



(Formerly Granite Creek Gold Ltd.)

**CONDENSED CONSOLIDATED INTERIM FINANCIAL
STATEMENTS**

FOR THE NINE MONTHS ENDED APRIL 30, 2019

(Unaudited)

NOTICE OF NO AUDITOR REVIEW

The accompanying unaudited condensed consolidated interim financial statements have been prepared by management and approved by the Audit Committee and Board of Directors.

The Company's independent auditors have not performed a review of these condensed consolidated interim financial statements in accordance with the standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditors.

GRANITE CREEK COPPER LTD.**(Formerly Granite Creek Gold Ltd.)****Condensed Consolidated Interim Statements of Financial Position****(Unaudited – Expressed in Canadian Dollars)**

	Note	April 30, 2019	July 31, 2018
		\$	\$
ASSETS			
Current			
Cash		227,899	11,736
Receivables		11,808	-
Due from related party	6(b)	113,672	-
Prepaid expenses and deposits	6(b)	262,492	1,480
		<u>615,871</u>	<u>13,216</u>
Non-Current			
Exploration and evaluation assets	3	225,000	-
Due from related party	6(b)	20,874	-
		<u>861,745</u>	<u>13,216</u>
LIABILITIES			
Current			
Accounts payable and accrued liabilities	6(b)	123,660	204,082
GST payable		-	3,492
Due to related parties	6(b)	62,722	209,847
Loans payable	4	-	279,565
		<u>186,382</u>	<u>696,986</u>
SHAREHOLDERS' EQUITY (DEFICIENCY)			
Share capital	5	4,286,390	2,267,494
Share subscriptions receivable	5(b)(i)	(76,994)	-
Share-based payments reserve	5(d)	85,213	12,416
Foreign currency translation reserve		(3,586)	(3,586)
Deficit		<u>(3,615,660)</u>	<u>(2,960,094)</u>
		<u>675,363</u>	<u>(683,770)</u>
		<u>861,745</u>	<u>13,216</u>

Approved on behalf of the Board:

"Timothy A. Johnson", Director"Michael Rowley", Director

GRANITE CREEK COPPER LTD.**(Formerly Granite Creek Gold Ltd.)****Condensed Consolidated Interim Statements of Comprehensive Loss**

For the Nine Months Ended April 30, 2019

(Unaudited – Expressed in Canadian Dollars)

	Note	Three months ended April 30,		Nine months ended April 30,	
		2019	2018	2019	2018
		\$	\$	\$	\$
Expenses					
Consulting and corporate advisory fees (recovery)		(93,730)	27,000	226,711	86,000
Exploration and evaluation expenditures	3	146,463	-	185,938	-
Investor relations		42,343	-	51,738	-
Office and administration		19,069	4,386	34,739	31,986
Professional Fees (recovery)		(5,867)	2,500	56,254	7,500
Share-based payments expense	5(d)	85,213	-	85,213	-
Transfer agent, regulatory and filing fees (recovery)		(3,970)	-	27,389	3,257
Loss Before Other Items		189,521	33,886	667,982	128,743
Other Items					
Interest recovery	4	(5,790)	-	-	-
Rental income	6	-	-	-	(1,708)
		(5,790)	-	-	(1,708)
Net Loss and Comprehensive Loss for the Period		(183,731)	(33,886)	(667,982)	(127,035)
Basic and Diluted Loss per Share		\$ (0.01)	\$ (0.01)	\$ (0.05)	\$ (0.04)
Weighted Average Number of Common Shares Outstanding		29,901,020	2,901,025	13,285,635	2,901,025

GRANITE CREEK COPPER LTD.**(Formerly Granite Creek Gold Ltd.)****Condensed Consolidated Interim Statements of Changes in Equity (Deficiency)**

For the Nine Months Ended April 30, 2019

(Unaudited – Expressed in Canadian Dollars)

Note	Number of Common Shares	Share Capital \$	Share Subscriptions Receivable \$	Stock Options Reserve \$	Foreign Currency Translation Reserve \$	Deficit \$	Total \$
Balance, July 31, 2017	2,901,025	2,267,494	-	12,416	(3,586)	(2,683,603)	(407,279)
Net loss for the period	-	-	-	-	-	(127,035)	(127,035)
Balance, April 30, 2018	2,901,025	2,267,494	-	12,416	(3,586)	(2,810,638)	(534,314)
Net loss for the period	-	-	-	-	-	(149,456)	(149,456)
Balance, July 31, 2018	2,901,025	2,267,494	-	12,416	(3,586)	(2,960,094)	(683,770)
Net loss for the period	-	-	-	-	-	(667,982)	(667,982)
Shares issued pursuant property acquisition	3	225,000	-	-	-	-	225,000
Private placement, net of share issue costs	5(b)(i)	1,793,896	(76,994)	-	-	-	1,716,902
Share-based payments expense	-	-	-	85,213	-	-	85,213
Reclass of expired stock options	5(d)	-	-	(12,416)	-	12,416	-
Balance, April 30, 2019	29,901,025	4,286,390	(76,994)	85,213	(3,586)	(3,615,660)	675,363

GRANITE CREEK COPPER LTD.**(Formerly Granite Creek Gold Ltd.)****Condensed Consolidated Interim Statements of Cash Flows**

For the Nine Months Ended April 30, 2019

(Unaudited – Expressed in Canadian Dollars)

	Note	<u>2019</u>	<u>2018</u>
		\$	\$
Operating Activities			
Net loss for the period		(655,566)	(127,035)
Items not involving cash:			
Share-based payments expense		85,213	-
Stock option expiry		(12,416)	-
		(582,769)	(127,035)
Net change in non-cash working capital	9	(111,465)	86,824
Cash used in operating activities		(694,234)	(40,211)
Financing Activities			
Other liabilities		-	40,000
Proceeds received from private placement	5(b)(i)	1,723,006	-
Share issue costs	5(b)(i)	(6,104)	-
Receipt (repayment) of loans	4	(272,088)	2,862
Net payments to related parties		(534,417)	-
Cash provided by financing activities		910,397	42,862
Net Increase in Cash		216,163	2,651
Cash, beginning of period		11,736	3,630
Cash, end of period		227,899	6,281
Supplemental cash flow information	9		

GRANITE CREEK COPPER LTD.

(Formerly Granite Creek Gold Ltd.)

Notes to the Condensed Consolidated Interim Financial Statements

For the Nine Months Ended April 30, 2019

(Unaudited - Expressed in Canadian Dollars)

1. NATURE OF BUSINESS AND ABILITY TO CONTINUE AS A GOING CONCERN

Granite Creek Copper Ltd. (the “**Company**”) was incorporated on May 10, 2007 under the British Columbia Business Corporations Act. The Company’s principal business activities include the acquisition, exploration and development of mineral properties. The address of the Company’s corporate office and its principal place of business is Suite 1209, 409 Granville Street, Vancouver, BC, V6C 1T2. The Company is a reporting issuer and trades on the TSX Venture Exchange in Canada under the symbol “GCX”. On October 18, 2018, the Company changed its name from Granite Creek Gold Ltd. to Granite Creek Copper Ltd.

These condensed consolidated interim financial statements have been prepared using International Financial Reporting Standards (“**IFRS**”) applicable to a going concern, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The ability of the Company to continue as a going concern is dependent on its ability to obtain additional equity financing and achieve profitable operations. The Company has sustained losses from operations and has an ongoing requirement for capital investment to acquire and explore its mineral properties.

As at April 30, 2019, the Company had an accumulated deficit of \$3,615,660 (July 31, 2018: \$2,960,094) and working capital of \$429,489 (July 31, 2018: working capital deficit of \$683,770). Accordingly, the Company will need to raise additional funds through future issuance of securities or debt financing. Although the Company has raised funds in the past, there can be no assurance the Company will be able to raise sufficient funds in the future, in which case the Company may be unable to meet its obligations as they come due in the normal course of business. It is not possible to predict whether financing efforts will be successful or if the Company will attain a profitable level of operations. The current cash resources are not adequate to pay the Company’s accounts payable and to meet its minimum commitments at the date of these financial statements, including planned corporate and administrative expenses, and other project implementation costs, accordingly, there is significant doubt about the Company’s ability to continue as a going concern. These financial statements do not give effect to adjustments that would be necessary to the carrying amounts and classifications of assets and liabilities should the Company be unable to continue as a going concern.

2. BASIS OF PRESENTATION

These condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard 34 – *Interim Financial Reporting* (“**IAS 34**”) as issued by the International Accounting Standards Board (“**IASB**”) using accounting principles consistent with IFRS as issued by the IASB.

These condensed consolidated interim financial statements should be read in conjunction with the Company’s audited consolidated financial statements for the year ended July 31, 2018 which include the accounting policies used in the preparation of these condensed consolidated interim financial statements.

These condensed consolidated interim financial statements have been prepared on a historical cost basis, except for financial instruments classified as financial instruments at fair value through profit and loss which are stated at their fair value.

These condensed consolidated interim financial statements were approved and authorized for issue by the Board of Directors on July 2, 2019.

GRANITE CREEK COPPER LTD.

(Formerly Granite Creek Gold Ltd.)

Notes to the Condensed Consolidated Interim Financial Statements

For the Nine Months Ended April 30, 2019

(Unaudited - Expressed in Canadian Dollars)

2. BASIS OF PRESENTATION (continued)

These condensed consolidated interim financial statements include the accounts of the Company and its wholly-owned subsidiaries Granite Creek (Barbados) Limited and Granite Creek (Mali) Sarl. All intercompany balances and transactions have been eliminated upon consolidation. As of, and for the nine month period ended April 30, 2019, the wholly-owned subsidiaries were inactive.

3. EXPLORATION AND EVALUATION ASSETS

In January 2019, the Company acquired an undivided 100% interest in the Stu Copper Property in Yukon Territory, Canada, (the "**Stu Property**") from arms-length vendors (the "**Vendors**"). In consideration, the Company issued an aggregate of 3,000,000 units (each, a "**Transaction Unit**") valued at \$225,000 and granted a 3% net smelter return royalty to the Vendors on any future production on the Stu Property (the "**Royalty**"). The Company has the option to purchase up to two-thirds of the Royalty from the Vendors. The Agreement also provides that the Company will make annual advance Royalty payments of \$30,000 to the Vendors beginning in 2022, and in each subsequent year thereafter, until the commencement of any commercial production on the Stu Property.

Each Transaction Unit was comprised of one common share and one common share purchase warrant, with each warrant exercisable into one additional common share at an exercise price of \$0.15 per share, with an expiry of January 16, 2022.

During the nine months ended April 30, 2019, the Company incurred expenses totaling \$185,938 on the Stu Property, which are included in the condensed consolidated interim statement of comprehensive loss.

4. LOANS PAYABLE

	April 30, 2019	July 31, 2018
Ranex Exploration Ltd.	\$ -	\$ 231,608
Other loan payable	-	47,957
	-	279,565

The loan payable to Ranex Exploration Ltd., a company controlled by the Chief Executive Officer ("**CEO**") of the Company was unsecured and bore interest at 5% per annum compounded semi-annually. During the nine months ended April 30, 2019, the Company settled the loan with a payment of \$230,000, with the remaining balance recorded to operations. Accrued interest of \$5,790 was forgiven.

Other loan payable was owed to an arm's length party and was unsecured, non-interest bearing and had no fixed term of repayment. During the nine months ended April 30, 2019 the Company repaid \$42,088 of the loan. At April 30, 2019, the remaining amount of \$5,869 was included in accounts payable and accrued liabilities.

5. SHARE CAPITAL

a) Authorized Share Capital

The Company is authorized to issue an unlimited number of common shares without par value.

GRANITE CREEK COPPER LTD.

(Formerly Granite Creek Gold Ltd.)

Notes to the Condensed Consolidated Interim Financial Statements

For the Nine Months Ended April 30, 2019

(Unaudited - Expressed in Canadian Dollars)

5. SHARE CAPITAL (continued)

b) Share issuance details

Nine Months Ended April 30, 2019

- (i) On January 16, 2019, the Company completed a non-brokered private placement by issuing 24,000,000 units at a price of \$0.075 per unit for gross proceeds of \$1,800,000. Each unit is comprised of one common share and one common share purchase warrant, with each warrant exercisable into one additional common share at an exercise price of \$0.20 per share, with an expiry of January 16, 2022. In the event that the common shares close at or above \$0.30 for ten consecutive trading days, the Company may accelerate the expiry date of the warrants to expire on the thirtieth day after the date on which notice of acceleration is given by the Company. Share issued costs totaled \$6,104.

At April 30, 2019, \$76,994 of the private placement proceeds had not been received and were recorded as share subscriptions receivable on the condensed consolidated interim statement of financial position.

- (ii) As part of the Transaction Unit described in Note 3, the Company issued 3,000,000 common shares to the Vendors.

Nine Months Ended April 30, 2018

The Company did not issue any shares during the nine months ended April 30, 2018.

c) Stock Options

The Company had a share purchase option plan that allowed the Board of Directors to grant share purchase options, subject to regulatory terms and approval, to its officers, directors, employees, and service providers. The share purchase option plan was based on the maximum number of eligible shares equaling a rolling percentage of 10% of the Company's outstanding common shares, calculated from time to time.

On March 25, 2019, the Company announced that its shareholders unanimously approved a fixed Long-Term Performance Incentive Plan (the "LTIP") which replaces the rolling stock option plan. The Company may grant certain awards to directors, officers, employees and consultants, including stock options, to a maximum of 5,380,204 common shares. The exercise price, term and vesting period of each award are determined by the Board within regulatory guidelines.

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

	Number of options	Weighted average exercise price \$
Balance, July 31, 2018	155,000	0.39
Granted	2,900,000	0.15
Expired	(41,666)	1.20
Cancelled	(113,334)	0.21
Balance, April 30, 2019	<u>2,900,000</u>	<u>0.15</u>

GRANITE CREEK COPPER LTD.

(Formerly Granite Creek Gold Ltd.)

Notes to the Condensed Consolidated Interim Financial Statements

For the Nine Months Ended April 30, 2019

(Unaudited - Expressed in Canadian Dollars)

5. SHARE CAPITAL (continued)

c) Stock Options (continued)

The following stock options were outstanding as at April 30, 2019:

Outstanding	Exercisable	Weighted average exercise price \$	Expiry date	Weighted average remaining life (in years)
2,900,000	-	0.15	February 1, 2024	4.76

d) Share-based payments

The share-based payments expense for the stock options that vested during the nine months ended April 30, 2019 was \$85,213. The fair value of the stock options that were granted during the nine months ended April 30, 2019 was calculated using the Black-Scholes option pricing model with the following weighted average assumptions:

Risk-free interest rate	1.79%
Expected annual stock price volatility	83%
Expected dividend yield	0.0%
Expected option life in years	5.0
Spot price on date of grant	\$0.15

Expected volatility is based on historical price volatility to the extent of the expected life of the option.

During the nine months ended April 30, 2019, the Company reclassified \$12,416 (2018: \$Nil) from share-based payments reserve to deficit with respect to options that expired or were cancelled during the period.

e) Warrants

A summary of the changes in warrants is presented below:

	Number of warrants	Weighted average exercise price \$
Balance, July 31, 2018	-	-
Issued	27,000,000	0.19
Balance, April 30, 2019	27,000,000	0.19

GRANITE CREEK COPPER LTD.

(Formerly Granite Creek Gold Ltd.)

Notes to the Condensed Consolidated Interim Financial Statements

For the Nine Months Ended April 30, 2019

(Unaudited - Expressed in Canadian Dollars)

5. SHARE CAPITAL (continued)

e) Warrants (continued)

The following warrants were outstanding as at April 30, 2019:

Outstanding	Exercisable	Weighted Average Exercise Price	Expiry Date
		\$	
24,000,000	24,000,000	0.20	January 16, 2022
3,000,000	3,000,000	0.15	January 16, 2022
<u>27,000,000</u>	<u>27,000,000</u>	<u>0.19</u>	

6. RELATED PARTY TRANSACTIONS AND BALANCES

Key management personnel are the Directors and Officers of the Company. A number of key management personnel, or their related parties, 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. These transactions are in the normal course of operations and are measured at their exchange amount.

In addition to key management personnel, the Company transacted with the following related parties during the nine months ended April 30, 2019:

- TruePoint Exploration Inc. (“**TruePoint**”), a privately held geological consulting firm that is a related party through its management contracts, which confer significant influence over operations. Charges are for exploration, management, accounting and office and administration.
- Metallic Minerals Corp. (“**Metallic**”) and Group Ten Metals Inc. (“**Group Ten**”) are public companies with Directors and/or Officers in common. Together with the Company, they are members of the Metallic Group of Companies which is a collaboration of leading precious and base metals exploration companies that leverage the experience of their founders and benefit by sharing resources for cost efficiency.
- Swiftcurrent Ventures Ltd., a private company controlled by a former Director.

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

GRANITE CREEK COPPER LTD.

(Formerly Granite Creek Gold Ltd.)

Notes to the Condensed Consolidated Interim Financial Statements

For the Nine Months Ended April 30, 2019

(Unaudited - Expressed in Canadian Dollars)

6. RELATED PARTY BALANCES AND TRANSACTIONS (continued)

a) Related Party Transactions

Related party transactions for the nine months ended April 30 were as follows:

		2019	2018
		\$	\$
Consulting fees	1	80,816	81,000
Director fees		-	5,000
Share-based payments expense	2	35,261	-
Transactions with TruePoint	3	62,721	-
		<u>178,798</u>	<u>86,000</u>

1 Consulting fees consisted of CEO, CFO and Corporate Secretary fees.

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

3 The transactions with TruePoint consisted of \$22,385 for consulting fees, \$16,145 for corporate advisory fees, \$15,524 for investor relations fees, \$5,786 for exploration and evaluation expenditures and \$2,881 for office and administration costs.

b) Related Party Balances

The Metallic Group of Companies pay for certain shared costs on behalf of each other. The receivable and or payable balances with Group Ten and Metallic in the tables below are a result of these shared costs.

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

		April 30, 2019	July 31, 2018
		\$	\$
Current assets			
Due from Group Ten		113,672	-
Advances to TruePoint	1	252,292	-
Non-current asset			
Due from Metallic		20,874	-

1 This balance consisted of the Company advancing \$252,292 to TruePoint to be applied against future exploration invoices and was included in prepaid expenses and deposits in the condensed consolidated interim statement of financial position.

GRANITE CREEK COPPER LTD.

(Formerly Granite Creek Gold Ltd.)

Notes to the Condensed Consolidated Interim Financial Statements

For the Nine Months Ended April 30, 2019

(Unaudited - Expressed in Canadian Dollars)

6. RELATED PARTY BALANCES AND TRANSACTIONS (continued)

b) Related Party Balances (continued)

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

	April 30, 2019	July 31, 2018
	\$	\$
Due to Tim Johnson, CEO	1 49,151	105,175
Due to Michael Rowley, Director	-	55,246
Due to Tim Thiessen, CFO	1 3,938	-
Due to Swiftcurrent Ventures Ltd.	-	49,426
Due to TruePoint	2 62,722	-
	<u>115,811</u>	<u>209,847</u>

1 These amounts, totaling \$53,089, were included in accounts payable and accrued liabilities.

2 This amount due to TruePoint consisted of exploration invoices and was included in due to related parties.

The related party balances were non-interest bearing, unsecured, and had no specified terms of repayment.

During the nine months ended April 30, 2019, the Company received rental income totalling \$Nil (2018: \$1,708) from two companies with common directors.

7. 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 support the acquisition, exploration, and development of its exploration and evaluation assets.

The Company considers the items included in equity as capital. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may issue new shares through private placements, sell assets to reduce debt or return capital to shareholders.

The Company does not have any externally imposed capital requirements to which it is subject. There were no changes in the Company's approach to capital management during the nine months ended April 30, 2019.

8. FINANCIAL INSTRUMENTS AND RISKS

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

Level 1 – 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.

GRANITE CREEK COPPER LTD.

(Formerly Granite Creek Gold Ltd.)

Notes to the Condensed Consolidated Interim Financial Statements

For the Nine Months Ended April 30, 2019

(Unaudited - Expressed in Canadian Dollars)

8. FINANCIAL INSTRUMENTS AND RISKS (continued)

The carrying values of cash and accounts payable and accrued liabilities approximate their fair values because of the short-term nature of these financial instruments.

The Company's financial instruments are exposed to the following financial risks:

a) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations when they become due. The Company ensures, as far as reasonably possible, that it will have sufficient capital in order to meet short-term business requirements, after taking into account cash flows from operations and the Company's holdings of cash.

As at April 30, 2019, the Company had a total of \$615,871 of current assets, comprised of cash, receivables, due from related party and prepaid expenses and deposits, working capital of \$429,489 and no long-term debt. Management expects to fund those liabilities through the issuance of common shares and loans from related parties over the coming year. There can be no assurance that the Company will be successful with generating and maintaining profitable operations or will be able to secure future debt or equity financing for its working capital and exploration activities.

b) Credit Risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to its liquid financial assets including cash. Management believes that its credit risk is not significant.

c) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's amounts due to related parties are non-interest bearing, and as such, the Company is not exposed to significant interest rate risk.

d) Foreign Currency Risk

The Company is exposed to foreign currency risk on fluctuations related to cash and accounts payable and accrued liabilities that are denominated in U.S. Dollars. The Company's financial instruments denoted in U.S. Dollars are insignificant and any fluctuation in foreign currency exchange rates would have no significant impact.

e) Commodity Price Risk

The Company is subject to price risk from fluctuations in the market prices of commodities as it relates to the possible underlying values of its commodity based mineral properties and the corresponding ability to raise funds for future operations. Management closely monitors commodity prices to determine the appropriate course of actions to be taken in its investing and financing activities. As the Company has not yet developed commercial mineral interests, it is not exposed to significant commodity price risk.

GRANITE CREEK COPPER LTD.

(Formerly Granite Creek Gold Ltd.)

Notes to the Condensed Consolidated Interim Financial Statements

For the Nine Months Ended April 30, 2019

(Unaudited - Expressed in Canadian Dollars)

8. SUPPLEMENTAL CASHFLOW INFORMATION

	2019	2018
	\$	\$
Receivables	(11,808)	-
Prepaid expenses and deposits	(8,720)	-
GST Payable	(3,492)	(126)
Accounts Payable and Accrued Liabilities	(87,445)	28,509
	<u>(111,465)</u>	<u>28,383</u>

During the nine month period ended April 30, 2019, the non-cash transaction consisted of the Company issuing 3,000,000 units with a value of \$225,000 to the Vendors pursuant to the purchase of the Stu Property.