

Amended Disclosure Statement Pursuant to the Pink Basic Disclosure Guidelines

BROOKMOUNT EXPLORATIONS, INC

A NEVADA Corporation

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1040

QUARTERLY Report
For the Period Ending: 08/31/2019
(the "Reporting Period")

As of 08/31/2019, the number of shares outstanding of our Common Stock was:

248,115,567

As of 05/31/2019, the number of shares outstanding of our Common Stock was:

238,115,567

Indicate by check mark whether the company is a shell company (as defined in Rule 405 of the Securities Act of 1933 and Rule 12b-2 of the Exchange Act of 1934):

Yes: ☐ No: ☒ (Double-click and select "Default Value" to check)

Indicate by check mark whether the company's shell status has changed since the previous reporting period:

Yes: ☐ No: ☒

Indicate by check mark whether a Change in Control¹ of the company has occurred over this reporting period:

Yes: ☐ No: ☒

1) Name of the issuer and its predecessors (if any)

¹ "Change in Control" shall mean any events resulting in:

(i) Any "person" (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) becoming the "beneficial owner" (as defined in Rule 13d-3 of the Exchange Act), directly or indirectly, of securities of the Company representing fifty percent (50%) or more of the total voting power represented by the Company's then outstanding voting securities;

(ii) The consummation of the sale or disposition by the Company of all or substantially all of the Company's assets;

(iii) A change in the composition of the Board occurring within a two (2)-year period, as a result of which fewer than a majority of the directors are directors immediately prior to such change; or

(iv) The consummation of a merger or consolidation of the Company with any other corporation, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or its parent) at least fifty percent (50%) of the total voting power represented by the voting securities of the Company or such surviving entity or its parent outstanding immediately after such merger or consolidation.

In answering this item, please also provide any names used by predecessor entities in the past five years and the dates of the name changes.

NA

Date and state (or jurisdiction) of incorporation (also describe any changes to incorporation since inception, if applicable)
Please also include the issuer's current standing in its state of incorporation (e.g. active, default, inactive):

12/1999, NEVADA

Has the issuer or any of its predecessors ever been in bankruptcy, receivership, or any similar proceeding in the past five years?

Yes: ☐ No: ☒

2) Security Information

Trading symbol:	<u>BMXI</u>	
Exact title and class of securities outstanding:	<u>COMMON</u>	
CUSIP:	<u>114270</u>	
Par or stated value:	<u>0.001</u>	
Total shares authorized:	<u>2,000,000,000</u>	as of date: <u>August 31, 2019</u>
Total shares outstanding:	<u>248,115,567</u>	as of date: <u>August 31, 2019</u>
Number of shares in the Public Float ² :	<u>95,650,887</u>	as of date: <u>August 31, 2019</u>
Total number of shareholders of record:	<u>249</u>	as of date: <u>August 31, 2019</u>

Additional class of securities (if any):

Trading symbol:	_____	
Exact title and class of securities outstanding:	_____	
CUSIP:	_____	
Par or stated value:	_____	
Total shares authorized:	_____	as of date: _____
Total shares outstanding:	_____	as of date: _____

Transfer Agent

Name: TRANSFER ONLINE, INC.
Phone: 503.227.2950
Email: info@transferonline.com

Is the Transfer Agent registered under the Exchange Act?³ Yes: ☒ No: ☐

Describe any trading suspension orders issued by the SEC concerning the issuer or its predecessors:

None

List any stock split, stock dividend, recapitalization, merger, acquisition, spin-off, or reorganization either currently anticipated or that occurred within the past 12 months:

N/A

² "Public Float" shall mean the total number of unrestricted shares not held directly or indirectly by an officer, director, any person who is the beneficial owner of more than 10 percent of the total shares outstanding (a "control person"), or any affiliates thereof, or any immediate family members of officers, directors and control persons.

³ To be included in the Pink Current Information tier, the transfer agent must be registered under the Exchange Act.

3) Issuance History

The goal of this section is to provide disclosure with respect to each event that resulted in any direct changes to the total shares outstanding of any class of the issuer's securities **in the past two completed fiscal years and any subsequent interim period**.

Disclosure under this item shall include, in chronological order, all offerings and issuances of securities, including debt convertible into equity securities, whether private or public, and all shares or any other securities or options to acquire such securities issued for services. Using the tabular format below, please describe these events.

A. Changes to the Number of Outstanding Shares

Check this box to indicate there were no changes to the number of outstanding shares within the past two completed fiscal years and any subsequent periods: ☐

Number of Shares outstanding as of <u>1 December, 2016</u>	<u>Opening Balance:</u> Common: <u>49,265,567</u> Preferred: _____		Please refer to attached schedule as prepared by the Company's Transfer Agent						
Date of Transaction	Transaction type (e.g. new issuance, cancellation, shares returned to treasury)	Number of Shares Issued (or cancelled)	Class of Securities	Value of shares issued (\$/per share) at Issuance	Were the shares issued at a discount to market price at the time of issuance? (Yes/No)	Individual/ Entity Shares were issued to (entities must have individual with voting / investment control disclosed).	Reason for share issuance (e.g. for cash or debt conversion) OR Nature of Services Provided (if applicable)	Restricted or Unrestricted as of this filing?	Exemption or Registration Type?
Shares Outstanding on <u>31 August 2019:</u>	<u>Ending Balance:</u> Common: <u>248,115,567</u> Preferred: _____								

Example: A company with a fiscal year end of December 31st, in addressing this item for its quarter ended September 30, 2018, would include any events that resulted in changes to any class of its outstanding shares from the period beginning on January 1, 2016 through September 30, 2018 pursuant to the tabular format above.

Use the space below to provide any additional details, including footnotes to the table above:

- All issuances of common shares made at par unless otherwise indicated.

B. Debt Securities, Including Promissory and Convertible Notes

Use the chart and additional space below to list and describe any issuance of promissory notes, convertible notes or convertible debentures **in the past two completed fiscal years and any subsequent interim period**.

Check this box if there are no outstanding promissory, convertible notes or debt arrangements: ☐

Date of Note Issuance	Outstanding Balance (\$)	Principal Amount at Issuance (\$)	Interest Accrued (\$)	Maturity Date	Conversion Terms (e.g. pricing mechanism for determining conversion of instrument to shares)	Name of Noteholder	Reason for Issuance (e.g. Loan, Services, etc.)
<u>Jan 16, 2018</u>	<u>766,829.01</u>	<u>766,829.01</u>	_____	<u>Feb 2020</u>	<u>0.001/share</u>	<u>SL Holdings</u>	<u>Securities Exchange Agreement</u>
<u>Jan 16, 2018</u>	<u>200,000.00</u>	<u>200,000.00</u>	_____	<u>Feb 2020</u>	<u>0.001/share</u>	<u>Chengdu Holdings Pty, Ltd.</u>	<u>Securities Exchange Agreement</u>
<u>Jan 16, 2018</u>	<u>108,908.22</u>	<u>108,908.22</u>	_____	<u>Feb 2020</u>	<u>0.001/share</u>	<u>Sean Investments, LLC.</u>	<u>Securities Exchange Agreement</u>
	_____	_____	_____	_____	_____	_____	_____

Use the space below to provide any additional details, including footnotes to the table above:

4) Financial Statements

A. The following financial statements were prepared in accordance with:

X ☐ U.S. GAAP

B. The financial statements for this reporting period were prepared by (name of individual)⁴:

Name: Chris Lim
Title: Independent Accountant
Relationship to Issuer: As above

Provide the financial statements described below for the most recent fiscal year or quarter. For the initial disclosure statement (qualifying for Pink Current Information for the first time) please provide reports for the two previous fiscal years and any subsequent interim periods.

- C. Balance sheet;
- D. Statement of income;
- E. Statement of cash flows;
- F. Financial notes; and
- G. Audit letter, if audited

You may either (i) attach/append the financial statements to this disclosure statement or (ii) file the financial statements through OTCIQ as a separate report using the appropriate report name for the applicable period end. ("Annual Report," "Quarterly Report" or "Interim Report").

If you choose to publish the financial statements in a separate report as described above, you must state in the accompanying disclosure statement that such financial statements are incorporated by reference. You may reference the

⁴ The financial statements requested pursuant to this item must be prepared in accordance with US GAAP or IFRS by persons with sufficient financial skills.

document(s) containing the required financial statements by indicating the document name, period end date, and the date that it was posted to OTCIQ in the field below.

Financial statement information is considered current until the due date for the subsequent report (as set forth in the qualifications section above). To remain qualified for Current Information, a company must post its Annual Report within 90 days from its fiscal year-end date and Quarterly Reports within 45 days of each fiscal quarter-end date.

5) Issuer's Business, Products and Services

The purpose of this section is to provide a clear description of the issuer's current operations. In answering this item, please include the following:

- A. Summarize the issuer's business operations (If the issuer does not have current operations, state "no operations")
- B. Following its merger with SL Holdings Ltd, Brookmount Explorations, Inc is now an operator of producing gold properties in the Republic of Indonesia. The Company currently operates 2 gold producing properties in volcanic hosted sediment within the tropical rain forest region of Sulawesi Province in north east Indonesia and is in the process of acquiring additional high grade properties in the area, which was originally surveyed and developed by Newmont Mining of the US. The Company is incorporated in Nevada and was organized for the purpose of acquiring, exploring and developing mineral properties. The Company is in the process of increasing the processing rates of ore on its properties and focusing on increasing yields and is looking to secure financing to acquire additional producing facilities in the Philippines.
- C. Describe any subsidiaries, parents, or affiliated companies, if applicable, and a description of their business contact information for the business, officers, directors, managers or control persons. Subsidiary information may be included by reference . N/A
- D. The Company's business encompasses the exploration, extraction, processing and sale of gold bullion through locally based trading houses.

6) Issuer's Facilities

The Company's operations are carried out through the excavation and processing of volcanic hosted gold bearing ore in 2 separate locations in Sulawesi Province, Republic of Indonesia. The company operates a floatation based processing facility adjacent to its 25 HA gold reserve situated in a tropical rain forest area close to the airport at Manado regional capital, with surface and subsurface consisting of medium to high grade ore of 1.5-2.5 grams/tonne. Processing equipment at this location comprises a state of the art platform for processing of ore through to smelting of phase 2 finished product which represents gold with a purity level of 99%, and includes ore crushers and ball mills, 5 high capacity floatation tanks, onsite power generation and plumbing facilities including tailing ponds, as well as off site smelting facilities. The Company has invested approximately \$500k in an exclusive 20 year operating agreement for this facility, including unrestricted access to the volcanic sediment hosted ore contained in the 25 HA site.

The Company also owns a heap leach processing facility approximately 3 hours by road from the Manado operation. This facility has been acquired by The Company and comprises 17 HA of ore reserve, in 2 separate titles, together with a 10,000 tonne heap leach pad and associated plumbing with tailing ponds, power generation, carbon filtration unit, and onsite accommodation for workers and security guards.

The goal of this section is to provide a potential investor with a clear understanding of all assets, properties or facilities owned, used or leased by the issuer.

7) Officers, Directors, and Control Persons

The goal of this section is to provide an investor with a clear understanding of the identity of all the persons or entities that are involved in managing, controlling or advising the operations, business development and disclosure of the issuer, as well as the identity of any significant or beneficial shareholders.

Using the tabular format below, please provide information regarding any person or entity owning 5% or more of the issuer, as well as any officer, and any director of the company, regardless of the number of shares they own. **If any listed are corporate shareholders or entities, provide the name and address of the person(s) beneficially owning or controlling such corporate shareholders, or the name and contact information of an individual representing the corporation or entity in the note section.**

Name of Officer/Director and Control Person	Affiliation with Company (e.g. Officer/Director/Owner of more than 5%)	Residential Address (City / State Only)	Number of shares owned	Share type/class	Ownership Percentage of Class Outstanding	Note
<u>Jan Verkade</u>	<u>Director</u>	<u>Hing Keng Shek Village rd Clearwater Bay, NT Hong Kong SAR</u>	<u>30,000,000</u>	<u>common</u>	<u>12.6%</u>	<u>_____</u>
<u>Brett Morley</u>	<u>Director & CEO</u>	<u>WingHangLung rd Clearwater bay NT, HKSAR</u>	<u>27,000,000</u>	<u>common</u>	<u>11.3%</u>	<u>_____</u>
<u>Elysium Investment Holdings Pty. Ltd</u>	<u>shareholder</u>	<u>Avoca st. South Yarra, Vic. Australia</u>	<u>33,000,000</u>	<u>common</u>	<u>13.9%</u>	<u>Jane Cameron of Canberra, ACT, Australia...beneficial shareholder through Elysium.</u>
<u>Nicholas Medway</u>	<u>Director & Secretary</u>	<u>Bisho st. Yarraviille, Vic. Australia</u>	<u>3,000,000</u>	<u>common</u>	<u>1.2%</u>	<u>_____</u>
<u>_____</u>	<u>_____</u>	<u>_____</u>	<u>_____</u>	<u>_____</u>	<u>_____</u>	<u>_____</u>

8) Legal/Disciplinary History

A. Please identify whether any of the persons listed above have, in the past 10 years, been the subject of:

1. A conviction in a criminal proceeding or named as a defendant in a pending criminal proceeding (excluding traffic violations and other minor offenses);

NA

2. The entry of an order, judgment, or decree, not subsequently reversed, suspended or vacated, by a court of competent jurisdiction that permanently or temporarily enjoined, barred, suspended or otherwise limited such person's involvement in any type of business, securities, commodities, or banking activities;

NA

3. A finding or judgment by a court of competent jurisdiction (in a civil action), the Securities and Exchange Commission, the Commodity Futures Trading Commission, or a state securities regulator of a violation of federal or state securities or commodities law, which finding or judgment has not been reversed, suspended, or vacated; or

NA

4. The entry of an order by a self-regulatory organization that permanently or temporarily barred, suspended, or otherwise limited such person's involvement in any type of business or securities activities.

NA

- B. Describe briefly any material pending legal proceedings, other than ordinary routine litigation incidental to the business, to which the issuer or any of its subsidiaries is a party or of which any of their property is the subject. Include the name of the court or agency in which the proceedings are pending, the date instituted, the principal parties thereto, a description of the factual basis alleged to underlie the proceeding and the relief sought. Include similar information as to any such proceedings known to be contemplated by governmental authorities.

NA

9) Third Party Providers

Please provide the name, address, telephone number and email address of each of the following outside providers:

Securities Counsel

Name: David Ficksman
Firm: Troy Gould PC
Address 1: 1801 Century Park East
Address 2: Los Angeles, CA 90067
Phone: (310) 7891290
Email: na

Accountant or Auditor

Name: Matthew Schofield
Firm: ShineWing Australia
Address 1: 530 Collins st
Address 2: Melbourne, Victoria 3000
Phone: 61 3 87796511
Email: na

Investor Relations Consultant

Name: Tim Rieu
Firm: Chesapeake Group
Address 1: 305 Washington Ave
Address 2: Towson MD 21204
Phone: (410) 8253930
Email: info@chesapeakegrp.com

Other Service Providers

Provide the name of any other service provider(s), including, counsel, advisor(s) or consultant(s) **that assisted, advised, prepared or provided information with respect to this disclosure statement**, or provided assistance or services to the issuer during the reporting period.

Name: Matthew Schofield
Firm: ShineWing Australia
Nature of Services: Review of financial statements
Address 1: _____
Address 2: _____
Phone: _____
Email: _____

Name: _____

Firm: _____
Nature of Services: _____
Address 1: _____
Address 2: _____
Phone: _____
Email: _____

10) Issuer Certification

Principal Executive Officer:

The issuer shall include certifications by the chief executive officer and chief financial officer of the issuer (or any other persons with different titles but having the same responsibilities).

The certifications shall follow the format below:

I, Brett Morley certify that:

1. I have reviewed this quarterly disclosure statement for the period to 8/31/2019 of Brookmount Corporation
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

_____ [Date]

_____ [CEO's Signature]

(Digital Signatures should appear as "/s/ [OFFICER NAME]")

Principal Financial Officer:

I, Nicholas Medway certify that:

1. I have reviewed this quarterly disclosure statement for the period to 8/31/2019 of Brookmount Corporation;
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

_____ [Date]

_____ [CFO's Signature]

(Digital Signatures should appear as "/s/ [OFFICER NAME]")

BROOKMOUNT EXPLORATIONS, INC.

Financial statements for the Three months ended 31 August, 2019

Brookmount Explorations, Inc.

Unaudited Consolidated Balance Sheet

As at August 31, 2019 and November 30, 2018

	August 31, 2019 \$'000	November 30, 2018 \$'000
Assets		
Cash and cash equivalents	45	24
Inventory	125	103
Total current assets	170	127
Property, plant and equipment, net of accumulated depreciation and amortization	265	350
Investment in Talawaan Project	2,025	500
Land Usage rights	2,611	2,800
Receivable due from non affiliate	1,043	2,000
Total non-current assets	5,944	5,650
Total assets	6,114	5,777
Liabilities and Stockholders' Equity/(Deficit)		
Liabilities		
Accounts payables	15	-
Series A Convertible Promissory Notes	742	767
Income taxes payable	35	725
Total current liabilities	792	1,492
Unpaid capital commitments	75	196
Total non-current liabilities	75	196
Total liabilities	867	1,688
Equity		
Common stock		
Authorized: \$0.001 par value, 2,000,000,000 shares authorized		
Issued and outstanding: 238,115,567	\$145,932	\$120,932
Additional paid in capital	-	-
Adjustments to equity to reflect retroactive application of reverse acquisition of accounting	(911)	(911)
Accumulated profits	6,012	4,879
Total stockholders' equity	5,247	4,089
Total liabilities and stockholders' equity	6,114	5,777

Brookmount Explorations, Inc.**Unaudited Consolidated Statement of Operations**
For the 3 month period ended August, 31, 2019 and 2018

	3 month period ended August 31, 2019	3 month period ended August 31, 2018
	\$'000	\$'000
Revenue		
Sales	1,520	1,042
Cost of sales	(684)	(468)
Gross profit	836	574
Operating expenses		
Depreciation and amortization	20	22
Selling, general and administrative expenses	175	115
Total operating expenses	195	137
Non Operating Expense		
Write down of mining asset	125	-
Income/(loss) from continuing operations before income tax expenses	516	437
Income tax expense	(35)	(20)
Net income/(loss) after income tax expense for the period	481	417
Other comprehensive income /(loss)		
Other comprehensive income/(loss)	-	-
Total comprehensive income/(loss) for the period	481	417

Brookmount Explorations, Inc.

Unaudited Consolidated Statement of Cash Flows
For the 3 month period ended August 31, 2019 and 2018

	3 month period ended August 31, 2019 \$'000	3 month period ended August 31, 2018 \$'000
Cash flows from operating activities:		
Net income/(Loss)	481	417
Adjustments to reconcile net income to net cash provided by operating activities		
Depreciation and amortization	20	22
Write off of mining assets	125	-
Net changes in operating assets and liabilities		
(Increase)/Decrease in inventory	(85)	26
Increase/(decrease) in account payable	(39)	(17)
Increase/(decrease) in tax provision	(11)	-
Increase/(decrease) in unpaid capital commitment	(25)	-
Net cash used in operating activities	<u>466</u>	<u>78</u>
Cash flows from investing activities		
(Payments)/Proceeds from disposal of property, plant and equipment	241	-
Proceed from Talawaan project	150	-
Payments for Land Usage Rights	(917)	(356)
Net cash from investing activities	<u>(526)</u>	<u>(356)</u>
Cash flows from financing activities		
Net cash provided by financing activities	<u>-</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents	(60)	(3)
Cash and cash equivalents at the beginning of period	<u>105</u>	<u>95</u>
Cash and cash equivalents at the end of period	<u>45</u>	<u>92</u>

Brookmount Explorations, Inc.
Notes to Consolidated Statements

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1.1 Nature of Operations

Following its merger with SL Holdings Ltd, the Company is now an operator of producing gold properties in the Republic of Indonesia. The Company currently operates 2 gold producing properties in volcanic hosted sediment within the tropical rain forest region of Sulawesi Province in north east Indonesia and is in the process of acquiring additional high grade properties in the area, which was originally surveyed and developed by Newmont Mining of the US. The Company is incorporated in Nevada and was organized for the purpose of acquiring, exploring and developing mineral properties. The Company is in the process of increasing the processing rates of ore on its properties and focusing on increasing yields and is looking to secure financing to acquire additional producing facilities in the Philippines.

Basis of Presentation

These unaudited financial statements of the Company have been prepared by Management. These financial statements have been prepared in accordance with the accounting principles generally accepted in the United States ("GAAP").

Going concern basis

The financial statements have been prepared on the going concern basis, which assumes continuity of normal business activities and the realization of assets and the settlement of liabilities in the ordinary course of business.

At August 31, 2019, the company had a current asset deficiency of \$622,000 and net asset surplus of \$5,247,000 (November 30, 2018 current asset deficiency of \$1,365,000 and net asset surplus \$4,089,000). The Company reported an after tax profit of \$481,000 for the quarter ended August 31, 2019 (Quarter ended August 31, 2018 after tax profit: \$417,000).

The company believes that there are reasonable grounds to support the fact that it will be able to pay its debts as and when they become due and payable. In forming this opinion, the Group has considered the following factors:

- (i) The company has generated positive cash flow from operations in each of the past 2 years;
- (ii) The series A convertible promissory note can be converted into common stock instead of being redeemed in cash, the majority of said notes being held by the controlling shareholders.
- (iii) The company has ability to raise additional funds through issuance of common stock.

If the Company is unable to continue as a going concern it may be required to realize its assets and extinguish its liabilities other than in the ordinary course of business at amounts different from those stated in the financial statements.

The financial statements do not include adjustments relating to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessary should the Company not continue as a going concern.

1.2 Recently Issued Accounting Standards

In February 2018, FASB issued Accounting Standards Update 2018-01; *Leases (Topic 842): Land Easement Practical Expedient for Transition to Topic 842* which clarifies the application of the new leases guidance to land easements and eases adoption efforts for some land easements. This guidance in ASU 2018-01 is effective for annual periods ending after December 15, 2016, including interim period within those fiscal years and interim periods within annual periods beginning after December 15, 2016. An entity that early adopted Topic 842 should apply the amendments in this Update upon issuance. We do not expect that the adoption will have a material impact on our consolidated financial statements.

In February 2018, FASB issued Accounting Standards Update 2018-02; *Income Statement—Reporting Comprehensive Income (Topic 220): Reclassification of Certain Tax Effects from Accumulated Other Comprehensive Income*. The amendments in the ASU addresses the accounting issue pertaining to the deferred tax amounts that are "stranded" in accumulated other comprehensive income as a result of the Tax Cuts and Jobs Act (the Act). We do not expect that the adoption will have a

Brookmount Explorations, Inc.
Notes to Consolidated Statements

material impact on our consolidated financial statements. The amendments in this ASU are effective for interim and annual periods beginning after December 15, 2018 and interim periods within those fiscal years. Early adoption is permitted. We do not expect that the adoption will have a material impact on our consolidated financial statements.

In February 2018, FASB issued Accounting Standards Update 2018-03; *Technical Corrections and Improvements to Financial Instruments—Overall (Subtopic 825-10): Recognition and Measurement of Financial Assets and Financial Liabilities*. The technical corrections and improvements intended to clarify certain aspects of the guidance on recognizing and measuring financial assets and liabilities in ASU 2016-01. This includes equity securities without a readily determinable fair value, forward contracts and purchased options, presentation requirements for certain fair value option liabilities, fair value option liabilities denominated in foreign currency and transition guidance for equity securities without a readily determinable fair value. The amendments in this ASU are effective for interim and annual periods beginning after December 15, 2017. Early application is permitted in any interim period after issuance of the amendments as long as ASU 2016-01 is also adopted. We do not expect the adoption of this ASU to have a material effect on our consolidated financial statements.

In July 2018, FASB issued Update 2018-10—*Codification Improvements to Topic 842, Leases*. The amendments in this Update affect the amendments in Update 2016-02, which are not yet effective, but for which early adoption upon issuance is permitted. For entities that early adopted Topic 842, the amendments are effective upon issuance of this Update, and the transition requirements are the same as those in Topic 842. For entities that have not adopted Topic 842, the effective date and transition requirements will be the same as the effective date and transition requirements in Topic 842.

In July 2018, FASB issued Update 2018-11—*Leases (Topic 842): Targeted Improvements*. The amendments in this Update related to separating components of a contract affect the amendments in Update 2016-02, which are not yet effective but can be early adopted. All entities, including early adopters, that elect the practical expedient related to separating components of a contract in this Update must apply the expedient, by class of underlying asset, to all existing lease transactions that qualify for the expedient at the date elected.

In August 2018, FASB issued Update 2018-13—*Fair Value Measurement (Topic 820): Disclosure Framework—Changes to the Disclosure Requirements for Fair Value Measurement*. The amendments on changes in unrealized gains and losses, the range and weighted average of significant unobservable inputs used to develop Level 3 fair value measurements, and the narrative description of measurement uncertainty should be applied prospectively for only the most recent interim or annual period presented in the initial fiscal year of adoption. All other amendments should be applied retrospectively to all periods presented upon their effective date. Early adoption is permitted upon issuance of this Update. An entity is permitted to early adopt any removed or modified disclosures upon issuance of this Update and delay adoption of the additional disclosures until their effective date. Effective for all entities for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2019. We do not expect that the adoption will have a material impact on our consolidated financial statements.

Other accounting standards that have been issued or proposed by FASB that do not require adoption until a future date are not expected to have a material impact on the financial statements upon adoption. The Company does not discuss recent pronouncements that are not anticipated to have an impact on or are unrelated to its financial condition, results of operations, cash flows or disclosures.

1.3 Use of Estimates and Assumptions

The preparation of these financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Actual results could differ from those estimates.

Brookmount Explorations, Inc.
Notes to Consolidated Statements

1.4 Reverse Acquisition Accounting

In accordance with “reverse acquisition” accounting treatment, our historical financial statements as of period ends, and for periods ended, prior to the Acquisition will be replaced with the historical financial statements of SL Group Holdings, Limited (“SL Group”), in all future filings with the SEC. Consequently retroactive adjustments have been made to the equity balances of SL Group to reflect the equity balances of the legal parent company Brookmount Explorations, Inc. as required under ASC 805 and the application of reverse acquisition accounting.

1.5 Foreign Currency Translation

The consolidated financial statements are presented in United States dollars. In accordance with the standard, “Foreign Currency Translation”, foreign denominated monetary assets and liabilities are translated into their United States dollar equivalents using foreign exchange rates which prevailed at the balance sheet date. Revenue and expenses are translated at average rates of exchange during the year. Gains or losses resulting from foreign currency transactions are included in results of operations.

1.6 Environmental Costs

Expenditures that relate to an existing condition caused by past operations, and which do not contribute to current or future revenue generation, are expensed. Liabilities are recorded when environmental assessments and/or remedial efforts are probable, and the cost can be reasonably estimated. Generally, the timing of these accruals coincides with the earlier of completion of a feasibility study or the Company’s commitments to plan of action based on the then known facts.

1.7 Principles of Consolidation

The unaudited consolidated financial statements include the Company’s accounts and those of the Company’s wholly-owned subsidiary. All significant intercompany accounts and transactions have been eliminated in consolidation.

1.8 Cash and Cash Equivalents

The Company considers cash deposits and all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Brookmount Explorations, Inc.
Notes to Consolidated Statements

1.9 Fixed Assets

Fixed assets are stated at cost less accumulated depreciation and are comprised of assets utilized in the processing and refining of ore into phase 1 and 2 gold production. These assets include electrical and plumbing infrastructure and equipment, on site facilities and buildings and general equipment. Depreciation is calculated using the straight-line method over the estimated useful life of the assets.

1.10 Fair Value of Financial Instruments

The Company adopted Accounting Standards Codification ("ASC") ASC 820, "Fair Value Measurements and Disclosures" ("ASC 820"), for assets and liabilities measured at fair value on a recurring basis. ASC 820 establishes a common definition for fair value to be applied in accordance with accounting principles generally accepted in the United States of America that requires the use of fair value measurements, establishes a framework for measuring fair value and expands disclosure about such fair value measurements.

ASC 820 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Additionally, ASC 820 requires the use of valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs.

These inputs are prioritized below:

Level 1: Observable inputs such as quoted market prices in active markets for identical assets or liabilities

Level 2: Observable market-based inputs or unobservable inputs that are corroborated by market data.

Level 3: Unobservable inputs for which there is little or no market data, which require the use of the reporting entity's own assumptions.

The Company analyzes all financial instruments with features of both liabilities and equity under the Financial Accounting Standard Board's ("FASB") accounting standard for such instruments. Under this standard, financial assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

The carrying amounts reported in the condensed consolidated balance sheets for cash, and accounts payable, approximate their estimated fair values based on the short-term maturity of these instruments.

Brookmount Explorations, Inc.
Notes to Consolidated Statements

1.11 Income Taxes

The Company accounts for income taxes using the asset and liability method. Accordingly, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in the tax rate is recognized in income or expense in the period that the change is effective. Tax benefits are recognized when it is probable that the deduction will be sustained. A valuation allowance is established when it is more likely than not that all or a portion of a deferred tax asset will either expire before the Company is able to realize the benefit, or that future deductibility is uncertain.

The Company submits tax returns to local and provincial agencies in Indonesia but does not generate revenue in the US and as such, is not required to submit a US tax return. Uncertain tax positions taken on the Company's tax returns will be accounted for as liabilities for unrecognized tax benefits. The Company will recognize interest and penalties, if any, related to unrecognized tax benefits in general and administrative expenses in the statements of operations.

1.12 Inventory

Inventory is valued at a rate based on the market equivalent of the prevailing gold price which is continually variable. Inventory production cost is determined using a matrix of unit costs such as electricity, labour, chemicals and capital equipment such as excavators and dump trucks.

1.13 Production Property

The Company is primarily engaged in the development and production of gold ore bearing properties. Properties are invested or operated under long term production agreements from local partners. Acquisition costs are capitalized in accordance with U.S. GAAP when management has determined that future benefits consisting of a contribution to future cash inflows, have been identified and adequate financial resources are available to complete the required investment.

1.14 Revenue Recognition

Revenue is recognized from a sale when persuasive evidence of an arrangement exists, the price is determinable, the product has been delivered, risk and the title has been transferred to the customer and collection of the sales price is reasonably assured.

1.15 Accumulated Other Comprehensive Income (Loss)

Comprehensive income (loss) is presented net of applicable income taxes in the accompanying consolidated statements of stockholders' equity and comprehensive income (loss). Other comprehensive income (loss) is comprised of revenues, expenses, gains, and losses that under GAAP are reported as separate components of stockholders' equity instead of net income (loss).

Brookmount Explorations, Inc.
Notes to Consolidated Statements

2. *Investment in Talawaan Project*

The Company has invested in long term (20 year) operating agreements with exclusive land usage rights with a local entity in Talawaan City, district of Minahasa in Northern Sulawesi Province for excavation, production and processing on a 25 hectare site close to the airport of the regional capital Manado. The property has a complete processing plant onsite, including ore crushers, ball mills, floatation processing tanks and tailing ponds and ore is excavated from reefs of medium to high grade volcanic hosted ore present on the property. The facility at Talawaan also processes ore on behalf of 3rd party mining groups on a contract basis.

3. *Series A Convertible Promissory Notes*

As a result of the merger, the Company issued an aggregate of \$766,829.01 in principal amount of the Company's Series A Convertible Promissory Notes to the issues which shall represent approximately 92% of the outstanding voting power on a fully diluted basis after giving effect to the issuance of the common stock of the company, the conversion of the Series A Convertible Promissory Notes, the cancellation of Series A Convertible Notes with an aggregate principal balance of \$302,544.74 (the "Cancelled Notes"), but before the conversion of an aggregate of \$25,000 in principal amount of the Company's Series A Convertible Notes (the "First Tranche Remaining Notes"), \$83,908.22 in principal amount of the Company's Series A Convertible Notes (the "Second Tranche Remaining Notes") and \$200,000 in principal amount of the Company's Series A Convertible Notes (the "Third Tranche Remaining Notes").

4. *Segment Information*

The Company operates predominantly in one industry and one geographical segment, those being gold mining and Indonesia, respectively.

5. *Capital and Leasing Commitments*

There was no capital or leasing expenditure at August 31, 2019.

6. *Contingencies*

From time to time, the Company is involved in routine litigation that arises in the ordinary course of business. There are no pending significant legal proceedings to which the Company is a party for which management believes the ultimate outcome would have a material adverse effect on the Company's financial position.

7. *Events After the Reporting Period*

There has not arisen in the interval between the end of the financial period and the date of these financial statements any other item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Company, to affect significantly the operation of the company, the results of those operations, or the state of affairs of the company, in future financial years.

Number of Shares outstanding as of December 1, 2016

Opening Balance: Common: 49,265,567 Preferred: NA

Date of transaction	Transaction type (e.g. new issuance, cancellation, shares returned to treasury)	Number of Shares Issued (or cancelled)	Class of Securities	Value of shares issued (\$/per share) at Issuance	Were the shares issued at a discount to market price at the time of issuance? (Yes/No)	Individual/Entity Shares were issued to (entities must have individual with voting / investment control disclosed)	Reason for share issuance (e.g. for cash or debt conversion) OR Nature of Services Provided (if app)	Restricted or Unrestricted as of this filing?	Exempt or Registration Type?
07-12-2017	New	4,700,000	Common		Yes	Harry Lappa	Debt Conv.	Unrestricted	
07-12-2017	New	4,700,000	Common		Yes	Free Life Inv. Andrew Hackett	Debt Conv.	Unrestricted	
07-12-2017	New	1,500,000	Common		Yes	Ina Kagel AD & P Investment	Services	Unrestricted	
07-12-2017	New	4,700,000	Common		Yes	Derrick Wong	Debt Conv.	unrestricted	
08-14-2017	New	80,000,000	Common		No	RHOR Barbados, Inc. Lou Vargas	Patents	restricted	
08-31-2017	Cancel	-80,000,000	Common		N/A	RHOR Barbados, Inc. Lou Vargas	Cancel Agreement to acquire patents	restricted	
11-09-2017	New	6,250,000	Common		Yes	SEAN Investments Juhee Im	Debt Conv.	Unrestricted	
11-09-2017	New	6,000,000	Common		Yes	Free Life Inv. Andrew Hackett	Debt Conv.	Unrestricted	
01-19-2018	New	27,000,000	Common		No	Brett Morley Claudia Della	Merger	Restricted	
01-19-2018	New	3,000,000	Common		No	Mora	Merger	Restricted	
01-19-2018	New	33,000,000	Common		No	Elysian Investments., Jane Cameron	Merger	Restricted	
01-19-2018	New	24,000,000	Common		No	George Matin	Merger	Restricted	

Date of transaction	Transaction type (e.g. new issuance, cancellation, shares returned to treasury)	Number of Shares Issued (or cancelled)	Class of Securities	Value of shares issued (\$/per share) at Issuance	Were the shares issued at a discount to market price at the time of issuance? (Yes/No)	Individual/Entity Shares were issued to (entities must have individual with voting / investment control disclosed)	Reason for share issuance (e.g. for cash or debt conversion) OR Nature of Services Provided (if app)	Restricted or Unrestricted as of this filing?	Exempt or Registration Type?
01-19-2018	New	30,000,000	Common		No	Jan Verkade	Merger	Restricted	
01-19-2018	New	3,000,000	Common		No	Nicholas Medway	Merger	Restricted	
01-22-2018	New	1,000,000	Common		No	Ash. R. Singh	Debt Conv.	Unrestricted	
05-21-2018	New	2,500,000	Common		No	Andrew Hackett	Debt Conv.	Unrestricted	
05-29-2018	New	3,400,000	Common		no	MJ &MP Forrest Investments. Tom Forrest	Debt Conv.	Unrestricted	
09-04-2018	New	9,100,000	Common		No	PAG Group, Gary Kouletas	Debt Conv.	Unrestricted	
12-17-2018	New	10,000,000	Common		Yes	PAG Group, Gary Kouletas	Debt Conv.	Unrestricted	
01-04-2019	Cancel	-10,000,000	Common		Yes	PAG Group, Gary Kouletas	Debt Conv.	Unrestricted	
01-04-2019	New	10,000,000	Common			CEDE & CO Re: PAG Group, Gary Kouletas	Debt Conv.	Unrestricted	
05-28-2019	New	15,000,000	Common		Yes	PAG Group, G. Kouletas	Debt Conv.	Unrestricted	
07-25-2019	New	10,000,000	Common		Yes	GPL Ventures, Cosmin Julian Panait	Debt Conv.	Unrestricted	
	TOTAL AT 08/31/2019	248,115,567							