

Condensed consolidated interim financial statements of

Fiore Exploration Ltd.

Three months ended April 30, 2017 and 2016
(Expressed in Canadian dollars)
(Unaudited)

NOTICE OF NO AUDITOR REVIEW

The accompanying unaudited condensed consolidated interim financial statements of Fiore Exploration Ltd. (the "Company") have been prepared by and are the responsibility of the Company's management.

In accordance with National Instrument 51-102, the Company discloses that its independent auditor has not performed a review of these condensed interim financial statements.

Fiore Exploration Ltd.

Condensed Consolidated Interim Statements of Financial Position

(Expressed in Canadian dollars)

(Unaudited)

	April 30, 2017	January 31, 2017
Assets		
Current assets		
Cash	\$ 10,846,951	\$ 11,758,934
Amounts receivable	94,083	125,693
Prepays and deposits	71,856	110,538
	11,012,890	11,995,165
Exploration and evaluation assets (Note 3)	13,106,430	12,452,462
Total assets	\$ 24,119,320	\$ 24,447,627
Liabilities		
Current liabilities		
Trade and other payables	\$ 239,538	\$ 319,086
	239,538	319,086
Equity		
Share capital (Note 5)	29,885,937	29,655,687
Equity reserve (Note 5)	2,739,368	2,739,368
Deficit	(8,745,523)	(8,266,514)
Total equity	23,879,782	24,128,541
Total liabilities and equity	\$ 24,119,320	\$ 24,447,627

Nature of operations (Note 1)

Commitments (Note 8)

Subsequent events (Notes 10)

Approved by the Board of Directors and authorized for issue on June 27, 2017

"Robert Pirooz" Director

"Harry Pokrandt" Director

Fiore Exploration Ltd.

Condensed Consolidated Interim Statements of Loss and Comprehensive Loss

For the three months ended April 30, 2017 and 2016

(Expressed in Canadian dollars)

(Unaudited)

	Three months ended	
	April 30, 2017	April 30, 2016
Expenses		
Amortization	\$ -	\$ 46
Consulting and management services	152,402	22,050
Exploration expenses	4,584	-
Foreign exchange gain	2,845	-
Marketing	74,132	-
Office and rent	63,213	18,523
Professional fees	94,827	21,374
Regulatory and transfer agent fees	9,155	9,991
Salaries and benefits (Note 4)	60,648	-
Travel	39,269	5,495
	(501,075)	(77,479)
Finance income (expense)	22,066	(2)
Loss and comprehensive loss for the period	\$ (479,009)	\$ (77,481)
Basic and diluted loss per share for the period	\$ (0.00)	\$ (0.00)
Weighted average number of common shares outstanding - basic and diluted	101,802,512	44,633,171

Fiore Exploration Ltd.

Condensed Consolidated Interim Statements of Equity

(Expressed in Canadian dollars)

(Unaudited)

	Share Capital		Equity	Deficit	Total
	Number	Amount	Reserve		
Balance at January 31, 2016	44,633,171	3,953,590	53,357	(4,063,045)	(56,098)
Loss and comprehensive loss	-	-	-	(77,481)	(77,481)
Balance at April 30, 2016	44,633,171	3,953,590	53,357	(4,140,526)	(133,579)
Private placements	40,000,000	16,200,000	-	-	16,200,000
Share issuance costs	71,500	(815,364)	-	-	(815,364)
Share-based compensation	-	-	2,762,829	-	2,762,829
Exercise of stock options	870,000	66,961	(23,461)	-	43,500
Shares issued for the acquisition of exploration and evaluation assets	15,770,000	10,250,500	-	-	10,250,500
Reclassification of equity reserve	-	-	(53,357)	53,357	-
Loss and comprehensive loss	-	-	-	(4,179,345)	(4,179,345)
Balance at January 31, 2017	101,344,671	29,655,687	2,739,368	(8,266,514)	24,128,541
Shares issued for the acquisition of exploration and evaluation assets	510,000	229,500	-	-	229,500
Share issue costs (refund)	-	750	-	-	750
Loss and comprehensive loss	-	-	-	(479,009)	(479,009)
Balance at April 30, 2017	101,854,671	29,885,937	2,739,368	(8,745,523)	23,879,782

The accompanying notes are an integral part of these unaudited condensed consolidated interim financial statements

Fiore Exploration Ltd.

Condensed Consolidated Interim Statements of Cash Flows

For the three months ended April 30, 2017 and 2016

(Expressed in Canadian dollars)

(Unaudited)

	Three months ended	
	April 30, 2017	April 30, 2016
Operating activities		
Loss for the period	\$ (479,009)	\$ (77,481)
Adjust for:		
Amortization	-	46
Changes in non-cash working capital items:		
Amounts receivable	31,610	(880)
Prepays and deposits	38,682	-
Trade and other payables	24,005	16,437
Cash used in operating activities	(384,712)	(61,878)
Investing activities		
Exploration and evaluation expenditures	(528,021)	-
Cash used in investing activities	(528,021)	-
Financing activities		
Refund of share issue costs	750	-
Advances (repayments) of related party payables	-	73,199
Cash provided by financing activities	750	73,199
Increase in cash	(911,983)	11,321
Cash, beginning of period	11,758,934	553
Cash, end of period	\$ 10,846,951	\$ 11,874
Supplemental cash flow information		
Non-cash acquisition costs	\$ 229,500	\$ -
Exploration and evaluation expenditures incurred through trade and other payables	81,517	-
	\$ 311,017	\$ -

The accompanying notes are an integral part of these unaudited condensed consolidated interim financial statements

Fiore Exploration Ltd.

Notes to the Condensed Consolidated Interim Financial Statements

April 30, 2017

(Expressed in Canadian dollars)

(Unaudited)

1. NATURE OF OPERATIONS

The Company was incorporated on March 31, 1988, under the laws of the province of British Columbia, Canada, and its principal activity is the acquisition and exploration of mineral properties. The Company's shares are traded on the TSX Venture Exchange ("TSX-V") under the symbol "F" and on the OTCQB in the United States under the symbol "FIORF". The Company's registered and records office is located at 25th Floor, 700 West Georgia Street, Vancouver BC, V7Y 1B3.

As at April 30, 2017, the Company had a working capital of \$10,773,352, which is expected to be sufficient to cover expected budgeted expenses for the next twelve months.

In June 2017, the Company entered into a Letter of Intent ("LOI") with GRP Minerals Corp ("GRP") whereby the Company will acquire GRP by way of a form of share exchange, with the shareholders of the Company holding one-third of the resulting issuer. See Note 10 for more details.

2. BASIS OF PRESENTATION

(a) *Statement of compliance*

These unaudited condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standards ("IAS") 34, Interim Financial Reporting on a basis consistent with the accounting policies disclosed in the audited financial statements for the fiscal year ended January 31, 2017.

These unaudited condensed consolidated interim financial statements should be read in conjunction with the most recently issued annual financial statements of the Company, which include information necessary or useful to understanding the Company's business and financial statement presentation. In particular, the Company's significant accounting policies were presented as Note 2 to the financial statements for the year ended January 31, 2017, and have been consistently applied in the preparation of these unaudited condensed consolidated interim financial statements, except as noted below.

(b) *Basis of measurement*

These financial statements have been prepared on a historical cost basis except for financial instruments classified as financial instruments at fair value. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

(c) *Principles of consolidation*

Subsidiaries are all entities over which the Company has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Company controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Company until the date on which control ceases. All intercompany balances and transactions are eliminated upon consolidation.

The Company has two subsidiaries incorporated in Chile, Fiore Atacama SpA and Fiore Andes SpA. The functional currency of these entities is the Canadian dollar.

(d) *Significant accounting judgments and estimates*

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. These financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial

Fiore Exploration Ltd.

Notes to the Condensed Consolidated Interim Financial Statements

April 30, 2017

(Expressed in Canadian dollars)

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2. BASIS OF PRESENTATION (continued)

(d) *Significant accounting judgments and estimates* (continued)

statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and may affect both the period of revision and future periods.

Exploration and evaluation assets

The carrying value and recoverability of exploration and evaluation assets requires management to make certain estimates, judgements and assumptions about its projects. Management considers the economics of the project, including the latest resources prices and the long-term forecasts, the ability to maintain ownership, its future plans and the overall economic viability of the project.

(e) *New standards and interpretations not yet adopted*

Certain new standards, interpretations, amendments and improvements to existing standards were issued by the IASB or IFRIC. The following have not yet been adopted by the Company and are being evaluated to determine their impact:

- IFRS 9: New standard that replaced IAS 39 for classification and measurement, effective for annual periods beginning on or after January 1, 2018.
- IFRS 16: In January 2016, the IASB issued IFRS 16, Leases which introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of a low value. The mandatory effective date of IFRS 16 for the Company is for the annual period beginning after February 1, 2018.

3. EXPLORATION AND EVALUATION ASSETS

Pampas El Peñon project

In July 2016, the Company entered into an agreement for the rights to acquire the Pampas El Peñon project in Chile from Arena Minerals Inc and its wholly owned subsidiary, Arena Chile SpA, (together, "Arena"). Arena held an underlying option agreement with Sociedad Quimica Y Minera de Chile SA ("SQM"), which they agreed to sell to the Company. Consideration for the purchase of the underlying option agreement from Arena consisted of 9,550,000 shares of the Company issued to Arena and 5,350,000 common shares issued to SQM, with a value of \$9,685,000. In order to exercise the option, the Company has assumed Arena's commitments to SQM, which include cash payments of US\$750,000 (\$298,125 paid (US\$225,000)) and an expenditure commitment on the project of \$1,830,000 USD by July 2017. As at April 30, 2017, \$1,898,894 has been spent on the Pampas El Peñon project. The Company issued 870,000 common shares as transaction and advisory fees in relation to this agreement with a value of \$565,500 and incurred cash transaction costs of \$66,960.

Cerro Tostado project

In January 2017, the Company signed an option agreement with SQM to acquire a 100% interest in the Cerro Tostado exploration project in Chile. As part of the transaction, the Company will also acquire certain new concession blocks near the Company's existing Pampas El Peñon project.

Fiore Exploration Ltd.

Notes to the Condensed Consolidated Interim Financial Statements

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(Expressed in Canadian dollars)

(Unaudited)

3. EXPLORATION AND EVALUATION ASSETS (continued)

Cerro Tostado project (continued)

The Company can earn a 100% interest in the Cerro Tostado project by:

- Spending a total of US\$2,247,700 in exploration expenditures over a five-year period, including a US\$400,900 exploration commitment in the first year;
- Making total cash payments to SQM of US\$1,259,700 over a five-year period, including US\$19,000 in the first year;
- Issuing 500,000 common shares of the Company to SQM (issued);
- Granting SQM a sliding-scale royalty on precious metal production, with a maximum royalty of 5.0% when gold prices exceed US\$2,000 per ounce.

Upon regulatory approval in February 2017, the Company issued 500,000 common shares and paid US\$19,000 to SQM (Note 8). In connection with this acquisition, the Company issued 10,000 common shares as an advisory fee and incurred cash transaction costs of \$79,068.

Río Loa project

In April 2017, the Company entered into an option agreement to acquire the Río Loa project in Chile. The Company can earn its interest in the Río Loa project by:

- Making cash payments of US\$35,000 (paid) on signing of the agreement and a further US\$30,000, US\$50,000, US\$80,000 and US\$820,000 on the respective first, second, third and fourth anniversaries of signing;
- Completing US\$500,000 of exploration work;
- Assigning the vendors a 2% Net Smelter Royalty ("NSR" and the Company holding the right to repurchase 50% of the NSR (1.00% NSR) for a payment of US\$3 million; and
- Making discovery payments ranging from US\$2/oz to US\$5/oz of Measured and Indicated, NI 43-101 compliant gold resources to a maximum of US\$5 million.

In April 2017, the Company paid the initial cash payment of US\$35,000 (\$47,681) and additional related acquisition costs of \$60,700.

Fiore Exploration Ltd.

Notes to the Condensed Consolidated Interim Financial Statements

April 30, 2017

(Expressed in Canadian dollars)

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3. EXPLORATION AND EVALUATION ASSETS

The following table summarizes the capitalized costs associated with the Company's exploration and evaluation assets:

	Pampas El Peñon	Cerro Tostado	Río Loa	Total
	\$	\$	\$	\$
Acquisition costs:				
Balance, January 31, 2017	10,615,585	104,329	-	10,719,914
Cash	-	-	108,381	108,381
Shares issued on acquisition	-	229,500	-	229,500
Balance, April 30, 2017	10,615,585	333,829	108,381	11,057,795
Exploration costs:				
Balance, January 31, 2017	1,710,399	22,149	-	1,732,548
Admin	9,412	2,915	452	12,779
Assays	6,413	35,776	-	42,189
Camp supplies	1,362	1,676	-	3,038
Consulting	152,158	60,628	6,538	219,324
Transport	15,064	4,160	1,183	20,407
Travel and meals	4,086	14,264	-	18,350
Balance, April 30, 2017	1,898,894	141,568	8,173	2,048,635
Total costs:				
Balance, April 30, 2017	12,514,479	475,397	116,554	13,106,430

4. RELATED PARTY TRANSACTIONS

During the three months ended April 30, 2016, related party payables increased to \$363,503. This amount included shareholder loans and expense reimbursement of \$42,780. In fiscal 2017, the Company fully settled outstanding balances owed to previous directors and companies controlled by its previous directors through cash payment of \$358,000 and forgiveness of amounts accrued of \$23,074 subsequent to April 30, 2016.

During the three months ended April 30, 2016, the Company incurred management fees, director's fees, rent and legal fees to its previous directors or companies controlled by its previous directors of \$30,420.

During the year ended April 30, 2017, the Company incurred management salary expense of \$57,976 to the Chief Executive Officer of the Company (three months ended April 30, 2016 - \$nil).

As at April 30, 2017, \$3,800 (January 31, 2017 - \$10,198) included in trade and other payables was due to related parties. Amounts are non-interest bearing and due on demand.

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole, subsequent to the change in management in May 2016. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers. Key management personnel compensation for the year ended April 30, 2017, was \$106,127.

Fiore Exploration Ltd.

Notes to the Condensed Consolidated Interim Financial Statements

April 30, 2017

(Expressed in Canadian dollars)

(Unaudited)

5. EQUITY

(a) Authorized

Unlimited common shares with no par value

(b) Issued and fully paid common shares

During the three months ended April 30, 2017, the Company issued 500,000 common shares pursuant to the Cerro Tostado concession (Note 3) and 10,000 common shares as an advisory fee related to the acquisition of Cerro Tostado.

There was no share capital activity for the three months ended April 30, 2016.

(c) Stock options

The Company has adopted an incentive stock option plan which provides that the Board of Directors of the Company may from time to time, in its discretion and in accordance with the TSX-V requirements, grant to directors, officers, employees, certain charitable organizations and consultants of the Company, non-transferable stock options to purchase common shares, provided that the number of common shares reserved for issuance in any twelve month period will not exceed 10% of the Company's issued and outstanding common shares. Such options will be exercisable for a period of up to 10 years from the date of grant generally at a price not less than the closing price of the Company's shares.

The following table summarizes information about stock options outstanding at April 30, 2017:

Outstanding and exercisable	Exercise price	Expiry date
250,000	\$ 0.35	January 4, 2018
1,630,000	0.05	May 10, 2026
3,000,000	0.35	June 15, 2026
2,270,000	0.51	July 12, 2026
650,000	0.63	September 20, 2026
200,000	0.64	September 27, 2026
1,350,000	0.43	January 19, 2027
9,350,000		

The following tables summarizes the movement of stock options:

	Number of options	Weighted average exercise price
Balance, January 31, 2016	-	\$ -
Granted	10,220,000	0.35
Exercised	(870,000)	0.05
Balance, January 31, 2017 and April 30, 2017	9,350,000	\$ 0.37

Fiore Exploration Ltd.

Notes to the Condensed Consolidated Interim Financial Statements

April 30, 2017

(Expressed in Canadian dollars)

(Unaudited)

6. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT

Credit Risk

Credit risk arises from the potential for non-performance by counterparties of contractual financial obligations. The Company's exposure to credit risk is on its cash. The Company reduces its credit risk by maintaining its bank accounts at a large international financial institution. The maximum exposure to credit risk is equal to the fair value or carrying value of the financial assets.

Liquidity Risk

The Company's cash is invested in bank accounts which are available on demand. Management has concluded that the Company has adequate financial resources to settle obligations as at April 30, 2017.

Market Risk

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

Interest Rate Risk

The only significant market risk to which the Company is exposed is interest rate risk. The Company's cash earns interest at variable rates. The fair value of its portfolio is relatively unaffected by changes in short-term interest rates as a result of the short-term nature of these instruments. The Company's future earned interest is exposed to short-term rates.

Foreign Currency Risk

The Company's reporting currency is the Canadian dollar and major purchases are transacted in Canadian and US dollars. The Company maintains Canadian and US dollar bank accounts in Canada. The Company is subject to gains and losses from fluctuations in the US dollar against the Canadian dollar.

Fair value

None of the Company's financial instruments are held at fair value, classification into fair value hierarchy has not been provided. Cash, amounts receivable and trade and other payables are held at amortized cost which approximates fair value due to the short term nature of these instruments.

7. MANAGEMENT OF CAPITAL

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern such that it can continue to provide returns for shareholders and benefits for other stakeholders.

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, business opportunity and the risk characteristics of the underlying assets. In order to maintain or adjust its capital structure, the Company may issue new shares or return capital to its shareholders. The Company is not subject to externally imposed capital requirements.

Management reviews its capital management approach on an ongoing basis. During the three months ended April 30, 2017, there has been no change in the Company's management of capital policies.

Fiore Exploration Ltd.

Notes to the Condensed Consolidated Interim Financial Statements

April 30, 2017

(Expressed in Canadian dollars)

(Unaudited)

8. COMMITMENTS

Operating Lease Commitment

The Company leases office premises with a remaining lease term expiring November 30, 2019. The Company's commitment for future minimum payments in respect of the operating lease commitment is a monthly payment of \$6,472.

9. COMPARATIVE FIGURES

Certain comparative data have been reclassified to conform with the presentation of the current period. The Company has grouped together the comparative balances for certain expenses on the statement of loss and comprehensive loss. There is no net impact on the financial position, net loss and comprehensive loss, cash flows or loss per share in fiscal 2017 as a result of these reclassifications.

10. SUBSEQUENT EVENTS

GRP Transaction

In June 2017, the Company and GRP entered into an LOI to combine in a Nevada based gold production and development company (the 'Transaction'). The LOI provides indicative terms by which the Company will acquire GRP; the exact form and structure will be determined pursuant to the definitive agreement.

The Transaction is conditional upon the Company completing an equity financing for minimum gross proceeds of \$17 million ("Concurrent Financing") and the Company has retained a syndicate of agents to conduct a private placement of subscription receipts at a price of \$0.305 per subscription receipt. Proceeds from the Concurrent Financing will be placed in escrow pending completion of the Transaction and satisfaction of the escrow release conditions.

Following completion of the Transaction, but excluding the Concurrent Financing, it is expected that shareholders of the Company will own approximately one third of the resulting combined entity, with the GRP shareholders owning the remaining two thirds.

Upon signing of the definitive agreement, the Company will also loan GRP \$6 million. Following execution of the definitive agreement, the transaction will be subject to various approvals, including court, shareholder and regulatory approvals.

Lomas de Puquios project

In June 2017, the Company entered into an option agreement to acquire the Lomas de Puquios project in Chile. The Company can earn its interest in the Lomas de Puquios project by:

- Making cash payments of US\$95,000 (paid) on signing of the agreement and a further US\$70,000, US\$90,000, US\$180,000 and US\$980,000 on the respective first, second, third and fourth anniversaries of signing;
- Completing US\$500,000 of exploration work over the next fifteen months;
- Assigning the vendors a 2.5% Net Smelter Royalty ("NSR" and the Company holding the right to repurchase 50% of the NSR (1.25% NSR) for a payment of US\$3 million; and
- Making discovery payments ranging from US\$1/oz to US\$5/oz of Measured and Indicated, NI 43-101 compliant gold resources to a maximum of US\$2.5 million.