Interim Consolidated Financial Statements of

GB MINERALS LTD.

(An exploration stage company)
(Formerly Plains Creek Phosphate Corp.)

For the Three and Nine Months Ended March 31, 2013 and 2012

(Expressed in Canadian dollars)

(Unaudited)

GB MINERALS LTD.
(An exploration stage company)
(Formerly Plains Creek Phosphate Corp.)
Interim Consolidated Statement of Financial Position
(Expressed in Canadian dollars)

	March 31, 2013 (Unaudited)	June 30, 2012 (Audited)
ASSETS		
Current Assets		
Cash	$ 524,662	$ 14,733
Restricted cash (note 4)	800,000	-
Other receivable	239,960	232,664
Notes receivable (note 5)	-	883,000
Prepaid expenses	19,522	70,492
	1,584,144	1,200,889
Equipment (note 6)	150,217	202,687
Intangible assets:		
Other assets	383	620
Mineral rights (note 7)	80,776,285	73,045,069
Total Assets	$ 82,511,029	$ 74,449,265

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GB MINERALS LTD.
(An exploration stage company)
(Formerly Plains Creek Phosphate Corp.)
Interim Consolidated Statement of Financial Position
(Expressed in Canadian dollars)

	March 31, 2013 (Unaudited)	June 30, 2012 (Audited)
LIABILITIES & SHAREHOLDERS' EQUITY		
Current Liabilities		
Bank indebtedness	$ -	$ 3,302
Financial security deposits (note 4)	800,000	-
Accounts payable and accrued liabilities	4,027,875	8,105,221
Notes payable (note 8)	200,000	-
Current portion of debt payable (note 9)	4,817,813	-
Convertible debentures (note 10)	1,731,533	-
Advances from related parties (note 11)	830,436	764,057
	12,407,657	8,872,580
Long-term portion of debt payable (note 9)	6,717,189	-
Provision for reclamation and rehabilitation (note 13)	43,357	43,357
Deferred income tax liability	9,499,876	9,499,876
	28,668,079	18,415,813
Shareholders' Equity		
Share capital (note 12)	40,035,887	40,035,887
Share-based payment reserve – options (note 12)	2,035,725	1,949,596
Share-based payment reserve - warrants (note 12)	615,859	615,859
Fair value of convertible feature on convertible debentures (note 10)	227,967	-
Cumulative Translation Reserve	31,446	60,656
Deficit	(12,752,152)	(10,707,474)
Shareholders' Equity	30,194,732	31,954,524
Non-Controlling Interest	23,648,218	24,078,928
Total Shareholders' Equity	53,842,950	56,033,452
Total Liabilities and Shareholders' Equity	$ 82,511,029	$ 74,449,265

Commitments and Contractual Arrangements (note 13)

APPROVED ON BEHALF OF THE BOARD OF DIRECTORS:

Signed "Owen Ryan" — Director

Signed "Luis G. Cabrita da Silva" — Director

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

GB MINERALS LTD.
(An exploration stage company)
(Formerly Plains Creek Phosphate Corp.)
Interim Consolidated Statements of Loss and Comprehensive Loss (Unaudited)
(Expressed in Canadian dollars)

	Three Months Ended		Nine Months Ended	
	March 31, 2013	**March 31, 2012**	**March 31, 2013**	**March 31, 2012**
Expenses				
General and administrative	$ 137,560	$ 230,212	$ 393,576	$ 611,918
Management and consulting fees	258,362	196,225	634,905	856,067
Director fees	25,400	87,000	89,400	87,000
Stock options compensation	86,129	-	86,129	-
Finders' fees	21,500	-	21,500	-
Professional fees (audit and legal)	237,404	115,737	418,805	276,431
Financial advisory	164,779	396,045	239,447	577,406
Travel	46,435	188,913	220,076	455,495
Salaries and wages	72,558	72,531	178,761	232,479
Investor relations	54,743	94,643	134,239	247,699
Amortization	1,142	16,082	3,771	38,209
Filing and transfer agent fees	26,924	27,398	34,650	39,021
Gain on foreign exchange	(534,150)	(36,880)	(306,307)	(48,122)
Loss before other loss	598,786	1,387,906	2,148,951	3,373,603
Other expense (income)				
Interest expense (income)	300,129	(12,068)	297,343	(25,052)
Net Loss before Income Taxes	898,915	1,375,838	2,446,294	3,348,551
Deferred income taxes	-	-	-	-
Net Loss	898,915	1,375,838	2,446,294	3,348,551
Other Comprehensive (Income) Loss				
Currency translation differences translating foreign operations	(3,964)	26,070	29,210	(21,582)
Currency translation differences translating non-controlling interest	(3,946)	25,966	29,094	(21,496)
Comprehensive Loss	$ 891,005	$ 1,427,874	$ 2,504,598	$ 3,305,473
Comprehensive Loss attributable to:				
Controlling equity holders	$ 782,409	$ 1,117,113	$ 2,073,888	$ 2,724,102
Non-controlling interest	108,596	310,761	430,710	581,371
	$ 891,005	$ 1,427,874	$ 2,504,598	$ 3,305,473
Weighted Average Number of Shares Outstanding	19,393,854	18,445,194	19,393,854	17,711,830
Loss per Share – basic and diluted	$ 0.05	$ 0.07	$ 0.13	$ 0.19

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

GB MINERALS LTD.
(An exploration stage company)
(Formerly Plains Creek Phosphate Corp.)
Interim Consolidated Statements of Cash Flows (Unaudited)
(Expressed in Canadian dollars)

	Nine Months Ended	
	March 31, 2013	**March 31, 2012**
Operating Activities:		
Net loss for the period	$ (2,446,294)	$ (3,348,551)
Adjustments for non-cash items:		
Amortization (note 6)	3,771	44,993
Shares issued for consulting services	-	250,000
Stock options compensation	86,129	-
Convertible debentures – amortization (note 10)	29,500	-
Unrealized foreign exchange adjustment	(18,131)	-
Changes in non-cash working capital:		
Other receivable	(7,092)	(100,664)
Prepaid expenses	50,984	1,919,205
Accounts payable and accrued liabilities	(4,079,149)	2,896,936
Net Cash (Used in) Provided by Operating Activities	(6,380,282)	1,661,919
Investing Activities:		
Additions in mineral rights	(7,713,627)	(6,793,152)
Restricted cash (note 4)	(800,000)	-
Notes receivable	883,000	(856,000)
Purchase of equipment	(873)	(180,595)
Disposal of equipment	4,538	-
Net Cash Used in Investing Activities	(7,626,962)	(7,829,747)
Financing Activities:		
Bank indebtedness	(3,302)	-
Financial security deposits (note 4)	800,000	-
Issuance of convertible debentures (note 10)	1,930,000	-
Notes payable (note 8)	200,000	-
Issuance of common shares (net of costs)	-	3,007,200
Exercise of options	-	25,500
Advances from (repayments to) related parties	61,606	57,725
Proceeds from debt payable	11,535,002	-
Net Cash Provided by Financing Activities	14,523,306	3,090,425
Impact of foreign exchange on cash	(6,133)	16,615
Net increase (decrease) in cash and cash equivalents	509,929	(3,060,788)
Cash - beginning of period	14,733	3,391,229
Cash - end of period	$ 524,662	$ 330,441

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

GB MINERALS LTD.
(An exploration stage company)
(Formerly Plains Creek Phosphate Corp.)
Interim Consolidated Statement of Changes in Equity (Unaudited)
(Expressed in Canadian dollars)

	Number of Common Shares[1,2]	Common Shares[1]	Share-Based Payment Reserve - Options	Share-Based Payment Reserve - Warrants	Fair Value of Convertible Feature on Convertible Debenture	Non-Controlling Interest	Cumulative Translation Reserve	Deficit	Shareholders' Equity
Balance – June 30, 2011	**17,247,034**	**$37,053,456**	**$ 1,949,596**	**$ 321,391**	**$ -**	**$24,740,889**	**$ (11,669)**	**$ (7,173,670)**	**$56,879,993**
Private placement	2,031,250	3,250,000	-	-	-	-	-	-	3,250,000
Shares issued for prior year's subscription	6,666	-	-	-	-	-	-	-	-
Share issue cost – in cash	-	(242,800)	-	-	-	-	-	-	(242,800)
Share issue cost – brokers' warrants	-	(44,972)	-	44,972	-	-	-	-	-
Shares issued for consulting services	96,154	250,000	-	-	-	-	-	-	250,000
Shares issued for exercise of options	12,750	25,500	-	-	-	-	-	-	25,500
Warrants expired	-	1,940	-	(1,940)	-	-	-	-	-
Warrants valuation – subscription warrants	-	(149,298)	-	149,297	-	-	-	-	(1)
Warrants valuation – warrants extension	-	(107,939)	-	107,939	-	-	-	-	-
Other comprehensive gain	-	-	-	-	-	21,496	21,582	-	43,078
Loss for the period	-	-	-	-	-	(602,868)	-	(2,745,683)	(3,348,551)
Balance – March 31, 2012	**19,393,854**	**$40,035,887**	**1,949,596**	**621,659**	**-**	**24,159,517**	**9,913**	**(9,919,353)**	**56,857,219**
Warrants expired	-	-	-	(5,800)	-	-	-	-	(5,800)
Other comprehensive gain	-	-	-	-	-	50,540	50,743	-	101,283
Loss for the period	-	-	-	-	-	(131,129)	-	(788,121)	(919,250)
Balance – June 30, 2012	**19,393,854**	**40,035,887**	**1,949,596**	**615,859**	**-**	**24,078,928**	**60,656**	**(10,707,474)**	**56,033,452**
Stock options compensation	-	-	86,129	-	-	-	-	-	86,129
Convertible debentures – equity portion	-	-	-	-	227,967	-	-	-	227,967
Other comprehensive gain	-	-	-	-	-	(29,094)	(29,210)	-	(58,304)
Loss for the period	-	-	-	-	-	(401,616)	-	(2,044,678)	(2,446,294)
Balance – March 31, 2013	**19,393,854**	**$40,035,887**	**$ 2,035,725**	**$ 615,859**	**$ 227,967**	**$23,648,218**	**$ 31,446**	**$(12,752,152)**	**$53,842,950**

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

[1]Under reverse takeover accounting the number of shares issued and outstanding is that of GB Minerals Ltd. (formerly Plains Creek Phosphate Corporation), the legal parent. However, the share capital amount is that of the legal subsidiary Plains Creek Mining Ltd. plus the share capital transactions of the Company from the acquisition date of February 25, 2011 onwards.

[2]On March 25, 2013, the shareholders of the Company approved a consolidation of the Company's outstanding common shares on a 20-to-1 basis to reduce the issued and outstanding common shares from 387,877,088 to 19,393,854. Effective March 28, 2013, the Company's shares commenced trading on a consolidated basis under the symbol "GBL". All figures for common shares outstanding and earning per share have been adjusted retrospectively.

1. Nature and Continuance of Operations

GB Minerals Ltd. ("GBML" or the "Company") was incorporated under British Columbia's Business Corporations Act on July 24, 2007 under the name of Resource Hunter Capital Corporation ("RHC") which commenced trading on the TSX Venture Exchange initially as a Capital Pool Company. On June 11, 2010, RHC completed a qualifying transaction to become a tier 2 mining issuer. On February 25, 2011, RHC was acquired by Plains Creek Mining Limited ("PCM") in a reverse takeover transaction and changed its name to Plains Creek Phosphate Corporation ("PCP") and subsequently to GB Minerals Ltd. trading under the symbol "GBL" effective March 28, 2013. The Company's registered address is 700 – 595 Burrard Street, PO Box 49290, Three Bentall Centre, Vancouver, BC V7X 1S8.

On February 25, 2011, the Company acquired a 50.1% interest in a Swiss company GB Minerals AG ("GBM AG") and its wholly owned subsidiary GB Minerals SARL ("GBM SARL") by cash and the issuance of shares. As a result of this transaction, the Company acquired control of GBM AG which owns the mineral rights in the Farim Phosphate Project in Guinea-Bissau (see notes 3 and 7).

The Company's principal business activities include the acquisition, exploration, and development of the mineral rights located in Guinea-Bissau. The business of mining, exploration and development involves a high degree of risk and there can be no assurance that current exploration and development programs will result in profitable mining operations. The Company has no source of revenue, and has significant cash requirements to meet its administrative overhead and maintain its exploration and evaluation properties and development programs. Although the Company was able to obtain adequate financing in the past, there is no assurance that the Company will continue to obtain adequate financing in the future or that the terms of such financing will be favourable. Failure to obtain such additional financing could result in delay or indefinite postponement of further exploration and development of its projects with the possible loss of such properties. The recoverability of amounts shown for exploration and evaluation assets is dependent on several factors. These include the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the development of these properties, and future profitable production or proceeds from disposition of exploration and evaluation assets.

Further to the Company's financing and exploration and development risk mentioned above, the Company is also subject to political risks associated with operating in Guinea-Bissau, West Africa, and may be subject to changes in political conditions and regulations in that country. In the past, Guinea-Bissau has been subject to political instability, changes and uncertainties, which may cause changes to existing governmental regulations affecting mineral exploration and mining activities. The Company's mineral exploration and mining activities in Guinea-Bissau may be adversely affected in varying degrees by changing government regulations relating to the mining industry or shifts in political conditions that increase the costs related to the Company's activities or maintaining its licenses. Future changes in applicable laws and regulation or changes in their enforcement or regulatory interpretation could negatively impact current or planned exploration and development activities on the Farim Project.

1. Nature and Continuance of Operations (Cont'd)

Although the Company has taken steps to verify title to the property on which it is conducting exploration and development and in which it has an interest, in accordance with industry standards for the current stage of exploration and development of such properties, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements and non-compliance with regulatory requirements.

These interim consolidated financial statements have been prepared in accordance with 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 Company's ability to continue as a going concern is dependent upon achieving profitable operations and/or obtaining additional financing.

While the Company currently does not have sufficient cash on hand to continue with its exploration and development programs for the immediate future, its immediate and long term continuance is dependent on obtaining sufficient external financing (predominantly through the issuance of equity to the public), to realize the recoverability of its investment in its mineral rights which is dependent upon the existence of economically recoverable reserves and upon future profitable production. Although the Company was able to obtain adequate financing in the past, there is no assurance that the Company will continue to obtain adequate financing in the future or that the terms of such financing will be favourable. As at March 31, 2013, the Company had negative working capital of $10,823,513 (June 30, 2012 - $7,671,691). As at the balance sheet date March 31, 2013, the Company has not received any revenue from mining operations and is considered to be in the exploration and development stage. Accordingly, these interim consolidated financial statements do not reflect adjustments to the carrying value of assets, liabilities, the reported expenses and balance sheet classifications used that might be necessary if the going concern assumption were not appropriate.

2. Significant Accounting Policies

a) Statement of compliance with IFRS

These interim consolidated financial statements have been prepared in accordance with International Accounting Standard 34 Interim Financial Reporting ("IAS 34") using accounting policies consistent with IFRS.

These interim consolidated financial statements have been prepared on a historical cost convention. In addition, these interim consolidated financial statements have been prepared using the accrual basis of accounting except for cash flow information.

b) Basis of presentation

These interim consolidated financial statements have been prepared in accordance with IAS 34 and may not include all the information required for full annual audited consolidated financial statements. They should be read in conjunction with the Company's audited annual consolidated financial statements for the year ended June 30, 2012 prepared in accordance with IFRS.

2. Significant Accounting Policies (Cont'd)

b) Basis of presentation (Cont'd)

The accounting policies set out below have been applied consistently by the Company and its subsidiaries to all periods presented in these interim consolidated statements.

The policies applied in these interim consolidated financial statements are based on IFRS issued and outstanding as at May 27, 2013, the date the Board of Directors approved these interim consolidated financial statements for issue.

The standards that will be effective in the annual consolidated financial statements for the year ending June 30, 2013 are subject to change and may be affected by additional interpretation(s). Accordingly, the accounting policies for the annual period that are relevant to these interim consolidated financial statements will be determined only when the annual consolidated financial statements are prepared for the year ending June 30, 2013.

Presentation of the interim consolidated statements of financial position differentiates between current and non-current assets and liabilities. The interim consolidated statements of loss and comprehensive loss are prepared using the functional classification.

c) Basis of consolidation

These interim consolidated financial statements include the accounts of the Company and its wholly owned subsidiary, PCM and its controlled subsidiary, GBM AG (Switzerland) and its wholly owned subsidiary GBM SARL (Guinea-Bissau). All intercompany transactions, balances, and unrealized gains and losses on intercompany transactions have been eliminated. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Company controls another entity. Where control of an entity is obtained during a financial period, its results are included in the consolidated statements of loss and comprehensive loss from the date on which control commences. Where control of an entity ceases during a financial period, its results are included for that part of the period during which control existed.

d) Functional currency translation

i) Functional and presentation currency

Items included in the financial statements of each consolidated entity in the group are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The interim consolidated financial statements are presented in Canadian dollars, which is the reporting parent's functional currency. The functional currency of the reporting parent's subsidiaries, GBM AG and PCM, are the Canadian dollar, and the functional currency of its wholly owned subsidiary, GBM SARL, is the Central Africa franc ("CFA").

2. Significant Accounting Policies (Cont'd)

d) Functional currency translation (Cont'd)

i) Functional and presentation currency (Cont'd)

The financial statements of entities that have a functional currency different from that of the reporting parent's operations are translated into Canadian dollars as follows: assets and liabilities – at the closing rate at the date of the statement of financial position, and income and expenses – at the average rate of the period (as this is considered a reasonable approximation to the actual rates). All resulting changes are recognized in other comprehensive income or loss as cumulative translation adjustments.

When an entity disposes of its entire interest in a foreign operation, or loses control, joint control, or significant influence over a foreign operation, the foreign currency gains or losses accumulated in other comprehensive income or loss related to the foreign operation are recognized in profit or loss. If an entity disposes part of an interest in a foreign operation which remains a subsidiary, a proportionate amount of foreign currency gains or losses accumulated in other comprehensive income related to the subsidiary are reallocated between controlling and non-controlling interests.

ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Generally, foreign exchange gains and losses resulting from the settlement of foreign currency transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in currencies other than an operation's functional currency are recognized in the statement of loss and comprehensive loss.

e) Measurement uncertainty

The preparation of interim consolidated financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of the accounting policies to financial information presented. Actual results may differ from the estimates, assumptions and judgments made. Estimates and underlying assumptions are reviewed on an ongoing basis. Changes made to estimates are reflected in the period the changes are made.

Significant areas requiring the use of estimates and assumptions include the review of asset carrying values and estimated useful lives, valuation of convertible debentures, valuation of share-based payment reserves – options and warrant reserves, recoverability of deferred tax assets, and provision for reclamation and rehabilitation. By their nature, these estimates and assumptions are subject to measurement uncertainty, and the impact of changes in estimates in the interim consolidated financial statements of future periods could be material. These assumptions are reviewed periodically and, as adjustments become necessary, they are reported in earnings (loss) in the periods in which they become known.

2. Significant Accounting Policies (Cont'd)

f) Significant accounting judgements

The critical judgments that the Company's management has made in the process of applying the Company's accounting policies, apart from those involving estimations (note 2(e)), that have the most significant effect on the amounts recognized in the Company's interim consolidated financial statements are related to the economic recoverability of the mineral properties, level of componentization, cash-generating units, definition of segments and related parties, impairment of financial assets, fair value of the convertible feature on the convertible debentures, the determination of functional currency for the Company and its subsidiaries, provision for reclamation and obligation, the determination that the reverse acquisition of RHC represents an acquisition of an asset rather than a business combination and the assumption that the Company will continue as a going concern.

g) Cash and cash equivalents

Cash and cash equivalents include cash on deposit and highly liquid short-term interest bearing investment accounts held with reputable financial institutions that are readily convertible to known amounts of cash with original maturities of less than 90 days.

h) Equipment

Equipment is stated at cost less accumulated amortization and accumulated impairment losses, if any. Cost includes expenditures that are directly attributable to the acquisition of the asset. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost can be measured reliably. The carrying amount of a replaced asset is derecognized when replaced. Repairs and maintenance costs are charged to the statement of loss during the period in which they are incurred.

The major categories of equipment are amortized on a declining balance basis as follows:

Machinery and equipment	30%
Vehicles	30%
Furniture	30%

The Company allocates the amount initially recognized in respect of an item of equipment to its significant parts and amortizes separately each such part. Residual values, method of amortization and useful lives of the assets are reviewed annually and adjusted if appropriate.

Gains and losses on disposals of equipment are determined by comparing the proceeds with the carrying amount of the asset and are included as part of other gains and losses in the statement of loss and comprehensive loss during the period.

2. Significant Accounting Policies (Cont'd)

i) Financial instruments

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets are derecognized when the rights to receive cash flows from the assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership.

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.

At initial recognition, the Company classifies its financial instruments in the following categories depending on the purpose for which the instruments were acquired:

i*) Financial assets and liabilities at fair value through profit or loss*

A financial asset or liability is classified in this category if acquired principally for the purpose of selling or repurchasing in the short-term. Derivatives are also included in this category unless they are designated as hedges. The Company at this time does not have any financial instruments in this category.

Financial instruments in this category are recognized initially and subsequently at fair value. Transaction costs are expensed in the statement of loss. Gains and losses arising from changes in fair value are presented in the statement of loss within other gains and losses in the period in which they arise. Financial assets and liabilities at fair value through profit and loss are classified as current except for the portion expected to be realized or paid beyond twelve months of the balance sheet date, which is classified as non-current.

ii) Available-for-sale investment

Available-for-sale investments are non-derivatives that are either designated in this category or not classified in any of the other categories. The Company at this time does not have any financial instruments in this category.

Available-for-sale investments are recognized initially at fair value plus transaction costs and are subsequently carried at fair value. Gains or losses arising from changes in fair value are recognized in other comprehensive loss. Available-for-sale investments are classified as non-current, unless the investment matures within twelve months, or management expects to dispose of them within twelve months.

2. Significant Accounting Policies (Cont'd)

i) Financial instruments (Cont'd)

ii) Available-for-sale investment (Cont'd)

Interest on available-for-sale investments, calculated using the effective interest method, is recognized in the statement of loss as part of interest expense or income. Dividends on available-for-sale equity instruments are recognized in the statement of loss as part of other gains and losses when the Company's right to receive payment is established. When an available-for-sale investment is sold or impaired, the accumulated gains or losses are moved from accumulated other comprehensive loss to the statement of loss and included in other gains and losses.

iii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. The Company's loans and receivables are comprised of cash, restricted cash, other receivable, and notes receivable and are included in current assets due to their short-term nature. Loans and receivables are initially recognized at the amount expected to be received less, when material, a discount to reduce the loans and receivables to fair value. Subsequently, loans and receivables are measured at amortized cost using the effective interest method less a provision for impairment, if any.

iv) Held to maturity investments

Held to maturity investments are non-derivative financial assets with no fixed or determinable payments and fixed maturities that the Company's management has the intention and ability to hold to maturity. These assets are measured originally at fair value and then subsequently at amortized cost using the effective interest rate method. If there is objective evidence that the investment is impaired, the financial asset is measured at the estimated present value of future cash flows discounted at the entity's original effective interest rate. Any changes to the carrying amount of the investment are recognized in the statement of loss and comprehensive loss.

v) Financial liabilities at amortized cost

Financial liabilities at amortized cost are recognized initially at the amount required to be paid less, when material, a discount to reduce the financial liabilities to fair value. Subsequently, the financial liabilities are measured at amortized cost using the effective interest method. Financial liabilities are classified as current liabilities if payment is due within twelve months. Otherwise, they are presented as non-current liabilities.

2. Significant Accounting Policies (Cont'd)

i) Financial instruments (Cont'd)

vi) Other financial liabilities

Other financial liabilities are non-derivative liabilities recognized initially at fair value, net of transaction costs, and are subsequently stated at amortized cost each period. The Company has classified its bank indebtedness, financial security deposits, accounts payable and accrued liabilities, notes payable, debt payable, convertible debentures, and advances from related parties as other financial liabilities.

j) Impairment of financial assets

At each reporting date, the Company assesses whether there is objective evidence that a financial asset is impaired. If such evidence exists, the Company recognizes an impairment loss, as follows:

i) Financial assets carried at amortized cost

The loss is the difference between the amortized cost of the financial assets and the present value of the estimated future cash flows, discounted using the instrument's original effective interest rate. The carrying amount of the asset is reduced by this amount either directly or indirectly through the use of an allowance account. The amount of the impairment is recognized in net loss.

ii) Available-for-sale financial assets

The impairment loss is the difference between the original cost of the asset and its fair value at the measurement date, less any impairment losses previously recognized in the statement of loss and comprehensive loss. This amount represents the cumulative loss in accumulated other comprehensive loss that is reclassified to net loss.

Impairment losses on financial assets carried at amortized cost are reversed in subsequent periods if the amount of the loss decreases and the decreases can be related objectively to an event occurring after the impairment was recognized. Impairment losses on available-for-sale equity instruments are not reversed.

k) Revenue recognition

Revenue will be recorded when the fair value of the consideration is received or receivable and will be recognized to the extent that it is probable that the economic benefits will flow to the Company and when the revenue can be reliably measured.

Interest income is recognized as it accrues using the effective interest rate method.

2. Significant Accounting Policies (Cont'd)

l) Non-controlling interests

Non-controlling interests represent equity interests in subsidiaries owned by outside parties. The share of net assets of subsidiaries attributable to non-controlling interests is presented as a component of equity. Their share of net loss and comprehensive loss is recognized directly in equity. Changes in the parent company's ownership interest in subsidiaries that do not result in a loss of control are accounted for as an equity transaction.

m) Comprehensive income or loss

Comprehensive loss is the change in equity of an enterprise during a period from transactions, events and circumstances other than those under the control of management and the owners. It includes all changes in equity during a period except those resulting from investments by owners and distributions to owners. The Company reports comprehensive loss in its interim consolidated statement of loss and comprehensive loss and in its consolidated statement of equity.

n) Income taxes

Income tax expense comprises current and deferred income taxes. Income tax expense is recognized in profit and loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred taxes are recorded using the statement of financial position liability method. Under the statement of financial position liability method, deferred tax assets and liabilities are recognized for future tax consequences attributable to unused tax losses and unused tax credits and differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. The following temporary differences are not provided for: initial recognition of goodwill; the initial recognition of assets or liabilities in a transaction that affects neither accounting nor taxable loss and is not a business combination; and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. Future tax assets and liabilities are measured using the enacted or substantively enacted tax rates expected to apply when the asset is realized or the liability settled.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the unused tax losses and unused tax credits and temporary differences can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized. Any such reduction will be reversed to the extent that it becomes probable that sufficient taxable profit will be available.

2. Significant Accounting Policies (Cont'd)

o) Identifiable intangible assets

The Company's intangible assets include computer software that is not required for the operation of the on-site hardware and mineral rights with finite useful lives. Acquired computer software assets are capitalized and amortized on a declining balance basis as follows:

Software	50%

Mineral Rights

The Company is in the exploration and development stage and defers all expenditures related to its mineral rights until such time as the property is put into commercial production, sold or abandoned. Under this method, the amounts reported represent costs incurred to date less amounts amortized and/or written off, and do not necessarily represent present or future values.

i) Pre-Exploration

Pre-exploration costs in areas where a legal right to explore has not been obtained are expensed as incurred.

ii) Exploration and evaluation expenditures

Exploration and evaluation ('E&E') costs incurred after the legal right to explore is obtained, but before technical feasibility and commercial viability of the project have been demonstrated are capitalized as E&E assets. These include the costs of acquiring the licenses and directly attributable general and administrative costs. All applicable costs are capitalized as either tangible or intangible E&E assets depending on the nature of the assets acquired. The costs are accumulated in cost centers by exploration area.

iii) Development and production costs

When technical feasibility and commercial viability of a property is established and the Company determines that it will proceed with development, all E&E costs attributable to that area are reclassified to construction in progress within property, plant and equipment or as intangible assets depending on the nature of the expenditure. If economically recoverable ore deposits are developed, the capitalized costs of the related property will be amortized using the unit-of-production method following the commencement of production.

2. Significant Accounting Policies (Cont'd)

p) Impairment of non-financial assets

Non-financial assets are reviewed for impairment if there is any indication that the carrying amount may not be recoverable. If any such indication is present, the recoverable amount of the asset is estimated in order to determine whether an impairment exists. Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash-generating unit ("CGU") to which the asset belongs. Any intangible asset with an indefinite useful life is tested for impairment annually and whenever there is an indication that the asset may be impaired.

A CGU recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value, using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset or CGU is estimated to be less than its carrying amount, the carrying amount is reduced to the recoverable amount. Impairment is recognized immediately in profit or loss. Where an impairment subsequently reverses, the carrying amount is increased to the revised estimate of recoverable amount but only to the extent that this does not exceed the carrying value that would have been determined if no impairment had previously been recognized.

Industry specific indicators for an impairment review on mineral rights and capitalized exploration related expenditures arise typically when one of the following circumstances applies:

- Substantive expenditure on further exploration and evaluation activities is neither budgeted or planned;
- Title to the asset is compromised;
- Adverse changes in variations in commodity prices and markets; and
- Variations in the exchange rate for the currency of operation

The Company has determined that its non-financial assets are not impaired as at March 31, 2013.

2. Significant Accounting Policies (Cont'd)

q) Restoration, rehabilitation and environmental obligations

An obligation to incur restoration, rehabilitation and environmental costs arises when the environmental disturbance is caused by the exploration or development of a mineral property interest. Such costs arising from the decommissioning of plant and other site preparation work, discounted to their net present value, are provided for and capitalized at the start of each project to the carrying amount of the asset, along with a corresponding liability as soon as the obligation to incur such costs arises. The timing of the actual rehabilitation expenditure is dependent on a number of factors such as the life and nature of the asset, the operation license conditions and, when applicable, the environment in which the mine operates. Discount rates using a pre-tax rate that reflects the time value of money are used to calculate the net present value. These costs are charged against profit or loss over the economic life of the related asset, through amortization using either the unit-of-production or the straight line method. The corresponding liability is progressively increased as the effect of discounting unwinds creating an expense in profit or loss (refer to note 13b).

Decommissioning costs are also adjusted for changes in estimates. Those adjustments are accounted for as a change in the corresponding capitalized cost, except where a reduction in costs is greater than the unamortized capitalized cost of the related assets, in which case the capitalized cost is reduced to nil and the remaining adjustment is recognized in profit or loss.

The operations of the Company have been, and may in the future be, affected from time to time in varying degrees by changes in environmental regulations, including those for site restoration costs. Both the likelihood of new regulations and their overall effect upon the Company are not predictable.

r) Share-based payments

The Company has a stock-based compensation plan, which is described in note 12. The Company uses the fair value method, utilizing the Black-Scholes option pricing model, for valuing stock options granted to directors, officers, consultants and employees. The estimated fair value is recognized over the applicable vesting period as stock-based compensation expense and an increase to share-base payment reserve. Any consideration paid by individuals on the exercise of stock options or purchase of stock is credited to share capital plus the amounts originally recorded as share base payment reserve. An individual is classified as an employee when they are an employee for legal purposes, or primarily performing services similar to the services that would be provided by a legal employee.

s) Non-monetary transactions

Transactions with no cash consideration are measured at the fair value of either the asset given up or the asset received, whichever is more reliably determinable.

2. Significant Accounting Policies (Cont'd)

t) Loss per share

Basic loss per share is calculated by dividing the net loss available to common shareholders by the weighted average number of shares outstanding during the period. Diluted earnings per share reflect the potential dilution of securities that could share in earnings of an entity. In a loss year, potentially dilutive common shares are excluded from the loss per share calculations as the effect would be anti-dilutive.

u) Reverse takeover accounting transactions that do not constitute business combinations

IFRS does not provide guidance with respect to reverse takeover transactions that do not constitute a business combination. As a result management has applied IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors which allows the creation of an accounting policy. Reverse takeover transactions that do not constitute a business combination are accounted for as a recapitalization whereby the number of shares issued and outstanding is that of the legal parent and whereas the share capital amount is that of the legal subsidiary plus the share capital transactions of the Company from the date of the transaction onwards. The fair value of share-based consideration provided by the legal subsidiary to the legal parent to effect the transaction is equal to the fair value of the net assets of the legal parent. Costs associated with these types of reverse takeover transactions are split into components and treated as a reduction of equity where costs have been incurred preceding the reverse takeover transaction. Costs that are not associated with the raising of capital are expensed as incurred.

v) New accounting standards and recent pronouncements

A number of new standards, and amendments to standards and interpretations, are not yet effective for the three and nine months ended March 31, 2013, and have not been applied in preparing these consolidated financial statements. The following standards and interpretations have been issued by the International Accounting Standards Board and the International Financial Reporting Interpretations Committees with effective dates relating to the annual accounting periods starting on or after the effective dates as follows:

2. Significant Accounting Policies (Cont'd)

v) New accounting standards and recent pronouncements (Cont'd)

International Accounting Standards		Effective Date
IAS 32 – Financial Instruments: Presentation	The objective of this Standard is to establish principles for presenting financial instruments as liabilities or equity and for offsetting financial assets and financial liabilities. It applies to the classification of financial instruments, from the perspective of the issuer, into financial assets, financial liabilities and equity instruments; the classification of related interest, dividends, losses, and gains; and the circumstances in which financial assets and financial liabilities should be offset. The principles in this Standard complement principles for recognizing and measuring financial assets and financial liabilities in IFRS 9, and for disclosing information about them in IFRS 7. Concurrent with the amendments to IFRS 7, the IASB also amended IAS 32 to clarify the existing requirements for offsetting financial instruments in the balance sheet.	January 1, 2014
IFRS 9 – Financial Instruments	IFRS 9 was issued in November 2009 and contained requirements for financial assets. This standard addresses classification and measurement of financial assets and replaces the multiple category and measurement models in IAS 39 for debt instruments with a new mixed measurement model having only two categories: Amortized cost and fair value through profit or loss. IFRS 9 also replaces the models for measuring equity instruments and such instruments are either recognized at the fair value through profit or loss or at fair value through other comprehensive income. Where such equity instruments are measured at fair value through other comprehensive income, dividends are recognized in profit or loss to the extent not clearly representing a return of investment; however, others gains and losses (including impairments) associated with such instruments remain in accumulated other comprehensive income indefinitely. Requirements for financial liabilities were added in October 2010 and they largely carried forward existing requirements in IAS 39, Financial Instruments – Recognition and Measurement, except that fair value changes due to credit risk for liabilities designated at fair value through profit and loss would generally be recorded in other comprehensive income.	January 1, 2015

2. Significant Accounting Policies (Cont'd)

v) New accounting standards and recent pronouncements (Cont'd)

International Accounting Standards		Effective Date
IFRS 9 – Financial Instruments	IFRS 9 is effective for annual periods beginning on or after January 2015 with early adoption permitted. The Company has not yet begun the process of assessing the impact that the new and amended standards will have on its consolidated financial statements or whether to early adopt any of the new requirements.	January 1, 2015

The Company is in the process of assessing the impact that the new and amended standards will have on its consolidated financial statements or whether to early adopt the new requirements.

3. Acquisition of GB Minerals AG

On March 25, 2013, the shareholders of the Company approved that the Company will indirectly acquire the remaining 49.9% of GBM AG's shares that the Company does not already indirectly own from Aterra Investments Ltd. ("Aterra") and WAD Consult AG ("WAD") in exchange for the issuance of common shares of the Company to Aterra and WAD pursuant to the share purchase and exchange agreement dated February 22, 2013 ("2013 SPEA") among GBML, PCM, Aterra, and WAD (refer to note 18a).

Aterra and WAD have entered into a purchase and option agreement dated December 17, 2012 (the "P&O Agreement"), pursuant to which, subject to certain conditions, Aterra purchased from WAD 6,100,500 GBM AG's shares (representing 24.9% - the "Purchased GB Minerals Shares") on or before March 31, 2013 for a purchase price of $3,390,392 (US$3,337,000). Upon the shareholders' approval, GBML will purchase from Aterra the Purchased GBM AG shares in exchange for 9,661,200 common shares, to be issued and delivered to Aterra (the "First Tranche GBML Shares", equivalent of pre-consolidated 193,224,000 common shares). Concurrently, GBML will purchase from WAD 6,125,000 GBM AG's shares (representing 25% - the "Optioned GB Minerals Shares") in exchange for 9,700,000 common shares, to be issued and delivered to WAD (the "Second Tranche GBML Shares", equivalent of pre-consolidated 194,000,000 common shares) (refer to note 18a).

The First Tranche GBML Shares and the Second Tranche GBML Shares together represent the total consideration of 19,361,200 common shares (equivalent to 387,224,000 pre-consolidated common shares) that will be paid for the remaining 49.9% of GBM AG's common shares that the Company does not already indirectly own (refer to note 18a).

4. Restricted Cash

As at March 31, 2013, the Company has a restricted cash balance of $800,000 (June 30, 2012 - $Nil) which represents a financial security deposit held in trust until it is delivered to the Company, free of escrow conditions, for cancellation as consideration for the issuance of secured convertible debentures of the Company in April 2013 (refer to note 18b).

5. Notes Receivable

As at March 31, 2013, the Company has advanced a total aggregate amount of $Nil (the "Principal Amount") (June 30, 2012 - $883,000) to an entity in exchange for promissory notes. The Principal Amount is unsecured and due on demand. The Company received a total aggregate amount of $883,000 for settlement of the promissory notes on July 12, 2012, plus $25,943 of interest on November 29, 2012.

6. Equipment

	Machinery and equipment*	Vehicles*	Furniture	Total
	$	$	$	$
Cost				
Balance at June 30, 2012	47,808	223,232	20,324	291,364
Additions during the periods	-	-	873	873
Disposals during the periods	-	-	(4,538)	(4,538)
Foreign exchange adjustments	(1,693)	(9,537)	(2,514)	(13,744)
Balance at March 31, 2013	**46,115**	**213,695**	**14,145**	**273,955**
Accumulated amortization				
Balance at June 30, 2012	10,606	74,494	3,577	88,677
Additions during the periods	7,751	30,710	2,340	40,801
Foreign exchange adjustments	(663)	(4,116)	(961)	(5,740)
Balance at March 31, 2013	**17,694**	**101,088**	**4,956**	**123,738**
Net book value				
March 31, 2013	**28,421**	**112,607**	**9,189**	**150,217**
June 30, 2012	37,202	148,738	16,747	202,687

**The usage of machinery and equipment, and vehicles are related to exploration activities, and of the $40,801 of amortization incurred in the period of March 31, 2013 (March 31, 2012 - $38,388), $3,771 (March 31, 2012 - $38,209) was charged to the statement of loss, and the remaining difference of $37,030 (March 31, 2012 - $179), was capitalized as exploration expenditures.*

7. Mineral Rights

Farim Phosphate Project

The Company, through its subsidiary GBM AG, owns 100% of the mineral rights of the Farim Phosphate Project located in the northern part of central Guinea-Bissau of West Africa, approximately five kilometers west of Farim and one hundred and twenty kilometers north of Bissau. The project consists of a high grade sedimentary phosphate deposit of a continuous phosphate bed, which extends over a known surface area of approximately forty square kilometers. As well, GBM AG holds a production license, with the exclusive right to exploit, mine and commercialize the minerals for an initial period of twenty five years which may be extended for an additional twenty five years upon application.

	March 31, 2013	June 30, 2012
Balance of exploration assets - beginning of the period	$ 73,045,069	$ 61,854,205
Expenditures capitalized during the period	8,070,164	11,341,371
Foreign exchange adjustments	(338,948)	(150,507)
Balance of exploration assets – end of the period	**$ 80,776,285**	**$ 73,045,069**

8. Notes Payable

As at March 31, 2013, the Company has received a total aggregate amount of $200,000 (June 30, 2012 - $Nil) from a shareholder of the Company in exchange for a promissory note. The principal amount is secured by a pledge in favor of the lender of the Principal Amount of all the Company's shares of its subsidiary PCM. Under the provision of the promissory note, the Principal Amount shall remain outstanding and bear an interest at the rate of 10% per annum. No such interest shall be payable if the promissory note is delivered to the Company, free of escrow conditions, for cancellation as consideration for the issuance of secured convertible debentures of the Company on or prior to April 15, 2013 (refer to note 18b).

9. Debt Payable

As at March 31, 2013, the Company has a debt payable in the amount of $11,535,002 (the "Debt Payable") (June 30, 2012 - $Nil), of which $4,817,813 (June 30, 2012 - $Nil) is due and payable within the next twelve-month period, and the remaining Debt Payable in the amount of $6,717,189 (June 30, 2012 - $Nil) will become due and payable beyond the twelve-month period. The Debt Payable is unsecured and is subject to interest at a rate of 8.5% per annum. The principal is payable in equal quarterly installments of $963,562 (£625,000) from January 1, 2013 to December 31, 2015. The first quarterly installment was deferred and payable on May 31, 2013. The Company is committed to principal repayments as follows:

2013	$1,927,125
2014	3,854,250
2015	3,854,250
2016	1,899,377
	$11,535,002

10. Secured Convertible Debentures

a) Secured Convertible Debentures $1,000,000

On January 15, 2013, the Company closed the first tranche of its non-brokered private placement of senior secured convertible debentures of the Company for gross proceeds of $1,000,000. Each debenture has a face value of $1,000, bearing interest of 10% per annum, fully secured by the assets of the Company. The debentures all rank pari passu in priority among each other and the principal amount and all accrued and unpaid interest is due and payable in full on March 31, 2014. Every $1,000 principal amount of the debentures is convertible at any time, at the holder's option: (a) initially, into 10,000 common shares of the Company at a price of $0.10 per common share; and (b) following a share consolidation, into common shares at a conversion price equal to $0.01 per common share multiplied by the consolidation ratio. Security for the debentures shall become enforceable upon the occurrence of certain events of default, which will include, among other things, if the Company fails to meet certain restructuring requirements pursuant to the terms of the debentures on January 31, 2013 and March 15, 2013, respectively, or fails to pay the principal amount of the debentures when they become due and payable. The debentures are subject to a statutory four-month hold period from the date of issuance.

At initial recognition, the Company allocated the proceeds of $1,000,000 of the debentures between current liabilities and the shareholders' equity. The allocation was performed by first estimating the fair value of the debentures which is the liability component in absence of the conversion feature. The Company then used the residual method to determine the value of equity component represented by the conversion feature.

Subsequent to initial recognition, the liability component is amortized using the effective interest rate. The equity component is not re-measured after initial recognition.

The Company did not incur any costs during this transaction.

10. Convertible Debentures (Cont'd)

b) Secured Convertible Debentures $500,000

On February 6, 2013, the Company closed the second tranche of its non-brokered private placement of senior secured convertible debentures of the Company for gross proceeds of $500,000. Each debenture has a face value of $1,000, bearing interest of 10% per annum, fully secured by the assets of the Company. The debentures all rank pari passu in priority among each other and the principal amount and all accrued and unpaid interest is due and payable in full on March 31, 2014. Every $1,000 principal amount of the debentures is convertible at any time, at the holder's option: (a) initially, into 10,000 common shares of the Company at a price of $0.10 per common share; and (b) following the Share Consolidation, into common shares at a conversion price equal to $0.01 per common share multiplied by the consolidation ratio. Security for the debentures shall become enforceable upon the occurrence of certain events of default, which will include, among other things, if the Company fails to meet certain restructuring requirements pursuant to the terms of the debentures on March 31, 2013, respectively, or fails to pay the principal amount of the debentures when they become due and payable. The debentures are subject to a statutory four-month hold period from the date of issuance.

At initial recognition, the Company allocated the proceeds of $500,000 of the debentures between current liabilities and the shareholders' equity. The allocation was performed by first estimating the fair value of the debentures which is the liability in absence of the conversion feature. The Company then used the residual method to determine the value of equity component represented by the conversion feature.

Subsequent to initial recognition, the liability component is amortized using the effective interest rate. The equity component is not re-measured after initial recognition.

The Company did not incur any costs during this transaction.

10. Convertible Debentures (Cont'd)

c) Convertible Debentures $430,000

On March 22, 2013, the Company closed the third tranche of its non-brokered private placement of senior secured convertible debentures of the Company for gross proceeds of $430,000. Each debenture has a face value of $1,000, bearing interest of 10% per annum, fully secured by the assets of the Company. The debentures all rank pari passu in priority among each other and the principal amount and all accrued and unpaid interest is due and payable in full on March 31, 2014. Every $1,000 principal amount of the debentures is convertible at any time, at the holder's option: (a) initially, into 10,000 common shares of the Company at a price of $0.10 per common share; and (b) following the Share Consolidation, into common shares at a conversion price equal to $0.01 per common share multiplied by the consolidation ratio. Security for the debentures shall become enforceable upon the occurrence of certain events of default, which will include, among other things, if the Company fails to meet certain restructuring requirements pursuant to the terms of the debentures on March 31, 2013, respectively, or fails to pay the principal amount of the debentures when they become due and payable. The debentures are subject to a statutory four-month hold period from the date of issuance.

At initial recognition, the Company allocated the proceeds of $430,000 of the debentures between current liabilities and the shareholders' equity. The allocation was performed by first estimating the fair value of the debentures which is the liability in absence of the conversion feature. The Company then used the residual method to determine the value of equity component represented by the conversion feature.

Subsequent to initial recognition, the liability component is amortized using the effective interest rate. The equity component is not re-measured after initial recognition.

The Company paid finder's fee of $21,500 in connection with the transaction.

11. Advances from Related Parties

a) Advances from Related Parties

As at March 31, 2013, advances received from WAD Consult AG, the minority interest holder of GB Minerals AG, and subordinated shareholders amounted to $830,436 (June 30, 2012 - $764,057). The advances are interest bearing at 4% per annum, are unsecured and due on demand.

11. Advances from Related Parties (Cont'd)

b) Exchanged GB Minerals AG Debt

On March 25, 2013, the shareholders approved that the Company will issue 1,250,000 common shares (equivalent of pre-consolidated 25,000,000 common shares) to WAD Consult AG equivalent to $500,000 in exchange for the assignment of the issuance by WAD Consult AG to the Company or advances received from WAD Consult AG (refer to note 11a). These shares were not yet issued as at March 31, 2013.

12. Share Capital

(a) *Authorized*

Unlimited number of common shares without par value and an unlimited number of preferred shares without par value

(b) *Issued and outstanding*

Issued common shares are as follows:

	Number of shares[1,2]	Amount[1]
Balance, March 31, 2013 and June 30, 2012	**19,393,854**	**$ 40,035,887**

[1]Under reverse takeover accounting the number of shares issued and outstanding is that of GB Minerals Ltd. (formerly Plains Creek Phosphate Corporation), the legal parent. However, the share capital amount is that of the legal subsidiary Plains Creek Mining Ltd. plus the share capital transactions of the Company from the acquisition date of February 25, 2011 onwards.

[2]On March 25, 2013, the shareholders of the Company approved a consolidation of the Company's outstanding common shares on a 20-to-1 basis to reduce the issued and outstanding common shares from 387,877,088 to 19,393,854. Effective March 28, 2013, the Company's shares commenced trading on a consolidated basis under the symbol "GBL". All figures for common shares outstanding and earning per share have been adjusted retrospectively.

12. Share Capital (Cont'd)

(c) *Stock options and share-based payment*

i) The Company has a stock option plan that allows for the issuance of options to purchase shares at specific prices for a specific period of time. The maximum number of shares issuable pursuant to options granted under the plan is limited to 10% of the total issued and outstanding common shares subject to shareholder approval. All directors, officers, employees, and consultants are eligible to participate in the plan. Options under the plan vest immediately. The option price under the plan will not be less than the market price of the common shares on the date of grant. The expiry date for each option will be set by the Board of Directors at the time of issue of the option but in any event will not be more than five years after the grant date under the new stock option plan and will not be more than ten years after the grant date under the previous stock option plan.

ii) On January 30, 2013, the following incentive stock options were expired or forfeited:

a) 1,105,000 (post-consolidation - 55,250) incentive stock options at a price of $0.10 each

b) 550,000 (post-consolidation - 27,500) incentive stock options at a price of $0.13 each

c) 16,250,000 (post-consolidation - 812,500) incentive stock options at a price of $0.15 each

iii) On January 30, 2013, 19,300,000 (post-consolidation 965,000 after consolidation on March 28, 2013) incentive stock options were granted to an officer and director of the Company. The assumptions utilized in determining the value of the 19,300,000 (965,000 after consolidation on March 28, 2013) stock options granted was a share price of $0.01 (post-consolidation - $0.20), an exercise price of $0.01 (post-consolidation - $0.20), a risk-free interest rate of 1.50%, volatility of 203%, expected yield of nil, and an expected life of 5 years. The estimate of the fair value of the 19,300,000 (post-consolidation - 965,000) options issued was $93,510, of which 50% was immediately vested and exercisable upon issuance, and the remaining 50% will vest and become exercisable on July 31, 2013 and be recorded as share-based payment reserve.

12. Share Capital (Cont'd)

(c) *Stock options and share-based payment (cont'd)*

iv) On March 25, 2013, upon the shareholders' approval, an additional 700,000 (post-consolidation - 35,000) incentive stock options were granted to the same officer and director of the Company as per note 12 (c) (iii). The assumptions utilized in determining the value of the 700,000 stock options granted was a share price of $0.01 (post-consolidation - $0.20), an exercise price of $0.01 (post-consolidation - $0.20), a risk-free interest rate of 1.32%, volatility of 210%, expected yield of nil, and an expected life of 5 years. The estimate of the fair value of the 700,000 (post-consolidation - 35,000) options issued was $6,871, of which 50% was immediately vested and exercisable upon issuance, and the remaining 50% will vest and become exercisable on July 31, 2013 and be recorded as share-based payment reserve.

v) On March 25, 2013, the shareholders approved a consolidation of the Company's outstanding stock options on a 20-to-1 basis to reduce the issued and outstanding stock options from 27,090,000 to 1,354,500. In addition, the exercise price of the stock options is to be multiplied by a 1-to-20 basis pursuant to the consolidation of the Company's outstanding stock options.

As at March 31, 2013, the Company had 1,354,500 (June 30, 2012 – 1,249,750) stock options outstanding. The following table summarizes information about stock options outstanding:

	Number	Weighted average exercise price
Balance, June 30, 2012	1,249,750	3.00
Stock options expired (c)(ii)	(17,750)	2.00
Stock options forfeited (c)(ii)	(877,500)	3.00
Stock options granted (c)(iii)	965,000	0.20
Stock options granted (c)(iv)	35,000	0.20
Balance, March 31, 2013	**1,354,500**	**0.91**

The following table summarizes the options outstanding and exercisable at March 31, 2013.

Options outstanding	Exercise price	Options exercisable at March 31, 2013	Expiry date
22,000	2.00	22,000	September 24, 2015
10,000	2.60	10,000	February 28, 2021
322,500	3.00	322,500	March 24, 2021
965,000	0.20	965,000	January 30, 2018
35,000	0.20	35,000	March 25, 2018
1,354,500	$ 0.91	1,354,500	

12. Share Capital (Cont'd)

(d) Warrant Reserve

The following is a summary of the changes in the Company's warrants during the period:

	Number	Amount
Balance, June 30, 2012	1,877,215	$ 615,859
Warrants expired (d)(ii) and (iii)	(739,715)	-
Balance, March 31, 2013	**1,137,500**	**$ 615,859**

i) On March 25, 2013, the shareholders approved a consolidation of the Company's outstanding share purchase warrants on a 20-to-1 basis to reduce the issued and outstanding share purchase warrants from 22,750,000 to 1,137,500. In addition, the exercise price of the share purchase warrants is to be multiplied by a 1-to-20 basis pursuant to the consolidation of the Company's outstanding share purchase warrants.

ii) On September 17, 2012, 8,089 (post-consolidation – 404) warrants were expired.

iii) On November 25, 2012, 14,786,209 (post-consolidation – 739,311) warrants were expired.

13. Commitments and Contractual Arrangements

a) Upon surrender of the operating lease agreement for rental of office space located on #1660 – 401 West Georgia Street, Vancouver, BC on March 31, 2013, the Company has committed $26,090 (June 30, 2012 – $239,763) to future minimum payments as at March 31, 2013 under a new Canadian operating service agreement on the rental of an office space located at #1500 – 701 West Georgia Street, Vancouver, BC.

b) Although the ultimate amount of the environmental rehabilitation provision is uncertain, the best estimate of these obligations is based on information currently available, including environmental management plans, demobilization and ecological restoration plans and applicable regulations. Significant environmental management activities include site restoration and environmental regulations.

The provision for environmental rehabilitation as at March 31, 2013 is $43,357 (June 30, 2012 - $43,357). The provision was determined using a discounted cash flow rate of 4% and an estimated life of mine of 25 years for the Farim phosphate mining property.

14. Capital Management

As at March 31, 2013, the capital structure of the Company consists of equity attributable to common shareholders and includes share capital of $40,035,887 (June 30, 2012 - $40,035,887), share-based payment reserve for options of $2,035,725 (June 30, 2012 – 1,949,596), share-based payment reserve for warrants of $615,859 (June 30, 2012 - $615,859), non-controlling interest of $23,648,218 (June 30, 2012 - $24,078,928), and deficit of $12,752,152 (June 30, 2012 - $10,707,474).

The Company's objective when managing capital structure is to ensure at its best effort that sufficient financial resources exist to meet the Company's strategic exploration and development objectives, and to ensure at its best effort that the Company continues as a going concern. The Company actively monitors its liquidity to ensure that its cash flows and working capital are adequate to support its immediate financial obligations and the Company's capital programs. However, there is risk that unforeseen circumstances and expenditures will limit the time period for which cash will be available, and the Company may not able to raise financing of sufficient magnitude, or on a cost-effective basis. The failure of the Company to raise further financing would limit the ability of the Company to advance its business plan and carry on current activities.

The Company is an exploration and development stage company and is currently unable to self-finance its operations. The Company has relied on equity financing in the past to raise sufficient funds to carry out its exploration and development and acquisition activities and pay its administrative costs. Although the Company was able to obtain adequate financing in the past, there is no assurance that the Company will continue to obtain adequate financing in the future or that the terms of such financing will be favourable.

15. Related Party Transactions

The Company had the following transactions with directors, officers, and companies related by virtue of directors and officers in common.

	Nine months Ended March 31, 2013	Nine months ended March 31, 2012
Management and consulting fees	$ 476,000	$ 355,000
Share-based payments, non-cash	86,129	-
Total	$ 562,129	$ 355,000

For the period ended March 31, 2013, the Company paid or accrued management and consulting fees of $156,000 (March 31, 2012 - $Nil) to an officer and director of the Company, $180,000 (March 31, 2012 - $220,000) to Silverbridge Capital Corp., $90,000 (March 31, 2012 - $90,000) to CJP Management Inc., and $50,000 (March 31, 2012 - $45,000) to Artisan Consulting Ltd., which are included in accounts payable and accrued liabilities. These transactions are in the normal course of operations and at the exchange rate agreed to by the related parties.

16. Segmented Information

The Company operates in one reportable segment. Segments are defined as components for which separate financial information is available and is regularly evaluated by the chief operating decision maker.

17. Financial Instruments

IFRS 7 establishes a fair value hierarchy that reflects significance of inputs in measuring fair value as follows:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;
Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. process) or indirectly (i.e. derived from process); and
Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company's cash, restricted cash, other receivable, notes receivable, financial security deposits, accounts payable and accrued liabilities, notes payable, debt payable, convertible debentures, and advances from related parties are designated as level 2.

The Company examines the various financial instrument risks to which it is exposed and assesses the impact and likelihood of those risks.

Fair value
As at March 31, 2013, the Company's financial instruments consist of cash, restricted cash, other receivable, notes receivable, financial security deposits, accounts payable and accrued liabilities, notes payable, debt payable, convertible debentures and advances from related parties. The fair values of cash, restricted cash, other receivable, notes receivable, financial security deposits, accounts payable and accrued liabilities, notes payable, convertible debentures, and advances from related parties approximate their carrying values due to the short-term nature of these instruments. The fair value of debt payable approximates carrying value due to the market interest rate.

17. Financial Instruments (Cont'd)

Liquidity risk

Liquidity risk is the risk that the Company is unable to meet its financial obligations as they fall due. Although the Company takes steps at its best effort to ensure that it has sufficient working capital and available sources of financing to meet future cash requirements for capital programs, there is no assurance that any steps taken by the Company will be successful in this regard, and there is risk that unforeseen circumstances and expenditures will limit the time period for which cash will be available.

The Company will issue equity at its best effort to ensure the Company has sufficient access to cash to meet current and foreseeable financial requirements. The Company actively monitors its liquidity to ensure that its cash flows and working capital are adequate to support its immediate financial obligations and the Company's capital programs. However, there is risk that unforeseen circumstances and expenditures will limit the time period for which cash will be available, and the Company may not able to raise financing of sufficient magnitude, or on a cost-effective basis. The failure of the Company to raise further financing would limit the ability of the Company to advance its business plan and carry on current activities. The Company has a long-term portion of debt payable maturing beyond one year. Further information regarding liquidity risk is set out in note 1.

Credit risk

Credit risk is the risk of loss if counterparties do not fulfill their contractual obligations. Financial instruments that potentially subject the Company to credit risk consist of cash and cash equivalents and and other receivable. The Company minimizes the credit risk of cash by depositing only with reputable institutions.

There is no allowance for doubtful accounts recorded as at March 31, 2013 (June 30, 2012 - $Nil).

Market risk

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

(i) Interest rate risk

The Company is exposed to the risk that the value of financial instruments will change due to movement in market interest rates. The Company holds approximately $11,535,002 of debt payable at an interest rate of 8.5% per annum.

17. Financial Instruments (Cont'd)

Market risk (cont'd)

(ii) Currency risk
Currency risk is the risk to the Company's earnings that arises from fluctuations of foreign exchange rates and the degree of volatility of these rates. The Company does not use derivative instruments to reduce its exposure to foreign currency risk. The Company has a significant portion of the accounts payable and accrued liabilities balance payable in U.K. pound sterling ("GBP"), Swiss Franc ("CHF Franc"), and Central African Franc ("CFA Franc").

As at March 31, 2013, a 5% increase or decrease on an annualized basis in the value of a Canadian dollar in relation to the GBP, CHF Franc, and CFA Franc would have resulted in approximately $704,029 increase or decrease in foreign exchange or loss respectively.

(iii) Commodity price risk
The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices, particularly as they relate to base and phosphate, individual equity movements, and the stock market in general to determine the appropriate course of action to be taken by the Company.

18. Subsequent Events

a) On April 8, 2013, the Company announced it has acquired the remaining 49.9% of the shares of its 50.1%-owned subsidiary, GBM AG, which owns 100% of the Farim Phosphate Project mineral property in Guinea-Bissau, West Africa (the "Acquisition"). The Acquisition occurred pursuant to the terms and conditions of the share purchase and exchange agreement among the Company, its wholly owned subsidiary, Plains Creek Mining Limited, GBM AG, Aterra and WAD dated February 22, 2013 ("2013 SPEA"). The Acquisition allowed the Company to consolidate ownership of its phosphate mineral property and opened up opportunities for further advancing the project.

   Pursuant to the 2013 SPEA, Aterra was issued 9,661,200 of the Company's common shares and now holds a total of 11,067,450 common shares of the Company, representing 27.7% of the issued and outstanding shares of the Company on an undiluted basis and WAD was issued an aggregate of 10,950,000 common shares (the "WAD Shares") of the Company and now holds 16,000,000 common shares of the Company representing 40% of the issued and outstanding shares of the Company on an undiluted basis.

   The WAD Shares are subject to a lock-up and shareholders agreement (the "Lock-Up Agreement") between WAD and the Company dated April 4, 2013 (the "Closing Date"), and will be held in escrow and released to WAD in accordance with the terms of the Lock-Up Agreement set out below.

18. Subsequent Events (Cont'd)

Pursuant to the terms and conditions of the Lock-Up Agreement WAD has agreed not to sell, transfer, create any lien on or otherwise dispose of any of the WAD Shares until the first anniversary of the Closing Date, and thereafter such shares may only be sold, transferred, made subject to any lien or otherwise disposed of as follows:

(i) 2,737,500 WAD Shares at any time following the expiration of 1 year from the Closing Date;

(ii) an additional 2,737,500 WAD Shares at any time following the expiration of 15 months from the Closing Date;

(iii) an additional 1,875,000 WAD Shares at any time following the expiration of 18 months from the Closing Date; and

(iv) an additional 3,600,000 WAD Shares at any time following the expiration of 21 months from the Closing Date (the "Final Tranche Shares").

In addition, to secure certain contingent indemnity obligations of WAD to the Company and Aterra related to the Acquisition, the Final Tranche Shares are also subject to a share pledge for a period that could potentially extend beyond the maximum 21 month escrow period under the Lock-Up Agreement.

b) On April 8, 2013, the Company announced that it closed the final tranche of its $3,000,000 non-brokered private placement (the "Private Placement") of senior secured convertible debentures (the "Debentures") of the Company for gross proceeds of $1,070,000. Each debenture has a face value of $1,000, bearing interest of 10% per annum, fully secured by the assets of the Company. The debentures all rank pari passu in priority among each of them and the principal amount and all accrued and unpaid interest is due and payable in full on March 31, 2014. Every $1,000 principal amount of the debentures is convertible at any time, into common shares of the Company at a conversion price of $0.20 per common share. Security for the debentures shall become enforceable upon the occurrence of certain events of default, which will include, among other things, if the Company fails to pay the principal amount of the debentures when they become due and payable. The Company paid finder's fee of $3,500 in connection with this final tranche of the Private Placement.

19. Comparative Figures

On March 25, 2013, the shareholders of the Company approved a consolidation of the Company's outstanding common shares on a 20-to-1 basis to reduce the issued and outstanding common shares from 387,877,088 to 19,393,854. Effective March 28, 2013, the Company's shares commenced trading on a consolidated basis under the symbol "GBL". All figures for common shares outstanding and earning per share have been adjusted retrospectively.

In addition, certain comparative figures for March 31, 2012 have been re-classified to conform with current period's financial statements presentation.