



CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE THREE AND NINE MONTHS ENDED DECEMBER 31, 2020 AND 2019

(Unaudited - Expressed in Canadian Dollars)

NOTICE OF NO AUDITOR REVIEW

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

The accompanying unaudited interim 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 financial statements in accordance with standards established by the Chartered Professional Accountants Canada for a review of interim financial statements by an entity's auditor.

.

GROUP TEN METALS INC.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Unaudited - Expressed in Canadian Dollars)

	Note	December 31, 2020 \$	March 31, 2020 \$
ASSETS			
Current			
Cash and cash equivalents		2,525,221	2,261,726
Accounts receivable		127,876	172,570
Prepaid expenses and deposits	4	253,462	480,505
Due from related parties	9	734,059	233,981
		3,640,618	3,148,782
Non-current			
Exploration and evaluation assets	5	2,969,244	2,498,097
		6,609,862	5,646,879
LIABILITIES			
Current Liabilities			
Accounts payable and accrued liabilities		171,507	105,870
Due to related party	9	-	7,890
Flow-through share premium liability	7	57,380	141,801
		228,887	255,561
Shareholders' Equity			
Share capital	8	26,146,657	20,926,945
Share-based payment reserve	8	1,339,483	851,899
Deficit		(21,105,165)	(16,387,526)
		6,380,975	5,391,318
		6,609,862	5,646,879

Nature of Operations and Going Concern – Note 1
Commitment – Note 13
Subsequent events – Note 8

Approved on behalf of the Board:
Michael Rowley, Director
Greg Johnson, Director

GROUP TEN METALS INC.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
FOR THE THREE AND NINE MONTHS ENDED DECEMBER 31, 2020 AND 2019
(Unaudited - Expressed in Canadian Dollars)

		Three months ended December 31,		Nine months ended December 31,	
	Note	2020	2019	2020	2019
				\$	\$
Expenses					
Consulting	9	66,644	88,316	337,834	336,043
Exploration expenditures	6	969,387	769,807	3,483,570	1,972,444
Investor relations and corporate development		131,727	185,176	344,719	393,495
Office and administration		17,498	5,075	57,145	30,457
Professional fees		40,398	15,583	116,845	45,770
Property evaluation		-	-	648	-
Share-based payment expense	8, 9	126,898	45,419	431,143	138,611
Transfer agent, regulatory and filing fees		33,759	18,731	50,445	26,628
Travel and accommodation		261	849	325	2,873
		(1,386,572)	(1,128,956)	(4,822,674)	(2,946,321)
Other Items					
Other income	7	34,349	25,746	84,421	51,622
Interest income		4,216	-	20,614	-
Net Loss and comprehensive loss		(1,348,007)	(1,103,210)	(4,717,639)	(2,894,699)
Basic and diluted loss per share		(0.01)	(0.01)	(0.04)	(0.04)
Weighted average number of shares outstanding		145,228,463	88,406,857	134,557,695	73,814,394

GROUP TEN METALS INC.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS'
EQUITY

(Unaudited - Expressed in Canadian Dollars)

	Note	Common shares number	Share Capital \$	Share-based Payments reserve \$	Deficit \$	Total \$
Balance, March 31, 2019		59,360,142	13,085,464	619,307	(12,774,178)	930,593
Shares issued for properties	5	1,800,000	241,000	-	-	241,000
Private placements, net of issuance costs		33,402,258	4,716,876	44,431	-	4,761,307
Flow-through share premium liability	8	-	(159,941)	-	-	(159,941)
Shares issued pursuant to exercise of warrants	8	4,393,501	533,720	-	-	533,720
Share-based payment expense	8	-	-	138,611	-	138,611
Reclass of cancelled options and warrants	8	-	-	(48,494)	48,494	-
Loss and comprehensive loss		-	-	-	(2,894,699)	(2,894,699)
Balance, December 31, 2019		98,955,901	18,417,119	753,855	(15,620,383)	3,550,591
Shares issued for properties	5	500,000	125,000	-	-	125,000
Private placements, net of issuance costs		70,000	(13,511)	-	-	(13,511)
Shares issued pursuant to exercise of warrants		18,951,934	2,383,978	-	-	2,383,978
Shares issued pursuant to exercise of options		75,000	14,359	(5,359)	-	9,000
Share-based payment expense	8	-	-	121,657	-	121,657
Reclass of cancelled options and warrants	8	-	-	(18,254)	18,254	-
Loss and comprehensive loss		-	-	-	(785,397)	(785,397)
Balance, March 31, 2020		118,552,835	20,926,945	851,899	(16,387,526)	5,391,318
Shares issued for properties	5	900,000	216,000	-	-	216,000
Private placements, net of issuance costs	8	23,051,550	4,288,990	106,331	-	4,395,321
Shares issued pursuant to exercise of warrants	8	2,624,188	585,673	(1,841)	-	583,832
Shares issued pursuant to exercise of options	8	525,000	129,049	(48,049)	-	81,000
Share-based payment expense	8	-	-	431,143	-	431,143
Loss and comprehensive loss		-	-	-	(4,717,639)	(4,717,639)
Balance, December 31, 2020		145,653,573	26,146,657	1,339,483	(21,105,165)	6,380,975

GROUP TEN METALS INC.
CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE THREE AND NINE MONTHS ENDED DECEMBER 31, 2020 AND 2019
(Unaudited - Expressed in Canadian Dollars)

	Note	Three months ended December 31,		Nine months ended December 31,	
		2020	2019	2020	2019
				\$	\$
Operating activities					
Net loss for the period		(1,348,007)	(1,103,210)	(4,717,639)	(2,894,699)
Items not involving cash					
Other income		(34,349)	(25,746)	(84,421)	(51,622)
Share-based payment expense	8	126,898	45,419	431,143	138,611
		(1,255,458)	(1,083,537)	(4,370,917)	(2,807,710)
Net change in non-cash working capital items	10	(282,019)	(822,430)	(170,594)	(1,030,881)
Cash used in operating activities		(1,537,477)	(1,905,967)	(4,541,511)	(3,838,591)
Investing activity					
Acquisition of exploration and evaluation assets	5	-	(1,159)	(255,147)	(275,148)
Deposit		-	(100,125)	-	(100,125)
Cash used in investing activities		-	(101,284)	(255,147)	(375,273)
Financing activities					
Proceeds from private placement	8	-	2,502,299	4,500,000	4,897,019
Share issue costs	8	(1,650)	(12,646)	(104,679)	(135,712)
Proceeds on exercise of warrants	8	134,985	187,720	583,832	533,720
Proceeds on exercise of options	8	-	-	81,000	-
Cash provided by financing activities		133,335	2,677,373	5,060,153	5,295,027
Change in cash		(1,404,142)	670,122	263,495	1,081,163
Cash and cash equivalents, beginning of period		3,929,363	459,468	2,261,726	48,427
Cash and cash equivalents, end of period		2,525,221	1,129,590	2,525,221	1,129,590
Cash and cash equivalents is comprised of:					
Cash		2,025,221	129,590	2,025,221	129,590
Cash equivalents		500,000	1,000,000	500,000	1,000,000
		2,525,221	1,129,590	2,525,221	1,129,590

Supplemental cash flow information (Note 10)

GROUP TEN METALS INC.
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE AND NINE MONTHS ENDED DECEMBER 31, 2020 AND 2019
(Unaudited - Expressed in Canadian Dollars)

1. NATURE OF OPERATIONS AND GOING CONCERN

Group Ten Metals Inc. (the “Company”) is a publicly listed company on the TSX Venture exchange (“TSX-V”), was incorporated under the laws of British Columbia, Canada on April 28, 2006. The Company’s principal business activities include the acquisition and exploration of mineral properties. The Company’s registered office is 904-409 Granville Street, Vancouver, British Columbia, Canada, V6C 1T2.

These condensed interim consolidated financial statements have been prepared on the going concern basis, which contemplates the realization of assets and the settlement of liabilities and commitments in the normal course of business. The Company realized a net loss of \$4,717,639 for the nine months ended December 31, 2020 (2019: \$2,894,699). At December 31, 2020 the Company had an accumulated deficit of \$21,105,165 (March 31, 2020: \$16,387,526). In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but not limited to, twelve months from the end of the reporting period. At December 31, 2020, the Company had a total of \$3,640,618 (March 31, 2020: \$3,148,782) current assets and a working capital of \$3,411,731 (March 31, 2020: \$2,893,221) and no long term debt.

While the Company has been successful in obtaining the necessary financing to cover its corporate operating costs and advance the development of its projects through the issuance of common shares and the exercise of warrants in the past, there is no assurance it will be able to raise funds in this manner in the future. There remain material uncertainties that may cast significant doubt as to the Company’s ability to continue as a going concern. The outbreak of the corona virus and the worldwide COVID-19 pandemic may also impact the Company’s ability to continue as a going concern (Note 14). These condensed interim consolidated financial statements do not give effect to adjustments that would be necessary should the Company be unable to continue as a going concern.

2. BASIS OF PREPARATION

Statement of compliance

The Company’s condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) applicable to the preparation of interim financial statements, including IAS 34, Interim Financial Reporting. The condensed interim consolidated financial statements should be read in conjunction with the annual consolidated financial statements for the year ended March 31, 2020.

The Company uses the same accounting policies and methods of computation as in the annual consolidated financial statements for the year ended March 31, 2020.

These financial statements were approved by the board of directors on March 1, 2021.

Basis of consolidation

The consolidated financial statements include the results or financial information of Group Ten Metals Inc. and its wholly-owned subsidiaries listed in the following table:

Name	Country of incorporation
Yankee Girl Resources Corp	Canada
Group Ten (USA) Inc	USA
Group Ten (Alaska) Inc	USA
1161932 BC Ltd	Canada

The results of each subsidiary will continue to be included in the consolidated financial statements of the Company until the date that the Company’s control over the subsidiary ceases. All significant intercompany transactions and balances have been eliminated.

GROUP TEN METALS INC.
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE AND NINE MONTHS ENDED DECEMBER 31, 2020 AND 2019
(Unaudited - Expressed in Canadian Dollars)

3. USE OF ESTIMATES, ASSUMPTIONS AND JUDGMENTS

In preparing these condensed interim consolidated financial statements, the significant judgements made by management in applying the group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended March 31, 2020.

4. PREPAID EXPENSES AND DEPOSITS

	December 31, 2020	March 31, 2020
	\$	\$
Prepaid expenses	24,124	51,005
Deposits	229,338	429,500
	253,462	480,505

In November 2019, the Company engaged Goldspot Discoveries Corp. an arms-length party, to assist the Company in identifying preferential environments for precious and base metal mineralization on the Company's properties by utilizing artificial intelligence and its proprietary technology. A payment of \$450,000 was made upon engagement and to date invoices of \$381,237 were drawn down on the advance.

A deposit of \$145,420 has been made in relation to the Company's Stillwater West Project.

5. EXPLORATION AND EVALUATION ASSETS

Exploration and evaluation acquisition costs for the nine months ended December 31, 2020 were as follows:

	Montana	Yukon	Alaska	Ontario	
	Stillwater West	Yukon Properties	Duke Island	Black Lake Drayton	Total
	\$	\$	\$	\$	\$
Balance, March 31, 2020	1,238,646	774,588	95,923	388,940	2,498,097
Cash payments	72,490	-	-	-	72,490
Licenses and permits	161,788	-	6,890	-	168,678
Shares issued	216,000	-	-	-	216,000
Staking	13,979	-	-	-	13,979
Balance, December 31, 2020	1,702,903	774,588	102,813	388,940	2,969,244

a) Stillwater West (Montana, United States)

On June 26, 2017, the Company entered into an option agreement to acquire a 100% interest in the Stillwater West project ("Stillwater West") from Picket Pin Resources LLC, a private entity, consisting of 282 claims in south central Montana, USA, covering approximately 22 square kilometers ("km²") in two claim groups. In consideration, the Company agreed to:

- Issue a total of 3.6 million shares of the Company beginning with 900,000 shares within ten days of regulatory approval (issued) and 900,000 shares on or before May 31 of each of 2018 (issued), 2019 (issued - valued at \$112,500) and 2020 (issued - valued at \$216,000);
- Make United States dollars ("USD") \$40,000 in cash payments with USD\$20,000 on or before each of May 31, 2018 (paid) and 2019 (paid) - CDN \$26,600;

GROUP TEN METALS INC.
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE AND NINE MONTHS ENDED DECEMBER 31, 2020 AND 2019
(Unaudited - Expressed in Canadian Dollars)

- Make advance royalty payments until commencement of commercial production of USD\$15,000 within ten days of regulatory approval (paid), USD\$30,000 on or before May 31, 2018 (paid) and USD\$50,000 on or before May 31, 2019 (paid - CDN\$66,500) and annually thereafter (USD\$50,000 on or before May 31st (paid May 31, 2020 – CDN\$67,654)); and
- Execute a work contract for a minimum of USD\$50,000 per year for the duration of the option agreement for technical and management work, which is three years (completed).

During the nine months ended December 31, 2020, the Company satisfied all earn-in requirements and owns 100% of the Stillwater West project. The project is subject to a 2% Net Smelter Return royalty (“NSR”) and the Company has an option to buy down the NSR to 1%.

Pursuant to further staking from November 2017 to July 2018, the Company’s land holdings at the Stillwater West project have increased to approximately 54 km².

b) Yukon Properties (Yukon, Canada)

Kluane PGE-Ni-Cu Project

The Company has option agreements to acquire a 100% interest in four platinum group and battery metals properties totaling over 254 km² in the Kluane Ultramafic Belt in southwestern Yukon, and together comprise the Kluane PGE-Ni-Cu Project. Terms of the agreements are as follows:

CKR

The Company owns a 100% interest in the claims.

Spy

The Company owns a 100% interest in the Spy property. The Spy claims are subject to a 3% NSR and the Company has an option to buy the NSR down to 1%.

Catalyst

The Company earned its 100% interest in the Catalyst property on December 5, 2019 by completing the below remaining commitments:

- pay \$10,000 to Progressive Planet Solutions Inc. (“Progressive” - formerly Ashburton Ventures Inc.) on or before December 29, 2017. The agreement was amended and in lieu of the cash payment, the Company issued 200,000 common shares to Progressive (issued - valued at \$26,000);
- issue 300,000 common shares to Denali Resources Ltd. on or before July 31, 2019 (issued - valued at \$52,500).

Certain claims on the Catalyst Property are subject to a 3% NSR and the Company has an option to buy the NSR down to 1%.

Ultra

In July 2018, the Ultra property option agreement was amended to remove the remaining earn-in requirements, being exploration expenditure commitments totaling \$950,000. As a result, effective July 2018, the Company owns a 100% interest in the Ultra property.

In July 2018, the Company acquired a 100% interest in 24 additional claims adjoining the Ultra property from two arms-length private vendors in exchange for 100,000 common shares (valued at \$19,000) of the Company.

The claims are subject to a 2% NSR and the Company has an option to buy the NSR down to 1%.

GROUP TEN METALS INC.
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE AND NINE MONTHS ENDED DECEMBER 31, 2020 AND 2019
(Unaudited - Expressed in Canadian Dollars)

On July 25, 2019, the Company signed a definitive earn-in agreement with Mount Cairnes Resources Corp. ("Mount Cairnes") whereby Mount Cairnes can earn a 51% interest in the Company's Ultra property, over a four-year period, by making cash payments totaling \$750,000, issuing 3,000,000 common shares of Mount Cairnes to the Company and completing \$3,750,000 in exploration work commitments. The initial cash payments and share issuances were required within 15 days of completion by Mount Cairnes of a listing of its common shares on a Canadian stock exchange.

Mount Cairnes was unable to get a listing of its common shares and the agreement was terminated on March 13, 2020.

Outpost/Pacer

In May 2018, the Company entered into an option agreement with an arms-length party whereby the Company can earn a 100% interest in the Outpost and Pacer properties which consist of three claim blocks in the Yukon Territory, totaling approximately 25km². As of March 31, 2020, the Company satisfied all earn-in requirements and owns 100% of the Outpost and Pacer properties.

In consideration, the Company had agreed to:

- Make an initial cash payment of \$8,000 (paid) and issue 200,000 common shares of the Company (issued);
- Complete \$30,000 of work expenditures (satisfied), make a cash payment of \$20,000 (paid) and issue 400,000 common shares of the Company on or before the first anniversary of signing (issued – valued at \$50,000); and
- Complete an additional \$105,000 of work expenditures (completed) and issue 500,000 common shares of the Company on or before the second anniversary of the acceptance of this agreement (issued - valued at \$125,000).

The claims are subject to a 2% NSR and the Company has the option to buy down the NSR to 1%.

Ellen

In August 2018, the Company completed an agreement with an arms-length party whereby the Company earned a 100% interest in the Ellen property, which consists of 72 claims totaling approximately 13km² in the Yukon Territory, by making a cash payment of \$3,200 and issuing 600,000 common shares of the Company.

c) Duke Island (Alaska, United States)

The Company owns a 100% interest in 31 unpatented mineral claims located on Duke Island, Alaska. Pursuant to an agreement dated August 28, 2015, the only remaining commitment for the Company is a requirement for geological and/or geophysical work from a specified vendor which may be completed on any of the Company's properties. The claims are subject to a 1% NSR.

d) Drayton (Ontario, Canada)

On April 27, 2018, the Company earned a 100% interest in mineral claims covering 1,983 hectares located in the Patricia Mining Division near Sioux Lookout, Ontario, by issuing a final share issuance of 142,857 common shares to the vendor.

Upon commencement of commercial production, the claims are subject to a 1% NSR with no buy-down provision, and an additional 3% NSR with the Company having an option to buy the NSR down to 1.5%.

GROUP TEN METALS INC.
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE AND NINE MONTHS ENDED DECEMBER 31, 2020 AND 2019
(Unaudited - Expressed in Canadian Dollars)

e) Black Lake (Ontario, Canada)

- (i) In September 2018 the Company earned a 100% interest in mineral claims covering 2,430 hectares located in the Patricia Mining Division near Sioux Lookout, Ontario, by completing a cash payment of \$59,000 per an amended earn-in agreement.

As a result, the Company now owns a 100% interest in the claims, which are subject to a 2% NSR upon commencement of commercial production. The Company has an option to buy down the NSR to 1%.

- (ii) To further consolidate the area between the Black Lake and Drayton properties, the Company:

- a. entered into an option agreement to earn an undivided 100% interest in mineral claims covering 1,224 hectares. In August 2018 the Company completed the earn-in by issuing 200,000 shares to complete all remaining payments and remove the 1% NSR royalty per an amended earn-in agreement. As a result, the Company now owns a 100% interest in the claims, with no royalty obligation.

- b. entered into an option agreement to earn an undivided 100% interest in mineral claims covering 441 hectares. On April 18, 2017, the option agreement was amended to remove \$1.25 million of work commitments that were a component of the original agreement. As consideration for the removal of the work requirement, the Company agreed to issue 100,000 additional common shares per year in each of 2017, 2018 and 2019. On March 11, 2019, the Company completed its final obligation per the option agreement, as amended, via the issuance of 128,571 common shares. As a result, the Company now owns a 100% interest in the claims.

The claims are subject to a 3% NSR upon commencement of commercial production and the Company has an option to buy the NSR down to 2%.

- c. acquired additional claims adjoining and between the above claims by direct staking at various dates up to March 2019, bringing the total Black Lake – Drayton package to 13,773 continuous hectares. There is no royalty interest on claims directly staked by the Company.

f) Yankee Dundee (British Columbia, Canada)

Yankee Dundee consists of 26 Crown-granted mineral claims located in the Nelson Mining District near Ymir, British Columbia. On June 25, 2013, the Company closed the sale of its interests and obligations in the properties to Armex Mining Corp. (“Armex”) in exchange for advance royalty payments, royalty payments, and production payments.

The remaining terms of the agreement are as follows:

- (i) Armex is to pay remaining advance royalty payments of:
- \$50,000 on or before August 28, 2015 (unpaid); and
 - \$50,000 on or before August 28, 2016 (unpaid) and annually thereafter until the commencement of commercial production.
- (ii) Armex is to pay production and additional payments of:
- \$250,000 upon the commencement of commercial production;
 - \$250,000 upon the first anniversary of commencement of commercial production; and
 - additional production payments aggregating \$1,000,000 payable from 30% of net revenues as defined in the agreement.

Armex has the right to satisfy the production and additional payments by paying the aggregate sum of \$1,250,000 any time during the first year of commercial production.

GROUP TEN METALS INC.
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE AND NINE MONTHS ENDED DECEMBER 31, 2020 AND 2019
(Unaudited - Expressed in Canadian Dollars)

Armex will also assume all obligations per existing underlying option agreements with respect to the Yankee Dundee claims which consist of a 1% NSR upon commencement of commercial production until the recovery of the lesser of aggregate expenditures incurred and \$5,000,000, after such time, the NSR will increase to 2.5%. At any time up to the commencement of commercial production, an option is available to purchase 1.5% of the NSR for \$500,000 and the remaining 1% for \$500,000.

The Company will also be entitled to a 2.5% NSR upon commencement of commercial production, with Armex holding the right to repurchase the royalty at any time on the basis of \$1,000,000 for each 1%. In addition, the Company retains back-in rights pursuant to the agreement by which it can re-acquire the property in the event specific production milestones are not met.

Armex disputes the overdue advance royalty payments that were payable on or before August 28, 2015, 2016, 2017, 2018, 2019 and 2020. As the Company believes that the financial situation of Armex has deteriorated to an extent that precludes it from completing the sale agreement, the capitalized costs relating to Yankee Dundee have been reduced to \$Nil.

6. EXPLORATION EXPENDITURES

Exploration expenditures incurred for the nine months ended December 31, 2020 were as follows:

	Stillwater West	Yukon Properties	Duke Island	Black Lake Drayton	Total
	\$	\$	\$	\$	\$
Analysis	130,740	34,455	-	41,328	206,523
Camp	104,965	14,342	-	17,895	137,202
Consulting	838,206	302,341	-	203,931	1,344,478
Consulting, Geophysics	430,690	11,759	-	-	442,449
Drilling	627,790	-	-	-	627,790
Equipment	47,967	13,353	-	37,860	99,180
Fuel	20,052	1,951	-	-	22,003
Permitting ⁽¹⁾	(15,917)	4,923	-	-	(10,994)
Transport	53,000	7,658	-	-	60,658
Transport, Helicopter	545,312	47,185	-	-	592,497
	<u>2,782,805</u>	<u>437,967</u>	<u>-</u>	<u>301,014</u>	<u>3,521,786</u>
Less: Government Grants	-	(38,216)	-	-	(38,216)
	<u>2,782,805</u>	<u>399,751</u>	<u>-</u>	<u>301,014</u>	<u>3,483,570</u>

¹ During the nine months ended December 31, 2020, the Company received a refund of USD\$12,765 from previously submitted permitting fees.

GROUP TEN METALS INC.
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE AND NINE MONTHS ENDED DECEMBER 31, 2020 AND 2019
(Unaudited - Expressed in Canadian Dollars)

Exploration expenditures incurred for the nine months December 31, 2019 were as follows:

	Stillwater West	Yukon Properties	Duke Island	Black Lake Drayton	Total
	\$	\$	\$	\$	\$
Analysis	140,771	19,442	-	-	160,213
Camp	49,753	11,949	-	-	61,702
Consulting	426,650	207,759	2,357	7,196	643,962
Drilling	525,978	-	-	-	525,978
Equipment	225,254	45,729	-	-	270,983
Fuel	40,406	6,988	-	-	47,394
Overhead and administration	2,440	-	-	-	2,440
Permitting	23,041	1,766	-	-	24,807
Salaries and benefits	-	6,378	-	-	6,378
Transport	73,452	18,676	-	-	92,128
Transport, Helicopter	-	136,459	-	-	136,459
	1,507,745	455,146	2,357	7,196	1,972,444

7. FLOW-THROUGH SHARE PREMIUM LIABILITY

A summary of the changes in the Company's flow-through share premium liability was as follows:

	\$
Balance, March 31, 2020	141,801
Flow-through share premium on the issuance of flow-through common shares	-
Settlement of flow-through share premium liability pursuant to incurring qualified expenditures	(84,421)
Balance, December 31, 2020	57,380

8. SHARE CAPITAL

a) Authorized

Unlimited common shares without par value

b) Share issuance details

Nine months ended December 31, 2020

- (i) In July 2020, the Company completed a non-brokered private placement for gross proceeds of \$4,500,000. A total of 22,500,000 units were issued at a price of \$0.20 per unit (a "Unit"), with each Unit consisting of one common share and one share purchase warrant, with each warrant entitling the holder to acquire one additional common share of the Company at a price of \$0.30 per share until July 17, 2023. Finder's fees of \$78,000 cash, 551,550 finders' Units and 390,000 compensation options were paid and/or issued in connection with the financing. The value of the finders' units was \$115,826 for the common shares and \$42,206 for the warrants. Each compensation option entitles the holder to acquire one Unit. The fair value of the compensation options was \$64,125 which was recorded as share issue costs. Additional shares issuance costs of \$26,679 were incurred.
- (ii) The Company issued 900,000 common shares with a fair value of \$216,000 in connection with the Stillwater West property agreement.

GROUP TEN METALS INC.
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE AND NINE MONTHS ENDED DECEMBER 31, 2020 AND 2019
(Unaudited - Expressed in Canadian Dollars)

- (iii) The Company issued 525,000 common shares pursuant to the exercise of options with a weighted average exercise price of \$0.15 per share. The weighted average share price on the date of exercise was \$0.32.
- (iv) The Company issued 2,624,188 common shares pursuant to the exercise of share purchase warrants with a weighted average exercise price of \$0.22 per share. The weighted average share price on the date of exercise was \$0.36.

Nine months ended December 31, 2019

- (i) In November 2019, the Company completed a non-brokered private placement by issuing 7,997,058 FT units at a price of \$0.17 per unit for gross proceeds of \$1,359,500. Each unit consisted of one FT common share of the Company and one half non-FT share purchase warrant. The Company also issued 7,250,000 non-FT units at a price of \$0.15 per unit for gross proceeds of \$1,087,500. Each unit consisted of one common share of the Company and one half share purchase warrant. Each full warrant from both the FT units and the non-FT units entitles the holder to acquire one common share of the Company at an exercise price of \$0.25 per share with an expiry of November 21, 2022.

A total of 655,060 finders units were issued in connection with the private placement, with each finders unit identical to a non-FT unit. The value of the finders units was \$98,259 which was recorded as share issue costs. Other share issue costs totaled \$12,646.

The difference between the Company's FT and non-FT unit placements was \$0.02 per unit and as a result, the Company allocated \$1,199,559 of the gross proceeds to share capital and the remaining \$159,941 of the gross proceeds to flow-through share premium liability.

- (ii) In November 2019, the Company issued 395,000 units of the Company at a price of \$0.14 per unit. Each unit consisted of one common share of the Company and one half-share purchase warrant, with each full warrant entitling the holder to acquire one common share of the Company at an exercise price of \$0.21 per share with an expiry of September 4, 2022.
- (iii) In August 2019, the Company completed a non-brokered private placement in two tranches for aggregate gross proceeds of \$2,394,720 through the issuance of 17,105,140 units of the Company at a price of \$0.14 per unit. Each unit consisted of one common share and one half-share purchase warrant, with each full warrant entitling the holder to acquire one common share of the Company at an exercise price of \$0.21 per share with an expiry of either August 6, 2022 or September 4, 2022. Share issue costs totaled \$123,066. 772,322 finders warrants were issued in connection with the private placement with each finders warrant exercisable into one common share on the same terms as the warrants in the private placement. The fair value of the finders warrants was \$44,431 which was recorded as share issue costs.
- (iv) The Company issued 1,800,000 common shares with a fair value of \$241,000 in connection with the Stillwater West, Catalyst and Outpost/Pacer property agreements.
- (v) The Company issued 4,393,501 common shares pursuant to the exercise of 4,393,501 share purchase warrants with a weighted average exercise price of \$0.12 per share.

c) Stock options

The Company has a Long-Term Incentive Plan whereby the Company may grant certain awards to directors, officers, employees and consultants, including stock options, to a maximum of a rolling 10% of the issued and outstanding share capital of the Company. The exercise price, term and vesting period of each award are determined by the Board within regulatory guidelines.

GROUP TEN METALS INC.
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE AND NINE MONTHS ENDED DECEMBER 31, 2020 AND 2019
(Unaudited - Expressed in Canadian Dollars)

A summary of the changes in stock options is presented below:

	Number of options	Weighted average exercise price \$
Balance, March 31, 2019	7,183,570	0.15
Granted	3,900,000	0.22
Exercised	(75,000)	0.12
Cancelled	(448,570)	0.35
Balance, March 31, 2020	10,560,000	0.17
Granted	1,445,000	0.215
Exercised	(525,000)	0.15
Balance, December 31, 2020	11,480,000	0.18
Exercisable, December 31, 2020	8,235,000	0.16

The following stock options were outstanding as at December 31, 2020:

Expiry date	Outstanding	Exercisable	Weighted average exercise price \$	Weighted average remaining life (in years)
March 20, 2022	2,390,000	2,390,000	0.15	1.22
August 30, 2022	350,000	350,000	0.12	1.66
September 28, 2022	2,350,000	2,350,000	0.12	1.74
August 23, 2023	350,000	350,000	0.18	2.64
November 23, 2023	200,000	200,000	0.15	2.90
February 28, 2024	495,000	495,000	0.20	3.16
June 14, 2024	1,050,000	1,050,000	0.15	3.45
September 18, 2024	300,000	200,000	0.18	3.72
January 29, 2025	2,550,000	850,000	0.255	4.08
July 10, 2025	1,445,000	-	0.215	4.53
	11,480,000	8,235,000	0.18	2.82

Subsequent to December 31, 2020, a total of 25,000 options were exercised using Share Appreciation Rights ("SAR").

d) Compensation options

A total of 390,000 compensation options were issued in July 2020 pursuant to the private placement described in Note 8(b). Each compensation option entitles the holder to acquire one Unit at a price of \$0.20 until July 17, 2023. Each Unit consists of one common share and one warrant. The warrant entitles the holder to purchase an additional common share at a price of \$0.30 until July 17, 2023.

e) Share purchase warrants

A summary of the changes in warrants is presented below:

	Number of warrants	Weighted average exercise price \$
Balance, March 31, 2019	26,873,387	0.14
Issued	17,502,450	0.23
Exercised	(23,345,435)	0.12
Balance, March 31, 2020	21,030,402	0.23
Issued	23,051,550	0.30
Exercised	(2,624,188)	0.22
Balance, December 31, 2020	41,457,764	0.27

GROUP TEN METALS INC.
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE AND NINE MONTHS ENDED DECEMBER 31, 2020 AND 2019
(Unaudited - Expressed in Canadian Dollars)

The following share purchase warrants were outstanding as at December 31, 2020:

Outstanding	Exercise price	Expiry date	Weighted average remaining life (in years)
	\$		
3,005,174	0.225	November 26, 2021	0.90
4,104,503	0.21	August 6, 2022	1.60
3,655,479	0.21	September 4, 2022	1.68
7,816,058	0.25	November 21, 2022	1.89
<u>22,876,550</u>	0.30	July 17, 2023	2.54
<u>41,457,764</u>			

Subsequent to December 31, 2020 a total of 990,168 warrants were exercised with a weighted average exercise price of \$0.26 per share.

f) Share-based payment expense and reserve

The share-based payment expense for the stock options that vested during the nine months ended December 31, 2020 was \$431,143 (2019: \$138,611).

The fair value of the stock options that were granted during the nine months ended December 31, 2020 and 2019 was calculated using the Black-Scholes option pricing model with the following weighted average assumptions:

	2020	2019
Risk free interest rate	0.27%	1.38%
Expected life in years	5	5
Expected volatility	75%	74%
Expected dividends	0.0%	0.0%

The fair value of the 551,550 warrants within the finders' units were valued at \$42,206, that were issued during the nine months ended December 31, 2020 as a finders' fee pursuant to the private placement described in Note 8(b) was calculated using the following weighted average assumptions:

	2020
Risk free interest rate	0.23%
Expected life in years	3
Expected volatility	70%
Expected dividends	0.0%

The fair value of the 390,000 compensation options, valued at \$64,125, that were issued during the nine months ended December 31, 2020 as a finders' fee pursuant to the private placement described in Note 8(b) was calculated using the following weighted average assumptions:

	2020
Risk free interest rate	0.23%
Expected life in years	3
Expected volatility	70%
Expected dividends	0.0%

The fair value of the 772,322 warrants issued during the nine months ended December 31, 2019 as a finders' fee pursuant to the private placement described in Note 8(b), valued at \$44,431 was calculated using the following weighted average assumptions:

GROUP TEN METALS INC.
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE AND NINE MONTHS ENDED DECEMBER 31, 2020 AND 2019
(Unaudited - Expressed in Canadian Dollars)

	2019
Risk free interest rate	1.39%
Expected life in years	3
Expected volatility	71%
Expected dividends	0.0%

During the nine months ended December 31, 2020 the Company reclassified \$nil (2019 - \$48,494) from share-based payment reserve to deficit with respect to options that were cancelled during the period.

9. RELATED PARTY TRANSACTIONS

Key management personnel are the Directors and Executive Officers of the Company. Key management personnel, or their related parties, may hold positions in other entities that result in them having control or significant influence over the financial or operating policies of those entities. The amounts paid by the Company for the services provided by related parties have been determined by negotiation among the parties and are reviewed and approved by the Company's Board. These transactions are in the normal course of operations and are measured at their exchange amount, which is the amount agreed upon by the transacting parties.

In addition to key management personnel, the Company transacted with the following related parties during the three and nine months ended December 31, 2020 and 2019:

- TruePoint Exploration Inc. ("TruePoint") is a private exploration service company that provides exploration and administrative services to the Company. Michael Rowley, President and CEO of the Company is a minority shareholder and key management personnel of TruePoint. Charges from TruePoint are for exploration, management and office administration expenses; and
- MVR Consulting Inc. ("MVR"), a private company controlled by the President and CEO.

Details of transactions between the Company and related parties, in addition to those transactions disclosed elsewhere in these consolidated financial statements, are described below.

a) Related Party Transactions

The Company's related party transactions for the periods were as follows:

	Three months ended December 31,		Nine months ended December 31,	
	2020	2019	2020	2019
			\$	\$
Consulting and management fees ⁽¹⁾	37,407	59,413	273,004	225,063
Share-based payments ⁽²⁾	37,092	8,628	130,151	48,717
Exploration and administrative costs ⁽³⁾	609,612	870,995	1,167,036	2,023,289
	684,111	939,036	1,570,191	2,297,069

¹ Consulting fees for the three and nine months ended December 31, 2020 and 2019 consisted of fees earned by key management personnel including the CEO and CFO.

² Share-based payments expense is a non-cash item that consisted exclusively of the fair value of stock options that were granted to key management personnel.

³ Transactions with TruePoint for the nine months ended December 31, 2020 consisted of exploration expenditures (\$959,828), consulting fees (\$9,644), investor relations and corporate development fees (\$185,912) and other/office fees (\$11,652).

GROUP TEN METALS INC.
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE AND NINE MONTHS ENDED DECEMBER 31, 2020 AND 2019
(Unaudited - Expressed in Canadian Dollars)

b) Related Party Balances

The Company's related party balances consisted of the following:

	December 31, 2020	March 31, 2020
Due to Related Parties	\$	\$
Due to Michael Rowley ⁽¹⁾	-	7,890
	-	7,890

¹ This amount was for expense reimbursements.

	December 31, 2020	March 31, 2020
Due from Related Parties	\$	\$
Due from TruePoint ⁽¹⁾	684,059	233,981
Due from Michael Rowley	50,000	-
	734,059	233,981

¹ This amount was the net of cash advances made to TruePoint, partially offset by charges from TruePoint.

Amounts due to related parties are unsecured, non-interest-bearing, and have no formal terms of repayment.

c) Insider Participation in Private Placements

A summary of insider participation in the Company's private placements for the nine months ended December 31, 2020 and 2019 was as follows:

July 2020 Private Placement	Number of Units	Price	Proceeds
		\$	\$
Gregor Hamilton	250,000	0.20	50,000
Gregory Johnson	250,000	0.20	50,000
Michael Rowley	250,000	0.20	50,000
	<u>750,000</u>		<u>150,000</u>
November 2019 Private Placement	Number of Units	Price	Proceeds
		\$	\$
Gregory Johnson	395,000	0.14	55,300

10. SUPPLEMENTAL CASH FLOW INFORMATION

The net change in non-cash operating working capital balances for the three and nine months ended December 31 consisted of the following:

	Three months ended December 31,		Nine months ended December 31,	
	2020	2019	2020	2019
			\$	\$
Accounts receivable	49,552	(54,575)	44,694	(127,494)
Prepaid expenses	327,247	(410,747)	227,043	(509,093)
Accounts payable and accrual liabilities	(658,818)	(357,108)	(442,331)	(394,294)
	(282,019)	(822,430)	(170,594)	(1,030,881)

GROUP TEN METALS INC.
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE AND NINE MONTHS ENDED DECEMBER 31, 2020 AND 2019
(Unaudited - Expressed in Canadian Dollars)

The non-cash transactions for the nine months ended December 31, 2020 consisted of the Company:

- (i) issuing a total of 900,000 common shares valued at \$216,000 as option payment on its Stillwater West property; and
- (ii) issuing 390,000 compensation options valued at \$64,125 and issuing 551,550 finders' units comprised of 551,550 commons shares valued at \$115,826 and 551,550 warrants valued at \$42,206 pursuant to the private placement noted in Note 8(b).

The non-cash transactions for the nine months ended December 31, 2019 consisted of the Company:

- (i) issuing a total of 1,800,000 common shares valued at \$241,000 as option payments on its exploration and evaluation assets;
- (ii) issuing 772,322 warrants as finders' fees valued at \$44,431 pursuant to the August 2019 private placement noted in Note 8(b); and
- (iii) issuing 655,060 units as finders fees valued at \$98,259 pursuant to the November 2019 private placement noted in Note 8(b).

11. FINANCIAL INSTRUMENTS

The Company's financial instruments include cash and cash equivalents, accounts receivable, due from related parties, accounts payable and accrued liabilities and due to related parties. The Company has classified its financial instruments as amortized cost.

The carrying values of accounts receivable, due from related parties, accounts payable and accrued liabilities and due to related parties approximate their fair values due to the short period to maturity.

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. There have been no changes in any risk management policies since March 31, 2020.

12. SEGMENTED INFORMATION

The Company has one operating segment, acquisition, exploration and development of mineral properties. The table below shows consolidated data by geographic segment based on the location:

	December 31, 2020	March 31, 2020
	\$	\$
Non-current assets by geographic segment		
Canada	1,163,528	1,163,528
United States	1,805,716	1,334,569
	<u>2,969,244</u>	<u>2,498,097</u>

13. COMMITMENT

As a result of the issuance of FT shares on November 21, 2019, the Company had a commitment to incur \$1,359,500 on qualifying Canadian exploration expenditures. At December 31, 2020, approximately \$487,732 of the commitment was remaining. In recognition of the impacts of COVID-19, the Canadian government announced temporary relief measures to flow-through regulations including allowing companies an additional twelve months- period to incur eligible expenditures. Once enacted into law, this relief measure is expected to reduce the Company's short-term flow-through commitment substantially by extending the deadline for incurring expenses to December 31, 2021.

14. CORONA VIRUS (COVID 19) PANDEMIC

The outbreak of the worldwide COVID-19 pandemic may result in impacts to the Company's on-going exploration plans and activities in 2020. The Company is focused on the health and well-being of its workers and the communities in which we work and has implemented preventative measures accordingly. The Company will continue to monitor advice and regulations from the World Health Organization, governments and local communities, and adjust measures as appropriate.

The Company may face disruption to operations, supply chain delays, travel and trade restrictions, and impacts on economic activity in affected countries or regions can be expected that are difficult to quantify. Regional disease outbreaks represent a threat to hiring and maintaining skilled workers, and could be a major health-care challenge for its workforce. There can be no assurance that the Company's personnel will not be impacted by these regional disease outbreaks and ultimately that the Company could see its workforce productivity reduced or incur increased medical costs as a result of these health risks.

In addition, the COVID-19 pandemic has created a dramatic slowdown in the global economy. The duration of the COVID-19 outbreak and the resulting travel restrictions, social distancing recommendations, government response actions, business disruptions and business closures may have an impact on the Company's exploration operations and access to capital.

There can be no assurance that the Company will not be impacted by adverse consequences that may be brought about by the COVID-19 pandemic's impact on global industrial and financial markets which may reduce metal prices, share prices and financial liquidity, thereby limiting access to additional capital.