

GUNPOINT EXPLORATION LTD.
Suite 1201 – 1166 Alberni Street
Vancouver, British Columbia V6E 3Z3
Canada

NOTICE

**RE: CONDENSED CONSOLIDATED INTERIM FINANCIALS STATEMENTS FOR
THE SIX MONTHS ENDED JUNE 30, 2019 AND 2018.**

The second quarter financial statements for the six months ended June 30, 2019 and 2018 have not been reviewed by the auditors of Gunpoint Exploration Ltd.

GUNPOINT EXPLORATION LTD.

“Sam Wong”

SAM WONG
Chief Financial Officer



Gunpoint Exploration Ltd.

Condensed Consolidated Interim Financial Statements
For the Three and Six months ended June 30, 2019 and 2018 (unaudited)

(expressed in thousands of Canadian dollars, except where indicated)

Gunpoint Exploration Ltd.

Condensed Consolidated Interim Statements of Financial Position

(unaudited - amount expressed in thousands of Canadian dollars, except where indicated)

	Note	As at June 30, 2019	As at December 31, 2018
Assets			
Current assets			
Cash	4	\$ 1,007.5	\$ 1,072.3
Amounts receivable and prepaid expenses		10.6	9.2
		1,018.1	1,081.5
Long-term investment	4,5	416.7	480.3
Investment in mineral properties	6	4,966.2	4,929.9
Reclamation deposits		207.2	215.6
Total assets		\$ 6,608.2	\$ 6,707.3
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities	4,7	\$ 270.2	\$ 254.2
Promissory note	7	700.0	700.0
		970.2	954.2
Due to related party	4,10	1,041.2	1,057.5
Decommissioning obligation		217.3	226.5
Total liabilities		2,228.7	2,238.2
Shareholders' equity			
Share capital	8	9,637.4	9,637.4
Reserves		43,288.1	43,243.2
Deficit		(48,546.0)	(48,411.5)
Total shareholders' equity		4,379.5	4,469.1
Total liabilities and shareholders' equity		\$ 6,608.2	\$ 6,707.3

Nature of operations and going concern (note 1)

Approved by the Board of Directors

"P. Randy Reifel"

Director

"Gerald L. Sneddon"

Director

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

Gunpoint Exploration Ltd.

Condensed Consolidated Interim Statements of Loss and Comprehensive Loss

(unaudited - amount expressed in thousands of Canadian dollars, except where indicated)

	No	Three Months Ended		Six Months Ended	
		June 30, 2019	June 30, 2018	June 30, 2019	June 30, 2018
Operating expenses					
Exploration		\$ (1.2)	\$ (0.1)	\$ (2.3)	\$ (0.4)
General and administrative		(32.9)	(7.2)	(43.4)	(17.3)
Professional fees		(21.7)	(24.0)	(27.9)	(30.4)
Share-based compensation	9	(18.2)	(18.1)	(44.9)	(18.1)
		(74.0)	(49.4)	(118.5)	(66.2)
Other income (expenses), net					
Finance cost (net)		(9.1)	(9.2)	(18.1)	(18.0)
Foreign exchange gain (loss)		(20.5)	23.6	(27.1)	47.8
Other income (expenses)	6(b)	4.3	80.5	140.8	82.3
Unrealized loss on available for sale investment	5	(143.7)	(122.5)	(111.6)	(349.7)
Net income (loss) and comprehensive income (loss)		(243.0)	(77.0)	(134.5)	(303.8)
Earnings (loss) per share					
Basic and diluted		(0.01)	(0.00)	(0.00)	(0.01)
Weighted average shares outstanding					
Basic		43,501,600	43,501,600	43,501,600	43,501,600
Diluted		43,501,600	43,501,600	43,501,600	43,501,600
Total shares issued and outstanding		43,501,600	43,501,600	43,501,600	43,501,600

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

Gunpoint Exploration Ltd.

Condensed Consolidated Interim Statement of Changes in Shareholders' Equity

(unaudited - amount expressed in thousands of Canadian dollars, except where indicated)

	Notes	Shares	Share capital	Additional paid-in capital	Warrant reserves	Share-based payments reserves	Convertible debentures reserves	Investment revaluation reserves	Deficit	Total equity
Balance at December 31, 2018		43,501,600	\$ 9,637.4	\$ 41,509.9	\$ 43.0	\$ 1,625.2	\$ 65.1	\$ -	\$ (48,411.5)	\$ 4,469.1
Net income for the year		-	-	-	-	-	-	-	(134.5)	(134.5)
Share-based compensation charges	9	-	-	-	-	44.9	-	-	-	44.9
Balance at June 30, 2019		43,501,600	\$ 9,637.4	\$ 41,509.9	\$ 43.0	\$ 1,670.1	\$ 65.1	\$ -	\$ (48,546.0)	\$ 4,379.5
Balance at December 31, 2017		43,501,600	\$ 9,637.4	\$ 41,509.9	\$ 43.0	\$ 1,552.6	\$ 65.1	\$ (26.0)	\$ (47,257.6)	\$ 5,524.4
Net loss for the year		-	-	-	-	-	-	-	(303.8)	(303.8)
Unrealized loss on available for sale investments		-	-	-	-	-	-	26.0	(26.0)	-
Share-based compensation charges		-	-	-	-	18.1	-	-	-	18.1
Balance at June 30, 2018		43,501,600	\$ 9,637.4	\$ 41,509.9	\$ 43.0	\$ 1,570.7	\$ 65.1	\$ -	\$ (47,587.4)	\$ 5,238.7

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

Gunpoint Exploration Ltd.

Condensed Consolidated Interim Statement of Cash Flows

(unaudited - amounts express in thousands of Canadian dollars, except where indicated)

	Note	Three Months Ended		Six Months Ended	
		June 30, 2019	June 30, 2018	June 30, 2019	June 30, 2018
Cash used in operating activities					
Net income (loss) for the year		\$ (243.0)	\$ (77.0)	\$ (134.5)	\$ (303.8)
Items not affecting cash					
Unrealized foreign exchange loss (gain)		20.5	(23.6)	27.1	(47.8)
Share-based compensation	9	18.2	18.1	44.9	18.1
Unrealized losses (gain) from investment		143.7	122.5	111.6	349.7
Other	5,6(b)	-	(52.0)	(48.0)	(52.0)
		(60.6)	(12.0)	1.1	(35.8)
Change in non-cash operating working capital					
Amounts accounts receivable and prepaid expense		3.4	(7.2)	(1.4)	(5.0)
Accounts payable and accruals		8.8	10.3	15.9	17.5
		(48.4)	(8.9)	15.6	(23.3)
Cash flows provided by (used in) investing					
Mineral property expenditures		(21.6)	(55.9)	(36.3)	(57.3)
		(21.6)	(55.9)	(36.3)	(57.3)
Increase (decrease) in cash		(70.0)	(64.8)	(20.7)	(80.6)
Foreign exchange impact on cash		(20.8)	23.8	(44.1)	59.2
Cash– beginning of year		1,098.3	1,299.2	1,072.3	1,279.6
Cash– end of year		1,007.5	1,258.2	1,007.5	1,258.2

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

Gunpoint Exploration Ltd.

Notes to Consolidated Financial Statements

For the six months ended June 30, 2019 and 2018

(Amounts expressed in thousands of Canadian dollars, except where indicated)

1 Nature of operations and going concern

Gunpoint Exploration Ltd. (the “Company”) was incorporated under the laws of British Columbia on October 27, 1989. The Company is focused on the acquisition and exploration of precious metals located in the United States, Mexico and Guatemala.

The Company is domiciled in Vancouver, Canada and its common shares are listed on the TSX Venture Exchange under the trading symbol “GUN:TSXV”. The Company is controlled by Chesapeake Gold Corp. (“Chesapeake”) which owns 74% of the Company. The Company’s registered office is at Suite 1201 – 1166 Alberni Street, Vancouver BC, V6C 3A6, Canada.

These consolidated financial statements have been prepared on the basis that the Company is 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. The Company had a consolidated net loss of \$134.5 for the period ended June 30, 2019 (June 30, 2018 loss - \$303.8), and an accumulated deficit of \$48,546.0 as at June 30, 2019 (December 31, 2018 - \$48,411.5). The Company’s working capital as at June 30, 2019 is \$47.9 (December 31, 2018 - \$127.3). To date, the Company has not generated operating revenue from its mineral properties. The ability of the Company to continue as a going concern is dependent upon obtaining additional equity and/or debt financing for the exploration and development of its mineral properties. The Company continues to reduce operating expenditures to minimize cash outflows. These conditions indicate the existence of material uncertainties that may cast substantial doubt about the Company’s ability to continue as a going concern.

The Company is currently holding its mineral properties on care and maintenance until additional financing can be raised from joint venture partners or investors.

These consolidated financial statements do not include any adjustments to the recoverability and reclassification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern and these adjustments could be material.

2 Basis of presentation

These unaudited condensed consolidated interim financial statements have been prepared in accordance with IAS 34 – Interim Financial Reporting as issued by the International Accounting Standards Board (“IASB”). Accordingly, certain disclosures included in annual financial statements prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the IASB have been condensed or omitted and these unaudited condensed interim consolidated financial statements should be read in conjunction with the Company’s audited consolidated financial statements for the year ended December 31, 2018.

The Company’s management makes judgments in its process of applying the Company’s accounting policies in the preparation of its unaudited interim condensed consolidated financial statements. In addition, the preparation of the financial data requires that the Company’s management make assumptions and estimates of the effects of uncertain future events on the carrying amounts of the Company’s assets and liabilities at the end of the reporting period and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from those estimates as the estimation process is inherently uncertain. Estimates are reviewed on an ongoing basis based on historical experience and other factors that are considered to be relevant under the circumstances. Revisions to estimates and the resulting effects on the carrying amounts of the Company’s assets and liabilities are accounted for prospectively. The critical judgments and estimates applied in the preparation of the Company’s unaudited condensed interim consolidated financial statements are consistent with those applied and disclosed in the Company’s consolidated financial statements for the year ended December 31, 2018. In addition, the accounting policies applied in these unaudited condensed interim consolidated financial statements are consistent with those applied and disclosed in the Company’s audited financial statements for the year ended December 31, 2018.

The Company’s interim results are not necessarily indicative of its results for a full year.

These condensed consolidated interim financial statements were approved and authorized for issue by the Board of Directors on August 29, 2019.

New Accounting Standards Adopted during the period

IFRS 16 – Leases

IFRS 16 specifies how an IFRS reporter will recognize, measure, present and disclose leases. The standard provides a single lessee. The IASB issued IFRS 16, Leases, in January 2016, which replaces the current guidance in IAS 17. Under IAS 17, lessees were required to

make a distinction between a finance lease and an operating lease. IFRS 16 requires lessees to recognize a lease liability reflecting future lease payments and a “right-of-use asset” for virtually all lease contracts. The IASB has included an optional exemption for certain short-

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Notes to Consolidated Financial Statements

For the six months ended June 30, 2019 and 2018

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term leases and leases of low-value assets. IFRS 16 is effective for annual periods beginning on or after January 1, 2019, and did not have an impact on the financial statements as all material leases are less than 12 months in duration.

3 Management of capital

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern in order to pursue the development of its resource properties and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk.

In the management of capital, the Company includes the components of shareholders' equity as well as cash and investments.

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. To maintain or adjust its capital structure, the Company may attempt to issue new shares, issue new debts, acquire or dispose of assets or adjust the amount of cash and investments.

In order to maximize ongoing development efforts, the Company does not pay out dividends.

The Company's investment policy is to invest its cash in highly liquid short-term interest-bearing investments, such as Canadian Government treasury bills, banker's acceptances or Guaranteed Investments Certificates, with initial maturity terms less than one year from the original date of acquisition, selected with regards to the expected timing of expenditures from continuing operations. The amended standard was adopted on January 1, 2018 and did not have an impact on the financial statements.

4 Financial instruments

Fair values of financial instruments

The fair values of financial instruments are summarized as follows:

	June 30, 2019		December 31, 2018	
	Carrying value \$	Fair value \$	Carrying value \$	Fair value \$
Financial assets				
<i>Fair value through profit and loss ("FVTPL")</i>				
Cash	1,007.5	1,007.5	1,072.3	1,072.3
<i>Available-for-sale</i>				
Long-term investment	416.7	416.7	480.3	480.3
Financial liabilities				
<i>Other financial liabilities</i>				
Accounts payable & accrued liabilities	270.2	270.2	254.2	254.2
Due to related party	1,041.2	1,041.2	1,057.5	1,057.5

Fair value measurements

The following table sets forth the Company's assets and liabilities measured at fair value on a recurring basis by level within the fair value hierarchy. Assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

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Notes to Consolidated Financial Statements

For the six months ended June 30, 2019 and 2018

(Amounts expressed in thousands of Canadian dollars, except where indicated)

	Level 1	Level 2	Level 3	Total June 30, 2019
Cash	\$ 1,007.5	\$ -	\$ -	\$ 1,007.5
Long-term investment	416.7	-	-	416.7
	\$ 1,424.2	\$ -	\$ -	\$ 1,424.2

	Level 1	Level 2	Level 3	Total December 31, 2018
Cash	\$ 1,072.3	\$ -	\$ -	\$ 1,072.3
Long-term investment	480.3	-	-	480.3
	\$ 1,552.6	\$ -	\$ -	\$ 1,552.6

The Company's policy for determining when a transfer occurs between levels in the fair value hierarchy is to assess the impact at the date of the event or the change in circumstances that could result in a transfer. There were no transfers between the levels during the period ended June 30, 2019.

Credit Risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. Financial instruments that potentially subject the Company to significant concentrations of credit risk consist primarily of cash. The Company's cash is held through large Canadian financial institutions.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk through the management of its capital structure as described in Note 4. The accounts payable and income taxes payable are due within the current operating period.

Market Risk

The Company's financial instruments include investments which are publicly traded and therefore subject to the risks related to the fluctuation in the equity markets. The Company closely monitors market values to determine the most appropriate course of action.

Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows from a financial instrument will fluctuate because of changes to market interest rates. The Company is exposed from time to time to interest rate risk as a result of holding fixed income cash equivalents and investments, of varying maturities. A 1% change in market interest rates would result in no significant change in value of cash and cash equivalents or fixed income securities. The risk that the Company will realize a loss as a result of a decline in the fair value of these assets is limited as they are generally held to maturity.

Foreign Exchange Rate Risk

Currency risk is the risk of a loss due to the fluctuation of foreign exchange rates and the effects of those fluctuations on the Company's foreign currency denominated monetary assets and liabilities. The Company currently operates in the United States, Mexico and Guatemala. Certain costs and expenses are incurred in US dollars, Mexican pesos and Guatemala quetzal. The Company attempts to mitigate currency risk through the preparation of short and long term expenditure budgets in the foreign currencies and planning for the conversion of Canadian dollars into foreign currencies whenever exchange rates are favourable.

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(Amounts expressed in thousands of Canadian dollars, except where indicated)

5 Investments

	December 31, 2018 Fair value	Acquired	Reclassification to long term investment	Unrealized gain/(loss)	Foreign exchange and other	June 30, 2019 Fair value
Long-term investment	\$ 480.3	\$ 48.0	\$ -	\$ (111.6)	\$ -	\$ 416.7
	December 31, 2017 Fair value	Acquired	Reclassification to long term investment	Unrealized gain/(loss)	Foreign exchange and other	December 31, 2018 Fair value
Long-term investment	\$ 1,029.6	\$ 52.0	\$ -	\$ (601.3)	\$ -	\$ 480.3

Long-term investments are designated as available-for-sale and carried at fair value. Unrealized gains and losses are classified as part of the calculation of net income or loss. During the six months ended June 30, 2019, the unrealized loss recorded in available-for-sale financial assets is \$111.6 (December 31, 2018 loss – \$601.3)

6 Mineral properties

	Talapoosa	Escorpion	Total
December 31, 2017	\$ 4,678.6	\$ 566.7	\$ 5,245.3
Licence, dues and fees	229.6	-	229.6
Geological & engineering	15.2	-	15.2
Travel	-	3.1	3.1
Other	6.5	1.4	7.9
Impairment	-	(571.2)	(571.2)
December 31, 2018	\$ 4,929.9	\$ -	\$ 4,929.9
Licence, dues and fees	31.4	-	31.4
Geological & engineering	0.8	-	0.8
Travel	-	-	-
Other	4.1	-	4.1
Impairment	-	-	-
June 30, 2019	4,966.2	-	4,966.2

a) Talapoosa, (Nevada)

In Nevada, the Company owns a 100% interest in the Talapoosa gold property (“Talapoosa”) which consists of 535 unpatented lode mining claims, including 509 claims owned by the Company and 26 claims subject to a lease agreement with a third party (the “Unpatented Leased Land”). These claims are administered by the Bureau of Land Management (“BLM”) and the annual maintenance fees for these claims payable to the BLM are approximately US\$75.0 and the annual lease payment for the Unpatented Leased land is US\$35.0. In addition, there are certain payments required for the land owned subject to leases with private landowners (the “Fee Leased Land”). The current annual payments for Fee Leased Land are approximately US\$42.4.

On March 31, 2015, the Company entered into an agreement with Timberline Resources Corporation (“Timberline”), granting Timberline an option (the “Option”) to acquire from Gunpoint’s subsidiary, American Gold Capital US Inc. (“American Gold”), a 100% interest in Talapoosa. In consideration for the Option, Timberline has paid US\$300.0 and issued 2.0 million common shares of Timberline to American Gold.

Timberline could exercise the Option by making a US\$10.0 million cash payment to American Gold by September 12, 2017. For a period of five years after Timberline exercised the Option, Timberline was required to pay American Gold an additional US\$10.0 million

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(Amounts expressed in thousands of Canadian dollars, except where indicated)

(payable in cash and Timberline common shares) if the daily price of gold averaged US\$1,600 per ounce or greater for a period of ninety consecutive trading days. American Gold retains a 1% net smelter royalty (“NSR”) on Talapoosa which Timberline can purchase for US\$3.0 million.

On October 20, 2016, the Option Agreement was amended. The Company agreed to extend the Option (“Extended Option”) 18 months to March 31, 2019. In consideration for the Extended Option, Timberline paid an additional US\$1.0 million and issued one million common shares to the Company and Timberline’s repurchase option for the Company’s 1% NSR on Talapoosa was terminated.

Timberline did not make the US\$2.0 million option payment due March 31, 2018 to Gunpoint. Timberline’s option to acquire the Talapoosa terminated and 100% ownership reverted back to the Company. During the option term, Gunpoint received US\$1.3 million and 3.0 million common shares of Timberline. The market value of Gunpoint’s 3.0 million common shares of Timberline as at June 30, 2019 was \$285.0 (December 31, 2018 - \$270.0).

b) La Cecilia (Sonora State, Mexico)

In 2010, the Company acquired La Cecilia Property (“La Cecilia”) from Chesapeake Gold Corp. La Cecilia is located in Sonora State, Mexico and comprises three mineral concessions totalling 794 hectares. On January 31, 2017, the Company entered into an agreement (“Option Agreement”) with Riverside Resources Inc. (“Riverside”) whereby Riverside has an option to acquire a 100% interest in La Cecilia.

Pursuant to the Option Agreement, Riverside can acquire a 100% interest in La Cecilia by making \$250.0 in cash payments and issuing one million Riverside common shares to the Company per the following schedule:

- A payment of \$10.0 upon execution of the Option Agreement (Received);
- A \$15.0 cash payment and issuance of 100,000 common shares (fair value of \$46.0) of Riverside concurrent with the execution of registerable agreement in Mexico (“the Effective Date”) (Received)
- A \$25.0 cash payment and issuance of 200,000 common shares of Riverside on or before the first anniversary of the Effective Date (Received)
- A \$75.0 cash payment and issuance of 300,000 common shares of Riverside on or before the second anniversary of the Effective Date; and (Received on January 31, 2019)
- A \$125.0 cash payment and issuance of 400,000 common shares of Riverside on or before the third anniversary of the Effective Date.

Riverside’s responsible for the property taxes and holding costs to maintain La Cecilia in good standing during the term of the agreement. As June 30, 2019, the La Cecilia property is recorded at \$nil (2018 - \$nil) value due to a previous impairment. The consideration received from Riverside will be recognised as income.

c) La Gitana (Oaxaca State, Mexico)

The La Gitana Property (“La Gitana”) is a large low sulphidation epithermal system hosting gold-silver mineralization that is both structurally and lithologically controlled. During 2005 and 2006, Chesapeake completed 40 diamond drill holes comprising 8,462 meters on La Gitana. The drill program primarily tested Cerro di Oro, a 1.5 kilometer long, NW-trending, structurally-controlled, epithermal system where mineralization is found as high-grade shoots in a set of N-W trending, sub-vertical structures, and as low grade disseminations within broad zones of quartz stockworks and breccias.

A NI 43-101 compliant technical report on La Gitana concluded that the exploration program undertaken Chesapeake on the Cerro di Oro zone (including detailed surface mapping and sampling, ground geophysics and diamond drilling) provided sufficient information to confirm the existence of well-defined gold-silver mineralization extending 500 meters in length, 50 to 150 meters wide and 50 to 300 meters deep. Step out drilling discovered additional gold-silver mineralization along strike for over 300 meters to the southeast.

La Gitana was acquired by Gunpoint from Chesapeake in November 2010, together with Talapoosa and La Cecilia.

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For the six months ended June 30, 2019 and 2018

(Amounts expressed in thousands of Canadian dollars, except where indicated)

7 Promissory note

As at June 30, 2019, the Company has an unsecured \$700.0 promissory note due to the President of the Company at an interest rate of 5% per annum. The promissory note is due on demand. Interest accrued for the period ended June 30, 2019 was \$17.5 (June 30, 2018 - \$17.5). As at June 30, 2019, the total accrued interest was \$255.2 (December 31, 2018 - \$237.7) and included in the account payables and accrued liabilities.

8 Share Capital

The Company's authorized share capital consists of an unlimited number of common shares without par value and 50,000,000 preferred shares without par value.

9 Share based compensation

The Company has a share purchase option plan which provides for equity participation in the Company by its directors, officers, employees, consultants and consultant companies through the acquisition of common shares pursuant to the grant of options to purchase shares. The option plan is administered by the Board of Directors. Options may be granted on such terms as the Board may determine within the limitations of the option plan and subject to the rules and policies of applicable regulatory authorities. The maximum aggregate number of shares reserved for issuance for options granted under the option plan is 10% of the issued and outstanding common shares as at the date of grant. Such options will be exercisable for a period of up to 10 years from the grant of grant with vesting terms to be determined at the time of grant by the Board of Directors.

	June 30, 2019		December 31, 2018	
	Number of shares	Weighted average exercise price	Number of shares	Weighted average exercise price
Outstanding – beginning of year	2,405,000	\$ 0.25	905,000	\$ 0.25
Granted	-	-	1,500,000	0.25
Expired/cancelled	(905,000)	0.25	-	-
Outstanding – end of year	1,500,000	\$ 0.25	2,405,000	\$ 0.25

The following is a table discloses the number of options and vested options outstanding as at June 30, 2019:

Number of options	Number of options vested	Price per share	Expiry Date
1,500,000	-	0.25	30-Apr-23

The following table discloses the number of options and vested options outstanding as at December 31, 2018:

Number of options	Number of options vested	Price per share	Expiry Date
905,000	950,000	\$ 0.25	23-Apr-19
1,500,000	-	0.25	30-Apr-23

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10 Related party transactions

The Company's related parties include its subsidiaries and associates over which it exercises significant influence. Transactions with related parties for goods and services are made on normal commercial terms and are considered to be at arm's length.

For the six months ended June 30, 2019, there was \$8.5 (June 30, 2018 - \$8.5) paid to the Chief Financial Officer. As at June 30, 2019, the accrued amount was \$nil (December 31, 2018 - \$nil).

As at June 30, 2019, the Company has a promissory note (note 7) in the principal amount of \$700.0, (plus related accrued interest) outstanding indebted to the President of the Company.

As of June 30, 2019, an amount of \$1,041.2 was due to Chesapeake, the parent of the Company (December 31, 2018 - \$1,057.5). The amounts due to Chesapeake are unsecured, non-interest bearing.

11 Segment disclosures

The Company operates in one operating segment in three countries. Details of the investments in mineral properties are disclosed in Note 6. The Company's assets by country are:

June 30, 2019	Canada	Mexico	USA	Other	Total
Cash	\$ 965.2	\$ 3.6	\$ 38.7	\$ -	\$ 1,007.5
Accounts receivable and prepaid expense	10.6	-	-	-	10.6
	975.8	3.6	38.7	-	1,018.1
Long term investment	131.8	-	284.9	-	416.7
Investment in mineral properties	-	-	4,966.2	-	4,966.2
Reclamation deposits	-	-	207.2	-	207.2
Total assets	\$ 1,107.6	\$ 3.6	\$ 5,497.0	\$ -	\$ 6,608.2
Segment (loss) income for the three months ended June 30, 2019	\$ (292.7)	\$ 16.4	\$ 29.1	\$ 4.2	\$ (243.0)
Segment (loss) income for the six months ended June 30, 2019	\$ (257.0)	\$ 31.9	\$ 70.1	\$ 20.5	\$ (134.5)

June 30, 2018	Canada	Mexico	USA	Other	Total
Cash	\$ 1,210.7	\$ 4.1	\$ 43.3	\$ 0.1	\$ 1,258.2
Accounts receivable and prepaid expense	16.2	-	-	-	16.2
	1,226.9	4.1	43.3	0.1	1,274.4
Long term investment	281.9	-	450.0	-	731.9
Investment in mineral properties	-	-	4,733.8	568.8	5,302.6
Reclamation deposits	-	-	180.4	-	180.4
Total assets	\$ 1,508.8	\$ 4.1	\$ 5,407.5	\$ 568.9	\$ 7,489.3
Segment (loss) income for the three months ended June 30, 2018	\$ 225.7	\$ (18.8)	\$ (278.4)	\$ (5.5)	\$ (77.0)
Segment (loss) income for the six months ended June 30, 2018	\$ 267.5	\$ (33.0)	\$ (518.4)	\$ (19.9)	\$ (303.8)