method. It is remeasured when there is a modification, change in the lease term, change in the fixed lease payments or a change in the assessment to purchase the underlying asset.

The Company has elected not to recognize right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The lease payments associated with these leases are charged directly to the statement of loss and comprehensive loss over the lease term.

Effect of Adopting IFRS 16

The Company applied the modified retrospective approach on the adoption of IFRS 16, whereby comparative figures have not been restated. The Company has elected to measure its right-of-use assets at amounts equal to the associated lease liabilities at the adoption date and also elected to apply the practical expedient whereby leases whose term ends within twelve months of the date of initial application would be accounted for in the same way as short term leases.

As a result of the adoption, the Company recorded additional right-of-use assets in equipment of \$275,094 which had previously been classified as operating leases under the principles of IAS 17. These right-of-use assets were measured at an amount equal to their related lease liabilities of \$227,294 plus a reclassification from prepaid expenses of \$47,800. The following table reconciles the December 31, 2018 operating lease commitment schedule to the lease liabilities recognized on January 1, 2019 on adoption of IFRS 16:

Finance lease obligation recorded at December 31, 2018	\$	209,161
Operating lease commitments disclosed at December 31, 2018		307,623
		<hr/> 516,784
Operating leases not converted under IFRS 16		(6,439)
Reclassification of amounts included in prepaid expenses		(47,800)
Effect of discounting at the incremental borrowing rate		(26,090)
Adjusted opening balance at January 1, 2019	\$	436,455

Golden Predator Mining Corp.

Notes to the Condensed Interim Consolidated Financial Statements

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(Unaudited – Expressed in Canadian dollars)

3. MARKETABLE SECURITIES

Marketable securities consist of common shares in publicly traded companies.

Balance, December 31, 2017	\$ 496,453
Proceeds from sale of marketable securities	(30,809)
Decrease in fair value of shares	(250,524)
Balance, December 31, 2018	215,120
Proceeds from sale of marketable securities	(75,571)
Decrease in fair value of shares	(2,965)
Balance, March 31, 2019	\$ 136,584

4. ACCOUNTS RECEIVABLE

As at March 31, 2019, accounts receivable consists of trade receivables of \$22,845 (December 31, 2018 - \$216,783), goods and services tax receivable of \$26,569 (December 31, 2018 - \$118,719), interest on guaranteed investment certificates of \$6,172 (December 31, 2018 - \$6,028) and due from an associate of \$1,890 (December 31, 2018 - \$3,360).

5. INVENTORIES

As at March 31, 2019, inventories consist of nil (December 31, 2018 - 365) ounces of refined gold bullion, 29 (December 31, 2018 - 29) ounces of gold bars and 90 (December 31, 2018 - 124) ounces of gold coins.

6. RECLAMATION BONDS

As at March 31, 2019, the Company has posted bonds totaling \$673,183 (December 31, 2018 - \$673,183) with a major Canadian financial institution as security for future reclamation costs.

7. DERIVATIVE ASSET

During the year ended December 31, 2017, the Company acquired 1,750,000 Units of Taku Gold Corp. ("Taku") in a private placement for \$0.10 per Unit. Each Unit consisted of one common share and one share purchase warrant. Each warrant entitles the holder to acquire one additional common share at a price of \$0.15 for a period of two years. The warrants are a derivative asset to the Company. The warrants were initially recorded based on their fair value. The warrants are subsequently remeasured at fair value at each reporting date, with changes in value recorded in profit or loss.

Balance, December 31, 2017	\$ 140,000
Fair value loss	(131,250)
Balance, December 31, 2018	8,750
Fair value gain	21,000
Balance, March 31, 2019	\$ 29,750

Golden Predator Mining Corp.

Notes to the Condensed Interim Consolidated Financial Statements

Three months ended March 31, 2019 and 2018

(Unaudited – Expressed in Canadian dollars)

7. DERIVATIVE ASSET (CONT'D)

The fair value of the warrants were estimated using the Black-Scholes model, with the following assumptions:

	<u>March 31, 2019</u>	<u>December 31, 2018</u>
Risk-free interest rate	1.56%	1.85%
Expected life	0.26 years	0.51 years
Expected dividend yield	0%	0%
Expected stock price volatility	247%	158%

8. INVESTMENT IN ASSOCIATE

During the year ended December 31, 2017, the Company acquired 9,750,000 shares of Taku Gold Corp. ("Taku"). This totaled 24.47% of the issued and outstanding shares of Taku and the Company determined that it exercised significant influence over Taku as of August 1, 2017 resulting in the investment being considered an investment in an associate and being accounted for using the equity method.

During the period ended March 31, 2019, the Company acquired an additional 4,750,000 shares of Taku under the revised Sonora Gulch option agreement bringing its total shareholdings to 14,500,000 shares or 32.51% of the issued and outstanding shares of Taku. The Company has determined that it still exercises significant influence over Taku and will thus continue to apply the equity method of accounting.

The following is a summary of Taku's financial information on a 100% basis as at March 31, 2019 and December 31, 2018. Taku's financial statements are prepared in accordance with IFRS and the amounts presented here have been adjusted to reflect fair value adjustments made at the time of the investments and for differences in accounting policies.

	<u>March 31, 2019</u>	<u>December 31, 2018</u>
Cash and cash equivalents	\$ 229,146	\$ 254,247
Total current assets	260,126	296,235
Total non-current assets	5,756,868	6,462,996
Total current liabilities and total liabilities	(27,691)	(23,053)
Net asset value	5,989,303	6,736,178
Ownership Percentage	32.51%	24.47%
Carrying value of the investment in Taku	\$ 1,947,122	\$ 1,648,343
Net loss and comprehensive loss (three months ended March 31, 2019 and year ended December 31, 2018)	\$ (49,955)	\$ (515,767)
Proportionate share of net loss and comprehensive loss	\$ (12,224)	\$ (126,208)

Golden Predator Mining Corp.

Notes to the Condensed Interim Consolidated Financial Statements

Three months ended March 31, 2019 and 2018

(Unaudited – Expressed in Canadian dollars)

8. INVESTMENT IN ASSOCIATE (CONT'D)

The following table is a reconciliation of the carrying value of the investment in Taku:

Balance, December 31, 2017	\$ 1,747,251
Adjustments to carrying value:	
Proportionate share of net loss (year ended December 31, 2018)	(126,208)
Adjustment for Taku's share-based compensation	27,300
Loss from investment in associate	(98,908)
Balance, December 31, 2018	\$ 1,648,343
Adjustments to carrying value:	
Proportionate share of net loss (three months ended March 31, 2019)	(12,224)
Adjustment for Taku's share-based compensation	2,253
Loss from investment in associate	(9,971)
Add shares received under Sonora Gulch option agreement (Note 10)	308,750
Balance, March 31, 2019	\$ 1,947,122

Taku is a mineral exploration company focused primarily on the Yukon, Canada. The fair market value of 14,500,000 shares of Taku at March 31, 2019 is \$942,500 (December 31, 2018 – 9,750,000 shares with a fair market value of \$390,000). The Company is not exposed to any additional losses beyond its initial investment in Taku. No dividends or cash distributions have been received from Taku.

Golden Predator Mining Corp.

Notes to the Condensed Interim Consolidated Financial Statements

Three months ended March 31, 2019 and 2018

(Unaudited – Expressed in Canadian dollars)

9. EQUIPMENT

	Computer and software	Field equipment	Camp and camp equipment	Vehicles	Leasehold	Right of Use Assets*	Mill	Bridge	Total
Cost									
Balance, December 31, 2017	\$ 11,143	\$ 1,389,598	\$ 755,637	\$ 439,780	\$ 13,012	\$ 142,350	\$ 271,543	\$ 477,610	\$ 3,500,673
Additions	-	112,112	552,761	-	-	340,000	899,228	-	1,904,101
Disposals	-	-	(5,518)	-	-	-	(25,674)	-	(31,192)
Balance, December 31, 2018	11,143	1,501,710	1,302,880	439,780	13,012	482,350	1,145,097	477,610	5,373,582
IFRS 16 transition (Note 2)	-	-	-	-	-	275,094	-	-	275,094
Adjusted balance, January 1, 2019 and balance, March 31, 2019	\$ 11,143	\$ 1,501,710	\$ 1,302,880	\$ 439,780	\$ 13,012	\$ 757,444	\$ 1,145,097	\$ 477,610	\$ 5,648,676
Accumulated Depreciation									
Balance, December 31, 2017	\$ 1,671	\$ 515,118	\$ 419,960	\$ 178,408	\$ 2,168	\$ 52,350	\$ 68,463	\$ 28,658	\$ 1,266,796
Depreciation	2,842	224,926	132,003	107,769	4,338	34,000	142,539	19,105	667,522
Disposals	-	-	-	-	-	-	(10,269)	-	(10,269)
Balance, December 31, 2018	4,513	740,044	551,963	286,177	6,506	86,350	200,733	47,763	1,924,049
Depreciation	497	71,084	46,682	32,333	1,085	45,717	54,557	4,776	256,731
Balance – March 31, 2019	\$ 5,010	\$ 811,128	\$ 598,645	\$ 318,510	\$ 7,591	\$ 132,067	\$ 255,290	\$ 52,539	\$ 2,180,780
Net book value									
Balance, December 31, 2017	\$ 9,472	\$ 874,480	\$ 335,677	\$ 261,372	\$ 10,844	\$ 90,000	\$ 203,080	\$ 448,952	\$ 2,233,877
Balance, December 31, 2018	\$ 6,630	\$ 761,666	\$ 750,917	\$ 153,603	\$ 6,506	\$ 396,000	\$ 944,364	\$ 429,847	\$ 3,449,533
Balance, March 31, 2019	\$ 6,133	\$ 690,582	\$ 704,235	\$ 121,270	\$ 5,421	\$ 625,377	\$ 889,807	\$ 425,071	\$ 3,467,896

* At March 31, 2019 right of use assets include net book value of \$251,377 (December 31, 2018 - nil) related to office leases in Vancouver and Watson Lake and \$374,000 related to 3 Aces trailer camp (December 31, 2018 - \$396,000).

Golden Predator Mining Corp.

Notes to the Condensed Interim Consolidated Financial Statements

Three months ended March 31, 2019 and 2018

(Unaudited – Expressed in Canadian dollars)

10. MINERAL PROPERTIES

	3 Aces	Sprogge	Reef	Upper Hyland	Brewery Creek	Sonora Gulch	Marg	Grew Creek	Other	Total
Balance, December 31, 2017	\$ 1,254,804	\$ 432,500	\$ 650,864	\$ 96,300	\$ 1,313,032	\$ 2,794,548	\$ 2,265	\$ 117,500	\$ -	\$ 6,661,813
Acquisition costs	-	-	-	-	27,260	-	-	-	4,830	32,090
Option payments - cash	45,000	-	150,000	-	-	-	-	-	-	195,000
Option payments - shares	-	-	68,000	-	-	-	-	-	-	68,000
Option payments - warrants	-	-	25,000	-	-	-	-	-	-	25,000
Impairment	-	-	-	(96,300)	-	(2,509,548)	-	-	-	(2,605,848)
Balance, December 31, 2018	\$ 1,299,804	\$ 432,500	\$ 893,864	\$ -	\$ 1,340,292	\$ 285,000	\$ 2,265	\$ 117,500	\$ 4,830	\$ 4,376,055
Option payments - cash	45,000	-	-	-	-	-	-	25,000	-	70,000
Property payments received	-	-	-	-	-	(308,750)	-	-	-	(308,750)
Recovery of impairment	-	-	-	-	-	23,750	-	-	-	23,750
Balance, March 31, 2019	\$ 1,344,804	\$ 432,500	\$ 893,864	\$ -	\$ 1,340,292	\$ -	\$ 2,265	\$ 142,500	\$ 4,830	\$ 4,161,055

Golden Predator Mining Corp.

Notes to the Condensed Interim Consolidated Financial Statements

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(Unaudited – Expressed in Canadian dollars)

10. MINERAL PROPERTIES (CONT'D)

3 Aces, Yukon

The Company owns 100% of the 3 Aces property, subject to the Net Smelter Returns (“NSR”) royalties described below.

An annual advance royalty payment of \$45,000 is payable until the commencement of commercial production. The vendor will retain a 2% NSR on the property. If a resource estimate in excess of 500,000 ounces at a grade greater than 5 grams per tonne is defined on the property (in compliance with the Canadian Securities Administrators’ National Instrument 43-101, Standards of Disclosure for Mineral Projects), the vendor’s NSR royalty will increase to 2.5% and the vendor will receive a bonus payment of \$300,000 in cash or equivalent Golden Predator common shares. If a National Instrument 43-101 compliant resource estimate in excess of 1,000,000 ounces at a grade greater than 5 grams per tonne is defined on the property, the vendor’s NSR royalty will increase to 3% and the vendor will receive an additional bonus payment of \$300,000 in cash or equivalent Golden Predator shares. Each 1% of the NSR can be purchased by the Company for \$2,000,000. The property is also subject to a 1.0% NSR to Till Capital.

Sprogge, Yukon

The Company owns 100% of the Sprogge property subject to NSR royalties totaling 2.32%. The Company can buy back up to 0.85% of the royalties for \$1,250,000.

Reef, Yukon

During the year ended December 31, 2017, the Company entered into a mineral property option agreement with Precipitate Gold Corp. (“Precipitate”) to acquire the Reef property located adjacent to the northern boundary of the 3 Aces Project. The option agreement was amended in the period ended March 31, 2019, and the revised terms include:

- a) Cash payments as follows:
 - \$400,000 on the closing date (completed);
 - \$150,000 on February 9, 2018 (completed); and
 - \$50,000 on June 30, 2019.

- b) Issuance of common shares as follows:
 - 100,000 on the closing date (completed);
 - 100,000 on February 9, 2018 (completed); and
 - 950,000 on April 1, 2018 (completed subsequent to the period end).

- c) Issuance of common share purchase warrants as follows:
 - 100,000 on the closing date - \$1.59 exercise price with a 3-year term (completed);
 - 100,000 on February 9, 2018 - \$2.00 exercise price with a 3-year term (completed); and
 - 450,000 on April 1, 2019 - \$0.40 exercise price with a 4-year term (completed subsequent to the period end).

Golden Predator Mining Corp.

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10. MINERAL PROPERTIES (CONT'D)

Reef, Yukon (Cont'd)

- d) The Company granted to Precipitate a 2% NSR royalty on certain of the claims and a 1% NSR royalty on the remaining claims. The Company may repurchase 25% of the NSR royalty, for \$1,000,000, and a further 25% for \$1,500,000.

Upper Hyland, Yukon

During the year ended December 31, 2017, the Company entered into a mineral property purchase agreement with Bearing Lithium Ltd. ("Bearing") for the purchase of certain mineral claims located in the Upper Hyland River area in the southeast region of the Yukon Territory. The agreement was amended during the year ended December 31, 2018 to extend some of the payment terms. In the year ended December 31, 2018, the Company elected to discontinue its interest in the Upper Hyland property. The carrying value of the property (\$96,300) was written off during the year ended December 31, 2018.

Brewery Creek, Yukon

The Company owns 100% of the Brewery Creek Project, subject to the following royalties:

- 2% NSR royalty to Alexco Resources Corp. on the first 600,000 ounces of gold produced, increasing to 2.75% thereafter. The Company can purchase 0.625% of the increased NSR royalty for \$2,000,000;
- A sliding scale royalty to Franco Nevada Corporation, capped at approximately USD\$1,200,000.
- 5% net profits interest ("NPI") over a portion of the property; and
- 2.5% NPI to the Tr'ondek Hwech'in First Nation ("THFN") on areas outside the existing mining permits (part of an Amended and Restated Socio and Economic Accord between the Company and THFN).

Subsequent to the period end, the Company eliminated the royalty held by Franco Nevada Corporation by issuing them 600,000 common shares.

An Amended and Restated Socio-Economic Accord for the Brewery Creek Project was entered into with the Tr'ondëk Hwëch'in First Nation ("THFN") which took effect September 2012. As consideration for entering into the agreement, the Company paid \$400,000 worth of common shares to the THFN in prior periods. Upon receipt of all required permits in respect of the portion of the mine site outside the existing permitted area, the Company will pay an additional sum of \$300,000, payable in shares at a price equal to a 5-day volume weighted average price. Key aspects of the Socio-Economic Accord include the Company's commitment in respect of training and scholarships, and the annual community legacy project grant, amounting to \$60,000 per annum while the mine is operating. The Company has also agreed to pay the THFN a 2.5% NPI on revenue from the mine site, excluding the existing permitted area.

Golden Predator Mining Corp.

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10. MINERAL PROPERTIES (CONT'D)

Sonora Gulch, Yukon

During the year ended December 31, 2017, the Company optioned the Sonora Gulch property to Taku Gold Corp. In August 2018, the agreement was amended to extend some of the payment terms. During the year ending December 31, 2019, the option agreement was amended a second time such that Taku earned a 100% interest in the Sonora Gulch property by issuing the Company an aggregate of 9,250,000 common shares as follows:

- 4,500,000 on the closing date (received);
- 4,750,000 on March 27, 2019 (received).

The Company also retained a 1% NSR royalty on the Sonora Gulch property. The shares were valued at their fair market value and recorded as reductions in the carrying value of the property when received. The carrying value of the Sonora Gulch property was written down by \$2,509,548 during the year ended to December 31, 2018 to reflect the proceeds expected to be received under the option agreement. A recovery of \$23,750 was recorded in the year ended December 31, 2019 to reflect the final fair market value of the shares received.

Marg, Yukon

The Company owns a 100% interest in the Marg property, subject to a 1% NSR royalty to Till Capital.

Grew Creek, Yukon

The Company owns 100% of the Grew Creek property, subject to a 4% NSR royalty. In October 2016, the Company entered into a Property Option Agreement with Quantum Cobalt Corp. ("Quantum" – formerly Bravura Ventures Corp.) whereby Quantum could earn up to a 90% interest in the Grew Creek property. Quantum did not make the cash and share payments scheduled for 2018, resulting in the Property Option Agreement being terminated and control of the property returned to the Company during the period ended March 31, 2019.

11. LEASE OBLIGATIONS

After adopting IFR6 16 – Leases (see Note 2), the Company's lease obligations include contracts for leasing office space in Vancouver and Watson Lake and for a trailer camp that has been installed at the 3 Aces property.

Adjusted opening balance at January 1, 2019	\$	436,455
Principal payments		(70,866)
Accretion		9,983
Balance, March 31, 2019	\$	375,572

Golden Predator Mining Corp.

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11. LEASE OBLIGATIONS (CONT'D)

The following table sets out the future minimum lease payments as well as their present value as at March 31, 2019:

Future minimum lease payments	
Within 1 year	\$ 267,304
Within 2-5 years	138,164
	405,468
Effect of discounting	(29,896)
Present value of minimum lease payments	375,572
Less current portion	(243,267)
Non-current portion of lease obligations	\$ 132,305

12. FLOW-THROUGH SHARE PREMIUM LIABILITY

Balance, December 31, 2017	\$ -
Liability incurred on flow-through shares issued	1,658,228
Settlement of flow-through share liability on expenditures incurred	(1,658,228)
Balance, December 31, 2018 and March 31, 2019	\$ -

13. SHARE CAPITAL

a) Capital Stock

During the three-month period ended March 31, 2019, the Company issued 575,000 Class A common shares for proceeds of \$97,750 related to the exercise of stock options.

In February 2018, the Company completed a financing by way of short form prospectus. A total of 9,212,378 flow-through units (the "Flow-Through Units) at a price of \$0.91 per Flow-Through Unit were sold for aggregate gross proceeds of \$8,383,264. Each Flow-Through Unit consists of one Class A common share (a "Common Share") and one-half of one (non-flow-through) Common Share purchase warrant, exercisable at \$1.00 per Common Share. The Company paid a 7.0% commission (\$586,828), \$309,344 in other fees and issued 460,618 share purchase warrants to the Underwriter valued at \$142,792. The Underwriter's warrants are exercisable into Common Shares at a price of \$0.91 per Common Share, for a period of two years from the closing date.

During the year ended December 31, 2018, the Company:

- Issued 647,500 Class A common shares for proceeds of \$188,175 related to the exercise of stock options;
- Issued 26,323,000 Class A common shares for proceeds of \$5,291,630 related to the exercise of warrants;
- Issued 100,000 Class A common shares valued at \$68,000 related to the purchase of the Reef Property; and
- Repurchased 100,000 Class A common shares for \$25,133 under a normal course issuer bid.

Golden Predator Mining Corp.

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13. SHARE CAPITAL (CONT'D)

b) Stock Options

The Company has a stock option plan under which directors, officers, employees, management and consultants of the Company are eligible to receive stock options. The maximum number of common shares issuable pursuant to the exercise of outstanding options granted under the plan is 10% of the issued shares of the Company at the time of granting the options. The maximum number of stock options granted to any one optionee in a 12-month period may not exceed 5% of the outstanding common shares of the Company. Options granted under the plan may not exceed a term of ten years and vest at terms determined by the directors at the time of grant. The exercise price, expiry date, and vesting term of each option is determined by the directors at the time of grant, provided that the exercise price may not be less than the price permitted by the policy or policies of the stock exchange(s) on which the Company's common shares are then listed.

During the three-month period ended March 31, 2019, the Company recognized stock-based compensation related to options of \$185,839 (2018 - \$286,592) in general and administrative expenses. The weighted average fair value of options granted during the three-month period ended March 31, 2019 was \$0.20 (2018 - \$0.40) per share.

The fair value of all compensatory options granted is estimated on the grant date using the Black-Scholes option pricing model. The weighted average assumptions used in calculating the fair values are as follows:

	<u>March 31, 2019</u>	<u>December 31, 2018</u>
Risk-free interest rate	1.55%	2.02%
Expected life of option	5 years	3 years
Expected dividend yield	0%	0%
Expected stock price volatility	98.45%	92.32%

Stock option transactions are summarized as follows:

	Outstanding Options	Weighted Average Exercise Price
Balance, December 31, 2017	6,134,500	\$ 0.73
Granted	3,855,000	0.51
Exercised	(647,500)	0.29
Forfeited	(1,439,500)	0.83
Balance, December 31, 2018	7,902,500	\$ 0.64
Granted	600,000	0.26
Exercised	(575,000)	0.17
Forfeited	(162,500)	0.76
Balance, March 31, 2019	7,765,000	\$ 0.64
Exercisable, March 31, 2019	5,408,750	\$ 0.72

Golden Predator Mining Corp.

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(Unaudited – Expressed in Canadian dollars)

13. SHARE CAPITAL (CONT'D)

b) Stock Options (cont'd)

As at March 31, 2019, incentive stock options were outstanding as follows:

Expiry Date	Outstanding Options	Exercise Price (\$)
May 24, 2019	210,000	0.43
June 3, 2019	1,440,000	0.66
July 20, 2019	15,000	0.82
August 10, 2019	55,000	0.91
October 7, 2019	330,000	0.69
October 11, 2019	15,000	0.72
October 14, 2019	25,000	0.80
October 19, 2019	5,000	0.75
November 9, 2019	10,000	0.77
November 23, 2019	20,000	0.56
January 20, 2020	85,000	0.99
March 21, 2020	435,000	1.60
March 21, 2020	30,000	1.41
May 4, 2020	25,000	1.27
August 18, 2020	40,000	1.16
September 1, 2020	50,000	1.08
September 13, 2020	15,000	0.90
September 30, 2020	700,000	0.91
October 20, 2020	35,000	0.85
December 4, 2020	40,000	0.64
February 26, 2021	820,000	0.75
April 21, 2021	120,000	0.49
June 20, 2021	830,000	0.42
July 17, 2021	60,000	0.42
July 25, 2021	30,000	0.42
September 7, 2021	1,775,000	0.42
February 20, 2022	600,000	0.26
	7,765,000	0.64

Golden Predator Mining Corp.

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(Unaudited – Expressed in Canadian dollars)

13. SHARE CAPITAL (CONT'D)

b) Stock Options (cont'd)

As at December 31, 2018, incentive stock options were outstanding as follows:

Expiry Date	Outstanding Options	Exercise Price (\$)
February 25, 2019	575,000	0.17
May 24, 2019	210,000	0.43
June 3, 2019	1,440,000	0.66
July 20, 2019	15,000	0.82
August 10, 2019	92,500	0.91
October 7, 2019	330,000	0.69
October 11, 2019	15,000	0.72
October 14, 2019	25,000	0.80
October 19, 2019	5,000	0.75
November 9, 2019	10,000	0.77
November 23, 2019	20,000	0.56
January 20, 2020	85,000	0.99
March 21, 2020	435,000	1.60
March 21, 2020	60,000	1.41
May 4, 2020	25,000	1.27
August 18, 2020	40,000	1.16
September 1, 2020	50,000	1.08
September 13, 2020	15,000	0.90
September 30, 2020	700,000	0.91
October 20, 2020	35,000	0.85
December 4, 2020	40,000	0.64
February 26, 2021	840,000	0.75
April 21, 2021	120,000	0.49
June 20, 2021	830,000	0.42
July 17, 2021	60,000	0.42
July 25, 2021	30,000	0.42
September 7, 2021	1,800,000	0.42
	7,902,500	0.64

Golden Predator Mining Corp.

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13. SHARE CAPITAL (CONT'D)

c) Warrants

During the year ended December 31, 2018, the Company issued:

- 4,606,189 warrants to subscribers of the financing;
- 460,618 finders' warrants with a fair value of \$0.31 per warrant in connection with the financing;
- 100,000 warrants with a fair value of \$0.25 per warrant for the acquisition of the Reef property; and
- 1,274,000 warrants upon the exercise of 1,274,000 finders' warrants issued as part of a previous financing. These finders' warrants were exercisable into one Class A common share and one purchase warrant entitling the holder to purchase one additional Class A common share at a price of \$0.21 until May 24, 2018.

The fair value of the warrants granted was estimated on the grant date using the Black-Scholes option pricing model. No warrants were granted during the three-month period ended March 31, 2019. The weighted average assumptions used in calculating the fair values during the year ended December 31, 2018 are as follows:

	<u>2018</u>
Risk-free interest rate	1.82%
Expected life of option	2.2 years
Expected dividend yield	0%
Expected stock price volatility	89.56%

Share purchase warrant transactions are summarized as follows:

	Outstanding Warrants	Weighted Average Exercise Price (\$)
Balance, December 31, 2017	35,921,544	0.45
Granted	6,440,807	0.85
Exercised	(26,323,000)	0.20
Expired	(10,220,982)	1.00
Balance, December 31, 2018	5,818,369	\$ 1.05
Expired	(251,562)	1.60
Balance, December 31, 2018	5,566,807	\$ 1.02

Golden Predator Mining Corp.

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(Unaudited – Expressed in Canadian dollars)

13. SHARE CAPITAL (CONT'D)

c) Warrants (cont'd)

At March 31, 2019, warrants were outstanding as follows:

<u>Expiry Date</u>	<u>Outstanding Warrants</u>	<u>Exercise Price (\$)</u>
February 13, 2020	4,606,189	1.00
February 13, 2020	460,618	0.91
March 23, 2020	100,000	1.59
December 21, 2020	300,000	1.00
February 2, 2021	100,000	2.00
	5,566,807	1.02

At December 31, 2018, warrants were outstanding as follows:

<u>Expiry Date</u>	<u>Outstanding Warrants</u>	<u>Exercise Price (\$)</u>
March 14, 2019	251,562	1.60
February 13, 2020	4,606,189	1.00
February 13, 2020	460,618	0.91
March 23, 2020	100,000	1.59
December 21, 2020	300,000	1.00
February 2, 2021	100,000	2.00
	5,818,369	1.05

14. EXPLORATION EXPENSES

	<u>Three months ended March 31, 2019</u>	<u>Three months ended March 31, 2018</u>
Personnel	\$ 252,881	\$ 757,776
Drilling	(18,875)	629,006
Logistics and support	73,297	340,720
Field and general	21,335	295,885
Depreciation	232,517	133,329
Helicopter and airplane	4,360	36,028
Community and environment	24,784	152,355
Geochemistry and metallurgy	9,272	73,862
Cost recoveries	(1,991)	-
	\$ 597,580	\$ 2,418,961

Golden Predator Mining Corp.

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15. GENERAL AND ADMINISTRATIVE EXPENSES

	Three months ended March 31, 2019	Three months ended March 31, 2018
Office and insurance	\$ 261,301	\$ 414,622
Share-based compensation	185,839	286,592
Travel, shareholder relations and promotion	110,996	138,900
Professional fees	33,273	49,102
Regulatory & compliance	18,699	10,405
Consulting fees	4,133	3,000
Depreciation	24,214	710
	\$ 638,455	\$ 903,331

16. SUPPLEMENTAL CASH FLOW INFORMATION

	Notes	Three months ended March 31, 2019	Three months ended March 31, 2018
Net change in non-cash working capital			
Accounts receivable	4	\$ 285,944	\$ (230,655)
Prepaid expenses and deposits		24,995	24,859
Accounts payable and accrued liabilities		(505,179)	83,188
Inventory	5	699,247	246,853
Due from associate	17	1,470	(19,901)
		\$ 506,477	\$ 104,344
Non-cash financing and investing activities			
Flow-through share premium liability	12	\$ -	\$ 1,658,228
Exercise of stock options	13	57,500	140,610
Shares issued for property acquisition	10	-	68,000
Warrants issued for property acquisition	10	-	25,000
Shares received for mineral properties	10	308,750	-
Finder's warrants issued	13	-	142,792
		\$ 366,250	\$ 2,034,630

17. RELATED PARTY TRANSACTIONS

a) Key management compensation

During the three-month period ended March 31, 2019, the compensation paid or payable to key management (Officers and Directors) for management services provided was as follows:

	2019	2018
Salary and management fees	\$ 112,334	\$ 139,667
Stock-based compensation	94,323	128,972
	\$ 206,657	\$ 268,639

Golden Predator Mining Corp.

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17. RELATED PARTY TRANSACTIONS (CONT'D)

b) Other transactions

During the three-month period ended March 31, 2019, the Company recovered \$21,000 (2018 - \$21,000) from Taku Gold Corp. ("Taku"), an associated company, for Taku's share of rent and office salaries.

During the three-month period ended March 31, 2019, the Company sold \$8,575 (2018 - \$34,355) gold bars and coins to directors and officers of the Company.

c) Balances outstanding

There was \$32,667 due to officers of the Company in accounts payable and accrued liabilities at March 31, 2019 (December 31, 2018 - \$5,681).

There was \$1,890 due from Taku in accounts receivable at March 31, 2019 (December 31, 2018 - \$3,360).

18. FINANCIAL INSTRUMENTS

Financial instruments include cash and any contract that give rise to a financial asset to one party and a financial liability or equity instrument to another party. The Company's cash and cash equivalents, accounts receivable, and reclamation bonds are categorized as financial assets measured at amortized cost. Marketable securities and the derivative asset are categorized as assets measured at fair value through profit and loss. The Company's accounts payable and accrued liabilities and lease obligations are categorized as financial liabilities measured at amortized cost.

The three levels of the fair value hierarchy are:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly;
and

Level 3 – Inputs that are not based on observable market data.

As at March 31, 2019 and December 31, 2018, the Company's marketable securities are based on level 1 inputs of the fair value hierarchy, and the derivative asset is based on level 3 inputs of the fair value hierarchy. Marketable securities values are based on the closing trading price of the shares on public stock exchanges at the period-end date. The fair value of the derivative asset was estimated using the Black-Scholes model with the assumptions disclosed in Note 7.

The carrying amounts of cash and cash equivalents, accounts receivable, and accounts payable and accrued liabilities are considered to be reasonable approximations of their fair values due to the short-term nature of these instruments. The carrying amounts of the reclamation bonds and lease obligation are considered to be reasonable approximations of their fair values due to their contractual interest rates being comparable to current market interest rates.

Golden Predator Mining Corp.

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18. FINANCIAL INSTRUMENTS (CONT'D)

Financial Risks Management

Market risk

Market risk is the risk of loss that may arise from changes in market fluctuations such as those listed below. The fluctuations may be significant.

Foreign exchange risk

The Company operates mainly in Canada, but a small portion of the Company's financial assets and liabilities are denominated in US dollars. The Company does not undertake currency hedging activities but continuously monitors its exposure to foreign exchange risk to determine if any mitigation strategies warrant consideration.

Credit risk

Credit risk is the risk of loss associated with counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash and cash equivalents, accounts receivables and reclamation bonds. The Company has no significant concentration of credit risk arising from operations. Cash and cash equivalents consist of cash held in bank accounts with a major Canadian financial institution. Accounts receivable consist primarily of trade receivables from the sale of gold bars and coins and of goods and services tax receivable from the Canadian government. Reclamation bonds consist of guaranteed investment certificates with a major Canadian financial institution. Management believes the risk of credit loss to be minimal.

Interest rate risk

Interest rate risk mainly arises from the Company's cash and cash equivalents and reclamation bonds, which receive interest based on market interest rates. Fluctuations in interest cash flows due to changes in market interest rates are negligible. The Company's borrowings are at fixed rates.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its current obligations as they become due. The Company prepares annual exploration and administrative budgets and monitors expenditures to manage short-term liquidity. Due to the nature of the Company's activities, funding for long-term liquidity needs is dependent on the Company's ability to obtain additional financing through various means, including equity financing. There can be no assurance that the Company will be able to obtain adequate financing or that the terms of such financing will be favorable. As at March 31, 2019, the Company had a working capital deficit of \$456,810 (December 31, 2018 - working capital of \$521,676).

The Company expects that the remaining contractual cash flows for accounts payable and accrued liabilities will be settled in less than one year. Remaining contractual cash flows for lease obligations are disclosed in Note 11.

Golden Predator Mining Corp.

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18. FINANCIAL INSTRUMENTS (CONT'D)

Financial Risks Management (cont'd)

Price risk

The Company is exposed to price risk with respect to equity and commodity prices. Equity price risk is the risk of loss associated with movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is the risk of loss associated with commodity price movements. The Company closely monitors individual equity movements, the stock markets and commodity prices to determine appropriate actions to be taken by the Company. The Company has investments in certain publicly traded companies (marketable securities), and there can be no assurance that the Company can exit these positions if required, so there is a risk that proceeds may not approximate the carrying value of these investments. A 10% fluctuation in the price of the Company's marketable securities would increase or decrease loss and comprehensive loss by \$13,658 at March 31, 2019 (December 31, 2018 - \$21,512). A 10% fluctuation in the price of gold could increase or decrease loss and comprehensive loss by \$20,890 at March 31, 2019 (December 31, 2018 - \$90,815).

Capital Management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the exploration and development of its mineral properties, acquire additional mineral property interests and to maintain a flexible capital structure that optimizes the costs of capital at an acceptable level of risk. In the management of capital, the Company includes components of shareholders' equity. The Company manages the capital structure and adjusts it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, issue debt, acquire or dispose of assets or adjust the amount of cash and cash equivalents, short term investments and marketable securities.

The Company is not currently subject to externally imposed capital requirements. There were no changes in the Company's approach to capital management during the three-month period ended March 31, 2019 and 2018.

19. COMMITMENTS

At March 31, 2019, the Company's non-lease commitments include:

- a) On January 28, 2013, the Company entered into an Exploration Memorandum of Understanding (the "MOU") with Kaska Nation represented by the Ross River Dena Council and Liard First Nation regarding exploration activity in their traditional territory. Under the MOU, the Company will pay an annual Community Development fee of 2% of "on the ground" exploration expenditures.
- b) An Amended and Restated Socio-Economic Accord for the Brewery Creek Project was entered into with the Tr'ondëk Hwëch'in First Nation in September 2012. Key aspects of the Socio-Economic Accord include the Company's commitment in respect of training and scholarships, and the annual community legacy project grant, amounting to \$60,000 per annum while the mine is operating.

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20. SUBSEQUENT EVENTS

Subsequent to the period ended March 31, 2019:

- a) The Company issued Precipitate 950,000 common shares and 450,000 warrants with a four-year term and an exercise price of \$0.40 under the amended Reef property option agreement (Note 10).
- b) The Company issued Franco Nevada Corporation 600,000 shares in settlement of their outstanding royalty on Brewery Creek (Note 10).