

*This prospectus constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities. No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise. The securities offered hereby have not been and will not be registered under the United States Securities Act of 1933, as amended, and subject to certain exceptions, may not be offered, sold or delivered, directly or indirectly in the United States of America, its territories or possessions. See "Plan of Distribution".*

INITIAL PUBLIC OFFERING

NOVEMBER 14, 2019

## PROSPECTUS



**MINIMUM OFFERING: \$2,500,000 (8,333,333 COMMON SHARES)**  
**MAXIMUM OFFERING: \$4,000,000 (13,333,333 COMMON SHARES)**

**PRICE: \$0.30 PER COMMON SHARE**

The Corporation is offering (the "**Offering**"), and this prospectus (the "**Prospectus**") qualifies, the distribution of a minimum (the "**Minimum Offering**") of 8,333,333 Class "A" common shares ("**Common Shares**") and a maximum (the "**Maximum Offering**") of 13,333,333 Common Shares issuable at a price of \$0.30 per Common Share (the "**Offering Price**"). See "**Plan of Distribution**". This Offering is being made to investors resident in the Provinces of British Columbia, Alberta, Saskatchewan, and Ontario. The Offering Price and terms of the Common Shares offered pursuant to this Offering have been determined by negotiation between the Corporation, Haywood Securities Inc., and Canaccord Genuity Corp. (the "**Agents**"). The Common Shares will be sold by the Agents on a commercially reasonable efforts basis pursuant to an agency agreement between the Corporation and the Agents dated November 14, 2019 (the "**Agency Agreement**").

	<b>Price to the Public</b>	<b>Agents' Commission<sup>(2)(3)</sup></b>	<b>Net Proceeds<sup>(4)</sup></b>
Per Security	\$0.30 <sup>(1)</sup>	\$0.03	\$0.27
Minimum Offering	\$2,500,000	\$250,000	\$2,250,000
Maximum Offering	\$4,000,000	\$400,000	\$3,600,000

- (1) The Offering Price of the Common Shares was determined by negotiation between the Corporation and the Agents, in accordance with the policies of the CSE. Before deducting the expenses of the Offering, estimated at \$150,000 (not including the Agents' Commission).
- (2) The Agents will receive a commission (the "**Agents' Commission**") equal to 10% of the proceeds from the sale of Common Shares pursuant to this Offering. The Corporation will reimburse the Agents for all reasonable expenses, including legal expenses.
- (3) The Corporation will also grant non-transferable warrants to the Agents (the "**Agents' Warrants**") entitling the Agents to purchase that number of Common Shares equal to 10% of the number of Common Shares sold pursuant to the Offering. The Agents' Warrants may be exercised at a price of \$0.30 per Common Share for a period of two (2) years from the Listing Date (as defined herein). See "Plan of Distribution". This Prospectus qualifies the distribution of the Agents' Warrants.
- (4) The Corporation has granted to the Agents the option (the "**Over-Allotment Option**") to purchase up to an additional 2,000,000 Common Shares, representing 15% of the Maximum Offering, at the discretion of the Agents at a price equal to \$0.30 per Common Share, on the same terms and conditions as the Offering. The Over-Allotment Option is exercisable, in whole or in part, at any time up to 30 days following the Closing Date to cover over-allotments, if any. If the Agents exercise the Over-Allotment Option in full, the total offering price to the public, the Agents' Commission and net proceeds to the Corporation (before deducting expenses of the Offering) will be approximately \$4,600,000, \$460,000 and \$4,140,000, respectively, assuming completion of the Maximum Offering. This Prospectus also qualifies the grant of the Over-Allotment Option and the distribution of any Common Shares issued pursuant to the exercise of the Over-Allotment Option. A purchaser who acquires Common Shares forming part of the Agents' over-allocation position acquires those Common Shares under this Prospectus, regardless of whether the over-allocation position is ultimately filled through the exercise of the Over-Allotment Option or secondary market purchases of Common Shares. Unless the context otherwise requires, references herein to the "Offering" and the "Common Shares" include the Common Shares issuable pursuant to the exercise of the Over-Allotment Option. See "Plan of Distribution".

THE OFFERING HEREUNDER IS SUBJECT TO A MINIMUM SUBSCRIPTION OF 8,333,333 COMMON SHARES (\$2,500,000). IN THE EVENT SUCH SUBSCRIPTIONS ARE NOT ATTAINED WITHIN 90 DAYS OF THE ISSUANCE OF THE FINAL RECEIPT FOR THIS PROSPECTUS THEN THE OFFERING MUST CEASE OR, IF AN AMENDMENT TO THE FINAL PROSPECTUS HAS BEEN FILED AND A RECEIPT HAS BEEN ISSUED FOR SUCH AMENDMENT, WITHIN 90 DAYS OF THE ISSUANCE OF A RECEIPT FOR AN AMENDMENT TO THE FINAL PROSPECTUS AND, IN ANY EVENT, NOT LATER THAN 180 DAYS AFTER THE ISSUANCE OF A RECEIPT FOR THE FINAL PROSPECTUS, ALL FUNDS RAISED HEREUNDER WILL BE RETAINED BY THE AGENTS AND REFUNDED TO INVESTORS, OR AS DIRECTED BY THE INVESTORS, WITHOUT INTEREST OR DEDUCTION.

**An investment in the Common Shares should be considered highly speculative due to the nature of the Corporation's business and its early stage of development. Investments in natural resource companies involve a significant degree of risk and usually result in failure. The degree of risk increases substantially when the properties are in exploration as opposed to the development stage. The Corporation's three mining projects, including its flagship Miller Gold Property, are in the exploration stage and is without a known body of commercial ore. The proposed exploration program is an exploratory search for ore and may not be successful. Purchasers must rely on the ability, expertise, judgment, discretion, integrity and good faith of the management of the Corporation. There is no guarantee that the Corporation will be able to secure financing to meet its future needs on reasonable terms. For these reasons, the Offering is suitable only for those purchasers who are able to make long term investments and who are able to risk a loss of their entire investment. Potential purchasers should read this entire prospectus and consult their professional advisors before investing. See "Risk Factors".**

**There is no market through which these securities may be sold and purchasers may not be able to resell securities purchased under this Prospectus. This may affect the pricing of the securities in the secondary market, the transparency and availability of trading prices, the liquidity of the securities and the extent of issuer regulation. The securities offered hereunder must be considered highly speculative due to the nature of the Corporation's business - see "Risk Factors".**

As at the date of this Prospectus, the Corporation does not have any of its securities listed or quoted, has not applied to list or quote any of its securities, and does not intend to apply to list or quote any of its securities, on the Toronto Stock Exchange, Aequitas NEO Exchange Inc., a U.S. marketplace, or a marketplace outside Canada and the United States of America (other than the Alternative Investment Market of the London Stock Exchange or the PLUS markets operated by PLUS Markets Group plc.). The Corporation has applied to list its Common Shares and any Common Shares issued upon exercise of the Agents' Warrants, on the CSE. The CSE issued conditional listing approval on June 25, 2019. Listing of the Corporation's Common Shares will be subject to the Corporation meeting all of the listing requirements prescribed by the CSE.

The Agents' position is as follows:

<b>Agents' Position</b>	<b>Maximum Number of Securities Available <sup>(1)(2)</sup></b>	<b>Exercise Period or Acquisition Date</b>	<b>Exercise Price or Acquisition Price</b>
Agent's Warrants	1,333,333 Common Shares	2 years from the Listing Date	\$0.30
Over-Allotment Option	2,000,000 Common Shares	Any time until 30 days following the Closing Date	\$0.30
<b>Total securities issuable to the Agents:</b>	<b>3,333,333 Common Shares</b>		

(1) These securities are qualified for distribution by this Prospectus. See "Plan of Distribution".

(2) Assumes completion of the Maximum Offering.

National Instrument 41-101 ("**NI 41-101**") imposes a restriction on the maximum number of securities which may be distributed under a prospectus to an agent as compensation ("**Qualified Compensation Securities**"). Pursuant to NI 41-101, the aggregate Qualified Compensation Securities must not exceed 10% of the Common Shares offered pursuant to this Prospectus, which in the case of the Maximum Offering is 13,333,333 Common Shares. For the purposes of this Offering, the Agents' Warrants totalling up to a maximum of 1,333,333 Common Shares (including Agent's Warrants issued if the full Over-Allotment Option is exercised by the Agent) are Qualified Compensation Securities and are qualified for distribution by this Prospectus. To the extent that the Agents are entitled to receive securities as compensation exceeding 10% of the Offering, those securities exceeding the 10% threshold will not be Qualified Compensation Securities, will not be qualified for distribution under this Prospectus and will be subject to a hold period in accordance with applicable securities laws.

The Agents, as exclusive agents of the Corporation for the purposes of this Offering, conditionally offers the Common Shares on a commercially reasonable efforts basis, subject to prior sale, if, as and when issued by the Corporation and accepted by the Agents in accordance with the Agency Agreement referred to under "Plan of Distribution", and subject to the approval of certain legal matters on behalf of the Corporation by Heighington Law, Calgary, Alberta, and on behalf of the Agents by McMillan LLP, Toronto, Ontario. The Agents may form a syndicate of registered dealers in connection with the Offering. Subscriptions will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice. One or more certificates representing the Common Shares distributed by this Prospectus will be issued in registered and definitive form to CDS Clearing and Depository Services Inc., or to its nominee ("CDS"), and will be deposited with CDS on the Closing Date. A purchaser of Common Shares will receive only a customer confirmation from the registered dealer from or through which the Common Shares are purchased. Notwithstanding the foregoing, Common Shares and sold to certain persons in the United States will be represented by physical certificates registered in the names of the purchasers thereof or their nominees. See "Plan of Distribution".

Investors should rely only on the information contained in this Prospectus. The Corporation has not authorized anyone to provide investors with different information. The Corporation is not offering the Common Shares in any jurisdiction in which the offer is not lawfully permitted. Investors should not assume that the information contained in this prospectus is accurate as of any date other than the date of this Prospectus. Subject to the Corporation's obligations under applicable securities laws, the information contained in this Prospectus is accurate only as of the date of this Prospectus regardless of the time of delivery of this Prospectus or of any sale of the Common Shares.

No person is authorized to provide any information or to make any representations in connection with this Offering other than as contained in this Prospectus.



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## CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

Some of the statements contained herein including, without limitation, financial and business prospects and financial outlooks may be forward-looking statements which reflect management's expectations regarding future plans and intentions, growth, results of operations, performance and business prospects and opportunities. The use of any of the words "anticipate", "continue", "estimate", "expect", "may", "will", "project", "should", "believe" and similar expressions are intended to identify forward-looking statements. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. The Corporation believes the expectations reflected in those forward-looking statements are reasonable but no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in, or incorporated by reference into, this Prospectus should not be unduly relied upon. These statements are current only as of the date of this Prospectus or as of the date specified in the documents incorporated by reference into this Prospectus, as the case may be. In particular, this Prospectus contains forward-looking statements pertaining to the following:

- proposed expenditures under "Use of Proceeds";
- capital expenditure programs;
- projections of market prices and costs;
- expectations regarding the ability to raise capital; and
- treatment under governmental regulatory regimes.

Actual results could differ materially from those anticipated in these forward-looking statements as a result of the risk factors set forth below and elsewhere in this Prospectus:

- liabilities inherent in the Corporation's operations;
- uncertainties associated with estimated market demand and sector activity levels;
- competition for, among other things, capital, potential acquisitions and skilled personnel;
- fluctuations in foreign exchange or interest rates and stock market volatility; and
- the other factors discussed under "Risk Factors".

Statements relating to "reserves" or "resources" are deemed to be forward-looking statements, as they involve the implied assessment, based on certain estimates and assumptions that the resources and reserves described can be profitably produced in the future.

Readers are cautioned that the foregoing lists of factors are not exhaustive. The forward-looking statements contained in this Prospectus are expressly qualified by this cautionary statement. Except as required under applicable securities laws, the Corporation does not undertake any obligation to publicly update or revise any forward-looking statements.

The forward-looking information contained in this Prospectus are based on a number of assumptions that may prove to be incorrect, including, but not limited to, assumptions about general business and economic conditions, changes in financial markets generally, the Corporation's ability to attract and retain skilled staff, and the Corporation's planned exploration expenditure and capital expenditure programs. Although the Corporation has attempted to identify material factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. The Corporation does not assume the obligation to update forward-looking statements, except as required by applicable law

Readers are cautioned against placing undue reliance on forward-looking statements.

## ABBREVIATIONS OF CHEMICAL ELEMENTS

Ag	Silver
Au	Gold
Bi	Bismuth
Cu	Copper
Hg	Mercury
Mo	Molybdenum
Pb	Lead
Tl	Thallium
W	Tungsten
Zn	Zinc

## CONVERSIONS

Imperial Measure	Metric Unit
2.47 acres	1 hectare
3.28 feet	1 metre
0.62 mile	1 kilometre
0.032 ounce	1 gram
0.029 short ton	1 gram
1.102 short ton	1 tonne
2.2046 pounds	1 kilogram

Metric Measure	Imperial Unit
0.4047 hectare	1 acre
0.3048 metre	1 foot
1.609 kilometres	1 mile
31.1 grams	1 troy ounce
34.28 gpt	troy ounce per ton
0.907 tonne	1 short ton
0.4536 kilogram	1 pound

## ELIGIBILITY FOR INVESTMENT

In the opinion of Heighington Law, counsel to the Corporation, based on the current provisions of the *Income Tax Act* (Canada) (the "**Tax Act**"), the regulations thereunder in force as of the date hereof and all specific proposals to amend the Tax Act and the regulations publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof, provided that the Common Shares are listed on a designated stock exchange for the purposes of the Tax Act (which currently includes the Exchange) at the time of closing of the Offering, the Common Shares issued pursuant to the Offering will be "qualified investments" for a trust governed by a registered retirement savings plan ("**RRSP**"), registered retirement income fund ("**RRIF**"), deferred profit sharing plan, registered education savings plan ("**RESP**"), registered disability savings plan ("**RDSP**") or a tax-free savings account ("**TFSA**") at the time of closing the Offering.

Notwithstanding the foregoing, the holder of a TFSA or RDSP, the subscriber of an RESP or the annuitant under an RRSP or RRIF will be subject to a penalty tax in respect of Common Shares held in a TFSA, RDSP, RESP, RRSP or RRIF if such Common Shares are a "prohibited investment" for a TFSA, RDSP, RESP, RRSP or RRIF. Generally, the Common Shares would be considered to be a "prohibited investment" if the holder of a TFSA or RDSP, the subscriber of an RESP or the annuitant of an RRSP or RRIF, as the case may be: (i) does not deal at arm's length with the Corporation for the purposes of the Tax Act; or (ii) has a "significant interest" (as defined in subsection 207.01(4) of the Tax Act) in the Corporation. A "significant interest" generally includes, but is not limited to, the ownership of 10% or more of any class of issued shares of a corporation. Common Shares will generally not be a "prohibited investment" for a TFSA, RDSP, RESP, RRSP, or RRIF if the Common Shares are "excluded property" (as defined in subsection 207.01(1) of the Tax Act) for such TFSA, RDSP, RESP, RRSP, or RRIF, as applicable. **Prospective purchasers who intend to hold Common Shares in their TFSA, RDSP, RESP, RRSP or RRIF should consult their own tax advisors having regard to their own particular circumstances.**

## MARKETING MATERIALS

Any "marketing materials" (as defined in National Instrument 41-101 — *General Prospectus Requirements* ("**NI 41-101**")) are not part of this Prospectus to the extent that the contents thereof have been modified or superseded by a statement contained in this Prospectus or any amendment. Any "template version" (as defined in NI 41-101) filed with the securities commissions in each of the Provinces of British Columbia, Alberta, Saskatchewan, and Ontario in connection with the Offering after the date hereof but prior to the termination of the distribution of the Common Shares under this Prospectus (including any amendments to, or an amended version of, any template version of marketing materials) is deemed to be incorporated by reference into this Prospectus.

## GLOSSARY

"**Agency Agreement**" means the agency agreement dated November 14, 2019 between the Agents and the Corporation.

"**Agents**" or "**Co-Lead Agents**" means Haywood Securities Inc. and Canaccord Genuity Corp.

"**Agents' Commission**" has the meaning ascribed to it on the face page of this Prospectus and under the heading "Plan of Distribution".

"**Agents' Warrants**" means the share purchase warrants granted to the Agents as described on the face page of this Prospectus and under the heading "Plan of Distribution". Each Agents' Warrant is exercisable for \$0.30 into one Common Share for two years from the Listing Date.

"**Audit Committee**" means a committee established by and among the Board for the purpose of overseeing the accounting and financial reporting processes of the Corporation and audits of the financial statements of the Corporation.

"**Author**" means collectively, the authors of the Technical Report.

"**Board**" means the Corporation's board of directors.

"**Closing Date**" means such date that the Corporation and the Agents mutually determine to close the sale of the Common Shares of the Corporation offered pursuant to this Prospectus, in compliance with the regulatory requirements governing distribution of securities. Closing is expected to occur in the Fall of 2019.

"**Common Share**" means a class "A" common share in the capital of the Corporation.

"**Corporation**" or "**Northstar**" means Northstar Gold Corp.

"**CSE**" or "**Exchange**" means the Canadian Securities Exchange.

"**Escrow Agent**" means TSX Trust Company.

"**Escrow Agreement**" means the escrow agreement dated March 20, 2019 among the Corporation, the Escrow Agent and certain shareholders of the Corporation.

"**Escrow Policy**" has the meaning ascribed to it in the "Escrowed Shares" section of this Prospectus.

"**Escrowed Securities**" has the meaning ascribed to it in the "Escrowed Shares" section of this Prospectus.

"**Listing Date**" means the date the Common Shares commence trading on the CSE.

"**Minimum Offering**" has the meaning ascribed to it on the face page of this Prospectus.

"**Maximum Offering**" has the meaning ascribed to it on the face page of this Prospectus.

"**Miller Gold Property**" or the "**Property**" means the property consisting of 84 contiguous, unpatented cell claim covering approximately 1,100 ha in the Larder Lake Mining Division of Northeastern Ontario 18 km south of Kirkland Lake and 5 km east of the village of Boston Creek, within the Catharine, Pacaud, Boston and McElroy Townships.

"**NI 41-101**" means National Instrument 41-101 – *General Prospectus Requirements*.

"**NI 43-101**" means National Instrument 43-101 – *Standards of Disclosure for Mineral Projects*.

"**NI 51-102**" means National Instrument 51-102 – *Continuous Disclosure Obligations*.

"**NI 52-110**" means National Instrument 52-110 – *Audit Committees*.

"**NI 58-101**" means National Instrument 58-101 – *Disclosure of Corporate Governance Practices*.

"**Offering**" has the meaning ascribed to it on the face page of this Prospectus.

"**Offering Price**" means has the meaning ascribed to it on the face page of this Prospectus, being \$0.30 per Common Share.

**"Over-Allotment Option"** has the meaning ascribed to it on the face page of this Prospectus.

**"Principals"** means all persons or companies that, on the completion of the Offering, fall into one of the following categories:

- (i) directors and senior officers of the Corporation, as listed in this Prospectus;
- (ii) promoters of the Corporation during the two years preceding this Offering;
- (iii) those who own and/or control more than 10% of the Corporation's voting securities immediately after completion of this Offering if they also have appointed or have the right to appoint a director or senior officer of the Corporation or of a material operating subsidiary of the Corporation;
- (iv) those who own and/or control more than 20% of the Corporation's voting securities immediately after completion of this Offering; and
- (v) associates and affiliates of any of the above;

being, in the case of the Corporation, Brian P. Fowler, George W. Pollock, Robert Suttie, Anthony H. Lesiak, Charles Main, R. Greg McKnight, and John W. Pollock.

**"Private Placements"** means the two private placements which closed on January 28, 2019 and March 18, 2019 and which consisted of the issuance of 2,128,945 Common Shares, of which 246,111 Common Shares were issued on a flow-through basis under the Tax Act, and 1,882,834 warrants (the **"Warrants"**) for aggregate proceeds of \$653,450. Each Warrant entitles the holder to acquire one Common Share for \$0.54, with 1,450,667 Warrants exercisable until January 28, 2021 and 432,167 Warrants exercisable until March 18, 2021. In connection with the Private Placements, the Corporation issued 10,693 broker warrants exercisable at \$0.30 until January 28, 2021, 12,320 broker warrants exercisable at \$0.30 until March 18, 2021, and 18,889 broker warrants exercisable at \$0.36 until March 18, 2021 (collectively, the **"Broker Warrants"**).

**"Prospectus"** has the meaning ascribed to it on the face page of this prospectus.

**"Qualified Person"** means an individual who is an engineer or geoscientist with a university degree, or equivalent accreditation, in an area of geoscience, or engineering, relating to mineral exploration or mining; has at least five years of experience in mineral exploration, mine development or operation, or mineral project assessment, or any combination of these, that is relevant to his or her professional degree or area of practice; has experience relevant to the subject matter of the mineral project and the technical report; and is in good standing with a professional association.

**"Selling Jurisdictions"** means the Provinces of British Columbia, Alberta, Saskatchewan, and Ontario.

**"Stock Option Agreements"** mean the stock option agreements dated for reference February 9, 2019 between the Corporation and certain directors and officers of the Corporation.

**"Stock Option Plan"** means a stock option plan dated November 22, 2018 providing for the granting of incentive stock options to the Corporation's directors, officers, employees and consultants in accordance with the policies of the CSE.

**"Technical Report"** means the NI 43-101 compliant technical report entitled "Independent Technical Report on the Miller Gold Project, Kirkland Lake, Ontario" dated December 10, 2018 prepared by Trevor Boyd, PhD, P. Geo, Elisabeth Ronacher, PhD, P. Geo, and Ronacher McKenzie Geoscience Inc.

## GLOSSARY OF TECHNICAL TERMS

Allochthonous	A term applied to rocks that originated a great distance from their current position, generally related to over-thrusting.
Alteration	Change in mineral composition of rock brought about by hydrothermal solutions.
Anticline	A ridge-shaped fold of stratified rock in which the strata slope downward from the crest.
Antler Orogeny	A tectonic event that began in the late Devonian and continued to the early Pennsylvanian.
Autochthonous	A term applied to rocks that formed in situ.
Breccia	A coarse grained clastic rock composed of angular broken fragments which are held together by a fine grained matrix and mineral cement.
Calcareous	Describing rock that contains calcium carbonate.
Clastic	Denoting rocks that are composed of fragments, or clasts, of pre-existing rock.
Decalcification	A process of removal of limestone and dolomite by weak acidic solutions resulting in increased porosity and permeability.
Dilation	Deformation by a change in volume but not shape.
En Echelon	The parallel or subparallel alignment of separate structural features, such as tension fractures, which are arranged obliquely to a specific directional axis.
Footwall	The mass of rock beneath a fault, orebody or mine working.
Foreland Basin	A structural basin that develops adjacent and parallel to a mountain belt.
Hanging Wall	The mass of rock above a fault, orebody or mine working.
ICP-MS	Inductively Coupled Plasma Mass Spectroscopy, a laboratory analytical method that is capable of very low detection limits.
Igneous	Rock formed by solidification from a molten state.
Intrusion	A body of igneous rock that has invaded older rocks.
Lithology	The study of the general physical characteristics of rocks.
Nappe	A large body of rock that has moved forward a considerable distance from its original position by overthrusting or recumbent folding.
Orogeny	The process of forming mountains, by thrusting and folding.
Pathfinder	Elements that are commonly associated with the primary element of interest.
Pelitic	A term that describes clayey rocks, such as mudstones and shales.
Plunge	The vertical angle between a horizontal plane and a lineation. Commonly referred to as Pitch or Rake.
Pluton	A body of igneous rock that solidified deep below the earth's surface.
Resistivity	A method of measuring how rock reduces the ability of electrical current to pass through it.
Sedimentary Rock	Formed by the erosion, transport, deposition and cementation of pre-existing rock.
Shearing	The lateral movement of one rock surface against another.

Shelf	The gently sloping zone of the ocean floor extending from the line of permanent immersion to the depth where there is a marked descent toward the great depths.
Skarn	Lime-bearing siliceous rocks produced by the metamorphic alteration of limestone or dolomite. Usually found at the contact between intrusive and carbonate rocks.
Slickensides	Polished and striated surface that results from friction along a fault plane.
Slope	The slope between the outer edge of the continental shelf and the deep ocean floor.
Stratigraphy	The branch of geology concerned with the order and relative position of strata and their relationship to the geological time scale.
Structural Geology	The study of the three-dimensional distribution of rock units with respect to their deformational histories.
Syncline	A trough or fold of stratified rock in which the strata slope upward from the axis.
Tectonic	Relating to the structure of the earth's crust and the large-scale processes that take place within it.
Thallium	A chemical element which has the symbol Tl and atomic number 81. It is often associated with Carlin-Type gold deposits.
Thrust Fault	A fault in which rocks of lower stratigraphic position are pushed up and over higher strata.
Unconformity	A surface of erosion or non-deposition that separates younger strata from older rocks.
Vergence	The direction in which a fold is inclined or overturned

## PROSPECTUS SUMMARY

*The following is a summary of the principal features of this distribution and should be read together with the more detailed information and financial data and statements contained elsewhere in this Prospectus. Prospective purchasers should read the entire Prospectus, including "Risk Factors", before making an investment decision with regards to the Common Shares.*

### **The Corporation**

Northstar Gold Corp. is an early stage natural resource company engaged primarily in the acquisition, exploration and, if warranted, development of mineral properties. The Corporation is focused on exploration, development and acquisition of quality exploration properties in the prolific Abitibi Greenstone Belt. More specifically, the Corporation's objective is to conduct an exploration program on its flagship Miller Gold Property located in the Lardner Lake Mining Division of Northeastern Ontario, 18 km south of Kirkland Lake. The Miller Gold Property consists of 84 contiguous, unpatented claim cells covering approximately 1,100 ha. All claims are 100% owned by the Corporation. The prolific Kirkland Lake mining camp has produced over 24 million ounces of gold from 7 mines since 1900.

The Corporation also has two additional early exploration projects in Northern Ontario. The Bryce Project is located in Bryce and Tudhope Township in the Larder Lake mining division of Northeastern Ontario. The property consists of 260 contiguous, unpatented cell claims covering 5,090 hectares. The Temagami-Milestone Project is located in Strathcona Township in Northeastern Ontario and is currently in the early stages of exploration. The Corporation intends to advance both projects through joint venture partnerships or otherwise.

See "Business of the Corporation" for details of the Miller Gold Property and the recommended work program.

### **Management, Directors & Officers**

- Brian P. Fowler: *Chief Executive Officer, Director and Promoter*
- Robert D.B. Suttie: *Chief Financial Officer*
- George W. Pollock: *Vice President, Exploration, Promoter, and Corporate Secretary*
- Anthony H. Lesiak: *Director*
- Charles B. Main: *Director, Chair of the Audit Committee*
- R. Greg McKnight: *Director*
- Dr. John W. Pollock: *Director, Chairman, and Promoter*

See "Directors and Officers".

### **The Offering**

#### *Offering*

The Offering consists of a minimum of 8,333,333 Common Shares and a maximum of 13,333,333 Common Shares for minimum gross proceeds of \$2,500,000 and a maximum of \$4,000,000. See "Plan of Distribution" and "Description of Securities Distributed".

#### *Additional Distribution*

The Corporation is also qualifying the distribution of the Agents' Warrants and the grant of the Over-Allotment Option and the distribution of any Common Shares issued pursuant to the exercise of the Over-Allotment Option. See "Plan of Distribution".

### **Use of Proceeds**

The net proceeds from the Offering after deducting the Agents' Commission will be \$2,250,000 if the Minimum Offering is sold and \$3,600,000 if the Maximum Offering is sold. As at October 31, 2019, the Corporation had a working capital deficit of approximately \$195,000 which, when subtracted from the net proceeds of the Offering, will provide the Corporation with available funds of approximately \$2,055,000, if the Minimum Offering is sold, or \$3,405,000 if the Maximum Offering is sold. The available funds will be used as set out below.



	Minimum Offering	Maximum Offering
(a) To pay the balance of the estimated costs of this Offering and other accrued expenses <sup>(1)</sup>	\$330,000	\$330,000
(b) To pay the estimated cost of the Phase 1 work program <sup>(2)</sup>	\$1,095,000	\$1,095,000
(c) To provide funding sufficient to meet administrative costs for 12 months	\$539,200	\$539,200
(d) To provide unallocated working capital	\$90,800	\$1,440,800
<b>TOTAL:</b>	<b>\$2,055,000<sup>(3)</sup></b>	<b>\$3,405,000</b>

(1) Includes the balance of expenses related to this Offering, including the Agents' expenses including legal fees, the Corporation's legal, printing, and audit expenses and other expenses of the Corporation.

(2) See "Miller Gold Property – Recommendations".

(3) Represents a full and complete list of the expected expenditures over the next 12 months.

The Corporation intends to spend the funds available to it as stated in this Prospectus. There may be circumstances, however, where, for sound business reasons, a reallocation of funds may be necessary. If the Over-Allotment Option is exercised in full the Corporation will receive an additional \$375,000 in the event of the Minimum Offering and \$600,000 in the event of the Maximum Offering. For a more detailed discussion on the proposed expenditures, see "Use of Proceeds".

## Risk Factors

An investment in the Common Shares should be considered highly speculative due to the nature of the Corporation's business and its present stage of development as a junior mining exploration company. The Corporation was incorporated in 2008 and has no history of revenue or earnings from mining explorations and its mining projects are still in an early stage of development. The exploration and development of minerals is highly speculative in nature and involves a high degree of financial and other risks over a significant period of time, during which even a combination of careful evaluation, experience and knowledge may not eliminate. The Corporation has no history of operations or revenues and it is unlikely that the Corporation will generate any revenues from operations in the foreseeable future. The Corporation competes with numerous other companies and individuals, including competitors with greater financial, technical and other resources, in the search for and the acquisition of attractive mineral properties. All phases of the Corporation's operations are subject to extensive environmental regulations. There can be no assurance that the Corporation will obtain on reasonable terms or at all the permits and approvals, and the renewals thereof, which the Corporation may require for the conduct of the Corporation's current or future operations. While the Corporation has exercised the customary due diligence with respect to determining title to the Corporation's properties, there is no guarantee that title to such properties will not be challenged or impugned. The Miller Gold Property may now or in the future be the subject of first nations land claims. Since inception, the Corporation has had negative operating cash flow, which is expected to continue for the foreseeable future. The price of the Corporation's securities, the Corporation's financial results and exploration, development and mining activities have previously been, or may in the future be, significantly adversely affected by declines in the price of precious or base metals. There is currently no market through which the Corporation's Common Shares can be sold and there can be no assurance that one will develop or be sustained after the Offering. The Corporation's success will be largely dependent, in part, on the services of the Corporation's senior management and directors, the loss of any member of which could have an adverse effect on the Corporation. Members of the Corporation's management team own a significant number of the outstanding Common Shares and could influence the outcome of certain matters involving shareholder approval, including the election of directors.

Some of the Corporation's directors are or will be directors of other companies, which could result in conflicts of interest. Investment in the Common Shares will result in a significant and immediate dilution in an investor's investment after giving effect to the Offering. See "Risk Factors" for details of these and other risks relating to the Offering and the Corporation's business.

## Summary of Financial Information

The following selected financial information is subject to the detailed information contained in the financial statements of the Corporation and notes thereto appearing elsewhere in the Prospectus. The selected financial information is derived from the audited financial statements for the years ended April 30, 2019, 2018 and 2017 and the unaudited interim financial statements for the three-month interim period ended July 31, 2019. The Corporation has established April 30 as its financial year end. This summary financial data should be read together with "Selected Financial Information and Management Discussion and Analysis" and the financial statements of the Corporation and notes thereto, appearing elsewhere in this Prospectus.

	Three months ended July 31, 2019 (unaudited)	Year-End April 30, 2019 (audited)	Year-End April 30, 2018 (audited)	Year-End April 30, 2017 (audited)
Total revenues	Nil	Nil	Nil	Nil
Expenses	\$112,988	\$887,631	\$351,214	\$406,693
Net Loss	\$113,033	\$887,676	\$351,459	\$406,693
Basic and diluted loss per common share	\$0.00	\$0.04	\$0.02	\$0.01
Total assets	\$4,576,450	\$4,650,045	\$4,450,794	\$4,520,710
Current liabilities	\$231,913	\$192,475	\$118,239	\$343,225
Cash dividends per share	Nil	Nil	Nil	Nil

## Currency

Unless otherwise indicated, all currency amounts herein are stated in Canadian Dollars.

## CORPORATE STRUCTURE

The Corporation was incorporated pursuant to the *Business Corporations Act* (Ontario) on May 20, 2008. The Corporation amended its Articles of Incorporation on February 8, 2019 and March 20, 2019 to remove certain restriction applicable to private issuers and to consolidate the outstanding Common Shares on a one for six basis.

The Corporation's head and registered office is located at 17 Wellington Street North, New Liskeard, Ontario P0J 1P0.

The Corporation has no subsidiaries.

The Corporation is not a reporting issuer in any jurisdiction and the Common Shares are not listed or posted for trading on any stock exchange.

## GENERAL DEVELOPMENT OF THE BUSINESS

### Business of the Corporation

The Corporation is an exploration stage natural resource company engaged in the evaluation, acquisition and exploration of mineral resource properties with the intention, if warranted, of placing them into production. The Corporation is focused on exploration, development and acquisition of quality exploration properties in the prolific Abitibi Greenstone Belt. More specifically, the Corporation's objective is to conduct an exploration program on its flagship Miller Gold Property located in the Lardner Lake Mining Division of Northeastern Ontario, 18 km south of Kirkland Lake.

The Corporation currently has three projects, with the flagship project being its Miller Gold Property. The Miller Gold Property is an early stage development project located 18 km southeast of Kirkland Lake, Ontario. The prolific Kirkland Lake mining camp has produced over 24 million ounces of gold from 7 mines since 1900. The Miller Gold Property consists of 84 contiguous, unpatented claim cells covering approximately 1,100 ha in the Larder Lake Mining Division. All claims are 100% owned by the Corporation. The Corporation also owns two free hold patents with both mining and surface rights covering 32 hectares contiguous with the rest of the Miller Gold Property. These claims were acquired in 2013 and 2014 by issuing, on a post-consolidated basis, 500,000 common shares at a price of \$0.30 for a total of \$150,000 and cash payments of \$19,831.

As of the date of this Prospectus, in the past 12 months the Corporation has raised net proceeds of approximately \$653,500, of which \$88,600 was flow-through funds, privately through the sale of Common Shares and Warrants (as such term is defined herein) of the Corporation which has been and will be used for exploration activities and for general working capital.

The Offering is expected to provide the Corporation with sufficient financial resources to, among other things, fund the recommended Phase 1 exploration program on the Miller Gold Property. See "Use of Proceeds" and "Miller Gold Property". Additional financing will be required to meet long term capital requirements for continued exploration on the Miller Gold Property. The Corporation's ability to finance its operations and exploration beyond the recommended Phase 1 program will depend on, among other things, the results of the Phase 1 exploration program, the availability of unallocated working capital, and completion of additional financings. If Phase 1 results are favorable, then the phase 2 program will require additional funding.

Management of the Corporation intends to continue operating in the mining industry and has no intention of changing the current nature of the company's business.

### Mineral Properties

The Corporation's primary property is the 100% owned, 1,114 ha Miller Gold Property located 18km southeast of Kirkland Lake, Ontario within the Abitibi Greenstone Belt which is one of the most prolific gold- and base-metal-producing greenstone belts in the world. The Kirkland Lake and Timmins mining camps have produced >119 million ounces of gold from >100 mines between 1901 and 2017. (Chadwick, P.J., Péloquin, A.S., Suma-Momoh, J., Daniels, C.M., Bousquet, P., Wilson, A.C., Sabiri, N. and Szumylo, N. 2018. Report of Activities 2017, Resident Geologist Program, Kirkland Lake Regional Resident Geologist Report: Kirkland Lake and Sudbury Districts; Ontario Geological Survey, Open File Report 6340, 142p.; p. 4 ; van Hees, E.H., Pace, A., Bustard, A., Gomwe, T.S., Bousquet, P., Daniels, C.M., Wilson, A.C., Streit, L., Sword, P., Patterson, C. and Fudge, S.P. 2018. Report of Activities 2017, Resident Geologist Program, Timmins Regional Resident Geologist Report: Timmins and Sault Ste. Marie Districts; Ontario Geological Survey, Open File Report 6339, 117p. P. 10)

Past Production from the Barry-Hollinger Gold mine includes 69, 861 oz Au from 267,741 Tons milled between 1924 and 1945 and reported historical production included a 28 tonne sample grading 64.8 g Au/t (Gordon, J.B., Lovell, H.L., de Grijs, Jan, and Davie, R.F. 1979: Gold Deposits of Ontario, Part 2; Ontario Geological Survey, Mineral Deposits Circular 18, 253p. p. 162; TWENTY-EIGHTH ANNUAL REPORT OF THE ONTARIO BUREAU OF MINES, 1919. pt. 1, p. 9 and 116)

The Property is situated on a major 1st order fault structure (Catharine Fault) off the Kirkland /Cadillac-Larder Breaks and hosts unique Kirkland Lake style and high-grade gold-telluride mineralization in low angle and vertical quartz veins and shears cutting highly altered intrusive syenite stocks and mafic volcanic rocks over an under explored 3km x 2km area such as the Vein 1, Allied, Planet, Barry Hollinger & D zones.

The mining history of the Miller Gold Property dates to the early 1900s with the discovery of gold and development of the Miller – Independence Mine. The Property has been explored and developed since 1915, with 11 shallow shafts and thousands of metres of drifting. Official reported production is 58.5 ounces Au and 70 ounces Ag from a 31 Ton bulk sample of recovery grade of 1.89 oz/ton Au (Gordon, J.B., Lovell, H.L., de Grijs, Jan, and Davie, R.F. 1979: Gold Deposits of Ontario, Part 2; Ontario Geological Survey, Mineral Deposits Circular 18, 253p. p. 162; TWENTY-EIGHTH ANNUAL REPORT OF THE ONTARIO BUREAU OF MINES, 1919. pt. 1, p. 9 and 116); however, based upon the mine workings and amount of what appears to be waste rock identified throughout the Property the true production may have been considerably higher. A shaft was built near the original discovery. A flat, faulted vein estimated to contain 1,800 tons of mineralized material was discovered during that period.

In 1937-38 Planet Gold Mines carried out a 7 hole, 322m diamond drilling program in the Planet Syenite area of the Property encountering visible gold and several high grade intervals in drill core within the Planet Syenite intrusion including 6.63 g/t Au over 9.2m between 12.1m and 21.3m depth in DDH 2. (Court Simpson compilation, 1974- Assessment File KL-2281, Kirkland Lake Resident Geologist's Office) Shortly thereafter in 1938 Howey Gold Mines optioned the Planet Syenite and collected a 3,668 lb sample from several surface trenches which graded 0.075 oz/ton in a mill test. Recovery was estimated to be 87% using gravity concentration methods. In 1939 a 3,044 lb bulk sample was taken (probably from the small prospect shaft). The table test indicted a total gold content of 0.096 oz/ton. (Crosscombe 1941). In 1946 Lebon Gold mines carried out additional diamond drilling in the Planet Syenite in which several gold bearing intersections were reported but assay results are unknown. (ODM 1957, Vol.66, pt.5, p.40)

In 1987-88 Nortek Exploration completed 37 diamond drill holes and estimated a historical grade and tonnage for the Miller-Independence "Vein 1" zone of 733,000 tonnes @ 11.48g Au/t for 270,000 oz Au (1987) (Ontario Ministry of Northern Development and Mines Assessment report # OM87-6-L-239: AFRI file 32D04SW0265 "Mining and Geological Report on the 1987 Nortek Exploration Program" by Gordon B. French, President of French & Associates Inc., Highway 112, Tarzwell, Ontario.) Between 2012 and 2015 Northstar completed surface exploration including ground magnetics, 3D IP survey and 5,846 meters (27 holes) of diamond drilling Northstar (2014) / (Oban Mining Corporation – 2015). This number is a historical estimate, not compliant to NI 43-101 guidelines, provided for information only and is not to be relied upon. The relevance of this historical estimate is as a rough guideline of possible resource on the Property. The key assumptions, parameters and methods to prepare this historical estimate are not known. The historical estimate does not use categories set out in sections 1.2 and 1.3 NI 43-101. A full assessment report is filed with MNDM by G.B. French (1988) in which this number is reported. This historical estimate can be updated to a current mineral resource by additional drilling. The Qualified Person has not done sufficient work to classify the historical estimate as current mineral resource and the issuer is not treating this historical estimate as a current mineral resource.

The 2014 Miller drilling program totalling 1778.5m confirmed the historic results and defined the continuity of the Vein 1 zones with holes MG14-02, 7, 9 and 12 indicating widths between 3 metres and 18 metres with an echelon extensional veins extending into the hanging wall. Six holes (MG14-03,7,9,11,12) drilled in the Allied Syenite consistently intersected shallow dipping gold zones between 20 metres and 130 metres vertical depth within the intrusive body. Visible gold and gold tellurides are abundant in Vein 1 and the Allied Syenite. Sub-vertical auriferous sulphide rich shear zones were intersected in holes MG14-01, MG 14-06 and MG 14-12.

Drilling intercepts in the Allied Syenite include 0.99 g/t Au over 104m between 54m and 106m including 11.6 g/t Au over 3.95m between 138.05m and 142m in DDH MG14-12, and 1.04 g/t Au over 97.5m between 22m and 119.5m including 3.25 g/t Au over 14.03m between 105.47m and 119m in DDH MG14-07. South of the Allied Syenite a twin of historic hole DDH 4 intercepted 5.26 g/t Au over 7.95m between 49.7 and 57.65m in the Vein 1 zone in DDH MG14-02. The drilling intercepts show abundant "Kirkland Lake/Sigma-Lamaque style" vertical and flat high-grade gold-telluride veins in a highly altered and under explored 3 km x 2 km syenite intrusive centre and deformation zone in mafic volcanics. There is potential for a large, intrusive-hosted bulk-tonnage system similar to Sagma/Lamaque carrying significant gold mineralization.

Exploration during 2015 was focused on determining the potential economics for gold mineralization in the Allied, Planet and Meilleur intrusions and in the adjacent metavolcanic rocks. Exploration included surface mapping, bedrock sampling and 12 diamond drill holes totaling 4,067 metres.

The program discovered high grade structurally controlled zones in drill hole MG 15-26 in the Meilleur Syenite intrusion, which is larger than previously mapped. Historic drilling results on the Planet Syenite were confirmed with drill hole MG15-24 which intercepted high grade gold in a near surface stockwork zone within a larger envelope of pervasive alteration. New high-grade zones were discovered at depth below the previously explored Vein 1 within the Allied Syenite in holes MG15-18 and MG15-20 with confirmation of a historically reported zone at a depth of 300 metres. The drilling results indicate the Vein 1 zone is laterally extensive and remains open in all directions, particularly to the northeast of the Allied Syenite.

Gold mineralization was intersected in the Allied, Planet and Meilleur intrusions. Within the 5 holes that intersected the main body of the Allied intrusion there were 23 intervals that returned >1.0 gram of gold per tonne, with the best interval intersected in MG15-20 which returned 40.5 grams of gold per tonne over 1.0 metre, and a graded interval of 14.1 grams of gold per tonne over 3.05 metres. Drilled back towards MG15-20 from the southwest side of the intrusion on the same section, MG15-18 intersected 4.2 grams of gold per tonne over 3.0 metres, including 5.96 grams of gold per tonne over 0.75 metres and 6.27 grams of gold per tonne over 0.75 metres. Both holes drilled into the Planet intrusion intersected gold mineralization hosted by syenite with the best intersection in MG15-24 out of 16 intervals >1.0 gram of gold per tonne returning 74.9 grams of gold per tonne over 0.3 metres between 53.7m and 54m within a larger interval of 7.3 g/t Au over 4.7m between 52.3m and 57m, and the best intersection in MG15-25 returning 4.7 grams of gold per tonne over 1.5 metres. Two holes were drilled into the north end of the Meilleur intrusion intersecting a medium-grained brick red syenite. The best interval in MG15-26 returned 20.8 grams of gold per tonne over 0.95 metres hosted in a faulted bleached mafic metavolcanic, but there were also 13 intervals hosted by syenite that returned >1.0 gram of gold per tonne with the best intersection returning 14.3 grams of gold per tonne over 1.4 metre within a shear zone. The best interval in MG15-27 returned 10.2 grams of gold per tonne over 1.0 metre.

In 2016 Northstar excavated a 932 tonne bulk sample from the historic Vein 1 that graded 5.1 g/t gold with a 95.75% gold recovery in custom milling using cyanide leach. Seven oblique channel cuts from the Vein 1 zone in Trench 1 averaged 20.1 g/t Au over 2.2m. One channel cut from Trench 2 averaged 5.9 g/t Au over 5.0m. A 122 kg mini-bulk sample collected from the "D zone" in Trench 4 graded 36.1 g/t Au. Grab sampling of rubble material from the D zone included an assay of 840 g/t Au. The recently upgraded main access road into the Property is within 100m of the Trenching sites making transport of material to locals mills possible.

The Corporation performed metallurgical testing on mill head samples collected from the Vein 1 zone in Trenches 1 and 3 with excellent recoveries using gravity and cyanide leach. Results from two cyanide leach tests using 2,000 grams composite mill head samples under the same conditions as were present in the Camflo Mill returned 96.1% and 97.7% overall gold dissolution in 72 hours. In gravity recoverable gold testing using 2 x 10 kilogram composite mill head samples, 70% to 75% of the total gold was recovered in a single pass at a coarse 1 mm feed size. Overall gravity recoveries using a Knelson concentrator and Wilfley table were 87.10% and 80.3% respectively.

Approximately Cdn \$2M in exploration work has been performed on the Miller Gold Property between 2012 and 2016.

The Miller Gold Property has potential for significant near surface large, intrusive hosted bulk tonnage and deeper high-grade gold resources in multiple structurally controlled zones (Vein 1, Allied, Planet and D zone). New mineralized gold bearing ENE, NW and NNE striking shear zones have been discovered on surface adjacent to the Allied, Planet and Meilleur Syenites. A Geophysical 3D IP survey and recent drilling indicates the Vein 1 zone is laterally extensive and open in all directions.

In 2015 Northstar signed comprehensive exploration agreements with Matachewan and Timiskaming First Nations. The agreements establish a commitment by Northstar to develop an ongoing relationship with the two communities in the area of the company's Miller Gold Property and provides the communities with an opportunity to participate in the benefits of the project through ongoing communication and business development.

The Miller Gold Property is subject to a 0.25% net smelter royalty (the "NSR"), with an option to buy out for \$250,000 on 16 hectares of land in Pacaud township. There is a 3% NSR on 32 hectares of the Campbell portion of the Miller Gold Property. There is a 2% NSR on 96 hectares in Catharine Township with a 1% buy back for \$1,000,000 and a right of first refusal on the remaining 1% NSR. The remaining 240 hectares in Catharine Township also carries a 2% NSR (owing on all metals, bullion or concentrates, and a 2% royalty equal to a percentage of the net sales returns realized from the sale or disposition of all diamonds, gems and other precious stones), with a 1% buy back for \$1,000,000. The 32 hectares of freehold patents hold a 3% NSR where the average of the London Bullion Market, afternoon, spot prices for gold (U.S. \$ per Ounce) reported for the calendar month of production is greater than \$325 per ounce, and an NSR of 2% if that price is less than or greater to \$325 per ounce.

Northstar is planning to update and validate drill hole database, conduct sampling studies, and 3D modeling for the purpose of drill hole targeting in the late Fall of 2019 and then follow up with a program that includes IP geophysical surveying covering 5 square km. Upon completion of the geophysical program Northstar will conduct a Phase 1- 3000m drilling program to commence in the first quarter of 2020 based on all data compiled to date. Surface Stripping, mapping, sampling and structural studies will be completed in the spring of 2020.

Phase 2 exploration will be contingent on the outcome of the Phase 1 exploration work and the availability of additional funding on satisfactory terms.

#### *Comparison of Miller with other Properties in the Abitibi*

Stylistically the Miller Gold Property is comparable to Eldorado Gold Corporation's recently acquired Lamaque Project (Integra Gold Corp.) near Val-d'Or, Quebec. Coarse, nuggety gold occurs at both projects in a series of shear zones, fractures and veins within and proximal to near vertical intrusive stocks. Gold mineralization in both properties has excellent continuity and depth potential but remains untested laterally and remains open at depth. Vertical veins and structures on both properties were untested by primarily vertical historic drilling. (Source- Technical Report Lamaque Project Québec, Canada, March 29, 2018- Mr. Colm Keogh, P.Eng.-Eldorado Gold Corporation Mr. Jacques Simoneau, P.Geo.-Eldorado Gold Corporation Dr. Stephen Juras, Ph.D., P.Geo.-Eldorado Gold Corporation, Ms. Marianne Utiger, P.Eng.-WSP Canada inc. Mr. François Chabot, P.Eng.-Eldorado Gold Corporation). Unlike these comparables, the Miller Gold Property is relatively unexplored at depth.

Eldorado Gold Corporation acquired Integra Gold Corp. and their principal asset the Lamaque Project in May 2017 following the release of a Preliminary Economic Assessment on the Project (Pre-tax NPV of C\$602M and IRR of 55%; after-tax NPV of C\$363M and IRR OF 43% at US\$1,250 per oz Au – February 27, 2017 Integra Gold Corp Press Release). The total transaction value was approximately C\$590 million (May 15, 2017 Eldorado Gold Corporation Press Release).

On May 2, 2019 Kirkland Lake Gold reported assays from underground drilling at the Macassa Mine (40% asset valuation) in Northeastern Ontario, Canada's highest-grade gold mine that identified two new areas of high-grade mineralization along the Amalgamated Break. The average intercept from eight holes drilled from the 5,700 Ramp to the east is 2.5 m of 162 g/t Au. Reinterpretation of 15 production drill holes (drilled to the west from the 5,700 Ramp development) and five exploration drill holes (drilled to the west from the 5,300 Level) has outlined a steep, north-dipping mineralized zone in the immediate hanging wall of the Amalgamated Break. The average intercept is 2.4 m of 89.2 g/t Au. (Source May 6, 2019 Craig Stanley/Carter Smith – Eight Capital)

Specifically, grades and mineralization from the Amalgamated Break appear similar to the South Mine Complex (SMC), a high-grade zone of mineralization that accounts for 83% of Macassa's reserves and 80% of current throughput. (Source May 6, 2019 Craig Stanley/Carter Smith – Eight Capital)

The Main/04 Breaks host the majority of ore that has been historically mined in the Kirkland Lake camp, although accounts now for just 20% of the annual throughput. The Main Break strikes northeast (60–80 degrees), dips steeply south (60–85 degrees), has a strike of 4,800 m and has been mined from 396 m to more than 1,700 m depth. The 04 Break, located 120 to 180 m north of the Main Break, strikes 60 degrees, dips south at 60-65 degrees, has a strike of 1,700 m and occurs at 1,100–2,100 m depth. Gold occurs in quartz veins, the style of mineralization that has been historically mined in the camp. (Source May 6, 2019 Craig Stanley/Carter Smith – Eight Capital)

The discovery of the SMC in 2005, a new form of mineralization after almost a century of mining in Kirkland Lake, re-energized the camp and now accounts for the highest grades and bulk of reserves. If the newly discovered mineralization at the Amalgamated Break proves to be like that of the SMC, it could have the potential to materially increase both ounces and grade at Macassa. (Source May 6, 2019 Craig Stanley/Carter Smith – Eight Capital)

The similarities between the Kirkland Lake discoveries such as the lower SMC at Macassa and the Miller Property outlines the depth, high-grade and long mine life potential at the Miller Gold Property as shown below:

- ❖ Gold mineralization in the SMC is predominately hosted in calaverite, a gold telluride; the same major gold telluride mineral at Miller.
- ❖ Both the SMC and Miller feature multi-stage, long-lived magmatic gold deposition with an age of the mineralizing event of 2,680 – 2,660 Ma.
- ❖ The Catharine Fault Zone on the Miller Property and the Larder Break near Kirkland Lake are both “First Order Structures”, potentially sharing a gold enriched magmatic hydrothermal reservoir at depth.
- ❖ The Barry-Hollinger Shear/D-Zone (Miller Property) and the Main/'04 Breaks (Kirkland Lake) are geometrically identical, and may coincide with the same deformation event.

P. Geo's Trevor Boyd and Elisabeth Ronacher state in their 43-101 Technical report on the Property ... "The suggestion in this and previous reports (Boyd and Selway 2015, Hart 2015, Boyd 2017) that the Miller Gold Property hosts a large scale hydrothermal gold system is supported from research findings presented in the MSc Thesis of Luis Arteaga (Arteaga, L., 2018, Spatial and temporal relationship between intrusive rocks and gold mineralization in the Miller Dyke Complex, Abitibi greenstone belt, Ontario, Canada: MSc. Thesis, Laurentian University, Sudbury, Ontario, 134 p) which outlines indications of multi-stage and long lived magmatic gold deposition associated with large scale intense metasomatism, pervasive alteration and episyenitization of the named syenite intrusions. Geochronological Re/Os and U/Pb age dating has found the mineralization is associated with the Temiskaming magmatic event (2680 to 2660 Ma) contemporaneously with the age of gold deposits along the Kirkland lake main break. This is consistent with the Au-Ag-Bi-Cu-Mo-Te signature of the gold mineralization on the Property similar to that of some gold deposits in Kirkland Lake Camp. In conclusion, there is potential for the discovery and outline of a large gold resource on the Property beyond the scope of the high-grade but narrow quartz vein mineralization historically exploited to-date."

Northstar will conduct a significant 2019/2020 exploration effort at the Miller Gold Property with the long-term objective of developing a gold mineral resource.

See "Miller Gold Property" for more details.

### ***Other Mining Properties***

In addition, the Corporation also holds interests in two additional junior exploration projects, the Bryce Project and Temagami-Milestone Project.

The Bryce Project is located in Bryce and Tudhope Township in the Larder Lake mining division of Northeastern Ontario. The property consists of 260 contiguous, unpatented cell claims covering 5,090 hectares. Twenty five of the 260 cells are boundary cells and 235 are standard cells. 133 claim units covering 2,128 hectares of the Bryce Project are subject to payments for each mineral resource (as that term is defined in National Instrument 43-101) discovered on that portion of the property, upon receipt of a independent third party study confirming that the property contains such mineral resource, which is compliant with National Instrument 43-101. The Corporation must make a one-time payment of \$210,000 upon the receipt of such study, and an annual payment of \$54,000 on the anniversary of that date. Also, for each mineral resource that goes into commercial production discovered on that portion of the Bryce Property, the Corporation must pay the sum of \$2,100,000.

The Corporation also has 100% ownership of the mining rights to 80 hectares of patented ground contiguous with the rest of the Bryce Property. These claims were acquired in 2008, 2009 and 2010 by issuing, on a post consolidated basis, 7,041,667 Common Shares at a price of \$0.60 for a total of \$4,225,000 and cash payments of \$22,822. The Bryce Project is subject to a 3% NSR on 672 hectares in Bryce Township with a right of first refusal on a buy out of the NSR. There is also a 3% NSR on another 176 hectares in Bryce Township with an option to buyback \$500,000 per 0.5% for a total of \$1,500,000 and a right of first refusal on the remaining 1.5%. The 80 hectares of patented land is subject to a 3% NSR, with a right of first refusal option to buy back 2% at a rate of \$100,000 per 0.5%, for a total of \$800,000 and a right of first refusal on the remaining 1%.

The Bryce Property hosts intrusive porphyry gold and gold-rich VMS systems located within an Archean volcanic centre environment. Numerous geophysical surveys and 68 holes totaling 22,500 metres of diamond drilling representing \$4M Cdn in previous expenditures were completed on the Bryce Property between 2009 and 2013. The drilling programs resulted in the discovery of gold-rich volcanogenic massive sulphides in the Pike Lake area within DDH BG11-47 (2.36 g/t Au, 3.37 g/t Ag and 1.87% Zn over 15.9m including 7.89 g/t Au, 11.18 g/t Ag and 3.77% Zn over 2.4m). The Pike Lake Au-rich VMS discovery displays similarities to the Horne and Laronde VMS deposits that are also hosted in similar age volcanics within the Abitibi Greenstone Belt and may have formed contemporaneously. Another important discovery on the property includes the 300m x 1500m Sunday Creek Porphyry zone, which was intersected in DDH's BG10-41, BG12-65 (0.86 g/t Au over 80m including 2.09 g/t Au over 25.5m) and BG13-68 (1.08 g/t Au over 56m, including 25.13 g/t Au over 2.0m). The Sunday Creek Porphyry hosts a large scale stockwork-system with stringers and veins of high-grade gold with bulk tonnage gold resource potential. Further drilling is warranted in the Sunday Creek area as there are multiple untested geophysical and porphyry targets that remain open along strike and at depth.

Other discoveries on the Bryce property include the Morris East zone in DDH BG09-04 (2.3 g/t Au over 16.8m including 18.4 g/t Au over 1.2m), which may represent a southeasterly extension of the deformation zone hosting the Sunday Creek Porphyry, the Honeymoon Creek zone with a 2011 grab sample of 62 g/t Au within a ENE striking shear hosted quartz vein near an inclined shaft, the Karp Main zone with a grab sample collected in 2010 grading 57 g/t Au from a WNW striking shear hosted quartz vein near the historic Harry Oakes shaft, the Taylor South zone with 2009 grab samples of 22.6 and 83.3 g/t Au from within a ENE trending brittle-ductile fault zone with pyrite and chalcopyrite mineralization and the Taylor zone with a 17.1 g/t Au grab sample collected in 2010 from a parallel brittle-ductile ENE striking fault zone with pyrite mineralization. Other historic zones identified on the property include the Karp South, DK zone, Heather Lake, Bailey North, Borgford South, Borgford North, Decaire, Morris West, and Estival zones.

Based upon present metal prices, the property is not considered to be material at this time and no significant work is currently being conducted. A NI 43-101 Technical Report will be prepared 15-18 months after Closing in order to qualify the property for a potential transaction. The cost of the report will be funded from future equity financings. The Corporation would also consider farm out possibilities on the Bryce Property.

The Temagami-Milestone Project is located in Strathcona Township in Northeastern Ontario and is currently in the early stages of exploration. The property consists of 11 contiguous, unpatented boundary cell claim units covering 155 hectares. All claims are 100% owned by the Company. No royalties exist on the property. These claims were acquired in 2012 for staking costs of \$4,000.

The Temagami-Milestone Property has seen numerous geophysical surveys and 27 holes totaling 2724m of diamond drilling were carried out between 1952 and 2001 by 5 previous operators including Geoscientific Prospectors Ltd. and Copperfields Mining Corporation which later became Teck Corporation. Significant amounts of near surface semi-massive sulphides including pyrite, chalcopyrite, millerite, and bornite as well as magnetite and cobalt-nickel sulfarsenides associated with a footwall breccia zone along the contact between Temagami Island Gabbro and a rhyolite metavolcanic unit have been discovered over a 2.2km strike length.

In 1956 Diadem Mines drilled 13 holes totalling 1356 meters which defined a continuous sulphide zone of 700 feet (200m) in length with widths of approximately 15 feet (4.6m) to vertical depths of 400 feet (120-125m) steeply dipping to the south ("Diadem deposit"). (Bennett, G.1978: Geology of the Northeast Temagami Area, District of Nipissing; Ontario Geological Survey Report 163, 128p. p. 111).

In 2001 Temex Resources conducted a drilling program of 3 holes totalling 436 meters which intercepted 1.0% Cu, 0.17% Ni, 0.044% Co over 4.25m in DDH-00-03 at 15m vertical depth in the Milestone zone as well as 0.47% Cu and 0.16% Ni over 8.4m in DDH-00-01 within the "Diadem deposit". Anomalous levels of Au, Ag, Co and PGE's were encountered in both drill holes. No follow up work was carried out by Temex Resources.

The Diadem and Milestone zones represent the northeastern extension of the Temagami Island "pyrite zone" which hosts semi-massive to disseminated pyrite, chalcopyrite, millerite, bornite, magnetite and cobalt-nickel sulfarsenides at the lower contact between altered gabbro and rhyolite. The gabbro is steeply dipping, approximately 250 m thick and has a strike extent of at least 20 km. The intensity of mineralization varies greatly but is present over most of the defined strike length of the gabbro. The "pyrite zone" occurs along the same geologic contact that hosts the former Temagami Island Copper mine 20km to the southwest which produced 10,155 oz Au, 186,861 oz Ag and 67,084,858 lbs Cu from 495,561 Tons milled at a grade of 6% Cu during the period 1952 to 1968 from lenses of massive chalcopyrite and gold-silver-PGE-rich sulphides. The massive chalcopyrite lenses were often hosted within x-structures near the base of the "pyrite zone". (Source - Mineral Deposit Inventory Record MDI41116NE00004: Temagami Copper Mine, Copperfields Mining Corp., Abex Mines Central Group).

Exploration results to date indicate the grades in the zone are considered too low to be economic at current metal prices thus the property at this time is not considered to be material. A NI 43-101 Technical Report will be prepared 15-18 months after Closing in order to qualify the property for a potential transaction. The cost of the report will be funded from future equity financings. The Corporation is evaluating farm out possibilities.

### Stated Business Objectives

The principal business carried on and intended to be carried on by the Corporation is the acquisition, exploration and development of natural resource properties. The Corporation intends on expending existing working capital and net proceeds raised from the Minimum Offering as follows:

Business Objective	Cost of Objective	Timing to Complete Objective
To pay the balance of the estimated costs of the Offering, list on the CSE, and pay other accrued expenses	\$330,000	Upon closing the Offering
To carry out the Phase 1 exploration program on the Miller Gold Property	\$1,095,000	Within 12 Months of completion of the Offering
To pay administrative costs	\$539,200	12 months following completion of the Offering
Unallocated working capital	\$90,800	Available for the 12-month period following completion of the Minimum Offering

The Corporation may decide to acquire other properties in addition to the properties it currently holds.

## Competitive Conditions

The mineral exploration industry is competitive, with many companies competing for the limited number of precious and base metals acquisition and exploration opportunities that are economic under current or foreseeable metals prices, as well as for available investment funds. With metal prices at their current levels, activity in the industry has increased dramatically, and competition is also high for the recruitment of qualified personnel and equipment.

## Government Regulation

Mining operations and exploration activities in Canada are subject to various federal, provincial and local laws and regulations which govern prospecting, development, mining, production, exports, taxes, labour standards, occupational health, waste disposal, protection of the environment, mine safety, hazardous substances and other matters. The Corporation believes that it is and will continue to be in compliance in all material respects with applicable statutes and the regulations passed in Canada. There are no current orders or directions relating to the Corporation with respect to the foregoing laws and regulations.

## Environmental Regulation

The Corporation's mineral exploration activities are subject to various federal, provincial and local laws and regulations governing protection of the environment. In general, these laws are amended often and are becoming more restrictive. The Corporation's policy is to conduct its business in a way that safeguards public health and the environment. The Corporation believes that its operations are conducted in material compliance with applicable environmental laws and regulations. Since its incorporation, the Corporation has not had any material environmental incidents or non-compliance with any applicable environmental laws or regulations. The Corporation estimates that it will not incur material capital expenditures for environmental control facilities during the current fiscal year and in the future unless the Corporation transitions from a mineral exploration company to a development and/or production company.

## Other Property Interests and Mining Claims

The Corporation currently has no other interests other than as described in this Prospectus.

## Trends

There are no current trends in the Corporation's business that are likely to impact on its business.

## MILLER GOLD PROPERTY

**The information in this Prospectus with respect to the Miller Gold Property is derived from the NI 43-101 compliant Technical Report prepared by Trevor Boyd, PhD, P. Geo, Elisabeth Ronacher, PhD, P. Geo, and Ronacher McKenzie Geoscience Inc. (the "Authors").** The Authors are independent Qualified Persons for the purposes of NI 43-101. Note that certain figures and tables from the Technical Report are reproduced in and form part of this Prospectus. Portions of this summary are based on assumptions, qualifications and procedures which are described in the Technical Report but are not fully described in this Prospectus. Any figures, tables and appendices referred to in the extract below but that are not included in this Prospectus are contained in the Technical Report, a complete copy of which is available for review on the System for Electronic Document Analysis and Retrieval (SEDAR) located at the following website: [www.sedar.com](http://www.sedar.com). Alternatively, the Technical Report may be inspected during normal business hours at the Corporation's business offices at 17 Wellington Street North, New Liskeard, Ontario POJ 1P0.

Readers are encouraged to review the Technical Report in its entirety.

## Summary

Ronacher McKenzie Geoscience ("**Ronacher McKenzie**") of Sudbury, Ontario, Canada was contracted by Northstar to review the Miller Gold Property located in the Catharine, Pacaud, Boston and McElroy Townships in northeastern Ontario and prepare an Independent Technical Report (the "**Report**"). The Report was prepared in accordance with the NI 43-101.

The Property is located in the Larder Lake Mining Division of Northeastern Ontario, 18 km south of Kirkland Lake and 5 km east of the village of Boston Creek within the Catharine, Pacaud, Boston and McElroy Townships. The Property consists of 84 contiguous, unpatented claim cells covering approximately 1,100 ha in the Larder Lake Mining Division. All claims are 100% owned by Northstar. In addition, Northstar also holds two Freehold Patents L17916 and L17917 with both mining and surface rights in the northwest corner of Catharine Township, which are contiguous with the rest of the Property. Each patent has an area of 15.83 ha for a total of 31.67 ha. Surface rights for the mining claims are owned by the Crown, except for 11 SRO patents which are held by third parties.



The Miller Gold Property is located within the Archean volcano sedimentary assemblage of rocks of the Western Abitibi Subprovince in the Superior Province. Metavolcanic rocks in the Property area of known age fall in the range of 2750 - 2700 Ma and are cut by an Algonian age granitic intrusion. Most of the metavolcanics are of the Catharine Assemblage, which consists of mafic to intermediate volcanic rocks, subordinate pyroxene komatiite and minor felsic metavolcanic rocks. Ultramafic and mafic to intermediate intrusive rocks occur as stocks and sills emplaced into the metavolcanic rocks. Relatively undeformed, younger alkaline to calc-alkaline felsic intrusive rocks were emplaced into the metavolcanic rocks as irregular stocks and dykes, which include the Allied, West Allied, Planet, and Meilleur syenite intrusions. These named 'Syenite' intrusions were U/Pb on zircon dated at 2662± 18 Ma and are highly altered from the leaching of quartz and addition of Na. These intrusions are an important spatial component of the Miller Gold Property geology and the location of the gold mineralization. Lamprophyre dykes cut all other units.

Numerous faults transect the predominately pillow, tholeiitic, mafic metavolcanic and supracrustal rocks. The most important faults are the north-west striking Pacaud Fault, Catharine Fault and east-northeast striking secondary faults, all of which displace the Assemblage units.

The Miller Gold Property hosts a large scale hydrothermal system with indications of multi-stage and long-lived magmatic gold deposition associated with large scale intense metasomatism and pervasive alteration. Geochronological Re/Os and U/Pb age dating has found the mineralization is associated with the Temiskaming magmatic event (2680 to 2660 Ma) contemporaneously with the age of gold deposits along the Kirkland Lake Main Break. This is consistent with the Au-Ag-Bi-Cu-Mo-Te signature of the gold mineralization on the Property similar to that of some gold deposits in Kirkland Lake Camp. Evidence indicates that the Miller gold deposits and the Kirkland Lake gold deposits were formed contemporaneously and derived from a common gold enriched magmatic hydrothermal reservoir at depth. The Catharine Fault Zone which crosscuts the Miller Gold Property is interpreted as a broad composite "first order structure" capable of channelling deep seated exsolved magmatic hydrothermal fluids into favourable sites of gold deposition, namely intrusive contacts and cross cutting second order structures. The gold on the Property is known to be situated within both shallowly dipping and northeast striking, sub-vertical quartz veins along with northwest trending porphyritic dikes and syenite stocks hosted within the mafic volcanic rocks. Gold mineralization in the area commonly has a nuggety character and coarse texture occurring in native form or as tellurides and may or may not be associated with disseminated pyrite. There is potential for the discovery and outline of a large gold resource on the Property beyond the scope of the high grade, but narrow, shallowly dipping quartz vein mineralization historically exploited to-date.

The mining history of the Miller Gold Property dates to the early 1900s with the discovery of gold and development of the Miller – Independence Mine, located 300 metres northwest of the No. 1 vein, with a strike and dip ranging from 245-255° azimuth dropping 40-45° southeast with the best gold mineralization occurring between 1-50 metres in depth along the inclined D shaft. Official reported production is 58.5 ounces Au and 70 ounces Ag from a 31 ton bulk sample of recovery grade of 1.89 oz/ton Au; however, based upon the mine workings and amount of what appears to be waste rock identified throughout the Property the true production may have been considerably higher. A shaft was built near the original discovery. A flat, faulted vein estimated to contain 1,800 tons of mineralized material was discovered during that period. Besides the original development work, the only other significant exploration completed was during 1987-88 in which Nortek Exploration completed 37 diamond drill holes and estimated a grade and tonnage for the Miller-Independence deposit.

During the summer of 2014 Northstar Gold completed a diamond drill program to follow-up on positive historic drilling and previous ground Induced Polarization (IP) survey results completed on the Property in early 2014. The drilling, completed from June 4 - 27, 2014, comprised of 15 NQ holes totaling 1,778.5 metres. In addition, 773 surface samples were obtained and analyzed during the summers of 2012-2016. The most encouraging results from this drill program came from drill testing the Allied Syenite intrusion, in holes MG14-03, MG14-07, and MG14-09 to MG14-12 located in the northern central part of the Property in northeastern Pacaud Township. The 2014 summer drill program established that the Allied Syenite is part of a large-scale gold-enriched intrusive system that hosts widespread stringers and historically mined veins both within the intrusive and the surrounding basaltic rocks on the Miller Gold Property.

Exploration during 2015, conducted by Northstar's joint venture partner Oban Mining Corporation ("**Oban**"), was focused on determining the potential economics for gold mineralization in the Allied, Planet, and Meilleur syenites which have geological characteristics and an observed style of mineralization commonly found within syenite-associated disseminated gold deposits – an atypical form of the greenstone-hosted orogenic lode gold style of mineralization. The gold mineralization in the area of the historic Miller Independence Mine, south of the Allied Syenite, has many of the characteristics of greenstone-hosted quartz-carbonate vein deposits type, but was not drill-tested in 2015. In 2015, Oban performed surface mapping, bedrock sampling, and drilled 12 diamond drill holes totaling 4,067 m. This work tested the gold mineralization in the area of these 3 intrusions and in the adjacent metavolcanic rocks with the results suggesting that mineralization both within and adjacent to the intrusions is controlled by the related structures.

The 2014 and 2015 drill programs established that the Allied, Planet and Meilleur syenites are central to a large-scale gold-enriched intrusive system that hosts widespread stringers and historically mined veins. Determining a final size and gold grade for the mineralized alkaline intrusive hosted system will require a major drilling program.

Northstar collected a 932 tonne bulk sample from the high-grade gold quartz No. 1 Vein in 2016. The bulk sampling program was undertaken to follow-up positive diamond drilling and surface sampling results obtained in 2014 and 2015. The objectives of the 2016 bulk sampling program were two-fold; first to obtain a sizable bulk sample to assess the gold grade, dilution and mineability of the stripped surface exposures; and second to explore the cleaned blasted areas by conducting channel sampling to assess continuity of the gold mineralization along strike and down-dip, to aid in planning follow-up bulk sampling and drill testing exploration. In general, bulk sample mineralized material was obtained from surface quartz vein exposures (or very near surface extensions) including approximately 0.5 m widths of bounding altered basalt wall rock carrying lower gold values.

The 932 tonne bulk sample was collected using an excavator during the period October 28 to November 18, 2016 and was processed at the Camflo Mill operated by Richmond Mines Inc. near Malartic, Quebec. The bulk sampling program entailed the stripping of areas of 4 trenches, subsequent blasting and excavating of Trenches 1 to 3 and mining. Approximately 850 tonnes of the 932 tonne bulk sample were mined from Trench 1 plus 82 tonnes from Trench 3. During the bulk sampling program 241 trench evaluation and bulk in-situ field samples were gathered and assayed for gold content for comparison purposes. These samples included mineralized material from cut channels in bedrock and blasted rock pieces predominantly from the 4 trenches. The bulk sampling program was generally successful in its objectives, more specifically in demonstrating the presence of high-grade, continuous, mineralized gold zones over albeit narrow widths for the main No. 1 Vein and other veins on the Property. The bulk sample program allowed Northstar to project the probable trend and down-dip attitude of the No.1 Vein zone for follow-up exploration and additional bulk sampling.

Trevor Boyd, P.Geo., visited the Property in November and December of 2016, designed and monitored Northstar's bulk sampling Quality Assurance / Quality Control (QA/QC) program, choose samples for geochemical analysis and reviewed Northstar's ground and drilling exploration work conducted since it acquired the Property in 2012. QA/QC support was also provided in the delivery and mill head sampling of the bulk sample for contract gold milling at the Camflo Gold Mill in northeastern Quebec. Elisabeth Ronacher, P.Geo., visited the Property on June 7, 2018. Ms. Ronacher reviewed the 2015 drill core and collected drill core and grab check samples.

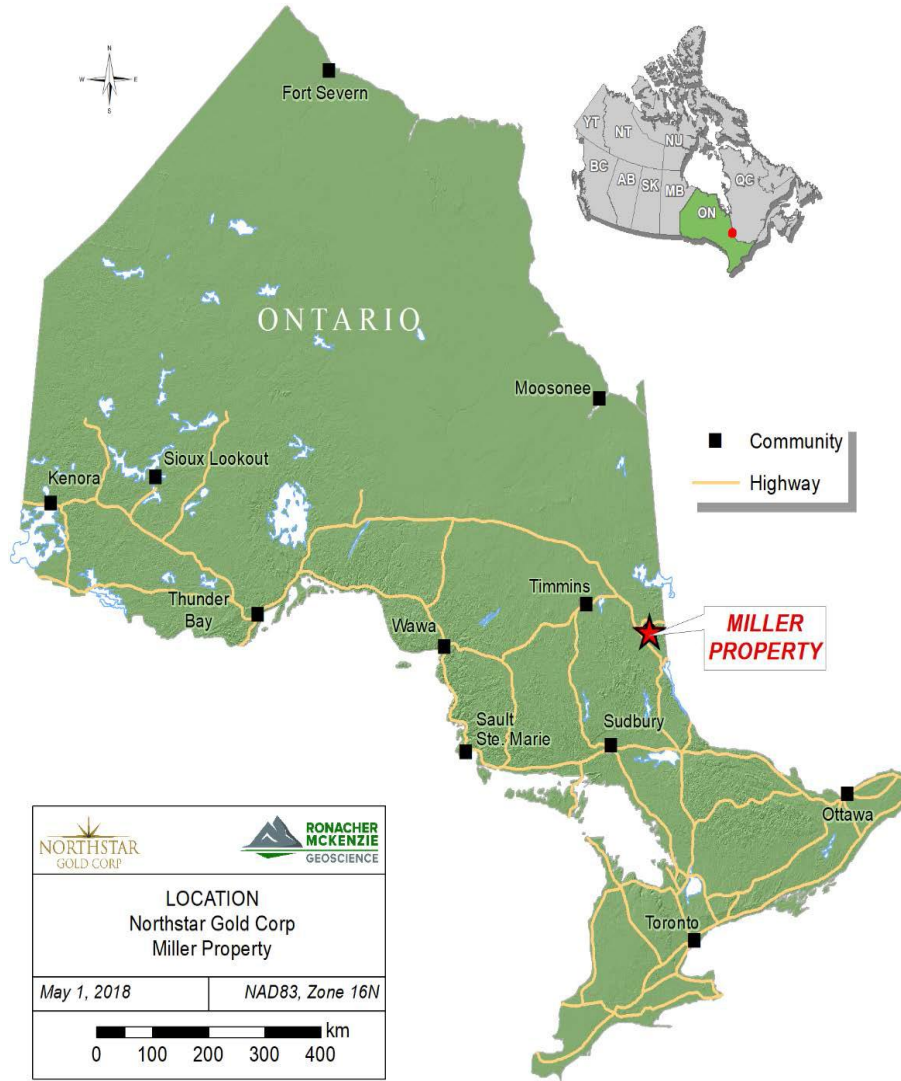
The authors of this Report conclude that based upon new exploration results and concepts, past exploration, development and gold production, the encouraging positive results from the bulk and surface sampling program and recent drilling by Northstar and Oban; a systematic exploration program is warranted to qualify and expand historic mineral resources known to occur on the Property and define new mineralized zones, with the goal of defining a NI 43-101 mineral resource on the Property. This systematic program would involve an initial phase of drill hole and sampling data verification, digitizing of results, and 3D geological and geophysical modeling to establish diamond drill targets. A critical review of past sample preparation, analytical procedures and QA/QC should be conducted prior to any additional drilling on the Property. This would entail the selective resampling of drill core, sample pulps and rejects from previous drilling with the purpose of confirming that the amount of gold in the samples is not being under-reported and accurately being measured.

A follow-up program of extended IP/resistivity surveying, shallow closely-spaced oriented-core diamond drilling, additional stripping, trenching, and bulk sampling is recommended for the Property. This should be followed by detailed modelling of the results in preparation for a resource estimation following the standards of the NI 43-101 to be completed for both the near surface No. 1 Vein, D vein, Allied and Planet syenites mineralized areas. It is also recommended that Northstar make a concerted effort to further consolidate and expand the Miller Gold Property through the acquisition of adjacent and proximal mineral claims with historic gold workings and mineralized prospects.

**Property Location**

The Property is located in the Larder Lake Mining Division of Northeastern Ontario 18 km south of Kirkland Lake and 5 km east of the village of Boston Creek at approximately 582800E and 5317700N, UTM Zone 17N NAD83 (Figure 4-1). The Property is located within the Catharine, Pacaud, Boston and McElroy Townships.

**Figure 4-1 - Location of the Miller Gold Property in Northeastern Ontario.**



**Property Description**

The Miller Gold Property consists of 84 contiguous, unpatented cell claim in the Larder Lake Mining Division within the Catharine, Pacaud, Boston and McElroy Townships as shown on Figure 4-2 and listed in Table 4-1. Thirty five of the 84 cells are boundary cells and 49 are standard cells. The approximate area of the claims is 1,100 ha. All claims cells are 100% owned by Northstar of 17 Wellington Street North, New Liskeard, Ontario.

In addition, Northstar also holds two Freehold Patents L17916 (PIN 61250-0076, Parcel 323SST) and L17917 (PIN 61250-0075, Parcel 322SST) with both mining and surface rights in the northwest corner of Catharine Township. These patents are contiguous with the rest of the property (Figure 4-2, Table 4-2). Each patent has an area of 15.83 ha for a total of 31.67 ha.

Surface rights for the mining claims are owned by the Crown, except for 11 SRO patents which are owned by Northstar (Table 4-2). Northstar has legal access to the Miller Gold Property, but it is professional courtesy to notify surface rights owners before commencing an exploration program.

**Table 4-1 - Miller Gold Property Mineral Claims**

<b>Claim No.</b>	<b>Type</b>	<b>Status</b>	<b>Anniversary Date</b>	<b>Owner</b>	<b>Area/# of Cells</b>
104073	Claim	Active	2023-07-02	Northstar Gold Corp.	1
104178	Claim	Active	2023-06-05	Northstar Gold Corp.	1
104774	Claim	Active	2023-03-24	Northstar Gold Corp.	1
105244	Claim	Active	2023-07-23	Northstar Gold Corp.	1
112751	Claim	Active	2023-01-19	Northstar Gold Corp.	1
118704	Claim	Active	2023-11-09	Northstar Gold Corp.	1
119853	Claim	Active	2023-03-24	Northstar Gold Corp.	1
121833	Claim	Active	2023-12-27	Northstar Gold Corp.	1
122108	Claim	Active	2023-12-24	Northstar Gold Corp.	1
122109	Claim	Active	2023-01-21	Northstar Gold Corp.	1
122619	Claim	Active	2023-12-27	Northstar Gold Corp.	1
127907	Claim	Active	2023-03-19	Northstar Gold Corp.	1
133734	Claim	Active	2023-06-28	Northstar Gold Corp.	1
134113	Claim	Active	2023-03-05	Northstar Gold Corp.	1
134971	Claim	Active	2023-06-28	Northstar Gold Corp.	1
138975	Claim	Active	2023-06-26	Northstar Gold Corp.	1
139375	Claim	Active	2023-03-19	Northstar Gold Corp.	1
139376	Claim	Active	2023-03-19	Northstar Gold Corp.	1
143104	Claim	Active	2023-06-28	Northstar Gold Corp.	1
150066	Claim	Active	2023-01-21	Northstar Gold Corp.	1
155915	Claim	Active	2023-03-19	Northstar Gold Corp.	1
156551	Claim	Active	2023-12-24	Northstar Gold Corp.	1
157230	Claim	Active	2023-06-28	Northstar Gold Corp.	1
158346	Claim	Active	2023-01-19	Northstar Gold Corp.	1
160446	Claim	Active	2023-11-09	Northstar Gold Corp.	1
167008	Claim	Active	2023-11-09	Northstar Gold Corp.	1
172394	Claim	Active	2023-03-19	Northstar Gold Corp.	1
172395	Claim	Active	2023-03-19	Northstar Gold Corp.	1
173038	Claim	Active	2023-06-26	Northstar Gold Corp.	1
179205	Claim	Active	2023-07-02	Northstar Gold Corp.	1
179206	Claim	Active	2023-07-02	Northstar Gold Corp.	1
179920	Claim	Active	2023-10-16	Northstar Gold Corp.	1
180581	Claim	Active	2023-12-27	Northstar Gold Corp.	1
182616	Claim	Active	2023-11-09	Northstar Gold Corp.	1
182905	Claim	Active	2023-11-09	Northstar Gold Corp.	1
185339	Claim	Active	2023-06-26	Northstar Gold Corp.	1
186887	Claim	Active	2023-01-10	Northstar Gold Corp.	1
187605	Claim	Active	2023-06-28	Northstar Gold Corp.	1
189691	Claim	Active	2023-06-28	Northstar Gold Corp.	1
190247	Claim	Active	2023-06-26	Northstar Gold Corp.	1
190313	Claim	Active	2023-03-11	Northstar Gold Corp.	1
191084	Claim	Active	2023-06-26	Northstar Gold Corp.	1
199810	Claim	Active	2023-06-28	Northstar Gold Corp.	1
203783	Claim	Active	2023-06-26	Northstar Gold Corp.	1
215912	Claim	Active	2023-12-27	Northstar Gold Corp.	1
217965	Claim	Active	2023-07-23	Northstar Gold Corp.	1
225926	Claim	Active	2023-12-24	Northstar Gold Corp.	1
228645	Claim	Active	2023-03-24	Northstar Gold Corp.	1
237731	Claim	Active	2023-06-05	Northstar Gold Corp.	1
238342	Claim	Active	2023-06-28	Northstar Gold Corp.	1
245624	Claim	Active	2023-01-10	Northstar Gold Corp.	1
245625	Claim	Active	2023-01-10	Northstar Gold Corp.	1
247074	Claim	Active	2023-11-09	Northstar Gold Corp.	1
253709	Claim	Active	2023-01-10	Northstar Gold Corp.	1
257030	Claim	Active	2023-06-28	Northstar Gold Corp.	1
269762	Claim	Active	2023-12-27	Northstar Gold Corp.	1
281132	Claim	Active	2023-06-05	Northstar Gold Corp.	1

282868	Claim	Active	2023-01-10	Northstar Gold Corp.	1
282869	Claim	Active	2023-01-10	Northstar Gold Corp.	1
284435	Claim	Active	2023-07-23	Northstar Gold Corp.	1
284436	Claim	Active	2023-07-23	Northstar Gold Corp.	1
287210	Claim	Active	2023-03-19	Northstar Gold Corp.	1
292540	Claim	Active	2023-12-24	Northstar Gold Corp.	1
293542	Claim	Active	2023-06-28	Northstar Gold Corp.	1
302165	Claim	Active	2023-01-21	Northstar Gold Corp.	1
302988	Claim	Active	2023-06-28	Northstar Gold Corp.	1
306254	Claim	Active	2023-03-24	Northstar Gold Corp.	1
307952	Claim	Active	2023-03-19	Northstar Gold Corp.	1
310330	Claim	Active	2023-06-28	Northstar Gold Corp.	1
311795	Claim	Active	2023-06-26	Northstar Gold Corp.	1
313789	Claim	Active	2023-06-26	Northstar Gold Corp.	1
321173	Claim	Active	2023-11-09	Northstar Gold Corp.	1
325119	Claim	Active	2023-03-20	Northstar Gold Corp.	1
326479	Claim	Active	2023-06-26	Northstar Gold Corp.	1
326480	Claim	Active	2023-06-26	Northstar Gold Corp.	1
326481	Claim	Active	2023-06-26	Northstar Gold Corp.	1
330375	Claim	Active	2023-03-20	Northstar Gold Corp.	1
335177	Claim	Active	2023-06-26	Northstar Gold Corp.	1
341053	Claim	Active	2023-01-10	Northstar Gold Corp.	1
341054	Claim	Active	2023-01-10	Northstar Gold Corp.	1
342088	Claim	Active	2023-12-27	Northstar Gold Corp.	1
344094	Claim	Active	2023-11-09	Northstar Gold Corp.	1
516903	Claim	Active	2020-04-16	Northstar Gold Corp.	1
516904	Claim	Active	2020-04-16	Northstar Gold Corp.	1

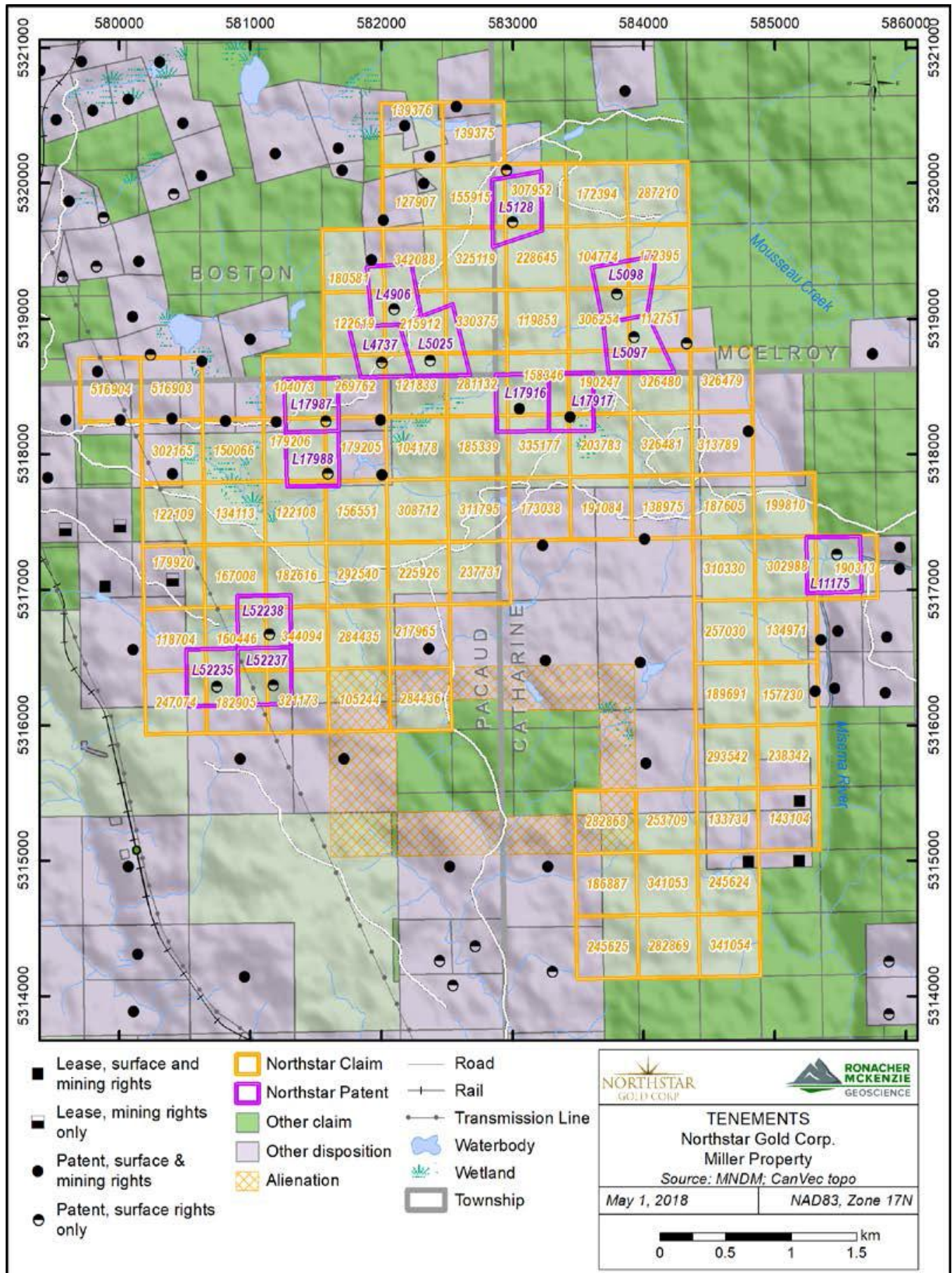
**Table 4-2 - Miller Gold Property Patents (Patents owned by Northstar)**

<b>Township</b>	<b>Patent</b>	<b>Rights</b>	<b>PIN</b>	<b>Relationship to MRO</b>	<b>Status of PIN</b>
Catharine	L17917	SRO, MRO	61250-0075		active
Catharine	L17916	SRO, MRO	61250-0076		active
McElroy	L5097	SRO	61245-0027	overlaps with mining claims 306254, 112751, 190247, 326480	active
McElroy	L5098	SRO	61245-0026	overlaps with mining claims 104774, 172395, 306254, 112751	closed
McElroy	L5128	SRO	61245-0111	overlaps with mining claim 155915, 307952, 325119, 228645	active
Boston	L4906	SRO	61244-0121	overlaps with mining claims 118581, 342088, 122619, 215912	active
Boston	L4737	SRO	61244-0118	overlaps with mining claims 122619, 215912, 269762, 121833	active
Boston	L5025	SRO	61244-0116	overlaps with mining claims 215912, 330375, 121833, 281132	active
Pacaud	L17987	SRO	61251-0047	overlaps with mining claims 104073, 269762, 179206, 179205	active
Pacaud	L17988	SRO	61251-0048	overlaps with mining claims 170206, 179205, 122108, 156551	active
Pacaud	L52238	SRO	61251-0053	overlaps with mining claims 167008, 182616, 160446, 344094	active
Pacaud	L52237	SRO	61251-0055	overlaps with mining claims 160446, 344094, 182905, 321173	active
Pacaud	L52235	SRO	61251-0054	overlaps with mining claims 118704, 160446, 247074, 182905	active
Catharine	L11175	SRO	61250-0079	overlaps with mining claims 302988, 190313	active

MRO = mineral rights only, SRO = surface rights only  
Northstar Gold Corp. owns MRO for Patents L17917 and L17916



Figure 4-2 - Claim Map of Miller Gold Property, Ontario



## Obligations

As part of Ontario's work to modernize the *Mining Act*, a transition has been completed to a 24/7 Mining Lands Administration System (MLAS) and to an online mining claim registration and recording which requires the adjustment of administrative fees related to registering new cell claims as well as other associated mining lands transactions. New and adjusted fees were introduced on April 10, 2018 concurrent with the launch of MLAS. Key among these is the establishment of a new fee required to register cell claims in MLAS. In the new system, registering a mining claim will be completed by paying on-line a single registration fee of \$50 per cell claim unit.

In Ontario to retain a mining claim, companies must still submit an assessment work file to the Ministry of Northern Development and Mining Geoscience Assessment Office. For MLAS annual assessment work requirements will remain largely unchanged, despite new cell sizes being 11 to 50 per cent larger than the size of current claim units. Assessment work requirements are \$400 per cell claim and \$200 per boundary claim or any claim that is encumbered. Unlike some other jurisdictions, there will be no other fee requirement such as an annual claim renewal fee, or a graduated system for rising fees and assessment work.

Property tax is required to be paid to Ontario Ministry of Finance on each patent. In 2018, the property tax for Northstar's L17917 (Parcel 322 SST) was \$63.33. The property tax for L17916 (Parcel 323 SST) was also \$63.33. The property taxes were paid and are in good standing.

The Miller Gold Property is subject to three royalties:

1. Ashley Gold Mines Royalty: There is a 0.25% NSR with an option to buy out for \$250,000 owed to Ashley Gold Mines Limited on the Com Copper mine which represents 16 hectares covering the original legacy claim (4246848) in Pacaud Township. The remaining original claims representing 240 hectares (legacy claims 4201240, 4224525, 4201239, 4217728) in Catherine township also carry a 2% NSR owing on all metals, bullion or concentrates produced from the property, and a 2% royalty equal to a percentage of the net sales returns realized from the sale or disposition of all diamonds, gems and other precious stones, owed to Ashley Gold Mines Limited with a 1% buy back for \$1 million dollars.
2. Franco-Nevada Corporation Royalty: There is a 3% NSR belonging to Franco-Nevada Corporation carried over in the deal on 32 hectare Campbell Property in the northeast corner of Catherine township (patents L17916 and L17917). Such royalty will decrease to 2% if the average of the London Bullion Market, afternoon, spot prices for gold (U.S. \$ per Ounce) reported for the calendar month of production is less than or equal to \$325 per ounce.
3. Lake Shore Gold Royalty: There is a 2% NSR owed to Lake Shore Gold on the Shoebox Property (legacy claim 4215970 with 6 units) representing 96 hectares with a 1% buy back for 1 million dollars and a right of first refusal on the remaining 1% NSR. Other than the agreement with Oban Mining (section 4.3) and the above royalties, there are no other agreements on the Miller Gold Property.

In order to be allowed to undertake certain exploration activities on mining claims, leases or licenses of occupation, it is required to submit to the MNDM an Exploration Plan and Permit application. These exploration activities include ground geophysical surveys, mechanized drilling, surface stripping, line cutting and pitting and trenching. Northstar currently holds an exploration permit for stripping (PR-19-000098) valid until July 2, 2022 and a permit for diamond drilling (PR-19-000097) valid until July 16, 2022.

Surface rights owners must be notified when applying for a permit. Aboriginal communities potentially affected by the exploration permit activities will be consulted and have an opportunity to provide comments and feedback before a decision is made on the permit.

There are no environmental liabilities on the mineral claims as the environmental liability of mineral claims is the responsibility of the crown. In the future, if the mineral claims are converted to leases, then there are historic shafts on the property which should be capped. Currently, two historic shafts near the main road have been capped. Even though the Property is a brownfields site, there are no visible tailings on the surface. The Qualified Person is not aware of any royalties, back-in rights, payments, or other agreements and encumbrances to which the property is subject other than the ones listed above. To the best of Author's knowledge, there are no significant factors and risks that may affect access, title, or the right or ability to perform work on the Property.



## Accessibility, Climate, Local Resources, Infrastructure and Physiography

### Accessibility

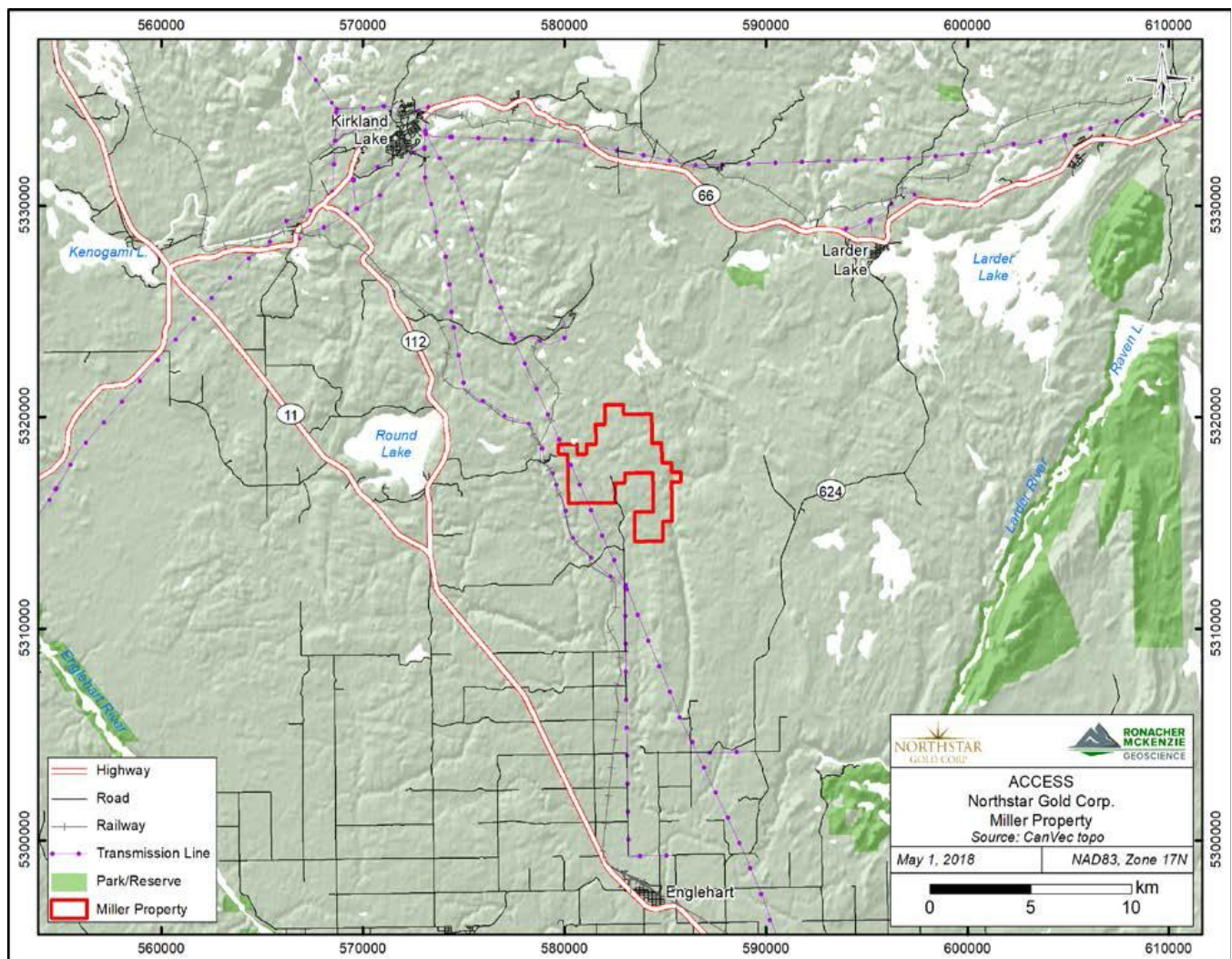
The most convenient access to the Miller Gold Property is from Kirkland Lake via Highway 66, then south on Highway 112, then turning east on local road 564 to Boston Creek, then further east along logging road for about 4 km to the property. Depending upon the weather the logging road may be at times only 4- wheel drivable and have load restrictions on heavy vehicles. During the winter the road is ploughed only to Boston Creek.

### Local Resources and Infrastructure

The population of the nearest town, Kirkland Lake, is 8,483 people (Statistics Canada, [www.statcan.gc.ca](http://www.statcan.gc.ca)). Kirkland Lake is an economically vibrant mining town and a good source for labour, exploration supplies and general services. The area is well serviced by highways, a railway line and hydro-electric power lines which extend to within four kilometres of the property at Boston Creek. Figure 5-1 shows the location of the Miller Gold Property with respect to local infrastructure.

The Miller Gold Property is in the exploration stage and does not yet hold a resource/reserve estimate or a prefeasibility study; therefore, discussion on the sufficiency of surface rights for mining operations, potential tailings storage areas, potential waste disposal areas, heap pad leach pad areas and potential processing tailings storage area for mining operations is not relevant.

**Figure 5-1 - Access to and Local Infrastructure around the Miller Gold Property**





## Climate

The climate normal for 1971-2000 from Environment Canada for Kirkland Lake (closest weather station to the property) indicate that the daily average temperature ranges from -18°C in January to 17°C in July. The average monthly accumulation of rain is around 95 mm from June to September. The average monthly accumulation of snow is 65 cm from December to January.

Drilling can be conducted year-round except for spring thaw from mid-March to May. Geological mapping and outcrop sampling can be conducted from May to November when there is no snow on the ground.

Vegetation varies from black spruce and alders to jack pine, black spruce, birch, and poplar in well drained areas. Wildlife on the property may consist of moose, black bear, beaver, rabbit and spruce grouse.

## Physiography

The topography of the Property consists of moderate to low relief with elevations ranging from 300 to 330 metres above sea level. Most of the Property is wooded with a number of creeks and swampy areas throughout.

## History

The history of the Miller Gold Property dates back to the early 1900s with the discovery of gold and development of the Miller – Independence Mine (French 1988). Official reported production is 58.5 ounces Au and 70 ounces Ag from a 31 ton bulk sample of recovery grade of 1.89 oz/ton Au; however, based upon the mine workings and amount of what appears to be waste rock identified throughout the Property the true production may have been considerably higher.

Besides the original development work, the only other significant exploration completed was during 1987-88 in which Nortek Exploration completed 37 diamond drill holes and estimated a grade and tonnage for the Miller- Independence deposit at 808,000 tons at 0.335 oz/ton Au. This number is a historical estimate, not compliant to NI 43-101 guidelines, provided for information only and is not to be relied upon. The relevance of this historical estimate is as a rough guideline of possible resource on the Property. The key assumptions, parameters and methods to prepare this historical estimate are not known. The historical estimate does not use categories set out in sections 1.2 and 1.3 of NI 43-101. A full assessment report is filed with MNDM by G.B. French (1988) in which this number is reported. This historical estimate can be updated to a current mineral resource by additional drilling. The Qualified Person has not done sufficient work to classify the historical estimate as current mineral resource and the issuer is not treating this historical estimate as a current mineral resource.

The recorded exploration and development history based upon publication and assessment report review is listed in Table 6-1.

**Table 6-1 - Summary of Historical Work originally compiled in Hart 2015, revised and updated for this Report**

Year	Company	Location	Description
1915	Miller-Independence Mining Ltd	Miller	First discovery of gold in vein (No.1 Vein), which cut across the property in a northwest-southeast direction for at least half of a mile. Gold and tellurides occur all along the entire length.
1916	Miller-Independence Mining Ltd	Independence	Quartz vein with free gold and sulfides discovered near the first discovery. A shaft was built near the original discovery. A flat, faulted vein estimated to contain 1,800 tons of ore was discovered. The gold is associated with galena and copper telluride
1917	Miller-Independence Mining Ltd	Miller	Another shaft was built at a second vein, which was thought to be related to the first vein discovered in 1916. A feldspar porphyry dyke cuts through the shaft.
1917	Miller-Independence Mining Ltd	Independence	Another vein was discovered - it was 6 inches wide at surface and widens up to 10 inches at depth. The vein was alongside a porphyry dyke, both of which carried visible gold and tellurides.
1918-1920	Miller-Independence Mining Ltd	Miller	A total of 6 shafts were sunk on the property. Shaft A was 515 feet and did not cut any vein. Shaft B cut a vein at 21 feet (vertical length). A 174 feet drift was developed south of the vein. The Incline Shaft was 141 feet with east and west drifts constructed. Shaft C was a total of 110 feet. It crosscut a vein and a 30 inch wide mud seam at 44 and 62 feet, respectively. Shaft D had a total depth of 500 feet and crosscut Vein D. North of Vein D are four parallel fractures carrying grades. At the 500-foot level, several iron and copper sulphides rich stringers were cut. The Jumbo Shaft was a 14 feet pit, which followed a 30 inch wide vein. The Jumbo Vein is 400 feet south of Vein D. Both Vein D and Jumbo Vein dip south and strike about 30 degrees north of east. In 1918, 58.0 oz Au and 70.0 oz Ag from 31 ton bulk sample of 1.89 oz/ton Au recovery grade was produced.

1920	Local Prospector – Gauthier	Planet Syenite	Gold was discovered at the Planet Syenite.
1934	Miller-Independence Mining Ltd	Miller Independence	The mine re-opened and further development was conducted at Shaft C -185 feet of cross cuts, 1,049 ft of drifting and deepening to 150 feet. 1,000 ft of diamond drilling was also completed.
1937-1938	Planet Gold Mines Ltd	Planet Syenite	Quartz veins and stringers with the presence of visible gold were observed to crosscut the syenite porphyry. Exploration work included extensive trenching, test pitting and diamond drilling (Tod 1937).
1938	Howey Gold Mines	Planet Syenite	Howey Gold Mines optioned the Planet property from Planet Gold Mines Ltd. Extensive trenching was performed on the Planet syenite and a 16 ton bulk sample was taken, the results are unknown. A 3,668 lb sample was also taken and it graded 0.075 oz/ton. Recovery was estimated to be 87%
1939	Howey Gold Mines	Planet Syenite	A 3,044 lb sample was taken (probably from the small prospect shaft). The table test indicated a total gold content of 0.096 oz/ton.
1946	Lebon Gold Mines	Planet Syenite	Diamond drill program and surface trenching was performed, results are not available.
1960	Turzzone Exploration Ltd	2 km ESE Allied	Geological survey and exploration report.
1960	Turzzone Exploration Ltd	2 km ESE Allied	Drilling program consisting of 14 holes, totaling 437.38 m
1961	Fedora Claims	Allied	Diamond drill program consisting of 2 holes, totaling 97.2 m
1961	Fidelity MNG Investments Ltd	2 km SW Allied	Ground MAG, EM and IP survey covered 0.1 km <sup>2</sup>
1961	Mirado Nickel Mines Ltd	1.5 km E Meilleur	An EM survey was carried out, covering 19.6 mile picket lines and a 2.3 mile base line.
1961-1963	Tagliamonte		3 diamond drill holes were drilled to test the presence of quartz veins. No assays were reported.
1962	A. Bargnesi	1.5 km W Allied	Diamond drill program consisting of 2 holes, totaling 123.5 m
1962	R. Rinaldi	1.5 km W Allied	Drilling program consisting of 3 holes, totaling 98.7 m
1962	Fidelity MNG Investments Ltd	2 km SW Allied	Geological mapping, prospecting, trenching, EM, IP and MAG surveys, covering 0.1 km <sup>2</sup>
1963	Ontario Geological Survey	Catharine and Marter Township	A. Grant from the Ontario Geological Survey mapped Catharine and Marter townships at a scale of 1 inch to ¼ mile. M2043.
1969	A. Bargnesi	1.5 km W Allied	Diamond drill program consisting of 1 hole (#1)
1970	Moncrieff Uranium	E Allied	Airborne EM survey and MAG survey, (Logee 1970), covering 87 km <sup>2</sup>
1974	Diversified Mines Ltd	Planet	3 maps were prepared, 4 trenches totaling 690 ft were blasted, and 216 samples collected and assayed. The assays yielded low gold values and it was recommended that no additional funds should be committed to this property. (Watts, Griffins and McQuat Limited 1974)
1982	Alexander H. Perron	Allied	Ground MAG and VLF-EM survey (Greer 1982), covered 1 km <sup>2</sup>
1982	J. Paiement	Allied	A MAG survey was carried out; 13.3 miles of line were cut and surveyed (Chartre 1982).
1982	398737 Ontario Ltd	Planet	Drilled three rows of 3.5" diameter rotary drill holes at 10-foot centres across the intrusive body in an east-west direction and a similar drill section at right angles to crosscut the body in a north-south orientation for a total of 291 holes. The cuttings were collected, assayed for gold and milled for total gold recovery. The overall grade of gold in the deposit was 0.14 g/t Au. A 10 kg composite of diamond drill core from the Planet intrusion was submitted for testing by flotation, gravity and cyanidation in 1982 at Lakefield Research by 398737 Ontario Limited (Seeber, 1982). Results of the gravity separate on a -28 mesh assayed 1 g/t Au at 510% recovery for a calculated head grade of 0.13 g/t Au. The flotation tests on a 64% -200 mesh and 710% -200 mesh were 0.10 g/t Au and 0.19 g/t Au respectively. Results of the cyanidation tests on 64% -200 mesh and 710% -200 mesh size fractions were both 0.13 g/t Au (Seeber 1982).
1983-1986	Shenandoah Resources Ltd	Allied	Surface stripping and bulk sampling of No.1 Vein proved the vein system was thick enough to be economically mined. The average grade of sampling was in excess of 0.35 oz/ton. 12 drill holes were drilled, 4 of which were drilled in line on strike, down dip of the ore body outcrop. This confirmed the extension of mineralized zone for over 700 linear feet.
1984	Alexander H. Perron	Between Meilleur and Allied	Ground MAG and VLF-EM survey (Greer 1984), covered 1.76 km <sup>2</sup>
1985	Alexander H. Perron	1.5 km W Allied	Ground MAG and VLF-EM survey (Greer 1985), covered 0.6 km <sup>2</sup>
1986	Gary Kosy-Robert Rosy	1.5 km SE Allied	Diamond drill program consisting of 1 hole, 67.05 m (Kosy 1986)
1986	Teck Explorations Ltd	2.5 km SSE Allied	Geological mapping and prospecting, 30 anomalous gold samples were taken with the highest assaying 560 ppb Au (Page 1986)
1986	Alexander H. Perron	1.5 km W Allied	Geological survey was performed, describing topography and any visible outcrops (Greer 1987)

1987	Edward J. Searles	2.5 km E Allied	Diamond drill program consisting of 1 hole (S87-1) 106.68 m (Searles 1987)
1986	Teck Explorations Ltd	2 km E Allied	Ground MAG and VLF-EM survey (Thorsen 1986) covered 0.88 km <sup>2</sup>
1987	Alexander H. Perron	1.5 km W Allied	Diamond drill program consisting of 3 holes, totaling 188.1 m (Greer 1987)
1987	Nortek Minerals Ltd.	Allied	Diamond drilling program consisting of 36 holes, totaling 2,223.21 m. Detailed petrographic, mineralogical and textural studies were conducted. Other work conducted, include: mineral processing using core bulk samples, drill hole surveying, regional and local mapping of geological units. (French 1988, Lawrence 1988).
1987	Golden Shield Resources Ltd	Allied	A total of 1,459 km of surveying was flown with the DIGHEM3 system (Smith 1987)
1987	Morgain Minerals Ltd	1.5 km W Allied	EM and MAG surveys were conducted, (Greer 1987), covering 0.6 km <sup>2</sup>
1987	Sudbury Contact Mines Ltd	Meilleur	Airborne MAG and VLF-EM surveys were conducted, covering 113 km <sup>2</sup>
1988	R. J. Wright	3 km SSE Allied	Diamond drill program consisting of 8 holes, totaling 701.04 m
1988	R. J. Wright	2 km ESE Allied	Diamond drill program consisting of 4 holes, totaling 423.67 m
1988	Teck Explorations Ltd.	2 km E Allied	Geological mapping and reporting (Thorsen 1988).
1988	G. B. French	Allied	3 samples assayed with the maximum value of 0.002 oz/ton
1989	Gold Fields Canadian Mining	3 km SE Allied	15 rock samples from trenches were taken. One sample (7649) reported to contain 0.406 oz/ton and the rest of the samples had less than 1 ppm Au.
1990	Gold Fields Canadian Mining	1.5 km ESE Allied	Trenching and surface stripping was conducted. A total of 16 samples were assayed. Au varied between 0.03 to 0.3 oz/ton, 1 sample also reported to contain 1.53% Cu.
1991	Mark Shore	2 km W Allied	Line cutting, geological mapping, prospecting, MAX-MIN VLF and MAG surveys which covered a 0.15 km <sup>2</sup> area were conducted. A total of 26 samples with the highest grade at 0.01 oz/ton were taken.
1991	Alexander H. Perron	2 km SE Allied	Geological survey and report (Greer 1991)
1993	Alexander H. Perron	Meilleur	Lithological, structural mapping and topographic surveying were performed.
1994	Queenston Mining Inc.	Meilleur	A MAG survey with 2.3 miles of gridding with line spacing at 200 ft was conducted. Geological mapping and 6 samples were taken with values ranging from 168 ppb to 3.449 ppb Au. (Carmichael 1997).
1994	Ontario Geological Survey	Catharine & Pacaud Townships	S.L. Jackson from the Ontario Geological Survey mapped Pacaud and Catharine townships at 1:20 000, OFR5884. (Jackson 1994).
1995	Alexander H. Perron	Allied	Ground MAG and VLF-EM surveys were conducted, (Weller 1995) , covering 0.9 km <sup>2</sup>
1996	Alexander H. Perron	1.5 km WSW Allied	MAG and EM surveys were performed, (Weller 1996), covering 0.3 km <sup>2</sup>
1996	Queenston Mining Inc.	Meilleur	Stripping and washing, detailed geological surveying and mapping were conducted. 10 samples were taken ranging from 38 ppb to 1,834 ppb Au. Diamond drill program consisting of 3 holes, totaling 305.95 m (Carmichael 1997).
1997	Alexander H. Perron	Allied	Line cutting and detailed geological surveying were conducted. (Weller 1997)
2002	Alexander H. Perron	1.5 km W Allied	MAG and EM surveys were performed, (Weller 2002), covering 0.3 km <sup>2</sup>
2003	Kirkland Lake Minerals Inc	1 km SW Allied	Power stripping, trenching and sampling were conducted. 20 grab samples were taken, the best results were 0.03 and 0.02 ppm Au (Harrington 2003).
2007	Walter Metherall	1.5 km S Allied	Line cutting, outcrop mapping, surface sampling (8 grab samples with values ranging from not detected to 1.1 ppm Au) and geophysical surveys (MAG and VLF-EM, totaling 19.65 km) were conducted.
2008	Abitibi Mining Corp	1.5 km SW Allied	MAG, VLF-EM and MAX-MIN HLEM surveys were conducted. The north grid consists of 18.525 km, the lines are spaced at 100 m increments with stations picketed at 25 m intervals. The baseline has a total length of 1,125 m (Ploeger 2006)
2008	Boston Creek Mines Ltd.	2.km W Allied	Manually stripped an area approximately 30 ft by 30 ft.; samples were taken but no assays were returned by the time of the report.
2008	Abitibi Mining Corp	2 km SE Allied	Prospecting and trench mapping, channel sampling of three stripping outcrop were conducted. (Ploeger 2008)
2009	Ashley Gold Mines Ltd	1.5 km NW Allied	MAG survey, totaling of 3.825 line km, was conducted
2009	Lake Shore Gold Corp	Allied	Geological data and 18 samples were collected. The highest reported value was 1.51 ppm Au. (MacLachlan 2011).
2009	Abitibi Mining Corp	Meilleur	TFM, VLF-EM and HLEM surveys were conducted. The north grid consists of 11.275 km, with lines spaced at 100 meter increments and stations picketed at 25 m intervals. The baseline with the total length of 1125 m. (Ploeger 2009)
2009	Ashley Gold Mines Ltd	1.5 km E Meilleur	MAG survey, totaling of 2.85 line km, was conducted.
2010	Mhakari Gold Corp	Planet	Prospecting and survey were conducted to locate areas where historic works were completed. 5 rock samples were taken, with values ranging from 0 to 0.52 ppm Au. (Ploeger 2010)

2010	David Benjamin Zabudsky, Walter Metherall	2.5 km E Allied	Diamond drilling program consisting of 9 holes, totaling 1,393 m. Gold values were fairly low. Higher grade intersections from the drilling were related to late, thin quartz-carbonate veining with abundant pyrite.
2011	Lake Shore Gold Corp	Allied	40 grab samples were collected - 38 were collected for analysis and 2 for representative purposes. 5 samples returned grades > 0.1 ppm Au, of which two were 32.0 and 58.8 ppm Au (MacLachlan 2011).
2012	Northstar Gold Corp	Miller Property	Northstar acquired the Miller property. Prospecting and sampling was performed on the property, a total of 137 samples were taken as outlined in sections 9.0 and 10.0.
2013	Northstar Gold Corp	Miller Property	N-S grid was cut over the Allied syenite and 11 km of ground magnetic was performed, at 50 metre spacing, was performed on the grid. Prospecting and sampling was performed on the property, a total of 328 samples were taken as outlined in sections 9.0 and 10.0.
2014	Northstar Gold Corp	Miller Property	Prospecting and sampling was performed on the property, a total of 169 samples were taken. Diamond drill program consisting of 15 holes, totaling 1,778.5 m. Abitibi Geophysics completed 11.3km of ground time domain 3D IP on the N-S grid as discussed in sections 9.0 and 10.0. (Boyd 2014, Loader 2014)
2015	Oban Mining Corp.	Miller Property	Oban entered into an option agreement with Northstar, and completes geophysical surveys, mapping and surface sampling and diamond drilling exploration programs as outlined in sections 9.0 and 10.0 (Hart 2015).
2015-2017	Arteaga, L.	Miller Property	MSc thesis research of gold mineralization and Allied Syenite (Arteaga 2015).
2016-2017	Northstar Gold Corp.	Miller Property	Northstar completes bulk sampling, milling and metallurgical programs as outlined in sections 9.0 and 10.0. (Boyd 2017).

## Geological Setting, Mineralization, and Deposit Types

### *Regional Geologic Setting*

The Miller Gold Property is located within the Archean volcano-sedimentary assemblage of rocks of the Western Abitibi Subprovince in the Superior Province. Description of the Abitibi greenstone belt is from Ayer et al. (2005) and geological description of the property area and information on geological figures is mostly from Jackson (1994) and French (1988).

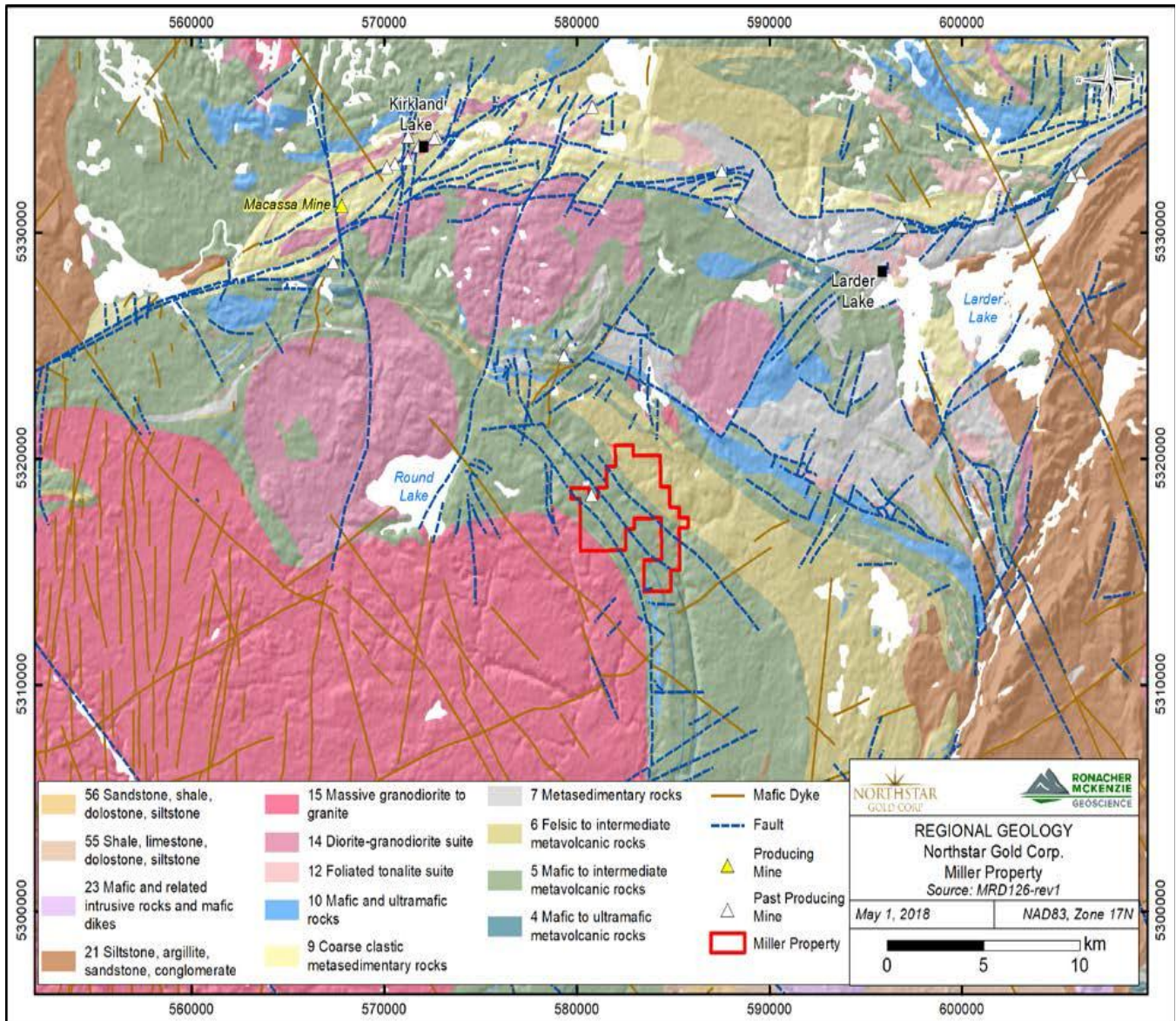
The Abitibi greenstone belt is composed of east-trending synclines of mainly volcanic rocks and intervening domes cored by syn-volcanic and/or syn-tectonic plutonic rocks (gabbro-diorite, tonalite, and granite) alternating with east-trending bands of turbiditic wackes. Most volcanic and sedimentary rocks dip vertically and are generally separated by east-trending faults with variable dips.

Metavolcanic rocks in the Kirkland Lake area are the 2723-2720 Ma Stoughton-Roquemaure assemblage, characterised by broad regions of tholeiitic basalts, komatiitic basalts, and komatiites with several relatively minor felsic volcanic centers. The volcanic assemblage is located on the northeast flank of the Round Lake batholith located in the southwest part of Pacaud Township. The upper part of the assemblage in this area, formerly referred to as the Catherine Group, is cut by Algoman Age granitic intrusions and is overlain by felsic volcanic rocks of the Skead Group, which is part of the Upper Blake River assemblage (Figure 7-1). Intermittent small pyritic sulphide zones occur in the metavolcanic rocks. Early Proterozoic diabase dykes crosscut the Archean rocks. The regional metamorphic grade is greenschist facies.

### *Property Geology*

The Miller Gold Property is underlain by northwest-trending ultramafic and mafic to intermediate metavolcanic rocks of the Pacaud Assemblage and the Catharine Group with the Stoughton-Roquemaure Assemblage, to the southwest and intermediate to felsic metavolcanic rocks of the Skead Group, Blake River Assemblage to the northeast. Occasional ultramafic and mafic to intermediate intrusive rocks occur as stock and sills emplaced into the metavolcanic rocks. Relatively undeformed, younger alkaline to calc-alkaline felsic intrusive rocks were emplaced into the metavolcanic rocks as irregular stocks and dykes, which include the Allied, West Allied, Planet, and Meilleur syenite intrusions. Lamprophyre dykes cut all other units. Felsic intrusive rocks of the Round Lake Batholith bound the metavolcanic rocks to the west. Occasional north- to northwest-trending diabase dykes of the Matachewan dyke swarm cut all older units. The most prominent structures are a series of northwest-trending faults and include the Pacaud and Catharine faults. The Catharine Fault was interpreted to be a first-order structure by Arteaga (2018). There is also a series of lesser northeast-trending faults and shears. Gold mineralization is associated with quartz+/-carbonate veining best developed in, or adjacent to, the Allied, Planet and Meilleur intrusions.

**Figure 7-1 - Miller Project Regional Geology**



Most of the Property is underlain by mafic to intermediate rocks with lesser ultramafic metavolcanic rocks. The mafic metavolcanic rocks are comprised of massive flows, pillowed flows, and lesser volcanoclastic rocks. Metamorphic grade and deformation increase towards the Round Lake Batholith to the southwest, and most of the massive flows on the property contain medium- to coarse-grained amphibole. The presence of coarse-grained amphibole means that it can be difficult to distinguish between coarse-grained flows and gabbro sills. The intermediate metavolcanic rocks are subordinate units occurring as occasional flows and volcanoclastic rock interbedded with the mafic metavolcanic rocks. Ultramafic metavolcanic rocks rarely outcrop and are generally intensely altered, but are thought to be spinifex textured flows.

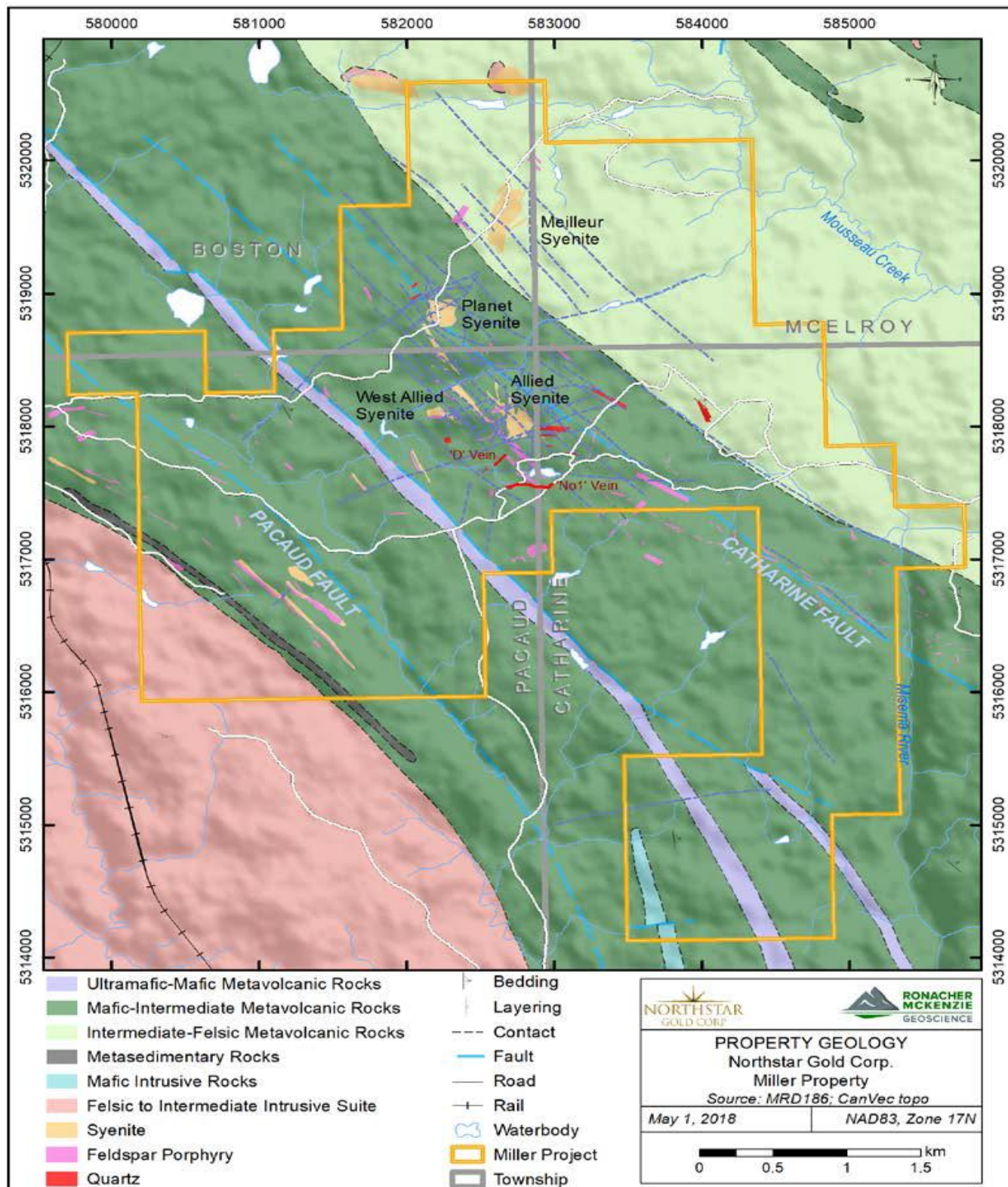
The northeast portion of the Property, north of the Catharine Fault, is underlain by predominantly intermediate to felsic metavolcanic rocks that are dominantly volcanoclastic with lesser flows. Occasional mafic volcanoclastic units are interbedded with the intermediate volcanoclastic rocks closer to the Catharine Fault.

Intrusive rocks range from syn-volcanic to syn-tectonic in age with the syn-volcanic rocks being dominated by mafic to intermediate compositions and syn-tectonic rocks that are generally intermediate to felsic in composition. Syn-volcanic intrusions are generally medium- to coarse-grained gabbro to diorite that may form sills or composite sills tens of metres in thickness. Felsic to intermediate intrusive rocks of the Round Lake Batholith represent an early syn-tectonic igneous event. Late, syn-tectonic intrusions are dominantly medium to coarse-grained, massive, syenite with lesser granodiorite and feldspar+/-quartz porphyritic dykes and sills. These intrusions may form large irregular stocks of predominantly syenite composition that appear to be a composite of multiple intrusive phases of dyke and sill emplacement. Lamprophyre dykes are rarely exposed but are intersected by drilling, and are interpreted to be a late phase of the syn-tectonic alkaline intrusive event as they cut all older units.



Numerous faults transect the predominately pillow, tholeiitic, mafic metavolcanic, supracrustal rocks (Figure 7-2). The most important are the north-west striking Pacaud fault and Catharine fault which trend sub-parallel to the strike of the lithologies. A series of less prominent northeast-trending fault and shears are oriented 050-070°, dipping 50-60° southeast or northwest. The largest intrusive body in the area is the tonalite dominated Round Lake Batholith located in the southwest part of Pacaud Township. In general, cleavage and shear zones tend to parallel the batholith margin and in the Property area strike northwest, steeply dipping, and facing northeast.

**Figure 7-2 - Miller Gold Property Geology and Mineralization**



## Mineralization

There are three categories of veins identified on the Property, laminated fault-fill, extensional veins and vein arrays, and stockwork / fault breccia. Laminated fault-fill veins are northwest-trending, steeply dipping, low angle to parallel to foliation and forming in shear zones or faults.

Extensional veins and vein arrays are northeast- to east-trending, shallow dipping, at high angles to the foliation, and form both within and outside of the shear zones. The extensional veins include the planar shallowly dipping veins formed at a moderate angle to shear zones in both intrusive stocks and volcanic country rocks, as well as arrays of planar to sigmoidal veins at high angle to the foliation that are generally found within the shear zones. Mineralized, northeast-trending, northwest-dipping extensional veins are present in all three intrusions. Mineralized quartz-carbonate extensional veining is observed in the western portion of the Property associated with faulting which has a 25° dip to the north. The third set of veins is the brittle stockwork and fault breccia veins observed at both the Planet and Allied intrusions. A high intensity of stockwork quartz veining is observed in the Planet intrusion associated with oblique to orthogonal vein sets.

The gold on the Property is known to be situated within both shallowly dipping and sub-vertical quartz veins and syenite stocks hosted within the mafic volcanic rocks. Gold mineralization in the area commonly has a nuggety character and coarse texture occurring in native form or as tellurides, and may or may not be associated with disseminated pyrite. Presently, the most economically interesting veins are located in the northeastern Pacaud Township, within in the centre of the Property on cells 185339 and 311795.

Historically the main target of exploration has been the shallowly north-dipping, white Vein #1 quartz vein that hosts free gold, tellurides, minor pyrite, chalcopyrite, tourmaline and galena. This vein is located approximately 400 m south of the Allied intrusion. Traced for about 600 feet along a west-trend, the vein averages about a foot in width (where identified on surface but may expand down dip), and has a shallow, 20° or less, north dip. Mineralization is often concentrated along the country rock contacts and consists of native gold, frequently with telluride, in a net-like arrangement in the quartz along the contact. Accessory mineral phases consist of chalcopyrite, pyrite, specular hematite and galena. Telluride phases include multiple varieties of gold tellurides but mainly calaverite (AuTe<sub>2</sub>), a bismuth telluride, and petzite (Ag<sub>3</sub>AuTe<sub>2</sub>). The country rock is primarily mafic metavolcanic cut by north-trending feldspar porphyritic dykes.

Located about 300 m southwest of the Allied intrusion and 300 m northwest of the #1 Vein, the Independence, or "D", vein strikes 245° and dips 45° southeast with the best mineralization between 30 ft and 160 ft in depth along the inclined "D" shaft.

Au-Bi-Te association was identified in drill hole MG-14-12, sample 14624 at 54.6 m (Figure 7-3). This sample was logged as a quartz vein with visible gold, tellurides and chalcopyrite. The quartz vein intrudes the Allied syenite. Assay results show that this sample has 12.2 g/t Au by metallic screen analysis, 1,260 ppm Bi, 359 ppm Cu, 296 ppm Pb and 79.4 ppm Te.

Alkaline intrusives named the Allied Syenite in Pacaud Township and Planet Syenite and Meilleur Syenite in Boston Township plus a number of northwest trending sinuous feldspar porphyry bodies are noted north of the Vein 1 and may have a genetic relationship to the gold mineralization (Figure 7-2). The syenite in places exhibits a more granitic appearance and composition but this is believed to be a function of introduced quartz in the form of veins and silicification in the matrix. Research by Arteaga (2016, 2018) has identified that these "syenites" have undergone specialized alteration named episyenitization in the form of de-silicification and K depletion accompanied by Na metasomatism resulting in the replacement in the intrusives of the potassium by albite feldspars. The Allied Syenite is part of an arc of alkaline magmatism that extends for 3,000 metres to the north and may be connected to the Planet Syenite.

Arteaga (2018) dated the mineralization by analyzing molybdenite from drill holes from the property using the Re-Os technique. The average age of molybdenite is 2680 ± 8 Ma.

**Figure 7-3 Au-Bi-Te stringers in quartz vein from 54.6 m, MG-14-12.**



### **Deposit types**

The Property lies in the Kirkland Lake Mining District of northeast Ontario in which historically gold has been mined as typical mesothermal, replacement type, high-grade, quartz veins found along or close to a major east-west trending Archean deformation/structural feature named the Kirkland Lake Main break within the Larder Lake - Cadillac Deformation Zone. Gold production since 1915 from seven gold mines amounts to more than 24 million ounces of gold. (Clark 2013).

More recently identified gold deposits in the camp such as the Upper Beaver deposit held by Agnico Eagle Mines Limited consists of disseminated to quartz filled fractures, stockworks, breccias, and pyritic zones associated with igneous intrusives commonly of syenite composition (Agnico Eagle Mines website: <http://www.agnicoeagle.com/>). At the Macassa Mine presently operated by Kirkland Lake Gold Inc., higher grade shoots containing tellurides and native gold constitute about 30% of the overall gold mineralized structures cutting the syenites. The following description of the Larder Lake Break gold mineralization is taken from Ispolatov et al. (2005).

*Gold mineralization at the Anoki and McBean properties is similar to the above- described gold deposits of McVittie and McGarry townships. In particular, the replacement-style, pyrite-rich Anoki Main zone shares strong analogies with the Kerr Addison-Chesterville flow ore, and replacement ores of Cheminis and Omega mines. Gold-bearing quartz stockworks in carbonate-fuchsite schists explored at depth at the McBean deposit and within the Anoki Deep zone are similar to the “green carbonate” ore at Kerr Addison-Chesterville. Mineralized aphyric dikes of the McBean ore zone strongly resemble the albitite ore of the Kerr Addison Mine described by Smith et al. (1993). Mineralization of the Anoki South zone that is hosted by a graphitic exhalite horizon may correlate to the graphite ore of the Kerr Addison-Chesterville Mine. Similarities in mineralization styles as well as analogous structural setting within the Larder Lake–Cadillac deformation zone suggest that gold-bearing zones of the Anoki and McBean properties are likely related to mineralization of Kerr Addison-Chesterville, Cheminis, and Omega mines. All these occurrences of gold mineralization are parts of a single regional hydrothermal system. The most characteristic features of this system are summarized below:*

- 1. Gold mineralization is localized within a first-order structure, that is, the Larder Lake–Cadillac deformation zone (Smith et al. 1993), and (as far as we are aware) there is no tendency for preferential occurrence of larger deposits in second- and third-order structures;*
- 2. Mineralization is commonly associated with gentle S-shaped bends along the Larder Lake Cadillac deformation zone (Anoki, McBean, Omega, and Cheminis);*
- 3. On the scale of the host deformation zone, mineralization tends to form linear shoots (strike length < dip length) that plunge roughly parallel to the regional stretching lineation (L2): e.g., 40- 50° east at McBean (this study); approximately 70° east Kerr Addison-Chesterville (Smith et al. 1993, p. 30); near vertical at Cheminis (longitudinal section in Clark and Bonnar 1987; structural data in Wilkinson 1993, p.142).*



4. *At least some mineralized zones are centered on relatively competent lava flow units (e.g., Omega, Cheminis, possibly Kerr Addison) that are flanked by rheological weak and probably impermeable ultramafic talc-chlorite schists (e.g., Thomson 1941; Smith et al. 1993).*
5. *There are two principal types of gold mineralization: a) the economically most important style is the pyritic replacement ore where gold is present largely as submicroscopic particles in pyrite (accounts for about 65% of gold at Kerr Addison- Chesterville, most gold at Cheminis and Omega, and Anoki Main zone), and b) the second in importance are quartz stockworks and veins in carbonate-fuchsite-altered ultramafic rocks, where coarser gold is present principally in quartz. The two mineralization types coexist within individual deposits and are probably related to the same hydrothermal episode (e.g., Smith et al. 1993). Localization and shape of individual replacement ore bodies is typically defined by primary or structurally modified geometry of geochemically and rheological favourable units (Smith et al. 1993; present study of the Anoki Main zone). Volcanic rocks of the Larder Lake Group constitute the most common protolith for replacement ores. Volcanic protoliths of the Anoki Main zone and Kerr Addison-Chesterville flow ore (Warwick 1981; Kishida and Kerrich 1987) are Fe-tholeiites. Carbonate is the major component in both mineralization types, which indicates that ore was generated by carbonic, CO<sub>2</sub> – rich fluids (e.g., Kishida and Kerrich 1987). Sulphidation of the Fe-rich, high Fe/Mg tholeiitic rocks must have constituted the main gold deposition mechanism for pyritic replacement mineralization (Böhlke 1988; Phillips et al. 1984; Smith et al. 1993), whereas relatively coarse gold in quartz veins enclosed in carbonate-fuchsite alteration was most likely deposited through phase separations (e.g., Smith et al. 1993). The latter mechanism agrees well with the rather irregular distribution of gold in “green carbonate ore” (Smith et al. 1993) and occurrence of gold-barren quartz stockworks in carbonate-fuchsite schists. Both types of mineralization most probably belong to the syn-deformation greenstone-hosted quartz-carbonate vein (mesothermal-orogenic) deposit class.*
6. *Syn-mineralization hydrothermal alteration likely increased competency of host rocks; ultramafic talc-chlorite schists were modified into carbonate-fuchsite rocks with abundant quartz veining, the largely chloritic flow unit of the Anoki zone was replaced by albite-rich aggregate. In both cases, hydrothermal products are more rigid than the protolith, and are likely to respond more brittle-like to continuing deformation and maintain or even enhance permeability.*

*Occurrence of mesothermal gold mineralization in the first order deformation zone is unusual. Within the most economically significant gold camps, the largest gold deposits are typically found in subsidiary second- and third-order structures (e.g., Eisenlohr et al. 1989; Robert 1990; McCuaig and Kerrich 1998). This atypical localization pattern may be due to the nature of the Larder Lake–Cadillac deformation zone in the Larder Lake area. Lithological assemblage of the Larder Lake–Cadillac deformation zone includes competent mafic volcanic units intermingled with or enveloped by incompetent and impermeable ultramafic talc-chlorite schists (Thomson 1941). This combination probably constituted favourable ground for maintaining isolated discrete permeable fluid conduits within the deformation zone. Competent tholeiitic volcanic units responded more brittle, thus enhancing their overall permeability. Rheological weak talc-chlorite schists enveloped these permeable zones, preventing fluid dispersal and maintaining high fluid/rock ratios within fluid pathways. Some of these competent units were also geochemically favourable for sulphidation (e.g., Fe-tholeiitic, high Fe/Mg rocks), and gold deposition occurred.*

*The location of gold deposits in the Larder Lake–Cadillac deformation zone may (at least in part) reflect biases in exploration strategies, that is, the “Larder Lake Break” has for almost 100 years attracted the most attention from geologists and prospectors alike, and potentially goldbearing subsidiary structures may have been overlooked. There is no geological factor precluding the occurrence of gold mineralization along subsidiary faults or shear zones that were hydraulically connected to the Larder Lake–Cadillac deformation zone during a regional hydrothermal mineralizing event. The presence of Fe-tholeiites in the Kinojevis assemblage and Larder Lake Group (north and south of the Larder Lake– Cadillac deformation zone) supports the possibility for formation of replacement-style gold mineralization along subsidiary splays of the Larder Lake–Cadillac deformation zone.”*

Ispolatov (2005) also mentioned:

*"Kirkland Lake gold mineralization has a distinct metal signature (Te>Au, Mo, Pb, Ag, high Au/Ag, low As) and is probably unrelated to mineralization along the Larder Lake–Cadillac deformation zone and its splays. The gold-bearing veins of the Kirkland Lake deposit could have formed during D4, synchronously with reverse-dextral movement along the Main Break, as hydrothermal fluids associated with deep alkaline magmatism migrated to shallow crustal levels."*

A more detailed and alternative discussion of the mineral deposit types in the Kirkland Lake Camp and on the property can also be found in the technical report by Hart (2016).

## Exploration

### Mapping and Surface Sampling

#### 2012-2016 Northstar Prospecting, Sampling and Locating Drill holes

From the acquisition of the Property in 2012 through to 2014 and in 2016, a series of a prospecting and sampling programs were undertaken by Northstar in order to confirm and define the extent of gold mineralization in trenches, exposed adit openings and scattered outcrop exposures. A total of 137 grab, composite grab, and single chip samples were obtained by George Pollock and geological technician Marc Cardinal, both of Northstar, during the summer of 2012, 327 grab, composite grab and single chip samples during the summer of 2013, 169 grab and chip samples during the summer of 2014 and 139 grab samples in 2016. Analytical results were highly variable and biased by the high grade grab samples as summarized in Table 9-1. Most of the samples were collected from cells 185339 and 311795 covering the area of the majority of historic workings in Northeast Pacaud Township on the Property.

**Table 9-1 - Miller Gold Property prospecting surface samples**

Year	No. of Samples	Au (g/t) Mean	Au (g/t) Median	Au (g/t) Mode	Au (g/t) Range	Comments
2012	137	4.3	0.274	<0.03	<0.03 – 70.2	39% of the samples below detection
2013	328	6.25	0.04	<0.03	<0.01 – 247	37% of the samples below detection
2014	169	1.57	0.07	<0.01	<0.01-55.5	25% of the samples below detection
2016	139	14.9	0.19	004	<0.01-841	10% of the samples below the detection

It is noted these results are from prospecting surface samples collected over a non-systematic, highly variable spacing throughout the property and thus should not be treated in a “material” representative fashion with respect to the overall grade of the mineralized zone on the surface. They are presented and discussed here in a limited fashion for information only for that reason.

In general, higher grade surface samples were reported to commonly contain significant visible gold and telluride mineralization associated with quartz veins cutting meta-volcanic and intrusive rocks.

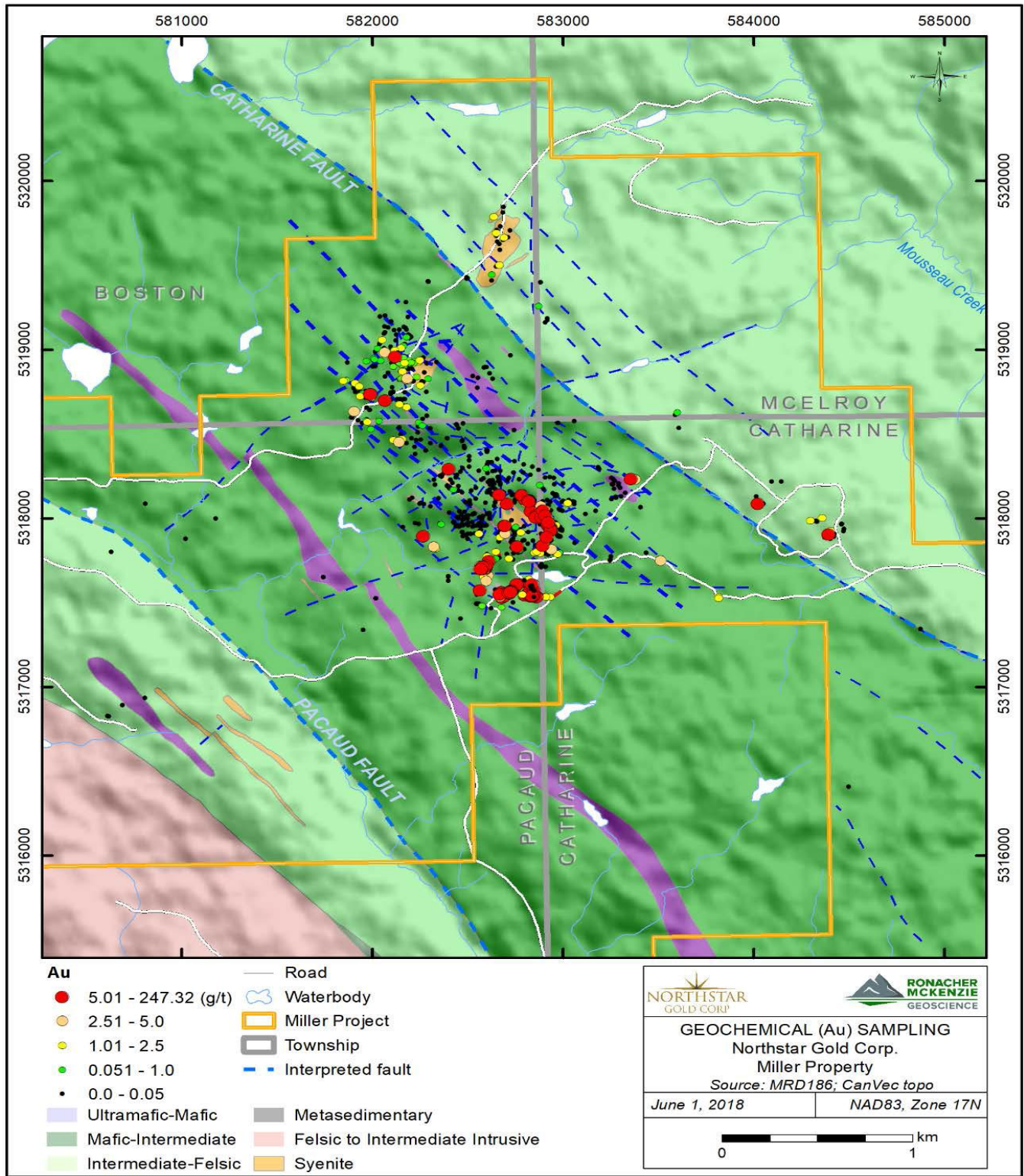
In the area where Vein #1 is projected to trend to the surface south of hole MG14-15 and in the vicinity of the Miller-Independence historic workings, sampling of exposed quartz veins has returned high grade Au assays. The quartz veins were found to contain less sulphides and tellurides in comparison to those observed in the drill core, but host multiple occurrences of visible coarse gold associated with black tourmaline. The highest grade surface samples are clustered around the Vein 1, D vein exposures and the contact zone around the Allied Syenite near the eastern syenite contact.

The locations of historical diamond drill holes from previous work were found to be distributed throughout the property on cells 185339, 311795 and 335177 and on the adjacent patented land Lot 12 Con 6 in Catharine Township south of 335177 and 203783. Those identified in the field were surveyed by handheld GPS while the remainder are estimated from historical property maps and reports of work, predominantly French (1988), and their locations have not been verified in the field. The details of this program are described in Boyd and Selway 2015.

#### Oban Mining 2015 Mapping and Sampling

During May and June 2015, Northstar’s joint venture partner at that time, Oban Mining Corp., performed geological mapping and sampling to identify controls on mineralization and map out the distribution of syenite intrusions on the Miller Gold Property. All of the Northstar and Oban surface sampling between 2012 -2016 is plotted on Figure 9-1.

Figure 9-1 - 2012 and 2016 grab and trench gold sampling results (source: MRD186 and Northstar mapping data)



The focus of the field mapping was the Allied, Planet and Meilleur intrusions which were mapped at 1:500. The areas between these intrusions were mapped at 1:1,000. Based on the 2015 mapping and sampling and the results of previous drill programs, drill targets were chosen for the 2015 drill program. The reported descriptions and results below are taken from Hart (2016).

## Allied Syenite

The Allied syenite is an approximately 280 m by 80 m, northwest-trending, vertical intrusive body that is hosted in massive to pillowed mafic volcanic rocks. Within the Allied syenite there are two sets of quartz veins, flat extensional cm-scale quartz veins and younger shear veins. These veins were rarely observed in outcrop, and have been characterised by the 2015 drill program. The Allied syenite is bounded by northwest-trending faults which were interpreted from drilling, geophysics, LIDAR, and mapping data. Mapping the Allied intrusion described in Hart (2016) was difficult due to limited outcrop exposure with the majority of the intrusion located in a topographic low filled with sand and swamps. Outcrops of syenite were visible at the outer contacts and the interpreted extent of the syenite was determined using outcrops, drill hole data and geophysics, as the Allied syenite forms a magnetic low. Exposure of mineralization in outcrop is rare, and less than 50 samples were collected from the Allied intrusion, with many of the samples being rubble from historical pits and trenches.

Only seven samples returned gold values  $>1.0$  g/t Au, with the best being 11.85 g/t Au in sample 29661 taken in the northwest portion of the Allied syenite and comprised of an equigranular syenite with chlorite and quartz veins. Two samples from the west side of the intrusion returned 2.30 g/t Au and 2.77 g/t Au respectively. These samples were mainly rubble material and returned values of up to 212.0 g/t Au and 16.1 g/t Au. Along the eastern contact of the syenite there are 3 historic pits and this area has been heavily sampled from 2012 to 2014; therefore few samples were taken from this area during the 2015 program. Most of the samples are associated with a breccia zone related to the northwest-trending fault and the best sample returned 212 g/t Au, which was hosted in a boulder of quartz with abundant visible gold and tellurides (Table 9-2).

East and southeast of the Allied syenite is a series of north- and east-trending trenches in sheared, variably silicified, and carbonate altered mafic volcanic which appear to be related to structures that host Vein #1. The best sample from this area returned 52.5 g/t Au hosted in a shallow dipping, 10 cm wide quartz vein with disseminated pyrite in a carbonatized mafic metavolcanic. Other high gold values in this area were taken from rubble at the edge of the historic pits with the best sample returning 23.3 g/t Au.

## Geophysics

### Ground Magnetic Survey

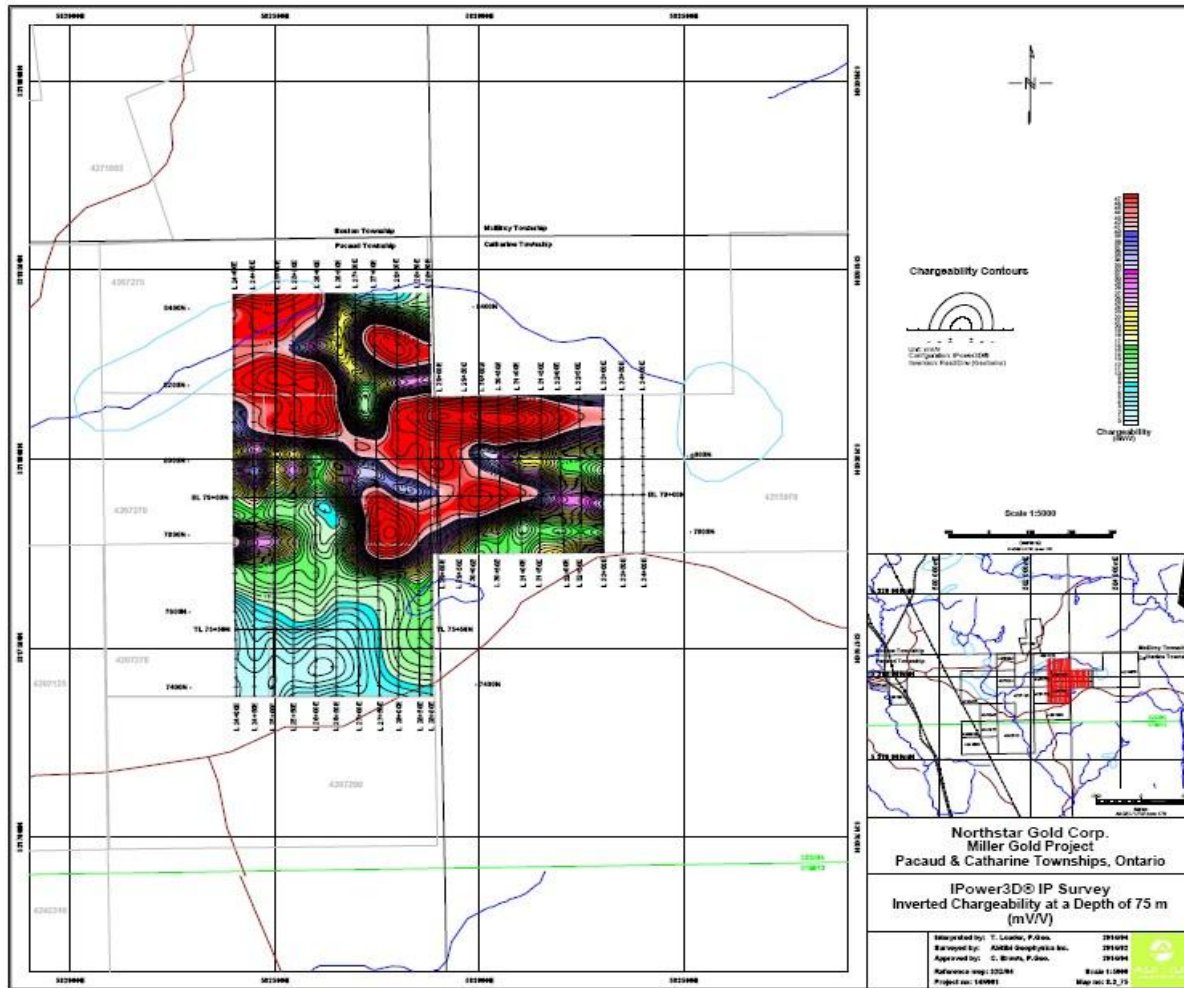
During 2013, an approximately 11 km ground magnetic survey was completed on a 50 metres spaced north-south cut grid covering the central portion of the Miller Gold Property in northeastern Pacaud Township and northwestern Catharine Township. The dominant feature identified from the magnetic survey is the main northwest trending lineament defining the Catharine Fault trending through northwestern Catharine Township as well as the general northwestern trend of the geological terrain. The Allied Syenite appears as a magnetic low.

### Ground Resistivity and IP Survey

During the winter of 2014, Abitibi Geophysics completed an 11.3 km ground time domain 3D IP (IPower 3D on five simultaneous lines) chargeability and resistivity survey on the same grid. The data values were inverted using computer software calculating 3 dimensional patterns of resistivity and chargeability of the subsurface that best explain the values recorded at surface. The depth and quality of the survey results are variable and limited by the character of the bedrock, however, plans at 50, 75, and 100 metres depths were provided by the geophysical contractor as shown in figure 9-2. Abitibi Geophysics identified 9 geophysical anomalies that were interpreted to be sub horizontal.



Figure 9-2



Please refer to the Technical Report for further details of exploration on the Miller Gold Property, including details of geophysics and bulk sampling.

### 2016 Bulk Sample

The objectives for the 2016 bulk sampling program completed by Northstar Gold were two-fold; first to obtain a sizable bulk sample to assess the gold grade, dilution and mineability of the stripped surface exposures; and second to explore the cleaned blasted areas by conducting channel sampling so as to assess the continuity of the gold mineralization along strike and down-dip to aid in planning follow-up larger tonnage bulk sampling and drill testing exploration. In general, collected bulk sample mineralized material was taken from surface exposures (or very near surface extensions) of the high gold grade quartz No. 1 Vein including approximately 0.5 m widths of bounding altered basalt wall rock carrying lower values, as described in earlier check sampling discussed in the 2015 43-101 Technical Report on the property (Boyd and Selway 2015). The 2016 bulk sampling program and results are detailed in a Technical Report prepared by Boyd (2017).

The bulk sampling, totaling approximately 932 tonnes, was completed from October 28 to November 13, 2016. The program entailed the stripping of areas of 4 trenches, the subsequent blasting and excavating of Trenches 1 to 3, and the mining of the bulk sample in which approximately 850 tonnes was mined from Trench 1 and the remainder from Trench 3. Between November 14 and 18th, the bulk sample was trucked to the Richmond Mines Inc. Camflo Mill located in Malartic, Quebec, situated about 20 km west of Val d'Or. The Camflo Mill has a capacity of 1,200 short tons per day and uses a Merrill-Crowe conventional type process with gold cyanidation and precipitation using zinc powder. It operates circuits for jaw crushing and ball mill grinding passing material 75% at 200 mesh (75  $\mu$ m). Currently, Mill Superintendent is Billy Lamothe on behalf of Richmond Mines; the mill processes ore from Richmond's Beaufor Mine but also custom mills on a contract basis. The Camflo Mill documents were provided from Richmond Mines to Northstar which included a tabulated sample list, daily reports, inventory documents, assay results and certificates. Richmond sold the Beaufor Mine and Camflo Mill to Monarques Gold in 2017.

During the bulk sampling program 241 trench evaluation and bulk in-situ field samples were gathered which included mineralized material from cut channels in bedrock and blasted rock pieces predominantly from the four trenches. The program was generally successful in its objectives, more specifically in demonstrating, for the main No. 1 Vein and other veins on the Property, the presence of high-grade, continuous, mineralized gold zones over albeit narrow widths. It was found that 80 of the collected field samples reported greater than 5 g/t Au. The program allowed Northstar to project the probable trend and down-dip attitude of these zones for follow-up exploration and bulk sampling.

The bulk sample was processed at the Camflo Mill operated by Richmond Mines Inc. near Malartic, Quebec. Based upon Northstar sampling of the Camflo mill feed of the delivered bulk sample, the weighted average head grade of 5.06 g/t for the delivered bulk sample is significantly lower than the estimated weighted average grades of 10.9 and 3.1 g/t Au obtained from Trenches 1 and 3, respectively, from the analysis of 90 in-situ broken rock samples gathered over the bulk sampling areas. This indicates that the delivered bulk sample included significant wall rock dilution, however, the in-situ field analytical results are largely consistent with the results of previous exploration and sampling over 2 trenced areas during 2013 - 2015.

The work completed on the Miller Gold Property by Northstar Gold during 2016 follows up on extensive prospecting and surface sampling, ground geophysical surveys, and diamond drilling undertaken since its staking by the company in 2012. This work is described in detail in 2 reports Boyd and Selway (2015) and Hart (2015).

This trenching and bulk sampling work program entailed the stripping of overburden at the 4 areas on claim 4267277 where gold mineralized quartz veins were exposed by an excavator followed by a series of surface blasts using drilled 4 to 10 foot vertical holes to create deeper trenches at 3 of the 4 areas. The blasted rock was visually assessed as either mineralized bulk sample material or waste at the trench sites with the former loaded onto a 15 tonne articulated dump truck to be carried and stockpiled by the entrance road to the property. The stockpiled mineralized material was then loaded onto 35 tonne highway trucks to be shipped for custom processing at the Camflo gold mill in Malartic, Quebec, operated by Richmond Mines Inc. The waste rock was piled by the side of trench sites to be used as fill as part of their remediation upon completion of the work.

In order to monitor the trenching and bulk sampling process and results, a total of 241 surface monitoring field samples were gathered from the 4 trenches, including 72 cut channel samples, 113 blasted rock samples obtained from the trenches, and 19 metallurgical test samples. 116 of these samples covered areas of blasted rock and channel cut areas over the areas of the bulk samples taken from Trenches 1 and 3; and 99 were evaluation (mostly cut channel) type samples from Trenches 1, 2, 3, and 4 with the decision to recommend additional follow-up bulk sampling and continued exploration dependent upon their analytical results.

During this program, approximately 202 kg and 122 kg of gold mineralized predominately quartz samples were obtained for metallurgical testing from each of Trenches 3 and 4 with weighted average grades of 3.7 and 36.1 g/t Au, respectively. No work yet has commenced for these samples.

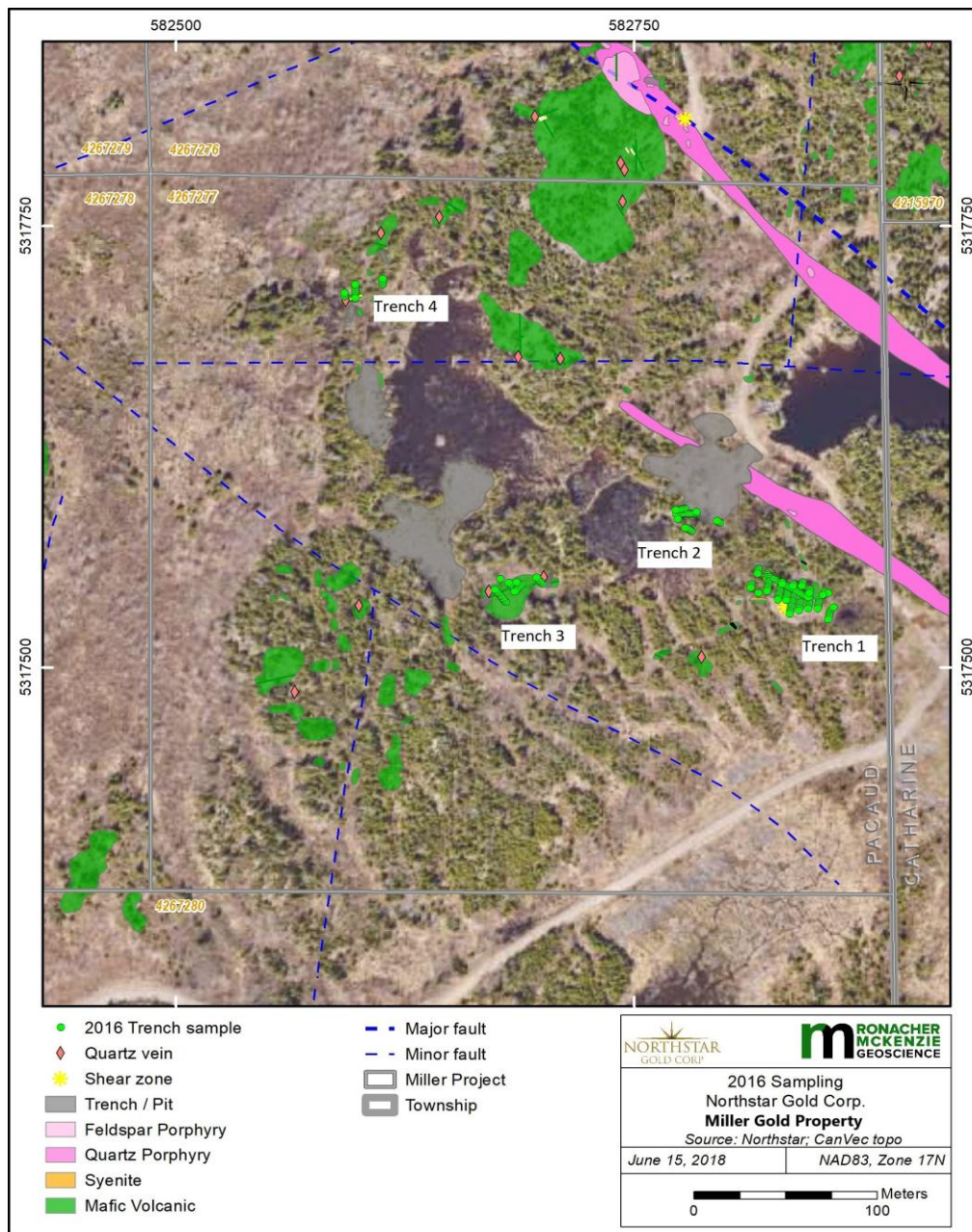
The locations of the trenches and samples are shown on Figure 0-1. The geology, sampling, and exploration work for each of the 4 stripped areas or trenches is described in greater detail as follows.

### **Trench 1**

Trench 1 is located near the southeast corner of cell 311795 (legacy claim 4267277) and covers an area where the main No. 1 Vein was historically identified and re-discovered by Northstar to reach the surface, striking east-west in a shallow northerly dip over an exposed area of approximately 25 square metres. In 2014, a series of chip samples and a 13 tonne mini-bulk sample had been collected by Northstar on the surface over this area (also named Trench 1 at the time) based upon the discovery of numerous occurrences of free gold, and gold and bismuth telluride minerals from prospecting the previous year (Boyd and Selway, 2015; Steyn, 2013). Samples gathered from the mini-bulk sample were analyzed in April 2016 and in the fall of 2016; the QA/QC results are discussed in Section 12. Repeated high-grade gold values in outcrop were identified over the area justifying this extensive stripping, blasting and the scaled up follow-up bulk sampling program along this extended strike length where the vein was identified to reach the surface.

Approximately 850 tonnes of the total bulk sample material was excavated from Trench 1 and obtained from about a 45 × 10 metre blasted portion of the stripped outcrop where the vein dips from the surface to about 2.5 metres vertical depth. The sampling focused on gathering high-grade gold mineralization from the quartz vein material with minimal dilution from the adjacent rock such that a layer of the overlying basalt cap was removed as waste to be returned to the trench as fill during remediation. The ratio of quartz to basalt material is estimated to be variable depending upon where in the trench it was removed, ranging from 20 to 50% so the ultimate grade of the bulk sample was found to be dependent upon the grade of the quartz vein material, grade of the adjacent basalt wall rock, and the proportion of each rock type.

**Figure 0-1 Miller Gold Property Location of 2016 Trenches and surface samples**



In order to assess an estimated grade of the Trench 1 bulk sample material, 72 approximately 10 kilogram samples of the in-situ broken blast material were gathered over 8 traverses across the pile which were located by NAD 83 UTM coordinates. Sampling of partially diluted blasted and broken No. 1 Vein Zone material from 7 parallel 5 metre spaced traverses across Trench 1 plus 1 traverse along the length of Trench 1 produced a weighted average grade of 14.7 g/t Au. When excluding the highest grade sample of 284 g/t Au in sample 15294 from the calculations, the weighted average grade is reduced to 10.9 g/t Au. In addition, where access was possible, 9 sets of 1 metre cut channel samples totaling 29 samples were cut across the exposed vein and basalt wall rock. Seven of the channel cuts at 2 bench depths from the Trench 1 on the No 1 Vein Zone averaging 20.1 g/t Au over 2.14 m (estimated average true width of 0.37 m including the high grade quartz vein and immediate mineralized wall rock).

Best results for the channel cuts are 47.4 g/t Au over 3m, including 140 g/t Au over 1m, 19.4 g/t Au over 3m, including 52.4 g/t Au over 1m and 45 g/t Au over 2m, including 73.7 g/t over 1m.

## **Trench 2**

In this program, Trench 2 is located on cell 311795 (legacy claim 4267277), 60 metres north of Trench 1 in the vicinity of where the No. 1 Vein is intersected by diamond drill hole MG-14-14 drilled in 2014 (Boyd, 2014) at a depth of 2 metres. The drill site is covered mostly by piled broken waste rock from historic work completed during the 1920s. A 20 × 15 metre area was stripped of overburden in an attempt to reach bedrock, which was only partially achieved. The main No. 1 Vein quartz rock was not definitively identified among the uncovered outcrop, however, a 2-3 cm thick flat pyrite-telluride bearing quartz vein hosted in rusty silicified, pyritized, sub-vertical basalt was identified associated with localized sub-vertical shears and multiple quartz stringers trending 320 – 330°. A set of 6-1 metre channel samples returned values of 5.9 g/t Au over 5.0m in a channel cut, including 17.4 g/t Au over 1m from this exposure.

Subsequent blasting of this and adjacent outcrops was unsuccessful in defining No. 1 Vein at this locality because of flooding of the created pits by an adjacent beaver pond, however, excavation of the broken rock into piles revealed the accumulation of voluminous amounts of similarly altered, pyritized rock including additional pieces of narrow flat quartz stringers on the faces of the basalt. A total of 23 10-kilogram broken rock samples in 3 traverses, similar to that in Trench 1, were gathered for gold analysis returning values as high as 14.6 g/t Au, but none of this material was chosen for the bulk sample at this stage due to the erratic nature of the gold content and paucity of visual information to make an estimate of its gold grade.

## **Trench 3**

Trench 3, located on cell 311795 (legacy claim 4267277), covers an area 100 metres west of Trench 1 where there is a flooded historic ramp which was historically used to explore and test mine No. 1 Vein. In 2014, a series of chip samples had been gathered by Northstar on the surface over an area (named Trench 2 at the time) to the west of the ramp entrance where No.1 Vein appears to reach the surface (Boyd and Selway 2015). In April 2016, check samples were gathered from the bags of the 2013 mini-bulk sample, which partially originated from the Trench 3 area for which the QC results are discussed in Section 12. In general, moderately high gold values were found over the area from previous work justifying the stripping, blasting and additional bulk sampling program.

For this program, a small 10 × 10 metre area, 20 metres west of the ramp was stripped and blasted to facilitate the removal of the basalt cap to better access the quartz vein material. No. 1 Vein at this exposure appears to be thinner (10-20 cm wide) and possesses a lower grade in comparison to that in Trench 1 based upon the previous sampling by Northstar. The surface exposure of the Vein here allows one to appreciate its undulating to sinuous nature and associated measured shearing trending 220 - 230° on outcrop. The Vein's overall east-west strike remains like that found at Trench 1 although it appears to steepen in its northerly dip to approximately 20°. Gold analyses of samples from the area are reported from previous reports as Trench 2 such as in Boyd (2014) and Boyd and Selway (2015) prior to its enlargement when it was named Trench 3 in this Technical Report.

Approximately 82 tonnes of the total bulk sample were taken from Trench 3. Some of this sample was supplemented by the gathering of historic piled quartz boulders adjacent to the trench. The sampling again focused on gathering high-grade gold mineralization from the quartz vein material with minimal dilution from the basalt. The percentage of quartz (to basalt) in the sample here is higher than at Trench 1 ranging from 50 to 70%. In order to assess an estimated grade of the Trench 3 bulk sample, 7- 10 kilogram samples of the in-situ broken blast material were gathered in 1 traverse across the pile were located by NAD 83 UTM coordinates. In addition, where access was possible, 3 sets of 1 metre channel samples totaling 23 samples were cut across the exposed vein and basalt wall rock. One of these sample sets was across the quartz vein exposure which was subsequently blasted to create the trench. For each sample an estimate was made of its basalt and quartz composition. Best results of 3 channel cuts were 5.02 g/t Au over 2.0m, including 7.96 g/t Au over 1m. An additional 200 kg sample of the quartz vein material was obtained from the site to be used for metallurgical testing. Sampling of 287 kg of blasted and broken material overall reported a weighted average grade of 3.1 g/t Au.

The results in these tables can be compared to both the original gold values in Boyd and Selway (2015), the mini-bulk sampling results, and the reconciled grade of mill head feed samples for the bulk sample reported from the Camflo Mill.

## **Trench 4**

Trench 4 is located towards the northwest part of cell 311795 (legacy claim 4267277) and covers an area 300 metres northwest of Trench 1 where there is a known historic gold showing named the D-Vein associated with a buried shallow shaft and trench. Previous grab samples obtained in 2013 and 2014 returned multiple high-grade gold values justifying a stripping and more systematic sampling program at the showing (Boyd 2014). For this program, a 5 by 20 metre area covered mostly by thick bush was stripped to expose the northeast trending structure.



The D-Vein at this exposure appears to be highly variable in width from 5 to 30 cm with a strike and dip ranging 245 - 255° azimuth dipping 40 - 45°SE, which can be followed for 10 metres after which it may change strike or shrink into a 2 cm thick stringer within a steeply dipping shear zone trending 265°. It is uncertain whether this observed change is a geological feature, perhaps trending obliquely to the shearing in an easterly fashion under overburden, or whether parts of the structure were mined out. The D-Vein is comprised of iron oxide stained quartz with 3-5% disseminated pyrite, trace chalcopyrite and multiple occurrences of visible gold, and exhibits a 0.3 to 1 metre alteration halo into the basaltic wall rock in the form hematization, silicification, 2-5% pyritization, and intermittent quartz stringers.

In this program, no blasting or bulk sampling was completed but in order to assess an estimated grade of the vein and basaltic wall rock at this site, 14 1 metre cut channel samples were taken across its. The best results of the 4 channel cuts were 27.8 g/t Au over 1 metre and 34.8 g/t Au over 1 metre with an approximate 0.5m true width of the D-Vein system. An additional 122 kg sample of the vein material was obtained at the site for metallurgical testing and reported a weighted average grade of 36.1 g/t Au.

## Drilling

### Northstar Gold 2014 Drilling

Northstar conducted its 2014 diamond drilling program in order to:

- Validate the results of the historical drilling focusing on following up predominately on the results of the 1986-87 Nortek work program on the property and;
- Test drill targets within chargeability and resistivity anomalies generated from the ground IP/resistivity survey conducted by the company early in 2014 in advance of the drilling program.

The 2014 diamond drill holes are located on cells 311795, 185339, 335177 and 173038 (legacy claims 4267277, 4267276, and 4215970) listed in Table 10-1. The drilling program consisted of fifteen (MG14-01 to 15) NQ holes totaling 1,778.5 m. All the holes were drilled vertically with the exception of holes MG14-04, 06 and 12.

Forage Asinii of Notre-Dame du Nord was the diamond drilling contractor and the program was supervised in the field by George Pollock while geologists Trevor Boyd and Elisabeth Ronacher logged the core and monitored QA/QC for the program. A Reflex down-hole survey was performed at approximately 50 m intervals. The drill casing was kept in the holes. GPS coordinates of all collar locations were recorded and at the end of the drill program all of the holes were surveyed using Trimble DGPS. The overburden depths were between 2 - 5 m. The samples were gathered as NQ core with recoveries of over 95 per cent. The core was photographed and logged for RQD, lithology, mineralization and alteration prior to sampling and stored at Northstar's secure warehouse at Earlton, Ontario.

**Table 10-1 - Miller Gold Property 2014 drill hole collars (NAD83, Zone 17U)**

Hole ID	Elevation asl. (m)	Cell #	Legacy Claim #	Easting	Northing	Dip (°)	Azimuth (°)	Length (m)
MG14-01	337	311795	4267276	582781	5317806	-90	NA	138
MG14-02	322	311795	4267277	582875	5317751	-90	NA	75.5
MG14-03	331	185335	4267276	582813	5317977	-90	NA	162
MG14-04	336	185339	4215970	582895	5317990	-75	12	102
MG14-05	339	335177	4215970	583021	5318104	-90	NA	81
MG14-06	340	335177	4215970	582995	5317867	-55	0	222
MG14-07	323	85339	4267277	582818	5318026	-90	NA	137
MG14-08	327	85339	4267277	582809	5318076	-90	NA	87
MG14-09	329	85339	4267277	582775	5317979	-90	NA	147
MG14-10	327	85339	4267277	582780	5318009	-90	NA	177
MG14-11	327	85339	4267277	582753	5318036	-90	NA	186
MG14-12	332	85339	4267277	582832	5317969	-60	0	159
MG14-13	324	311795	4267276	582804	5317678	-90	NA	45
MG14-14	321	311795	4267276	582785	5317601	-90	NA	30
MG14-15	327	311795	4267276	582848	5317592	-90	NA	30
								<b>1778.5</b>

As well as collars listed Table 10-1, detailed geological plans are presented in Figure 10-1 and Figure 10-2 with the 2014, 2015 and historical drill holes in the area of predominant economic interest on the property. Specifically, during the 2014 program the drilling was clustered in two areas on the map based upon; the area of main Vein #1 zone(s) on cells 185339 and 311795 (legacy claims 4267276 and 4267277) in northeastern Pacaud Township which has been the historical focus for exploration and development on the property and; the area of the Allied Syenite immediately to the north on cell 185339 (legacy claim 4367276). In addition, three exploration holes were drilled to the east of the Allied Syenite on cells 185339 and 335177 (legacy claim 4515970) in northwestern Catharine Township which originally was part of the historically named “Perron” claims.

During the drill program, a total of 1,111 core samples were obtained from the drilling most of which were 1 metre in length but ranging from 0.25 to 2.0 metres. All the samples were analyzed for gold and 51 were also analyzed for multi-elements. The analyzed samples covered approximately 61% of the core obtained from drilling. All the assays highlights are listed in Table 10-2. Mineralized intervals reported are core lengths and their true widths at this stage are unknown. There are no drilling, sampling or recovery issues known by the Author that could materially impact the accuracy and reliability of the results.

**Figure 10-1 – Miller Gold Property historic, 2014 and 2015 Diamond Drill holes plan map**

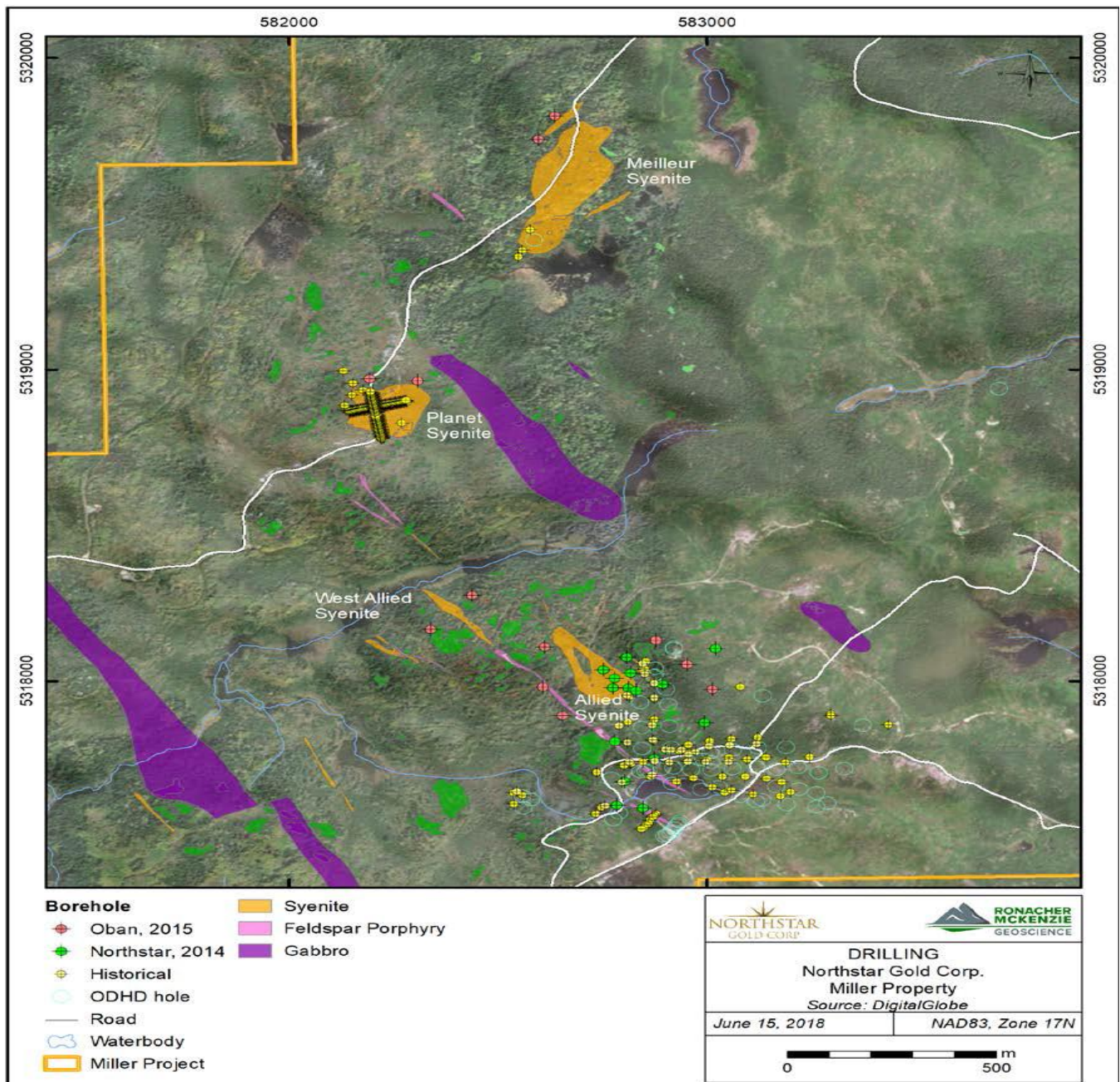
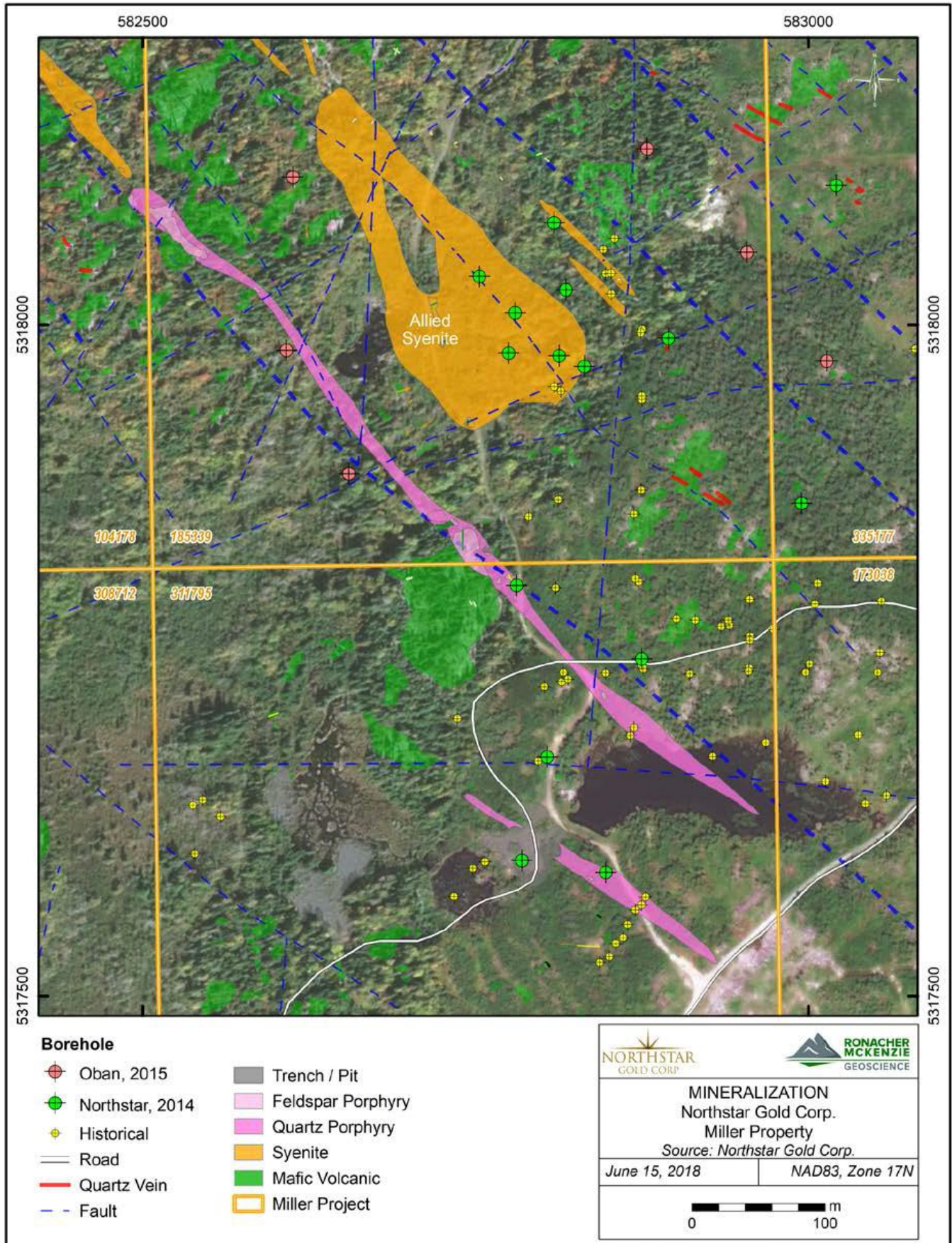




Figure 10-2 – Miller Gold Property detail of central mineralized area with diamond drill holes plan map



## Discussion of 2014 Results

The program was successful in confirming the trend of the shallowly dipping No. 1 Vein Zone in holes MG14-02, 3, 7, 9, 12 and 13. In addition, a bulk tonnage, near surface gold target was discovered within the Allied Syenite with 6 drill holes (MG14-03, 7, 9, 10, 11, 12) intersecting gold zone(s) between 20m and 120m vertical depth within the intrusive body. Drill hole spacing in the vicinity of the Allied Syenite was between 30 and 50m for the 6 holes. Best results of the drilling came from holes MG14-02, 07, 09 and 12. Specific drilling highlights are detailed in Table 0-1.

**Table 0-1 Miller Gold Property 2014 assay highlights table.**

Hole ID	From (m)	To(m)	Interval (m)	Au (g/t)	Comments
MG14-01	3	3.3	0.3	3.3	Within 20m of historic hole 87-6
and	58.15	58.65	0.5	1.56	
MG14-02	49.7	57.65	7.95	5.26	Vein #1 Zone C shaft within 2m of historic hole 204
including	49.7	50.15	0.45	86.6	
MG14-03	41.7	111.3	69.6	0.58	20m north of Historic hole 87-15 Allied Syenite
including	41.7	62	20.3	1.27	
including	41.7	42	0.3	36.2	
Including	110	111.3	1.3	1.21	
MG14-06	171.6	177.7	6.1	0.94	ENE Shear zone
MG14-07	22	119.5	97.5	1.04	
including	105.47	119.5	14.03	3.55	Vein #1 zone Allied Syenite
including	112.43	114.25	1.82	11.3	
MG14-08	10	11	1	1.11	
MG14-09	44	107	63	0.88	
including	75	107	32	1.27	
including	88.95	107	18.05	1.99	Vein #1 zone Allied Syenite
MG14-10	41	109	68	0.6	
Including	46	52	6	2.43	Allied Syenite
including	76.5	87	10.5	1.18	
MG14-11	20	21	1	8.2	
and	43.5	95	51.5	0.7	Allied Syenite
Including	43.5	49.5	6	2.29	
Including	79	81	2	3.6	
Including	92	95	3	1.47	
and	110	111	1	7.42	
MG14-12	54	156	102	0.99	
Including	54	56	2	4.47	
Including	78	82	4	2.59	
including	113	156	43	1.7	
including	138.05	142	3.95	11.6	Vein #1 zone Allied Syenite
MG14-13	21.9	24	2.1	1.9	
MG14-14	3	4	1	8.34	Vein #1 zone-C shaft
MG14-15	5.5	6	0.5	0.47	

In summary, gold mineralization in the No. 1 Vein Zone is characterized by widely distributed coarse native gold and gold tellurides hosted by quartz veins, disseminated pyrite, intense chlorite alteration and rare chalcopyrite stringers. Fine gold is associated with heavy disseminated pyrite mineralization.

Diamond drilling confirmed the presence of No. 1 Vein hosting gold mineralization in the area of the Miller–Independence historic mine workings at shallow depths. The program also showed No. 1 Vein dips shallowly to the north towards the Allied Syenite where the vein system may widen and become incorporated into the Allied Syenite as multiple sub-horizontal narrow veins in a fingering manner suggestive of a genetic relationship in the gold mineralization.

Gold is very widely distributed throughout Allied Syenite from 20 to 120 metres vertical depth with the majority of samples showing anomalous results. Gold mineralization in the intrusive is commonly associated with intense silicification, hematization, pyritization, black chlorite, and quartz and jasper veining of the syenite but is also found in spatially associated mafic volcanic and feldspar porphyry rocks, and within parts of the syenite exhibiting apparent lesser alteration such as within hole MG14-09. Within these less altered host rocks the gold mineralization, however, still appears to be associated with distinctive speckled grains of black chlorite of likely iron rich composition and secondary origin.

At this early stage of exploration, the orientation of the mineralized zone is not well defined and sample lengths do not reflect the true lengths or widths of the mineralized zone although based upon drill core logging in vertical holes many veins intersected in the Allied Syenite were observed to be at a normal angle to the core axis.

### 2015 Oban Mining Drilling

In July and August 2015, Oban Mining Corp. contracted Forthright Drilling, based out of Timiskaming Shores, ON to complete 12 NQ diamond drill holes on the Allied, West Allied, Meilleur and Planet syenites totaling 4,067 m (Table 0-2, **Error! Reference source not found.**). The rig and equipment sloop were moved between drill sites by a skidder. The drill sites are accessible by truck along a network of bush roads.

The diamond drill program was designed to test the extent of the Allied Syenite due to limited exposure. The drill holes in the Allied Syenite were spaced on 100 m sections and were drilled with an azimuth of either 065° or 245° to intersect the structures interpreted to control the auriferous veins at an optimal angle. This drilling pattern produced four sections through the Allied Syenite.

For the West Allied, Planet and Meilleur syenites, the drill program was planned to test the character and distribution of the gold mineralization at depth and to determine the size of these intrusions. The West Allied Syenite has no recorded historical drilling while the Meilleur and Planet syenites have been sparsely drill-tested with 3 holes and 6 holes respectively. The drill holes were planned to intersect the mineralized quartz veins and structures at an optimal angle based on the results of the 2015 field mapping program.

The azimuth and inclination of all drill holes were measured using a Reflex multi-shot downhole survey instrument. Measurements were made 15 m below casing, at 50 m downhole, and at subsequent 50 m intervals. The Reflex survey data is summarized in the header section on each of the drill hole logs. The location of each drill hole was recorded by an averaged GPS reading. Based on this control, accuracy of hole positioning is estimated to be less than 5 m.

The drill core was logged and photographed, 4 boxes at a time. The logs recorded the different lithologies, alteration types, mineralization, position and orientations of veins, fractures, RQD and other structures. The rock quality designation (RQD), and level of core recovery for the 2015 drill holes was recorded prior to the lithologic logging. Core recovery was generally > 95% with the exception of a few highly fractured zones. The photos of the un-split core agree well with the stated core recovery of > 95%.

**Table 0-2 Summary of Oban 2015 Drill Program.**

Drill hole	Project Area	Easting	Northing	Elevation (m)	Azimuth (°)	Dip (°)	Final Depth (m)
MG15-16	Allied	582879	5318131	327.78	245	-45	351
MG15-17	Allied	582613	5318110	325.35	65	-45	204
MG15-18	Allied	582655	5317889	307.51	60.1	-53	399
MG15-19	Allied	582608	5317981	315.28	62.8	-51	394.4
MG15-20	Allied	582954	5318054	326.46	245	-46	423
MG15-21	Allied	583014	5317973	326.77	245	-47	440.7
MG15-22	West Allied	582438	5318276	311.35	225	-45	225
MG15-23	West Allied	582340	5318166	318.41	221.5	-46	224.7
MG15-24	Planet	582194	5318971	327.56	197.8	-51	369
MG15-25	Planet	582309	5318964	310.77	201.9	-45	314
MG15-26	Meilleur	582597	5319740	313.89	129.4	-48	356
MG15-27	Meilleur	582637	5319815	318.65	135.5	-46	366
							<b>4,066.8</b>

Of the 4,066 m drilled, 183.7 m of core was not sampled. The unsampled intervals were in MG15-21 and MG15-24. MG15-21 failed to intersect the Allied Syenite therefore the majority of the hole was hosted in slightly altered to unaltered mafic volcanic. Unaltered mafic volcanic rocks with no mineralization or veining were not sampled. MG15-24 was planned to be drilled to a depth of 370 m to intersect a mineralized quartz vein observed on surface. This vein was not intersected in the drill hole, and over the 140 m of mafic volcanic rocks intersected in the hole only intervals with alteration, mineralization or quartz veining, were sampled.



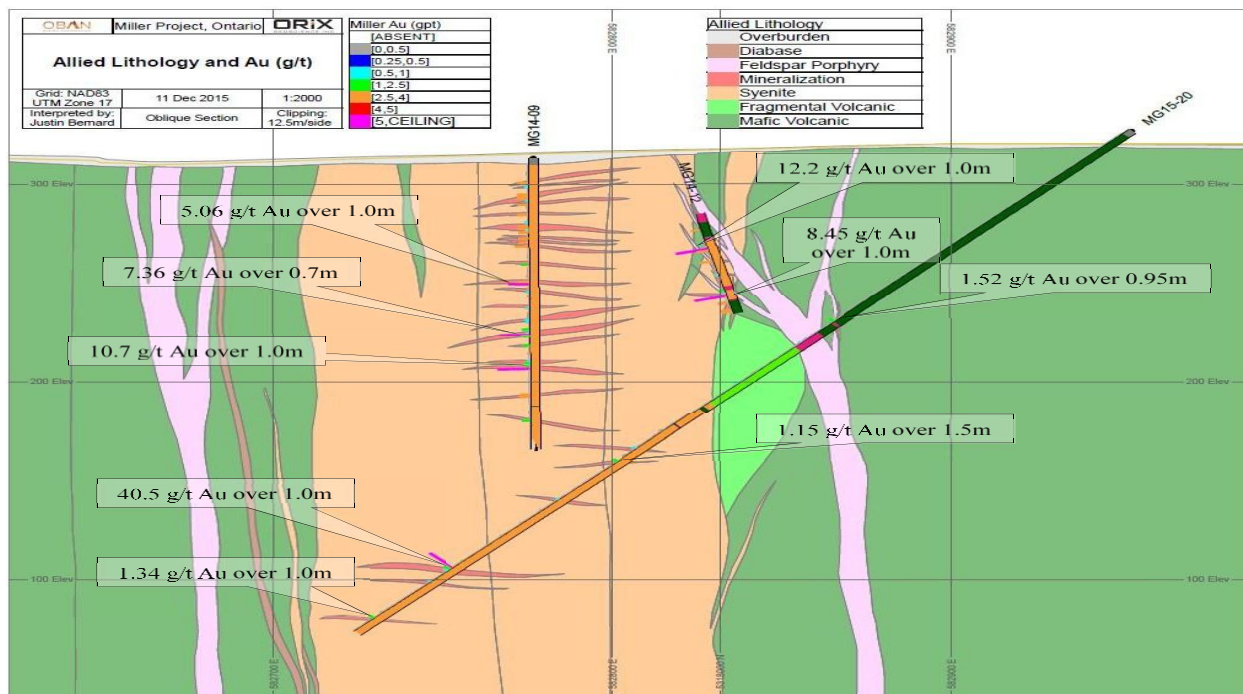
### Discussion of Oban 2015 Results

Of the 12 holes drilled, all holes except for MG15-22 and MG15-23 returned assays above 1 g/t. **Table 0-3** lists highlights of the drilling program. The drill program was successful in demonstrating the presence of gold mineralization in the Allied, Planet, and Meilleur syenites and indicates that there is little chance of gold mineralization being found within the West Allied Syenite.

**Table 0-3: Summary of highlights and calculated weighted averages from the 2015 drilling.**

Hole ID	From (m)	To (m)	Core Length (m)	Au (g/t)	Comments
MG15-16	192.85	196.25	3.40	3.1	Vein #1 zone in volcanic rocks north of Allied Syenite
MG15-18	102.50	103.55	1.05	7.1	Vein #1 zone in volcanic rocks west of Allied Syenite
	255.70	256.00	0.30	19.2	New zone in Allied Syenite @ 210m depth
	374.75	377.75	3.00	4.2	New zone in Allied Syenite @ 300m depth
including	374.75	376.25	1.50	6.12	
MG15-20	311.85	314.85	3.05	14.1	New zone in Allied Syenite @ 220m depth
including	311.85	312.85	1.00	40.5	Abundant visible gold
MG15-24	48.45	195.64	147.19	0.57	Pervasive alteration zone in Planet
including	48.45	60.00	11.55	3.32	Intercept with tellurides and visible gold in stockwork @ 37m depth; confirms historic drilling in Planet Syenite
including	52.30	57.00	4.70	7.34	Visible gold with tellurides
including	53.70	54.00	0.30	74.9	Abundant visible gold with tellurides
including	97.05	97.95	0.90	9.11	Visible gold
including	193.00	195.64	2.64	5.98	Sulfide-rich zone in Planet @ 148m depth
including	193.00	194.10	1.10	12.5	
MG15-26	86.55	87.50	0.95	20.8	Abundant tellurides in FZ near Meilleur
	141.00	141.50	1.50	4.27	
	293.80	306.85	13.05	2.13	Abundant tellurides in FZ in Meilleur
including	293.80	295.20	1.40	14.3	

**Figure 0-2 Geological cross section through the Allied Syenite (from Hart, 2015).**



The 5 holes in the Allied Syenite intersected a series of quartz veins. Gold mineralization is sporadic, with the majority of the high grade intervals hosted in the shallowly dipping first generation quartz veins with associated tellurides and rare visible gold. Within the 5 holes that intersected the main body of the intrusion there were 23 intervals that returned >1.0 g/t Au. The best interval was intersected in MG15-20 which returned 40.5 g/t Au over 1.0 m from 311.85 to 312.85 m, included in a graded interval of 14.1 g/t Au over 3.05 m from 311.85 to 314.9 m (see **Table 0-3** and **Figure 0-2**). Drilling from the southwest side of the intrusion towards MG15-20, M15-18 intersected 4.2 g/t Au over 3.0 m from 374.75 to 376.25m including 5.96 g/t Au over 0.75 m and 6.27 g/t Au over 0.75 m.

Two holes were drilled into the Planet Syenite with MG15-24 collared near the northeast contact and MG15-25 collared approximately 110 m east of MG15-24 and was drilled to be parallel to MG15-24. MG15-24 intersected a series of 5 syenite dykes between 45.45 and 229.47 m which range from 2.5 to 57.2 m in width which are separated by fine-grained mafic metavolcanic rocks. The syenite and metavolcanic rocks host numerous centimetre-scale quartz veins containing pyrite with lesser chalcopyrite, molybdenite, tellurides and rare visible gold.

Two holes were collared to intersect the north end of the Meilleur Syenite (MG15-26 and MG15-27). Hole MG15-26 intersected a red, medium-grained syenite between 89.64 m and 316.06 m with a satellite dyke between 332.06 m and 335.73 m. The syenite hosts centimetre- to a few tens of centimetre-scale quartz veins containing pyrite, 0.5% to 1% molybdenite and rare tellurides. The best assay returned 20.8 g/t Au from 86.55 m to 87.5 m in a faulted, bleached mafic metavolcanic unit.

The sample lengths do not represent the true thickness of the mineralization. The orientation of the mineralization is unknown at this stage. The Qualified Person is not aware of any drilling, sampling, or recovery factors that could materially impact the accuracy and reliability of the results.

### **Sample Preparation, Analyses And Security**

#### 2014 Northstar Drill and Field program

The drill core was placed in wooden core trays at the drill site, labelled with the hole ID and box number and transported to the core logging facility in Earlton, Ontario. At the core logging facility, the core boxes were labelled with aluminum tag indicating the hole number and the core interval stored in each box. The core is stored in core racks inside the core logging facility or staked in its yard. The core storage facility is locked and the property is fenced with a locked gate.

During this program, Northstar Gold implemented an industry standard QA/QC program that included insertion of blanks, blind commercial standards and duplicate quarter core samples in order to ensure best practice in sampling and analysis. During the logging the NQ drill core was laid out on racks at Northstar's Earlton warehouse facility with a Northstar technician measuring recoveries and RQD and taking photographs while the geologist described the core. The geologist then assessed the intervals of mineralization for sampling and placed sample tags accordingly. The core was then ready for cutting.

The selected drill core samples ranged from 0.25 to 2.0 metres in length, but mostly were one metre. The samples were prepared from core cut in half using a diamond saw, sealed in secure packages with a sample tag, and shipped by either company personnel or bonded carrier to either the Swastika Laboratories facility in Kirkland Lake, Ontario or the Activation Laboratories accredited facility (ISO/IEC 17025:2005) in Ancaster, Ontario for preparation and analysis. Swastika Laboratories was not accredited at the time of the analyses. One tag was left remaining in the core box stapled at the beginning of each sample interval for future reference.

Field outcrop grab samples collected in 2014 for analyses have a sample description and the site location, obtained from a handheld GPS, noted on a pre-numbered sampling booklet. Samples were submitted for analyses similar as with the core samples, however no standards or blanks were included with the submitted batches. No QA/QC monitoring of sample collection or analyses was done for grab samples except where specifically mentioned in Boyd and Selway (2015).

Once the samples arrived in the laboratory, as a routine practice with rock and core at both facilities, the entire sample was crushed up to 90% passing 2 mm, mechanically split (250 g) and then pulverized to 95% passing 150 mesh (105 µm). The prepared sample pulps were analyzed by fire assay for gold on a 30 gram split with either AAS or ICP Finish, and in some cases by either 45 multi-element analysis with Aqua Regia Digest and ICP-OAS and ICP-MS method finishes or by 35 elements using Instrumental Neutron Activation Analysis (INAA) at Activation Laboratories. Samples at both laboratories reporting greater than 3 g/t gold were check assayed by fire assay with a gravimetric finish.

Selected drill core samples were analyzed using the metallic screen technique by Activation Laboratories. The metallic screen procedure is described in detail in Section 11.2 and involves the collection of a 500g or 1000g split, which is taken and sieved at 100 mesh (0.149 mm); the entire +100 mesh fraction is fired and two 30g samples collected from the -100 mesh are fired in duplicate. Both Swastika Laboratories and Activation Laboratories fulfill standard quality assurance/quality control protocols except where specifically noted.

In greater detail, the following is a discussion of how the sample preparation and analytical procedures changed during the program. Initially, during the program 355 drill core samples were sent to Swastika Laboratories for gold analysis by fire assay. Based upon the discovery of telluride minerals in the core it was believed that the assays were significantly under-reporting the amount of gold in the core. Selected sample rejects and pulps were sent to Activation Laboratories for check analyses by fire assay with ICP finish, INAA, and fire assay metallic screen analysis. It was discovered during the sample preparation at the Activation Laboratories facility that the Swastika preparation of its samples was inadequate, allowing only approximately 50% of sample through 2 mm, much lower than the minimum acceptable level of 80%. The result was the reporting of significantly less representative and more erratic gold from the Swastika facility, which was supported by the results from selected samples being analyzed using metallic screen methodology at the Activations Laboratories facility, although this was not a consistent pattern. INAA successfully detected all the gold in sample aliquot but the reporting of meaningful results was hampered by a failed internal standard and its small sample aliquot size (<25 g) per analysis in samples commonly weighing 3-4 kg in size and possessing a heterogeneous distribution of gold and telluride grains.

Based upon these findings, the remaining 756 core samples were analyzed by fire assay with ICP finish at Activation Laboratories. In summary, 84 and 24 samples also underwent metallic screen and INAA analyses, respectively. Generally, the metallic screen analytical results were considered more credible than standard fire assay methods because it analyzed more the sample material, and in cases of samples undergoing multiple analyses, they were chosen as the accepted value despite, in many cases, the results being lower than those obtained from the standard fire assay techniques.

In the Author's opinion, the sample preparation, security and analytical procedures follow industry standards and are suitable for the purpose of identifying mineralization in drill core. There is no relationship between Northstar and Actlabs or Swastika other than that Northstar engaged these laboratories to assay drill core.

#### 2015 Oban Mining Field Sampling Program

Field samples collected for analyses have a sample description and the site location, obtained from a handheld GPS, noted on a pre-numbered sampling booklet. Sample descriptions include lithology, structural measurements, mineralization and alteration. The sample descriptions and locations were also entered into a Microsoft Excel spreadsheet for plotting maps using ArcView GIS software. The samples were placed into a numbered bag with the sample tag. The sampling site was flagged and marked with the sample number, and also tagged with an aluminum tag inscribed with the sample number for future identification.

All rock and core samples from the 2015 field and diamond drilling program were submitted to ALS Minerals for analysis. Samples were prepared using the PREP-33D method and analyzed using the AU- ICP22 and MEMS41 methods. If a sample assayed >10 g/t Au, the pulp was re-assayed using the gravimetric finish method, AU-GRA22, as well as Screen Metallics Gold Method, AU-SCR-21. The screen metallic analyses were then considered to be the final gold value. The following descriptions were supplied by ALS-Chemex.

Sample preparation was performed at the ALS Sudbury facility. Samples were dried as required, and crushed to 90% less than 2 mm or better using a jaw and/or roller crusher. The crushed sample was split using a riffle splitter and an approximately 1,000 g split was pulverized to 95% less than 106 microns or better using a ring and puck grinding mill. The pulverized splits of the samples were transported by ALS- Chemex to their facility in North Vancouver for analyses. Analysis for gold used a fire assay – inductively coupled plasma – atomic emission spectrometry (ICP- AES) method, Au-ICP22. The upper and lower limits for gold by this method are 10.0 and 0.001 ppm respectively.

Any samples that exceeded the upper limits of the AU-IC22 method for the gold analyses were re-analysed using a gravimetric finish, Au-GRA22 method and screen metallics gold method, AU-SCR-21. The upper and lower limits for gold detection by this method are 1,000 and .05 ppm respectively. The sample preparation, security and analytical procedure were adequate for the purpose of the Technical Report.

#### 2015 Oban Mining Drill Program

The sampling protocol was based on representative sample widths of the mineralogy, lithology, vein, structure, or alteration zone within the limits of a maximum sample length of 1.5 m and a minimum sample length of 0.3 m. Samples did not cross lithological contacts, changes in structural style, veins/vein sets, or strong alteration zones unless the lithology, structure, vein or alteration was less than 0.3 m in width, and then only to meet the 0.3 m minimum.



A removable portion of the sample tag was stapled into the core box at the beginning of the sample interval. The core cutter removed half the tag and placed it into a sample bag inscribed with that number. The beginning and end of each sample interval was marked on the core with a china marker. The core was sawn in half with a core saw using a diamond blade; subsequently, half of the core was placed into a numbered bag with the sample tag, and the remaining half of the core was placed in the core box. Sample numbers and corresponding intervals were recorded in the drill log. The drill core is currently stored at Northstar's secure core shack in Earlton, Ontario.

Core samples were placed in polypropylene rice bags and were securely closed with zip lock ties. The bags were individually labeled for shipping and stored at the core cutting facility until shipped. The samples were transported from Earlton to the ALS-Chemex laboratory in Sudbury, Ontario for sample preparation by Northstar representatives. The samples were prepared as described previously in Section 11.2 and then transported by ALS-Chemex to their facility in North Vancouver for analyses.

A total of 3,359 samples were analyzed for gold by fire assay with an atomic absorption spectroscopy finish completed by ALS-Chemex. Analyses for gold used the fire assay method, Au-ICP23 and analyses for trace elements used the multi-element ME-MS41 method. Any samples that returned greater than the upper limit for gold were re-analyzed using the methods described in section 11.2 All samples were also analyzed by a multielement ICP-aqua regia digestion package which included Te, Ag, Cu, Ni, Pb and Zn. Information concerning the lithology, structure, alteration and mineralization was logged and entered into an excel spreadsheet. All intervals of core were digitally photographed. The sample preparation, security and analytical procedure were adequate for the purpose of this report.

#### Northstar 2016 Bulk Sampling Program

Northstar implemented an industry standard QA/QC program under the supervision of the Author that includes insertion of seven blanks and seven blind commercial standards with the 241 field samples in order to ensure best practice in sampling and analysis. During the field sampling program on the Miller Gold Property cut channel outcrop or blasted rock samples were taken at systematic intervals on the surface by the Author or by Northstar technician Marc Cardinal with UTM NAD 83 GPS coordinates recorded in the field at the ends of each traverse line.

The collected surface samples ranged in weight from 5 to 20 kg, predominantly approximately 10 kg. Larger than usual samples were gathered to ensure their being representative, bearing in mind the nuggety nature of the gold distribution within the mineralized areas on the property as discussed in Boyd and Selway (2015). The samples were zip-lock sealed in secure packages with a sample tag, and shipped by either company personnel or bonded carrier to the Activation Laboratories accredited facilities (ISO/IEC 17025:2005) in Sudbury, Ancaster, and Thunder Bay, Ontario for preparation and analysis. One tag was left remaining in the sample book for future reference. A blank and high-grade gold standard OREAS-62E (certified values 9.13 ppm Au, 9.86 ppm Ag) were inserted by Northstar for approximately every 30 samples with the batch shipment.

Once the field samples arrived in the laboratory, the entire sample was crushed with 90% passing 2 mm; a 1,000 gram sample pulp was pulverized to 95% passing 149 µm screen (100 Mesh size) and prepared to be analyzed by fire assay for gold on a 50 g split with an ICP finish, and in most cases an additional 45 multielement analysis with ICP-MS method finish was completed. Samples reporting greater than 2 g/t gold were check assayed by metallic screen technique (Actlabs Code 1A4). The metallic screen procedure involves the preparation of the 1,000 gram pulp, which is sieved at 100 mesh; the entire +100 mesh fraction is fired and two 30 g samples collected from the -100 Mesh fraction were fired in duplicate. Activation Laboratories fulfill standard quality assurance/quality control protocols.

The Camflo Mill head feed sample splits provided for Northstar were sealed in zip-lock secure packages by a mill technician and then double packaged by the Author at the mill site with sample tags added to the outer bags without breaking the secure lock of the inner packages. These samples and the Northstar mill solution sample splits were then driven and submitted to the Activation Laboratories facility in Sudbury directly under the custody of the Author. The Camflo mill head feed samples and a composite mill head sample were also analyzed by metallic screen except that 2,000 gram sample pulps were prepared to 90-95% passing 149 µm (100 mesh). This is similar to the analytical procedure implemented for the aforementioned mini bulk sample collected in 2013 from the area of Trenches 1 and 3 and discussed in Section 9.

In general, sample size, preparation and analytical procedures have changed on the Miller Gold Property since its acquisition by Northstar. This is outlined in previous technical reports for the property (Boyd and Selway 2015, Hart 2016). Based upon the discovery of telluride minerals and highly nuggety coarse native gold in mineralized samples, it was believed that the assays were initially significantly under-reporting the amount of gold when using standard sample preparation techniques and 30 gram fire assay with Atomic Absorption methodologies. The result was the implementation of an improved sample preparation procedure of crushing the entire sample, increasing the level of sample material passing through 2 mm screen from 80 to 90%, and the increase in the size the sample pulps to at least 1,000 g from the standard 250 g.

The analytical procedure was further refined during this work program with the preparation of at least 1,000 g pulps for the metallic screen analysis to make them more representative of the sample. Specific instructions were provided to the laboratory with respect to minimizing gold losses in the coarse fraction and avoidance of over grinding to reduce breakdown and smearing of tellurides so that greater than 90% but less than 95% of the material passes through the 100 mesh screen.

Concern was raised with respect to the variance of results discovered between the metallic screen gold analyses at the Sudbury Activation Laboratories facility and the company's other two facilities in Ancaster and Thunder Bay. Specifically, ten reject duplicates and a composite of the Camflo mill feed samples reviewed and analyzed at the other two facilities reported significant and consistent lower gold values in comparison to those results reported from the Sudbury facility. It was unclear if these differences were due to minor variations in sample preparations among the facilities or more serious issues at the Sudbury facility. Based upon this information and sample material availability, reject duplicates from mill feed and field sample batches and from the original 2016 mini-bulk sample batch were sent to AGAT Laboratories in Mississauga for independent third party laboratory check analyses using similar preparation and methodologies as applied at the Actlabs facilities.

The results of these check analyses and comparisons with the Actlabs results are presented and discussed in Section 12.4. The sample preparation, security and analytical procedure were adequate for the purpose of this report.

#### Northstar 2016 Sampling

Grab samples collected in 2016 were stored in plastic samples bags with pre-numbered sample tags. The samples were transported to Swastika Laboratories, Swastika, ON, by Northstar personnel. The samples were crushed up to 80% passing 1.7 mm using low-chrome steel jaw plates, mechanically split (250 g) using a rotary splitter and then pulverized to 90% passing 150 mesh (105  $\mu\text{m}$ ) using a low-chrome steel bowl set. The prepared sample pulps were analyzed by fire assay for gold on a 50 gram split with either AAS finish.

At the time of the analysis of the 2016 grab samples, Swastika was accredited for fire assay analysis (ISO/IEC 17025:2005). There is no relationship between Swastika and Northstar other than that Northstar commissioned Swastika to analyze samples.

Northstar added 10 blanks and 9 standards to the samples. The sample preparation, security and analytical procedure were adequate for the purpose of this report.

#### **Data Verification**

##### Northstar Grab samples

No standards or blanks were used during the Northstar 2012-2014 grab sampling.

A total of 10 blanks were inserted into the sample stream during the 2016 grab sampling. Three blanks failed; two of the failed blanks were analyzed immediately after samples with high gold grades, which indicates that the laboratory may not have cleaned the crusher properly.

A total of nine standards were included into the sample stream: six OREAS 62e standards with certified values of 2.47 g/t Au and three OREAS 60c standards with certified values of 9.13 g/t Au. All standards passed.

In the context that these were field grab samples obtained for prospecting purposes, the sample data are adequate for identifying the presence of gold mineralization and for the purpose of this report.

##### Northstar 2014 Drilling Quality Control

During the drill program Northstar submitted with the core samples a total of 130 blind gold standard samples and coarse granite or marble blanks at an average rate of one standard and one blank for every 17 samples which was originally reviewed and reported by Boyd and Selway (2105). A summary of the blanks and standards is given in Table 12-1

**Table 12-1 - 2014 Drill program blanks and standards**

QC Sample	Element	Units	Certified Value	One Standard Deviation	Drill Holes	Lab
Crushed granite blank	Au	g/t	<0.01	N/A	MG-14-01, 02, 03, 06	Swastika
Crushed granite blank	Au	ppb	<5	N/A	MG-14-07, 08	Actlabs
Crushed marble blank	Au	ppb	<5	N/A	MG-14-09, 10, 11, 12, 13	Actlabs
Oreas 204	Au	ppm	1.043	0.039	MG-14-01, 02, 03, 05, 06	Swastika
Oreas 204	Au	ppm	1.043	0.039	MG-14-07, 09, 10, 11	Actlabs
Oreas 19a	Au	ppm	5.49	0.1	MG-14-01, 03, 06	Swastika
Oreas 19a	Au	ppm	5.49	0.1	MG-14-07, 08, 09, 10, 11	Actlabs
CDN-ME-16	Au	g/t	1.48	0.14	MG-14-11, 12	Actlabs
	Ag	g/t	30.8	2.2		
	Cu	%	0.671	0.036		
	Pb	%	0.879	0.04		
	Zn	%	0.807	0.04		
CDN-GS-2K	Au	g/t	1.97	0.18	MG-14-11, 12	Actlabs
CDN-GS-10D	Au	g/t	9.5	0.56	MG-14-03, 12, 15	Actlabs

A total of 27 crushed granite blank samples were inserted into the sample stream with the 2014 drill program (Figure 12-1). A total of 17 crushed granite blank samples were sent to Swastika with drill core from MG-14-01 to 06. Swastika analyzed the samples for Au using fire assay with an ICP finish. All of the granite blanks submitted to Swastika passed. All of the granite blank assays were less than three times the detection limit of 10 ppb (0.01 ppm). A total of 10 crushed granite blank samples were sent to Actlabs with drill core from MG-14-07 and 08. Actlabs analyzed the samples for Au using fire assay with an AA finish. All of the granite blanks submitted to Actlabs passed. All of the granite blank assays were less than three times the detection limit of 5 ppb (0.005 ppm).

#### Oban Mining 2015 Drilling Quality Control

In order to test for contamination, accuracy and precision during the analytical process, quality assurance and quality control (QAQC) samples were added to the sample stream every 10 samples for QAQC purposes. During the mapping program 18 blanks, 21 standards and 11 duplicates were submitted. During the drill program 120 blanks, 109 standards and 111 duplicates were submitted. All the assays were imported into a password protected Microsoft Excel database and a QAQC report was generated. The review, tables and figures for this drill program were originally reported in Hart (2015).

A fine silica blank certified by Analytical Solutions Ltd (ASL) was chosen to check for cross-sample contamination at the laboratory. This blank had a certified Au value of 0.02 ppm. Blanks were inserted every 30th sample, or immediately after a sample that contained visible gold. A value for gold of less than 0.02 ppm was passed and analysis above that limit was considered a failure. Any result that fell below the detection limits of <0.001 were divided by two in order to create a value that can be graphed.

In the drill program, blanks were inserted every 30th sample in a series of 100 which meant samples ending in \_10, \_40 and \_70 were always a blank. In addition, blanks were inserted immediately after samples containing visible gold as a way to check for contamination. All 120 blanks fell below the maximum certified value of 0.02 ppm. Additionally, 11 blanks were sent in for inclusion in two analytical batches that required reanalysis due to failures of the standards. These 11 blanks also fell below the maximum certified value.

Five certified standards were used in the Miller field and drilling programs. Three certified standards from CDN Resources Laboratories Ltd., CDN-GS-2K (low grade), CDN-GS-10D (high grade), and CDN-CM- 38 were used briefly at the beginning of the Miller field program. CDN-CM-38 was also used in the 2015 drill program as a standard for Ag, Cu and Mo. For general use, these standards were replaced with certified OREAS standards OREAS 60C (lower grade) and OREAS 62E (higher grade) for both the field and drilling programs. These standards, from Ore Research and Exploration P/L, came in a 60 g foil packet and had specific values and ranges for Au and Ag (Table 12-2). A standard was inserted every 30th sample. The label was scratched off the packet so that the laboratory would not know which standard was being analyzed. A failure limit of +/- 2 absolute standard deviations from the certified value was set as the failure limit. If a standard fell outside of this range, the laboratory was requested to re-run the batch.

For the field program, there were no batch failures that required re-analysis although one standard (R333450, OREAS 62E) from batch SD15085705 failed for Ag. Considering that the objective of this program was the gold analyses, and that R333450 failed for Ag, the failure was documented but no re-analysis was requested. There were several QAQC failures regarding standards during the drilling program, see Figure 12-14, Figure 12-15 and Figure 12-16. Out of the 109 standards, 9 failed for gold, representing 10% of the total analyses and 7 failed for silver, representing 6%. The majority of these failures occurred in two batches (SD15122210 and SD15126103) which affected 298 samples in drill holes MG15-17 and MG15-18. These entire two batches were re-analyzed. Due to the small sample weight of the standard and blanks, new standard and blank packets were sent to the laboratory to be inserted in place of the originals. The laboratory determined that flux had not been properly adjusted to accommodate the silica rich nature of the standards. This lack of adjustment was of concern to Oban as the targeted mineralization is silica-rich. However, the other 100 standards returned gold values within the expected limits suggesting if there was a flux problem it must have been only with these two batches. As well, there does not appear to be much difference between the gold concentrations comparing original analytical results to the results of the re-analyses. To provide an additional check on these batches, 11 samples were selected from the two failed batches, along with 5 standards for submission as “check assays” at Bureau Veritas Laboratories located in the Vancouver area. The results of the check assays were comparable to the results from ALS.

Refer to Table 12-2 in the Technical Report for details.

### **Mineral Processing and Metallurgical Testing**

#### **2013 - 14 Gold Metallurgical Test Programs**

A 30 kg sub-sample obtained from the 2013 13 tonne bulk sample discussed in Section 9.3 consisting of quartz veined material hosting visible gold was submitted by Northstar for gravity recoverable gold (GRG) bench testing in September 2013 at the Activation Laboratories Ltd. Metallurgy Department using a Knelson Concentrator in a gold recovery circuit (Steyn 2013). The sample was crushed to 100% -850 µm for the 1st pass through the Knelson Concentrator, with the tailings from the 1st pass milled 42% -75 µm for the 2nd pass, and 83% -75 µm for the 3rd pass through the concentrator. The sample head grade was 51.1 g/t Au with a 94.2% gold recovery using gravity concentration and the final tails from the test had 2.93 g/t of gold remaining.

Four pails of material were sent to SMC (Canada) Ltd. for testing with results being described by Smirle (2013). Two of the pails contained white to rusty quartz plus small amounts of metallic luster while the second two pails contained quartz and small amounts of metallic oxidation therefore pails containing similar material were processed together. Each batch of material was mixed then split, fed through a Bico pulveriser, passed through a 60 mesh screen and then sent to the gravity separator except for a small portion separated for assay. A gravity concentrate was recovered with the remainder, except for a small portion removed for assay, and was passed through a rolling mill and then screened at 200 mesh with another assay sample removed. The remainder was fed to a Denver float cell with a Dow frother plus xanthate producing a concentrate. Overall the reported recoveries were 92.3% and 96.2% for the two sets of material. It was noted that no visible gold was observed in the sample material and that this may be due to the gold presenting itself as a telluride.

#### **2016 - 17 Gold Metallurgical Test Programs**

In early 2016, two hand cobbled samples, one each of high and low gold grade, originally obtained in 2014 from the area of Trench 1 where Vein #1 reaches the surface in the same location as the aforementioned minibulk sample, were submitted to Actlabs in Thunder Bay for a series of bench metallurgical tests. The purpose of the testing was to determine the gold recovery using a combination of gravity concentration, flotation, and cyanidation. The flotation and gravity products were analyzed to determine ARD characteristics and deleterious element compositions. The results of the flotation tests were variable but showed the amenability of the use of a gravity circuit for this mineralized material for the successful recovery of gold and for the planning of the milling flow chart. Details of the tests completed and their results are reported in Steyn (2016). It is noted in the report that a mineralogical study of the gravity concentrate indicated that the gold occurs as gold bismuth tellurides, native gold, electrum, and gold and silver tellurides (Steyn 2013). The gold or gold containing mineral grain size in the concentrate was on average 20 - 60 µm whereas the grains in the tailings were <3 µm.

During the 2016 - 17 bulk sampling program, discussed in Section 9.3, a composite sample taken from the rejects of the 23 Northstar splits samples from the Camflo Mill feed material was prepared for metallurgical testing at Actlabs in Thunder Bay. A test metallurgical program for this sample that mimics the grinding and cyanidation processes at the Camflo Mill was undertaken. In addition, the composite sample underwent a series of gravity concentration plus grinding and preparation tests at different mesh sizes in order to further assess the most beneficial means minimizing the loss of gold during preparation for analysis and recovery.

Initial results from 2 cyanide leach tests using 2,000 g composite mill head samples under the same conditions as were present in the Camflo mill reported 96.1% and 97.7% overall gold dissolution in 72 hours. Gold dissolution at 45 hours was 95.5% and 97.3%. These results represent a marked improvement over previous leach tests and demonstrate that high gold recoveries are possible when using a higher solution pH of 11.9 to 12.1 and maintaining moderate cyanide concentrations in the range of 650 to 700 ppm NaCN to assist in the dissolution of gold tellurides.

For the gravity recoverable gold tests using the composite mill head samples, 70% to 75% of the total gold was recovered in a single pass at a coarse 1 mm feed size. Overall gravity recoveries using a Knelson concentrator and Wilfley table were 87.10% and 80.3% respectively. While the reported recovery is encouraging from a metallurgical standpoint it nevertheless makes avoiding gold losses in comminution of sample material from the property more challenging as the majority of the gold is being liberated at coarse +1 mm crush sizes. During the preparation of Northstar's exploration samples some gold losses were experienced in crushing and grinding due to coarse nuggety gold getting trapped within and soft gold bismuth tellurides smearing out on the steel equipment.

The results of 7 x 1000 g flotation tests of 30 minutes duration on both composite head samples and the Wilfley table tailings were reasonable with a range of gold recoveries between 39.2% and 95.2%. The best recovery of 95.2% on the composite mill head sample was achieved using a combination of Cytec's AEROPHINE 3418A and AERO 6697 collectors along with a standard MIBC frother. Recoveries on the gravity tailings were lower with the Cytec's AERO 407 promoter achieving the best result of 67%, although the combination of AEROPHINE 3418A and AERO 6697 produced the highest grade concentrate.

The bulk sample mill head mineralized material utilized for the 2016-17 metallurgical programs is considered to be representative of the mineralized body on the Property because the sample was extracted from the narrow high grade quartz vein considerably diluted by low grade mafic wallrock. This is in contrast to the material utilized for the 2013-14 metallurgical programs which were completed on the quartz vein material only.

The results indicate that high recoveries are possible from the mineralized material using a combination of gravity, cyanide leach and flotation metallurgical methods but considerable additional testing is required to define a flow chart for economic appraisal due to the variety of settings and textures of the gold mineralization in native, telluride and sulphide-hosted forms.

#### Mineralogical Testing

Two drill core samples from MG-14-09 were submitted to Actlabs for modal mineralogy late in 2014:

- Sample 14143 from 101.0 to 102.0 m with 24.9 g/t Au determined by metallic screen
- Sample 14149 from 106.0 to 107.0 m with 10.7 g/t Au determined by metallic screen

Both samples were logged as being syenite with intense chlorite alteration with disseminated pyrite.

One polished section from each sample was prepared for analysis with carbon coating (Bindi, 2014). The polished sections were analyzed for modal mineralogy on a Quanta 600F scanning electron microscope (SEM). By a combination of image analysis employing atomic number contrast imaging (from back-scattered electron – or BSE- signal intensity) and Energy Dispersive Spectrometry (EDS) using Bruker 5010 SDD detectors, minerals and other attributes are directly measured on the SEM Mineral Liberation Analyzer ("MLA"). BSE signal intensity is proportional to the mean atomic number of minerals. The Field Emission Gun was used at an accelerating voltage of 20 kV and a spot size of 5 and a working distance of 12.5 mm.

The modal mineralogy of the entire samples confirmed the logged lithology of syenite (high albite, low quartz and K-feldspar content) and the presence of strong chlorite alteration and disseminated pyrite (Table 13-1).

Four gold grains were identified in sample 14149 which were both liberated and locked, ranging in size from 5-75 µm and associated with tsumoite (BiTe). The gold grains were Au-Ag alloys of variable composition.

Refer to table 13-1 in the Technical Report for details.

These results were useful for mineralogically characterizing typical gold bearing mineralized material hosted in the Allied Intrusion syenite.

Two gravity concentrates and tailings from a sub-sample of the 2013 bulk sample (section 9.3 and 13.1) were also analyzed by MLA. The concentrates consisted dominantly of pyrite (67.88 wt%) and quartz (21.78 wt%); a third tailings sample consisted dominantly of quartz. Gold and silver occurred in the form of native gold, electrum and as gold and silver tellurides and sulfides. Gold and silver-bearing minerals comprise 1.36 wt % of the concentrate. Bismuth and lead tellurides and their oxidation products are also found in trace amounts (1.21 wt % in the concentrate). In the concentrate, most of the native gold and electrum occur as free grains (80 % and 72 %, respectively). Some of the gold is locked in pyrite. Gold can also be found as small disseminated grains in iron oxides and Bi telluride.

### **Mineral Resource Estimates**

No mineral resources have been estimated on the Miller Gold Property.

### **Interpretation and Conclusions**

Historical exploration on the Miller Gold Property has been sporadic and not always well-focused as the Miller Gold Property was often subdivided into a series of smaller separately owned claims or properties. Consolidation of the smaller properties by Northstar has allowed for a more systematic examination of the potential of the Miller Gold Property to host economic gold mineralization.

### **Recommendations**

Based upon these results of exploration to-date, follow-up exploration of the Property is strongly recommended. The encouragingly positive results from the bulk and surface sampling program support a follow-up program of core and reject re-sampling and analysis, drill hole modelling, extension of the 2014 IP / resistivity survey and closely-spaced shallow diamond drilling. Additional stripping, trenching, detailed surface mapping and bulk sampling is also recommended for the Miller Gold Property.

#### **Phase 1**

- In the short term, the purpose of the recommended program is to aid in identifying additional promising areas where quartz veining shallows or flares up "blow outs" to the near or at surface similar to Trench 1. Three-dimensional exploration geology modeling of the central mineralized area including the Allied Intrusion and southward to the Trench 1 area should be completed. Follow-up exploration priority should be directed in the vicinity of the Trenches 1 to 4 extending northwards towards the Allied Intrusion focusing on the delineation of open volumes of near surface vein-hosted, high-grade, gold mineralization preferably accessible by open pit mining techniques.
- As an immediate priority, it is important that drill logs and core from the drilling programs of 2014 and 2015 be re-examined, and selected core samples be re-sampled and re-analyzed using a similar methodology as outlined in Section 11 prior to choosing targets for follow-up diamond drilling, trenching and surface sampling, and modelling work. Attention should be paid to those samples from previous drilling core sections that were logged as appearing to be situated within interpreted mineralized zones, where values of <10 g/t Au were reported, and that did not undergo metallic screen analysis from at least a 1,000 g prepared pulp. Based upon the results in this program, it is believed the erratic reported gold results from previous exploration of the property and difficulties in consistently following mineralized zones may be at least partially due to the failure of previous analyses to consistently account for the all of the coarse gold in the samples.
- A program of shallow exploratory trenching and channel sampling should be completed on the Allied, Planet and Meilleur intrusions to better expose the intrusive bodies and auriferous quartz veins. This program should include locations within the intrusions and across the regional structures that host gold mineralization, including the northwest-trending zone along the east side of the Allied intrusion and the northeast-trending zone along the north side of the Planet intrusion, to better assess the relationship between the intrusions and the structures which appear to control the auriferous quartz veins. This trenching and channel sampling program should also examine the mineralized quartz veins located to the south of the Allied intrusion hosted by a similar set of structures associated with those in the intrusions.
- Integrative with the drill core re-evaluation, the Author recommends the re-evaluation and possible reprocessing of the 2014 IP survey data combined with additional deposit modelling based upon the improved geological understanding gained from the 2014 and 2015 drilling programs and exploration with the purpose of identifying additional near-surface high resistivity and chargeability targets and more specifically to better define the trend and depth of Vein #1 north of Trench 1. It is also recommended to expand the 3D IP coverage to the west of the D Zone and to the north half of the Miller Gold Property. The geophysical data should be interpreted in a geological context such that drill targets can be generated. The gold bearing structures identified in surface mapping need to be included in the geological / geophysical model.



- Attention should be paid to the structural geology of selected locations over the Allied, Planet and Meilleur intrusions in follow-up to both historic and 2014 and 2015 drilling with a focus on assessing northeast and west northwest trending shear structures along the north contact and centre of the Planet Intrusion. It is recommended that attention also be paid to the east side of the Allied and west side of the Planet intrusions at the projected intersection of these shear structures, and at depth where possible intersections, bends, fault jogs or intrusive contacts of Vein #1 and D-Vein may result in thickening of the high grade Au zones.

## **Phase 2**

- It is recommended that Northstar, based upon the findings from the aforementioned recommendations and contingent on positive results from Phase 1 exploration, follow with a tightly spaced definition drilling program on the Vein #1, Allied and D zones. The focus of the program will be on target areas generated from the interpretation of the aforementioned IP work and drill core and surface reevaluation including where the Vein# 1 zone attains a minimum width of 1.0 m as observed in drill holes MG14-02 and MG14-14 and MG14-07 (3.25 g/t Au over 14.03 m from 105.47 to 119.5 m) and MG14-12 (11.62 g/t Au over 3.95 m from 138.05 to 142.0 m) in the vicinity of the Allied Syenite. Follow up drilling is also recommended on the new discovery in drill holes MG15-18 (19.25 g/t Au over 0.3 m from 255.7 m to 256.0 m) and MG15-20 (14.1 g/t Au over 3.05 m from 311.85 to 314.9 m) which may represent a parallel gold bearing structure 100 m below the Vein 1 zone. It is recommended that during the next drill program specific gravity measurements be completed on every tenth sample chosen for analysis.
- This fieldwork should be followed by detailed deposit modelling of the results in preparation for a resource estimation that follows the standards of the National Instrument 43-101. The results of the drilling and re-evaluation work programs should also aid Northstar to choose prospective surface locations for additional enlarged bulk sampling. A proposed budget for exploration and development is outlined in Table 18-1.

**Table 18-1** Recommended exploration program and cost estimate.

<b>Item</b>	<b>Unit</b>	<b>No of Units</b>	<b>Cost/Unit</b>	<b>Total Cost</b>
<b>Phase 1</b>				
Review of drill logs and resampling of drill core and rejects	day	10	\$1,000	\$10,000
Preparation and metallic screen gold analysis of selected core and reject samples including re-analysis of rejects from bulk samples.	samples	150	\$100	\$15,000
Development of geological and geophysical exploration models to define near-surface drill and trenching targets with focus on Allied Syenite and vicinity.				\$20,000
Exploratory shallow diamond drilling in vicinity of Trenches 1-4 and Allied Syenite using portable drill. (all costs)	metres	3,000	\$175	\$525,000
Follow-up stripping, blasting and sampling of selected areas using heavy machinery / workers	hours	500	\$650	\$325,000
Gold analysis of samples from drilling and trenching programs	samples	2,000	\$50	\$100,000
Extension of IP survey to the north and west of present survey area. Consider deep IP survey option for parts of the survey area.	kilometre	40	\$2,500	\$100,000
<b>Sub-TOTAL</b>				<b>\$1,095,000</b>
<b>Phase 2</b>				
Follow-up close-spaced shallow definition diamond drilling using portable drill (all costs)	metres	4,000	\$175	\$700,000
Gold analysis of samples from drilling and bulk sampling programs.	samples	2,000	\$50	\$100,000
Deposit modelling and NI 43-101 resource estimation, technical report preparation, conclusion and publication of the report, including site visit and validation sampling	hours	500	\$200	\$100,000
Environmental impact assessment study including 12 month monitoring program in preparation for preparation of closure plan and enlarged bulk sampling program				\$200,000
<b>Sub-TOTAL</b>				<b>\$1,100,000</b>
<b>TOTAL</b>				<b>\$2,195,000</b>

## USE OF PROCEEDS

### Proceeds

THE OFFERING HEREUNDER IS SUBJECT TO A MINIMUM SUBSCRIPTION OF 8,333,333 COMMON SHARES (\$2,500,000). IN THE EVENT SUCH SUBSCRIPTIONS ARE NOT ATTAINED WITHIN 90 DAYS OF THE ISSUANCE OF THE FINAL RECEIPT FOR THIS PROSPECTUS THEN THE OFFERING MUST CEASE OR, IF AN AMENDMENT TO THE FINAL PROSPECTUS HAS BEEN FILED AND A RECEIPT HAS BEEN ISSUED FOR SUCH AMENDMENT, WITHIN 90 DAYS OF THE ISSUANCE OF A RECEIPT FOR AN AMENDMENT TO THE FINAL PROSPECTUS AND, IN ANY EVENT, NOT LATER THAN 180 DAYS AFTER THE ISSUANCE OF A RECEIPT FOR THE FINAL PROSPECTUS, ALL FUNDS RAISED HEREUNDER WILL BE RETAINED BY THE AGENTS AND REFUNDED TO INVESTORS, OR AS INSTRUCTED BY THE INVESTOR, WITHOUT INTEREST OR DEDUCTION.

### Funds Available

If all the Common Shares offered pursuant to this Offering are sold, the estimated net proceeds from the Offering after deducting the Agents' Commission will be \$2,250,000 if the Minimum Offering is sold and \$3,600,000 if the Maximum Offering is sold, before giving effect to the exercise of the Over-Allotment Option or the balance of the estimated costs of the Offering. As at October 31, 2019, the Corporation had a working capital deficit of approximately \$195,000 which when subtracted from the net proceeds of the Offering will provide the Corporation with available funds of approximately \$2,055,000, if the Minimum Offering is sold, or \$3,405,000 if the Maximum Offering is sold.

### Principal Purposes

The aggregate proceeds from the Offering will be used to fund, in order of priority, the Corporation's estimated business expenses during the 12 months following the Offering, which the Corporation has budgeted for as follows:

	Minimum Offering	Maximum Offering
(a) To pay the balance of the estimated costs of this Offering and other accrued expenses <sup>(1)</sup>	\$330,000	\$330,000
(b) To pay the estimated cost of the Phase 1 work program <sup>(2)</sup>	\$1,095,000	\$1,095,000
(c) To provide funding sufficient to meet administrative costs for 12 months	\$539,200	\$539,200
(d) To provide unallocated working capital	\$90,800	\$1,440,800
<b>TOTAL:</b>	<b>\$2,055,000</b>	<b>\$3,405,000</b>

(1) Includes the balance of expenses related to this Offering, including the Agents' expenses including legal fees, the Corporation's legal, printing, and audit expenses and other expenses of the Corporation.

(2) See "Miller Gold Property – Recommendations".

Assuming completion of the Minimum Offering, the working capital available to fund the Corporation's ongoing operations will be sufficient to meet all budgeted administrative costs and exploration expenditures for at least 12 months following the Minimum Offering.

The Corporation intends to spend the funds available to it as stated in this Prospectus. However, there may be circumstances where, for sound business reasons, a reallocation of funds may be necessary.

Unless otherwise deemed advantageous and approved by the Board, the proceeds will be invested only in securities of, or those guaranteed by, the Government of Canada or any province of Canada, in certificates of deposit or interest-bearing accounts of Canadian chartered banks or trust companies or in prime commercial paper. The Corporation's Chief Financial Officer will be responsible for the investment of all unallocated funds.

The Corporation has a history of negative cash flow and losses, and does not expect that to change in the short term. All of the Corporation's operations will be funded by the proceeds from this Offering. The net available funds will be sufficient to fund the Corporation's operations for at least 12 months.

### Business Objectives

The immediate business objective is to complete the Offering and obtain a listing on the Exchange. The aggregate remaining costs of completing these objectives are estimated at \$330,000 (including the Corporation's legal costs, auditor fees, filing fees for the Exchange and the securities commissions in the Selling Jurisdictions, and expenses of the Agents and the Agents' legal counsel, but excluding Agents' Commissions). The Corporation intends to carry out Phase 1 recommended exploration programs described in the Technical Report which is estimated to cost \$1,095,000.

## Milestones

The Corporation's business objective of completing the Offering under this Prospectus will occur on the Closing Date; and the business objective of listing on the Exchange will occur on the Listing Date. The objective of completing the phase 1 work program is expected to occur within 12 months of the Closing Date.

## SELECTED FINANCIAL INFORMATION AND MANAGEMENT DISCUSSION AND ANALYSIS

Attached to and forming a part of this Prospectus are the unaudited financial statements of the Corporation for the three-month period ended July 31, 2019 (attached to this prospectus as Schedule "B") and the audited financial statements of the Corporation for the years ended April 30, 2019, 2018 and 2017 (attached to this prospectus as Schedule "C").

Management's Discussion and Analysis of Financial Results for the three-month period ended July 31, 2019 are attached to this Prospectus as Schedule "D". Management's Discussion and Analysis of Financial Results for the Corporation for the years ended April 30, 2019, 2018, and 2017 are attached to this Prospectus as Schedule "E".

### Selected Financial Information

The following selected financial information is subject to the detailed information contained in the financial statements of the Corporation and notes thereto appearing elsewhere in the Prospectus. The selected financial information is derived from the audited financial statements for the years ended April 30, 2019, 2018 and 2017 and the unaudited interim financial statements for the three month interim period ended July 31, 2019 and should be read in conjunction with such statements and related notes contained in this Prospectus.

	Three months ended July 31, 2019 (unaudited)	Year-End April 30, 2019 (audited)	Year-End April 30, 2018 (audited)	Year-End April 30, 2017 (audited)
Total revenues	Nil	Nil	Nil	Nil
Expenses	\$112,988	\$887,631	\$351,214	\$406,693
Net Loss	\$113,033	\$887,676	\$351,459	\$406,693
Basic and diluted loss per common share	\$0.00	\$0.04	\$0.02	\$0.01
Total assets	\$4,576,450	\$4,650,045	\$4,450,794	\$4,520,710
Current liabilities	\$231,913	\$192,475	\$118,239	\$343,225
Cash dividends per share	Nil	Nil	Nil	Nil

## DESCRIPTION OF SECURITIES DISTRIBUTED

This Prospectus qualifies the distribution of 13,333,333 Common Shares, assuming completion of the Maximum Offering, and the distribution of any Common Shares issued pursuant to the exercise of the Over-Allotment Option. The Corporation will also grant the non-transferable Agents' Warrants to the Agents, which entitles the Agents to purchase that number of Common Shares equal to 10% of the number of Common Shares sold pursuant to the Offering.

All of the offered Common Shares, and the Qualified Compensation Securities being issued to the Agents, are qualified by this Prospectus. See "Plan of Distribution." for details.

### Authorized and Issued Share Capital

The authorized share capital of the Corporation consists of unlimited class "A" common shares (or "Common Shares"), class "B" shares, class "A" special shares, class "B" special shares and class "C" special shares. As of the date of this prospectus, 25,014,032 class "A" common shares were issued and outstanding as fully paid and non-assessable shares, and the Corporation has not issued shares from any of the other authorized classes.

### Class "A" Special Shares

The class "A" special shares are non-voting. The class "A" special shareholders are entitled, in priority to the common shares and any other shares ranking junior, to receive preferential non-cumulative cash dividends. Except with the consent of all class "A" special shareholders, the Corporation shall not declare dividends on the common shares or any other shares ranking junior to the class "A" special shares, unless the preferential non-cumulative cash dividend on all the class "A" special shares outstanding has been declared and paid or set apart for payment. Upon the liquidation, dissolution or winding-up of the Corporation, the holders of class "A" special shares shall be entitled to receive the redemption amount, which is one dollar for each class "A" special share held by such shareholder, before any amount can be paid by the Corporation to the common shareholders, or any other shareholders ranking junior to the class "A" special shares. The Corporation shall have the right of first refusal to purchase the class "A" special shares, and may redeem all upon payment of the redemption amount.

## Class “B” Special Shares

The class “B” Special Shares have identical characteristics as the class “A” special shares, except that those shares rank junior to the class “A” special shares.

## Class “C” Special Shares

The class “C” special shares have the same characteristics as the class “A” special shares, except that those shares rank junior to the class “A” special shares and class “B” special shares.

## Common Shares

The holders of the Common Shares are entitled to receive notice of and to attend and vote at all of the shareholders of the Corporation, meetings except those at which only holders of a specified class of shares are entitled to vote, and each Common Share confers the right to one vote in person or by proxy at all meetings of the shareholders of the Corporation. The holders of the Common Shares, subject to the prior rights of any other class of shares of the Corporation, are entitled to receive such dividends in any financial year as the Board may by resolution determine. In the event of the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, the holders of the Common Shares are entitled to receive, subject to the prior rights of the holders of any other class of shares of the Corporation, the remaining property and assets of the Corporation.

## Class “B” Shares

The class “B” shares are not entitled to vote at meetings of shareholders except meetings at which only holders of class “B” shares are entitled to vote. The class “B” shareholders are entitled to receive the remaining property of the Corporation upon dissolution in the same priority as the Common Shares, on a *pari passu* basis.

## Agents’ Warrants

Each Agents’ Warrant will be non-transferable and will entitle the holder to purchase that number of Common Shares equal to 10% of the number of Common Shares sold pursuant to the Offering, at a price of \$0.30 per Agents’ Warrant for a period of two years from the Listing Date. The Agents’ Warrants may be surrendered for exercise, transfer or exchange at the offices of the Corporation.

## CONSOLIDATED CAPITALIZATION

The following table summarizes changes in the Corporation's capitalization as at July 31, 2019, as at the date of this Prospectus, and after giving effect to this Offering.

Description	Authorized	Outstanding as at July 31, 2019 (unaudited)	Outstanding at the date of this Prospectus (Unaudited)	Outstanding after giving effect to the Minimum Offering (Unaudited) <sup>(1)(2)(5)</sup>	Outstanding after giving effect to the Maximum Offering (Unaudited) <sup>(1)(2)(4)(5)</sup>
Common Shares	Unlimited	25,014,032	25,014,032 <sup>(3)(4)</sup>	33,347,365 <sup>(3)</sup>	38,347,365 <sup>(3)</sup>
Agents’ Warrants	N/A	Nil	Nil	833,333	1,333,333
Long Term Debt	Nil	Nil	Nil	Nil	Nil

(1) As partial consideration for the sale of Common Shares pursuant to this Prospectus, the Corporation has agreed to grant the Agents non-transferable Agents’ Warrants entitling the Agents to purchase up to that amount of Common Shares as is equal to 10% of the number of Common Shares sold pursuant to this Offering. The Agents’ Warrants may be exercised at a price of \$0.30 per Common Share for a period of 2 years from the Listing Date. This Prospectus qualifies the distribution of the Agents’ Warrants. The Common Shares to be issued on exercise of the Corporation's stock options are not reflected in these figures.

(2) On an undiluted basis. Does not include any Common Shares issuable upon exercise of the Agents’ Warrants, the Over-Allotment Option, the issuance of 290,133 Common Shares as penalty shares to subscribers under the Private Placements for not completing the Offering prior to February 28, 2019, or the incentive stock options of the Corporation issued to directors and officers of the Corporation. On a fully diluted basis the Corporation will have 39,996,970 Common Shares outstanding in the case of the Minimum Offering and 45,996,700 Common Shares outstanding in the case of the Maximum Offering. Refer to “Fully Diluted Share Capital” for details.

(3) On July 4, 2018, the Corporation issued 266,667 Common Shares and 266,667 Warrants pursuant to a private placement for gross proceeds \$80,000.

(4) After giving effect to the Private Placements.

(5) Prior to giving effect to the cost of the Offering.

## Fully Diluted Share Capital

Common Shares	Number and Percentage of Common Shares after giving effect to the Minimum Offering <sup>(1)</sup>	Number and Percentage of Common Shares after giving effect to the Maximum Offering <sup>(1)</sup>
Issued and outstanding prior to the Offering	25,014,032 (62.53%)	25,014,032 (54.38%)
Common Shares issued pursuant to the Offering	8,333,333 (20.83%)	13,333,333 (28.99%)
Common Shares reserved for issuance upon exercise of the Agents' Warrants	833,333 (2.08%)	1,333,333 (2.90%)
Common Shares reserved for issuance upon exercise of the Warrants	2,149,501 (5.37%)	2,149,501 (4.67%)
Common Shares reserved for issuance on exercise of Broker Warrants	41,902 (0.10%)	41,902 (0.09%)
Common Shares to be issued as penalty shares under the Private Placements	290,133 (0.73%)	290,133 (0.63%)
Common Shares reserved for issuance on exercise of the stock options held by the directors and officers of the Corporation (including stock options to be granted on Closing the Offering)	3,334,736 (8.34%)	3,834,736 (8.34%)
<b>TOTAL:</b>	<b>39,996,970</b>	<b>45,996,700</b>

(1) All figures assume the Over-Allotment Option is not exercised.

## OPTIONS TO PURCHASE SECURITIES

### Stock Option Plan

The Stock Option Plan was approved by the Corporation's shareholders on November 22, 2018.

The purpose of the Stock Option Plan is to encourage ownership of the Common Shares by persons who are directors, senior officers and key employees of, as well as consultants, advisory board members and employees of management companies providing services to the Corporation. Management believes that the Stock Option Plan will advance the interests of the Corporation by providing incentive compensation to all eligible recipients through participation in the Corporation's growth and development.

The following summary is a brief description of the Stock Option Plan:

1. The maximum number of Common Shares that may be issued upon the exercise of the Corporation's stock options previously granted and those granted under the Stock Option Plan will be a maximum of 10% of the issued and outstanding Common Shares at the time of the grant.
2. Stock options can be issued to persons who are Directors, officers, consultants, and employees of the Corporation or its subsidiaries, and employees of a person or company which provides management services to the Corporation or its subsidiaries ("**Management Company Employees**") shall be eligible for selection to participate in the Plan (such persons hereinafter collectively referred to as "**Participants**").
3. The option price of any Common Share in respect of which an option may be granted under the Stock Option Plan shall be fixed by the board of directors but shall be not less than the minimum price permitted by the CSE.
4. The number of options granted to any one individual may not exceed 5% of the outstanding listed Common Shares in any 12 month period unless the Corporation has obtained disinterested shareholder approval to exceed such limit.
5. The number of options granted to any one consultant may not exceed 2% of the Corporation's outstanding listed Common Shares in any 12 month period.
6. All options granted under the Stock Option Plan may be exercisable for a maximum of ten years from the date they are granted.
7. If the optionee ceases to be (other than by reason of death) an eligible recipient of stock options, then the stock options granted shall expire on the 90th day following the date that the option holder ceases to be eligible, subject to the terms and conditions set out in the Stock Option Plan.

8. If an optionee ceases to be an eligible recipient of stock options by reason of death, an optionee's heirs or administrators shall have until the earlier of: (a) one year from the death of the option holder; and (b) the expiry date of the stock options in which to exercise any portion of stock options outstanding at the time of death of the optionee.
9. The stock options shall expire on the 30<sup>th</sup> day after the optionee who is engaged in Investor Relations Activities for the Corporation ceases to be employed to provide Investor Relations Activities.
10. The stock options shall expire on the date on which the optionee ceases to be an eligible person by reason or termination of the optionee as an employee or consultant of the Corporation for cause (which, in the case of a consultant, includes any breach of an agreement between the Corporation and the consultant).
11. The Stock Option Plan will be administered by the Board who will have the full authority and sole discretion to grant options under the Stock Option Plan to any eligible recipient, including themselves.
12. The stock options are not assignable or transferable by an optionee.
13. The Board may, from time to time, subject to regulatory approval, amend or revise the terms of the Stock Option Plan.

As of the date of this Prospectus, stock options to purchase up to 2,200,000 Common Shares have been granted to the Corporation's directors, officers, employees, and consultants as set forth below, exercisable at the Offering Price for a five year term, pursuant to the Stock Option Agreements.

Optionee	Number of Common Shares Optioned
Executive Officers as a group	600,000
Directors excluding executive officers, as a group	900,000
Employees and Consultants as a group	300,000
Consultants	400,000
<b>TOTAL:</b>	<b>2,200,000</b>

The Corporation will also grant 833,333 stock options to directors, officers, employees, and consultants concurrently with Closing if the Minimum Offering is achieved and 1,333,333 stock options if the Maximum Offering is achieved, allocated as follows:

Optionee	Number of Common Shares Optioned assuming completion of the Minimum Offering	Number of Common Shares Optioned assuming completion of the Maximum Offering
Executive Officers as a group	300,000	500,000
Directors excluding executive officers, as a group	300,000	500,000
Employees and Consultants as a group	116,667	200,000
Consultants	116,666	133,333
<b>TOTAL:</b>	<b>833,333</b>	<b>1,333,333</b>

#### PRIOR SALES

The following table summarizes the sales of securities of the Corporation for the 12 months prior to the date of this Prospectus.

Issue Date	Price Per Common Share <sup>(5)</sup>	Number of Common Shares Issued	Proceeds to the Corporation
April 27, 2018	\$0.30	660,517 <sup>(1)</sup>	\$198,155
April 27, 2018	\$0.30	379,391 <sup>(2)</sup>	\$113,817
July 4, 2018	\$0.30	266,667 <sup>(3)</sup>	\$80,000
January 28, 2019	\$0.30	1,450,667 <sup>(4)</sup>	\$435,200
March 18, 2019	\$0.30	678,278 <sup>(5)(6)</sup>	\$218,250
<b>TOTAL:</b>		<b>3,435,520<sup>(7)</sup></b>	<b>\$1,045,422</b>

- (1) Issued in connection with the conversion of a promissory note payable by the Corporation with a fair value of \$182,648 and accrued interest of \$15,166. Refer to Note 9 of the audited financial statements for the year ended April 30, 2019.
- (2) Issued in connection with the settlement of accounts payable of the Corporation with a fair value of \$113,817. Refer to Note 9 of the audited financial statements for the year ended April 30, 2019.
- (3) Issued in connection with a private placement that included the issuance of 266,667 common shares and 266,667 warrants exercisable at \$0.54 until July 4, 2020.
- (4) The Corporation issued 1,450,667 units at an issue price of \$0.30 per unit pursuant to the Private Placements. Each unit comprised of a Common Share and one Warrant, with each Warrant entitling the holder to acquire one Common Share for \$0.54 until January 28, 2021.
- (5) Issued pursuant to the Private Placements.
- (6) Of this amount, 246,111 Common Shares were issued on a flow-through basis under the *Income Tax Act* (Canada) at a price of \$0.36 per Common Share.
- (7) After giving effect to a one for six consolidation of the outstanding Common Shares.



## ESCROWED SHARES

### Escrowed Securities

Under National Policy 46-201 - *Escrow for Initial Public Offerings* (the "**Escrow Policy**"), securities held by Principals are required to be held in escrow in accordance with the national escrow regime applicable to initial public distributions. Equity securities, including Common Shares, owned or controlled by the Principals of the Corporation are subject to the escrow requirements.

Pursuant to the Escrow Agreement, the Principals agreed to deposit in escrow their Common Shares (the "**Escrowed Securities**") with the Escrow Agent. The Escrow Agreement provides that 10% of the Escrowed Securities will be released from escrow upon receipt of notice from the CSE confirming the listing of the Corporation's Common Shares on the CSE. The remaining ninety (90%) percent of the Escrowed Securities will be released from escrow in fifteen percent (15%) tranches at six month intervals over a 36 month period following receipt of such notice.

The Corporation is an "emerging issuer" as defined in the Escrow Policy. If, within 18 months of the Listing Date, the Corporation meets the "established issuer" criteria (as defined in the Escrow Policy), that number of Escrowed Securities that would to that date have been eligible for release from escrow if the Corporation had been an "established issuer" on the Listing Date will be immediately released from escrow. After 18 months from the Listing Date, if the Corporation meets the "established issuer" criteria, all the Escrowed Securities will be immediately released from escrow.

Pursuant to the terms of the Escrow Agreement, the Escrowed Securities may not be transferred or otherwise dealt with during the term of the Escrow Agreement unless the transfers or dealings within the escrow are:

- (i) transfers to continuing or, upon their appointment, incoming directors and senior officers of the Corporation or of a material operating subsidiary, with approval of the Board;
- (ii) transfers to an RRSP or similar trustee plan provided that the only beneficiaries are the transferor or the transferor's spouse or children;
- (iii) transfers upon bankruptcy to the trustee in bankruptcy;
- (iv) pledges to a financial institution as collateral for a bona fide loan, provided that upon a realization the securities remain subject to escrow; and
- (v) tenders of Escrowed Securities to a take-over bid, provided that, if the tenderer is a Principal of the successor corporation upon completion of the take-over bid, securities received in exchange for tendered Escrowed Securities are substituted in escrow on the basis of the successor corporation's escrow classification.

The following table sets forth details of the Escrowed Securities that are subject to the Escrow Agreement as of the date of this Prospectus:

Name	No. of Escrowed Common Shares <sup>(1)</sup>	Offering Percentage (After Giving Effect to the Minimum Offering) <sup>(2)</sup>	Offering Percentage (After Giving Effect to the Maximum Offering) <sup>(2)</sup>
Dr. John W. Pollock	2,499,005	7.14%	6.52%
R. Greg McKnight	1,621,883	4.63%	4.23%
George W. Pollock	2,166,667	6.19%	5.65%
Charles B. Main	1,411,467	4.03%	3.610%
Brian P. Fowler	67,000	0.19%	0.17%
Anthony H. Lesiak	125,000	0.36%	0.32%
<b>TOTAL:</b>	<b>7,891,022</b>	<b>23.66%</b>	<b>20.57%</b>

(1) These shares have been deposited in escrow with the Escrow Agent.

(2) These figures assume the Agents' Warrants, the Over-Allotment Option, and the Stock Options have not been exercised. The aggregate number of issued and outstanding Common Shares prior to the Offering is 25,014,032. If the Minimum Offering or Maximum Offering is achieved there will be 33,347,365 or 38,347,365 Common Shares outstanding, respectively.

### Shares Subject to Resale Restrictions

Canadian securities legislation generally requires that shares issued by a company during its private stage may not be resold without a prospectus or an applicable prospectus exemption until the expiration of certain hold periods. This legislation generally provides that, except for the Escrowed Securities, all of the Corporation's currently issued and outstanding Common Shares will no longer be subject to a hold period if they were issued during the time that the Corporation was a private company, so long as the Corporation becomes a reporting issuer by filing a prospectus in certain Canadian jurisdictions (including the Selling Jurisdictions).

In addition to the escrow restrictions, any shareholder of the Corporation beneficially owning or exercising control, either directly or indirectly of, more than 5% of the Corporation's Common Shares outstanding as of the date of the Prospectus shall enter into a lock-up agreement between such person and the Corporation and the Agents concurrently with or prior to filing of the Prospectus, that in consideration of the benefit that the Offering will confer upon such persons that, during the 180 day period following the Closing Date, each will not, directly or indirectly, offer, sell, contract to sell, grant any option to purchase, make any short sale, or otherwise dispose of, or transfer, or enter into any derivative transaction in respect of, or announce any intention to do so, any common or other equity shares of the Corporation, whether now owned or acquired after the date hereof and prior to the completion of the Offering, owned directly or indirectly, or under their control or direction, or with respect to which each has beneficial ownership, or enter into any transaction or arrangement that has the effect of transferring, in whole or in part, any of the economic consequences of ownership of common or other equity shares of the Corporation, whether such transaction is settled by the delivery of common or other equity shares of the Corporation, other securities, cash or otherwise other than pursuant to a take-over bid made generally to all of the shareholders of the Corporation, without the prior written consent of the Agents.

### PRINCIPAL SHAREHOLDERS

To the knowledge of the directors and officers of the Corporation, as of the date of this Prospectus no person beneficially owns or exercises control or direction over Common Shares carrying more than 10% of the votes attached to the Corporation's Common Shares.

### DIRECTORS AND OFFICERS

The following table provides the names, provinces of residence, position, principal occupations and the number of voting securities of the Corporation that each of the directors and executive officers beneficially owns, directly or indirectly, or exercises control over, as of the date hereof:

<b>Name and Province of Residence and Position with the Corporation</b>	<b>Director/ Officer Since</b>	<b>Principal Occupation for the Past Five Years</b>	<b>Common Shares Beneficially Owned (at the date of this Prospectus)</b>
<b>Brian P. Fowler</b> CEO and Director Vancouver, British Columbia	October 22, 2018	Mr. Fowler has 38 years of experience as a mining executive, analyst, exploration manager and consulting geologist for a number of major and junior mining companies on a global basis. Mr. Fowler is a founding director and officer of a number of public companies with 12 years of capital markets experience. Mr. Fowler has a proven track record in generative and advanced mineral exploration, project management and management team development, feasibility studies, mine development production and project evaluations.	67,000
<b>Robert D.B. Suttie</b> Chief Financial Officer Vancouver, British Columbia	December 1, 2018	Mr. Suttie is a financial executive, serving as the Vice President of Marrelli Support Services, offering management advisory, accounting and financial disclosure services to Canadian public issuers. He possesses over 20 years of financial reporting experience, 10 of which were in public accounting prior to his tenure with Marrelli Support Services. In addition to managing the group's financial-statement and disclosure team, he also serves as Chief Financial Officer for a number of TSXV-listed junior companies, including Outdoor Partner Media Inc., Rupert Resources Ltd., Scozinc Mining Inc., BTL Group Ltd., Drone Delivery Canada Corp., Galway Gold Inc., Galway Metals Inc., Gossan Resources Limited, Great Lakes Graphite Inc., Noble Mineral Exploration, Canoe Mining Ventures Corp., Millennial Esports Corp., Chilean Metals Inc., and Zonetail Inc.	Nil
<b>George W. Pollock</b> Vice President, Exploration and Corporate Secretary New Liskeard, Ontario	May 20, 2008	Mr. Pollock has 20 years of experience in the mineral exploration sector, including 10 years as former President of Northstar Gold Corp. Mr. Pollock has extensive field experience in the Abitibi Greenstone Belt, including land management, acquisition and development, exploration planning with several Q.P.'s including drilling programs, data management, aboriginal and government consultations, regulatory applications and filings and investor and shareholder relations.	2,166,667

<b>Anthony H. Lesiak</b> <sup>(1)</sup> Director Toronto, Ontario	December 24, 2018	Senior Advisor, Investment Banking at Canaccord Genuity Corp. since 2013.	125,000
<b>Charles B. Main</b> <sup>(1)</sup> Director Burlington, Ontario	November 22, 2018	Mr. Main recently retired from Yamana Gold Inc. where he was most recently Executive Vice President and Chief Financial Officer. Mr. Main joined Yamana Gold Inc. in 2003. Mr. Main currently sits on the board of Wesdome Gold Mines Ltd. and Critical Elements Corporation.	1,411,467
<b>R. Greg McKnight</b> <sup>(1)</sup> Director Etobicoke, Ontario	December 13, 2011	From 2004 to December 31, 2018, Mr. McKnight held the positions of Senior Vice President, Business Development with Yamana Gold Inc. and then Executive Vice President, Business Development, where he was responsible for coordinating, among other things, merger and acquisition transactions in which the company was involved.	1,621,883
<b>Dr. John W. Pollock</b> Chairman and Director New Liskeard, Ontario	May 20, 2008	Since 2009, Chairman, Corporate Secretary and Director of the Corporation. Mr. Pollock has over 40 years experience as a consultant providing professional archaeological and cultural heritage resource management services.	2,449,005

(1) Member of the Audit Committee of the Corporation.

(2) Chairman of the Audit Committee.

The term of office of the directors expires annually at the time of the Corporation's annual general meeting. The term of office of the officers expires at the discretion of the Corporation's directors. The Corporation has one committee, the audit committee, whose members are Charles Main, R. Greg McKnight and Anthony H. Lesiak. The directors and officers of the Corporation own collectively, 7,891,022 Common Shares which represents 31.55% of the issued and outstanding Common Shares prior to giving effect to the Offering, or 26.84% on a fully-diluted basis. After giving effect to the Minimum Offering, the directors and officers of the Corporation will hold 23.66% of the outstanding Common Shares or 20.57% after giving effect to the Maximum Offering.

## Biographies

The following is a brief description of the background of the key management, directors and promoters of the Corporation.

### **Brian P. Fowler**, *Chief Executive Officer, Director and Promoter*

Mr. Fowler is 60 years of age and is a Professional Geologist. Since November 2018, Mr. Fowler has been the CEO, director and the Promoter of the Corporation and provides his services to the Corporation on a part-time basis.

Mr. Fowler has 38 years of experience as a mining executive, analyst, exploration manager and consulting geologist for a number of major and junior mining companies on a global basis. Mr. Fowler received a BSc. (Specialized in Geology) degree from the University of Alberta in 1981. From 1991 to 2004, he held various management and technical roles at Placer Dome Inc. At Placer Dome Inc, he managed regional exploration and advanced stage, feasibility-level projects and evaluations (Musselwhite, Mt. Milligan, Kerr-Sulphurets-Mitchell, South Deeps) and directed MinEx Projects and exploration at company mines throughout the world. In 2004 – 2005, as Exploration Manager for Quadra Mining Ltd., he evaluated and managed advanced and prefeasibility exploration, and projects in Canada, the United States, Chile, Peru, Ecuador and Australia. Mr. Fowler has also been a founding director and officer of a number of public companies with 12 years of capital markets experience raising more than \$20 million dollars. These companies include the following TSXV listed companies: BCGold Corp. (2006 – 2017) (now Pan Andean Minerals Ltd.), Engineer Gold Mines Ltd. (2018 – Present), Laurentian Gold Fields Ltd. (2008 – 2014) (now Pure Gold Mining Ltd.) and RedQuest Capital Corp. (2010 – 2017) (now Harfang Exploration Inc.) Mr. Fowler has a proven track record in generative and advanced mineral exploration, project management and management team development, feasibility studies, mine development, production and project evaluations.

Mr. Fowler is Qualified Person under National Instrument 43-101 and is a Member of Association of Professional Engineers and Geoscientists., the Society of Economic Geologists and Fellow of the Geological Association of Canada.

Mr. Fowler has not entered into a non-competition or non-disclosure agreement with the Corporation and will devote approximately 75% of his time to the affairs of the Corporation.

**Robert D.B. Suttie**, *Chief Financial Officer*

Mr. Suttie is 50 years of age and is the Vice President of Marrelli Support Services. He possesses over 20 years of financial reporting experience, 10 of which were in public accounting prior to his tenure with Marrelli Support Services. Mr. Suttie received his B.A. from the University of Western Ontario. He specializes in management advisory services, accounting and the financial disclosure needs of Marrelli's public client base. In addition to managing the group's financial-statement and disclosure team, he also serves as Chief Financial Officer for a number of TSXV and CSE listed companies, including Outdoor Partner Media Inc., Rupert Resources Ltd., Scozinc Mining Inc., BTL Group Ltd., Drone Delivery Canada Corp., Galway Gold Inc., Galway Metals Inc., Gossan Resources Limited, Great Lakes Graphite Inc., Noble Mineral Exploration, Castle Resources (President and CEO), Canoe Mining Ventures Corp., Millennial Esports Corp., Chilean Metals Inc., and Zonetail Inc.

Mr. Suttie intends to devote five percent of his time to the Corporation.

**George W. Pollock**, *Vice President, Exploration, Promoter, and Corporate Secretary*

Mr. Pollock is 45 years of age and is a Mining Engineering Technician. Mr. Pollock served as President and Director of the Corporation from May 2008 until November 2018. Mr. Pollock currently provides his services to the Corporation as Vice President of Exploration Services on a full-time basis.

Mr. Pollock has 20 years of experience in the mineral exploration sector and extensive field experience in the Abitibi Greenstone Belt, including land management, acquisition and development, exploration planning with several Q.P.'s including drilling programs, data management, aboriginal and government consultations, regulatory applications and filings and investor and shareholder relations. Mr. Pollock has successfully raised over \$7M privately for the Corporation over the last decade and negotiated successful MOU agreements with local First Nations. Mr. Pollock holds a Mining Engineering Diploma (Hons) from the Haileybury School of Mines.

Mr. Pollock has a non-competition and non-disclosure agreement with the Corporation and will devote approximately 100% of his time to the affairs of the Corporation.

**Anthony H. Lesiak**, *Director*

Mr. Lesiak is 50 years of age. Since 2013, Mr. Lesiak has served as Senior Advisor, Investment Banking with Canaccord Genuity Corp. and was previously Managing Director and Global Head of Mining Research. Mr. Lesiak has over 20 years of experience in equities research in the metals and mining sector which included positions at UBS (Toronto) and HSBC (New York and Toronto)

Mr. Lesiak has not entered into a non-competition or non-disclosure agreement with the Corporation.

**Charles B. Main**, *Director*

Mr. Main is 62 years of age and is a Professional Chartered Accountant. Since November 2018, Mr. Main has served as a director of the Corporation and provides his services to the Corporation on a part-time basis.

Mr. Main has over 30 years of experience in the financing and mining industries. Most recently he was the Executive Vice President, Finance and Chief Financial Officer of Yamana Gold Inc. from August 2003 to March 2017. He is currently an independent director and Chair of the Audit Committee with Wesdome Gold Mines Ltd. and a director of Critical Elements Corporation. Prior to joining Yamana, Mr. Main held the principal positions of Director of Corporate Development of Newmount Capital Corporation and Vice President of Normandy Mining Limited and Outokumpu Mines Ltd., Vice President, Finance of TVX Gold, and was with PriceWaterhouseCoopers for 10 years. Mr. Main is a Chartered Professional Accountant and a member of the Chartered Professional Accountants of Ontario and Canada. Mr. Main holds a Bachelor of Commerce degree from McGill University.

Mr. Main has not entered into a non-competition or non-disclosure agreement with the Corporation.

**R. Greg McKnight, Director**

Mr. McKnight is 57 years of age. Since 2018, Mr. McKnight has been a director of the Corporation and provides his services to the Corporation on a part-time basis.

Mr. McKnight was formerly the Executive Vice President, Business Development at Yamana Gold Inc. (“**Yamana**”) and he retired in 2018. Mr. McKnight has over 25 years of mining focused investment banking and corporate experience. Prior to joining Yamana in 2004, he was a director in the investment banking division of Canaccord Capital Corporation (“**Canaccord**”), a position he held since December 2001. Before that, Mr. McKnight held various mining related positions including senior roles within other Canadian investment banks. During the year prior to joining Yamana, Mr. McKnight was instrumental in his capacity as an investment banker in structuring the reverse takeover transaction and raising the equity for Yamana that enabled the Company to recapitalize and re-position itself as a gold production company. Mr. McKnight holds a Bachelor of Commerce degree from the University of Toronto and a Masters of Business Administration from the Ivey School of Business at the University of Western Ontario.

Mr. McKnight has not entered into a non-competition or non-disclosure agreement with the Corporation.

**Dr. John W. Pollock, Chairman, Director, and Promoter**

Mr. Pollock is 73 years of age. Since May 2008, Mr. Pollock has served as the Chairman, Corporate Secretary and a director of the Corporation and provides his services to the Corporation on a part-time basis.

Mr. Pollock has more than 40 years of experience as a consultant providing professional archeological and cultural heritage resource management services. Most of Mr. Pollock’s work has been in mining, forestry, and hydro development projects across Northern Ontario. He has extensive experience assisting First Nations with locating and mapping traditional sites. Mr. Pollock has a B.A. (Hons.) from the University of Toronto, a M.A. from McMaster University, and a Doctor of Philosophy Degree in Anthropology from the University of Alberta.

Mr. Pollock has not entered into a non-competition or non-disclosure agreement with the Corporation.

**Mike Sutton – Special Advisor**

Mr. Sutton is currently a director of several companies including Rupert Resources and Galway Metals. As a director of Galway Resources, he played a significant role in the company’s takeover by AUX for \$340 million; Mr. Sutton has 30 years of experience as an exploration geologist, working in some of the largest gold camps in the world, including Witwatersrand, Timmins, and Kirkland Lake. Mr. Sutton has worked for or consulted to companies including Queenston Mining, Osisko Mining, Kinross Gold, Barrick Gold, Lac Minerals and Corona. In 2006 he was awarded the Prospector of the Year for Ontario (along with Stew Carmichael) for the discovery of the South Mine Complex while he was Chief Geologist and Assistant Manager at Kirkland Lake Gold Inc. Mr. Sutton has a B.Sc., Geology (Honours) from the University of Toronto and is a Qualified Person under National Instrument 43-101.

Mr. Sutton is not a director or officer of the Corporation and has no official capacity other than as a special advisor and consultant to the Corporation. Mr. Sutton does not have a consulting agreement and has not received any remuneration other than 200,000 stock options granted on February 9, 2019 at an exercise price of \$0.30 and expiring on February 9, 2024.

**Corporate Cease Trade Orders or Bankruptcies**

Except as disclosed below, to the best of the Corporation's knowledge, no existing or proposed director, officer, promoter or other member of management of the Corporation is, or within the ten years prior to the date hereof has been, a director, officer, promoter or other member of management of any other Corporation that, while that person was acting in the capacity of a director, officer, promoter or other member of management of that Corporation, was the subject of a cease trade order or similar order or an order that denied the Corporation access to any statutory exemptions for a period of more than 30 consecutive days, was declared bankrupt or made a voluntary assignment in bankruptcy, made a proposal under any legislation relating to bankruptcy or insolvency or has been subject to or appointed to hold the assets of that director, officer or promoter.

Robert D.B. Suttie, the Chief Financial Officer of the Corporation, was the Chief Financial Officer of Strike Minerals Inc. (“**Strike**”) from March 2011 to October 2013 when Strike was subject to a management cease trade order issued by the Ontario Securities Commission (“**OSC**”) on September 19, 2013 for failure to file its annual financial statements for the year ended April 30, 2013. A full cease trade order (“**CTO**”) was issued by the OSC on February 12, 2014 and has not been revoked.

Mr. Suttie was the Chief Financial Officer of Millennial Esports Corp. when it was subject to a CTO issued by the OSC on January 7, 2019 for failure to file its annual financial statements for the year ended August 31, 2018. The CTO has not been revoked.

### **Penalties or Sanctions**

To the Corporation's knowledge, no existing or proposed director, officer, promoter or other member of management of the Corporation has, during the ten years prior to the date hereof, been subject to any penalties or sanctions imposed by a court or securities regulatory authority relating to trading in securities, promotion, formation or management of a publicly traded company, or involving fraud or theft.

### **Personal Bankruptcies**

To the Corporation's knowledge, no existing or proposed director, officer, promoter or other member of management of the Corporation has, during the ten years prior to the date hereof, been declared bankrupt or made a voluntary assignment into bankruptcy, made a proposal under any legislation relating to bankruptcy or insolvency or has been subject to or instituted any proceedings, arrangement, or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold his or her assets.

### **Conflicts of Interest**

The directors of the Corporation are required by law to act honestly and in good faith with a view to the best interests of the Corporation and to disclose any interests, which they may have in any project or opportunity of the Corporation. If a conflict of interest arises at a meeting of the Board, any director in a conflict will disclose his interest and abstain from voting on such matter.

To the best of the Corporation's knowledge, and other than disclosed herein, there are no known existing or potential conflicts of interest among the Corporation, its promoters, directors and officers or other members of management of the Corporation or of any proposed promoter, director, officer or other member of management as a result of their outside business interests except that certain of the directors and officers serve as directors and officers of other companies, and therefore it is possible that a conflict may arise between their duties to the Corporation and their duties as a director or officer of such other companies.

## **AUDIT COMMITTEE AND CORPORATE GOVERNANCE**

### **Audit Committee**

NI 52-110 requires the Corporation, as a venture issuer, to disclose certain information relating to the Corporation's Audit Committee and its relationship with the Corporation's independent auditors.

### ***Audit Committee Charter***

The text of the Audit Committee's charter is attached as Schedule A-1.

### ***Composition of Audit Committee***

The members of the Corporation's Audit Committee are:

Anthony H. Lesiak	Independent <sup>(1)</sup>	Financially literate <sup>(2)</sup>
R. Greg McKnight	Independent <sup>(1)</sup>	Financially literate <sup>(2)</sup>
Charles B. Main	Independent <sup>(1)</sup>	Financially literate <sup>(2)</sup>

- (1) A member of an audit committee is independent if the member has no direct or indirect material relationship with the Corporation, which could, in the view of the Board, reasonably interfere with the exercise of a member's independent judgment.
- (2) An individual is financially literate if he has the ability to read and understand a set of financial statements that present a breadth of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Corporation's financial statements.



### ***Relevant Education and Experience***

Each member of the Corporation's present Audit Committee has adequate education and experience that is relevant to their performance as an Audit Committee member and, in particular, the requisite education and experience that have provided the member with:

- (a) an understanding of the accounting principles used by the Corporation to prepare its financial statements and the ability to assess the general application of those principles in connection with estimates, accruals and reserves;
- (b) experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Corporation's financial statements or experience actively supervising individuals engaged in such activities; and
- (c) an understanding of internal controls and procedures for financial reporting.

For a description of the education and experience of each of the audit committee members, see "Directors and Officers".

### ***Audit Committee Oversight***

At no time since the commencement of the Corporation's most recently completed financial period was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the Board.

### ***Reliance on Certain Exemptions***

At no time since the commencement of the Corporation's most recently completed financial period has the Corporation relied on the exemption in Section 2.4 of NI 52-110 (De Minimis Non-audit Services), or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110.

### ***Pre-Approval Policies and Procedures***

The Audit Committee is authorized by the Board to review the performance of the Corporation's external auditors and approve in advance provision of services other than auditing and to consider the independence of the external auditors, including a review of the range of services provided in the context of all consulting services bought by the Corporation. The Audit Committee is authorized to approve in writing any non-audit services or additional work which the Chairman of the Audit Committee deems is necessary, and the Chairman will notify the other members of the Audit Committee of such non-audit or additional work and the reasons for such non-audit work for the Committee's consideration, and if thought fit, approval in writing.

### ***External Auditor Service Fees***

The fees billed by the Corporation's external auditors for the year ended April 30, 2019 for audit and non-audit related services provided to the Corporation are as follows:

<b>For the Year Ended April 30</b>	<b>Audit Fees</b>	<b>Audit Related Fees<sup>(1)</sup></b>	<b>Tax Fees<sup>(2)</sup></b>	<b>All other Fees<sup>(3)</sup></b>
2019	\$22,500	\$29,750	\$8,935	\$11,365
2018	\$33,870	\$Nil	\$1,050	\$13,155
2017	\$27,500	\$Nil	\$1,050	\$7,300

(1) Fees charged for assurance and related services that are reasonably related to the performance of an audit, and not included under Audit Fees.

(2) Fees charged for tax compliance, tax advice and tax planning services.

(3) Fees for services other than disclosed in any other column.

### ***Exemption***

The Corporation has relied upon the exemption provided by section 6.1 of NI 52-110, which exempts a venture issuer from the requirement to comply with the restrictions on the composition of its Audit Committee and the disclosure requirements of its Audit Committee in an annual information form as prescribed by NI 52-110.

## Corporate Governance

### General

The Board believes that good corporate governance improves corporate performance and benefits all shareholders. National Policy 58-201 - *Corporate Governance Guidelines* provides non-prescriptive guidelines on corporate governance practices for reporting issuers such as the Corporation.

In addition, NI 58-101 prescribes certain disclosure by the Corporation of its corporate governance practices. This disclosure is presented below.

### Board of Directors

The Board facilitates its exercise of independent oversight of the Corporation's management through frequent meetings of the Board that often involve members of the management team.

The Board is comprised of five (5) directors, of whom Anthony H. Lesiak, Charles B. Main, R. Greg McKnight are independent for the purposes of NI 58-101. Brian P. Fowler is not independent as he is the Corporation's Chief Executive Officer and Dr. John W. Pollock is not independent as he also the Chairman.

### Directorships

Certain directors are presently a director or officer of or have been directors or officers of one or more other reporting issuers as follows:

Name of Director or Officer	Name and Jurisdiction of Reporting Issuer	Term
Brian P. Fowler	Engineer Gold Mines Ltd. Blind Creek Resources Ltd. Red Quest Capital Corp. BC Gold Corp. Laurentian Goldfields Ltd.	2018 – Present 2017 – Present 2010 – 2017 2006 – 2017 2008 – 2014
Robert D.B. Suttie	Outdoor Partner Media Corporation Rupert Resources Ltd. Atex Resources Inc. Scozinc Mining Inc. Interbit Ltd. Drone Delivery Canada Inc. Galway Gold Inc. Galway Metals Inc. Gossan Resources Limited Great Lakes Graphite Inc. Noble Mineral Exploration Inc. Canoe Mining Ventures Corp. Millennial Esports Corp. Chilean Metals Inc. Zonetail Inc. Castle Resources Inc. Atacama Pacific Resources Metallum Resources Inc. Thundermin Resources Inc. Sandspring Resources Ltd Strike Minerals Inc. Noront Resources Ltd.	2014 – Present 2017 – Present 2018 – Present 2013 – Present 2015 – Present 2015 – Present 2012 – Present 2012 – Present 2014 – Present 2015 – Present 2016 – Present 2016 – Present 2016 – Present 2019 – Present 2019 – Present 2016 – Present 2016 – 2018 2013 – 2016 2009 – 2016 2014 – 2015 2011 – 2013 2007 – 2008
Anthony H. Lesiak	Golden Predator Inc. Tess Inc.	2016 – Present 2014 – 2018
Charles B. Main	Yamana Gold Inc. Wesdome Gold Mines Ltd. Critical Elements Corporation	2003 – 2017 2017 – Present 2018 – Present
R. Greg McKnight	Yamana Gold Inc. Rux Resources Ltd.	2004 – 2018

### ***Orientation and Continuing Education***

New members of the Board receive an orientation package which includes reports on operations and results, and public disclosure filings by the Corporation. Meetings of the Board are sometimes held at the Corporation's offices and, from time to time, are combined with presentations by the Corporation's management to give the directors additional insight into the Corporation's business. In addition, management of the Corporation makes itself available for discussion with all members of the Board.

### ***Ethical Business Conduct***

The Board has found that the fiduciary duties placed on individual directors by the Corporation's governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual director's participation in decisions of the Board in which the director has an interest have been sufficient to ensure that the Board operates independently of management and in the best interests of the Corporation. The Corporation will adopt a Code of Business Conduct and Ethics prior to listing on the CSE.

### ***Nomination of Directors***

The Board considers its size each year when it considers the number of directors to recommend to the shareholders for election at the annual meeting of shareholders, taking into account the number required to carry out the Board's duties effectively and to maintain a diversity of view and experience.

The Corporation's management is continually in contact with individuals involved with public sector issuers. From these sources management has made numerous contacts and in the event that the Corporation requires any new directors, such individuals will be brought to the attention of the Board. The Corporation conducts due diligence, reference and background checks on any suitable candidate. New nominees must have a track record in general business management, special expertise in an area of strategic interest to the Corporation, the ability to devote the time required, integrity of character and a willingness to serve.

The Board does not currently have a nominating committee, and these functions are currently performed by the Board as a whole. However, if there is a change in the number of directors required by the Corporation, this policy will be reviewed.

### ***Compensation***

The Board is responsible for determining compensation for the directors of the Corporation to ensure it reflects the responsibilities and risks of being a director of a public company. The Board has not yet formed a Compensation Committee to monitor and review the salary and benefits of its executive officers. The Board will periodically review the Company's general compensation structure, policies and programs in consideration of industry standards and the Company's financial situation until a Compensation Committee is formed, which is expected to occur within 30 days of listing on the CSE.

### ***Other Board Committees***

The Board has no committee other than the Audit Committee at this time but it is expected that Compensation Committee will be struck within 30 days of listing on the CSE.

Due to the minimal size of the Board, no formal policy has been established to monitor the effectiveness of the directors, the Board and its committees.

### ***Assessments***

Neither the Corporation nor the Board has determined formal means or methods to regularly assess the Board, its committees or the individual directors with respect to their effectiveness and contributions. Effectiveness is subjectively measured by comparing actual corporate results with stated objectives. The contributions of an individual director is informally monitored by the other Board members, having in mind the business and other strengths of the individual and the purpose of originally nominating the individual to the Board.

## EXECUTIVE COMPENSATION

### Compensation Discussion and Analysis

In assessing the compensation of its executive officers, the Corporation does not have in place any formal objectives, criteria or analysis; compensation payable is currently determined by the Board. The Corporation's executive compensation program is based on comparisons of similar type and size companies. Both individual and corporate performances are also taken into account.

Payments may be made from time to time to individuals or companies they control for the provision of consulting services. Such consulting services are paid for by the Corporation at competitive industry rates for work of a similar nature by reputable arm's length services providers.

The Corporation's executive compensation model is based on similar type and size companies and is comparable to the compensation program of newly organized companies that are in the process of initial public distributions. Both individual and corporate performance are also taken into account, on a subjective basis at the discretion of the Board, when determining executive compensation.

### Benchmarking

The market for executive talent is very competitive. As a result, the Board believes it is appropriate to establish compensation levels which consider benchmarking against similar companies in order to gauge whether the Company's compensation package is both reasonable and competitive. The Company reviews its peer group annually to ensure its compensation practices are in keeping with good governance standards and appropriate based on its competitors. Other mining companies having similar operations are selected based on companies with whom the Corporation competes for executives and other talented professionals. These companies are referred to herein as the "**Benchmark Group**".

For 2019 the Benchmark Group included the following criteria: (i) similar market capitalization of the Company; (ii) publicly traded mining companies with similar profile and complexity; (iii) precious metal mining; and (iv) widely held and trading on at least one major stock exchange.

Benchmark Group for 2019	
Warrior Gold Corp.	Red Pine Exploration Inc.
QMX Gold Corp.	Mineral Mountain Resources Ltd.
Romios Gold Inc.	Orefinders Resources Corp.

### Compensation Objectives and Principles

As the Corporation is in an exploration and development phase with no significant revenue from operations, the Corporation operates with limited financial resources and controls costs to ensure that funds are available to complete scheduled programs. As a result, the Board has to consider not only the financial situation of the Corporation at the time of the determination of executive compensation, but also the estimated financial situation of the Corporation in the mid- and long-term. An important element of executive compensation is that of stock options which does not require cash disbursement by the Corporation.

### Compensation Process

The Corporation will rely solely on its Board, without any formal objectives, criteria or analysis, in determining the compensation of its executive officers. The Board is responsible for determining all forms of compensation, including long-term incentives in the form of stock options to be granted to the Corporation's Named Executive Officers and directors, and for reviewing the recommendations respecting compensation for any other officers of the Corporation from time to time, to ensure such arrangements reflect the responsibilities and risks associated with each position. When determining the compensation of its officers, the Board considers: i) recruiting and retaining executives critical to the success of the Corporation and the enhancement of shareholder value; ii) providing fair and competitive compensation; iii) balancing the interests of management and the Corporation's shareholders; iv) rewarding performance, both on an individual basis and with respect to operations in general; and v) available financial resources.

## Option-Based Awards

Stock options are granted to: (i) provide an incentive to the directors, officers, employees and consultants of the Corporation to achieve the longer-term objectives of the Corporation; (ii) to give suitable recognition to the ability and industry of such persons who contribute materially to the success of the Corporation; and (iii) to attract and retain persons of experience and ability, by providing them with the opportunity to acquire an increased proprietary interest in the Corporation. See "Options to Purchase Securities".

## Named Executive Officers' Compensation

During the financial year ended April 30, 2019, the Corporation had three Named Executive Officers (as defined in NI 51-102), namely, Brian P. Fowler, the Chief Executive Officer, Robert D.B. Suttie, the Chief Financial Officer, and George W. Pollock, Vice President, Exploration.

The following table sets forth the compensation of the Named Executive Officers, for the period indicated:

Table of Compensation excluding compensation securities							
Name and Position	Year	Salary, consulting fee, retainer, commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all Other Compensation (\$)	Total Compensation (\$)
<b>Brian P. Fowler</b> <sup>(1)(5)</sup> Chief Executive Officer and Director	Apr 30, 2019	Nil	Nil	Nil	Nil	Nil	Nil
	April 30, 2018	Nil	Nil	Nil	Nil	Nil	Nil
<b>Robert D.B. Suttie</b> <sup>(2)(6)</sup> Chief Financial Officer	Apr 30, 2019	\$21,988	Nil	Nil	Nil	Nil	\$21,988
	April 30, 2018	Nil	Nil	Nil	Nil	Nil	Nil
<b>George W. Pollock</b> <sup>(3)(4)(5)</sup> Vice President Exploration and Corporate Secretary	Apr 30, 2019	\$100,176	Nil	Nil	Nil	Nil	\$100,176
	April 30, 2018	\$109,613	Nil	Nil	Nil	Nil	\$109,613
<b>Anthony H. Lesiak</b> Director	April 30, 2019	Nil	Nil	Nil	Nil	Nil	Nil
	April 30, 2018	Nil	Nil	Nil	Nil	Nil	Nil
<b>Charles B. Main</b> Director	April 30, 2019	Nil	Nil	Nil	Nil	Nil	Nil
	April 30, 2018	Nil	Nil	Nil	Nil	Nil	Nil
<b>R. Greg McKnight</b> Director	April 30, 2019	Nil	Nil	Nil	Nil	Nil	Nil
	April 30, 2018	Nil	Nil	Nil	Nil	Nil	Nil
<b>John W. Pollock</b> Chairman & Director	April 30, 2019	Nil	Nil	Nil	Nil	Nil	Nil
	April 30, 2018	Nil	Nil	Nil	Nil	Nil	Nil

(1) Mr. Fowler holds 200,000 Options exercisable at \$0.30 and expiring on February 9, 2024.

(2) Mr. Suttie holds 80,000 Options exercisable at \$0.30 and expiring on February 9, 2024.

(3) Mr. Pollock holds 300,000 Options exercisable at \$0.30 and expiring on February 9, 2024.

(4) Paid to Mr. Pollock as salary in his capacity as the former President of the Corporation. Mr. Pollock will receive a salary of \$78,000 for the next fiscal year.

(5) Mr. Fowler and Mr. Pollock do not receive any remuneration from the Corporation in their respective capacities as directors.

(6) During the year ended April 30, 2019, the Corporation expensed \$21,988 (2018 - \$nil) to Marrelli Support Services Inc. ("Marrelli Support") and DSA Corporate Services Inc. (the "DSA"), together known as the "Marrelli Group" for Robert D.B. Suttie to act as CFO of the Corporation, bookkeeping and office support services, corporate filing services, and corporate secretarial services. Both Marrelli Support and DSA are private companies and Robert D.B. Suttie is the President of Marrelli Support.

## Outstanding Share-Based Awards and Option-Based Awards

The Corporation has a Stock Option Plan in place. An aggregate of 2,200,000 options have been granted under the Stock Option Plan. For a description of the Stock Option Plan, see “Options to Purchase Securities” above. The following table discloses all compensation securities granted or issued to each NEO and director by the Corporation.

Compensation securities							
Name and Position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class <sup>(1)</sup>	Date of issue or grant m/d/y	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry date m/d/y
<b>Brian P. Fowler</b> CEO and Director	Stock options	200,000 (9.09%)	02/09/19	\$0.30	n/a	n/a	02/09/24
<b>Robert D.B. Suttie</b> CFO	Stock options	80,000 (3.64%)	02/09/19	\$0.30	n/a	n/a	02/09/24
<b>George W. Pollock</b> Vice President Exploration and Corp. Secretary	Stock options	300,000 (13.64%)	02/09/19	\$0.30	n/a	n/a	02/09/24
<b>Anthony H. Lesiak</b> Director	Stock options	150,000 (6.82%)	02/09/19	\$0.30	n/a	n/a	02/09/24
<b>Charles B. Main</b> Director	Stock options	150,000 (6.82%)	02/09/19	\$0.30	n/a	n/a	02/09/24
<b>R. Greg McKnight</b> Director	Stock options	300,000 (13.64%)	02/09/19	\$0.30	n/a	n/a	02/09/24
<b>John W. Pollock</b> Chairman & Director	Stock options	300,000 (13.64%)	02/09/19	\$0.30	n/a	n/a	02/09/24

(1) All compensation securities are exercisable into Common Shares of the Corporation. If all compensation securities were exercised an additional 2,200,000 Common Shares would be issued.

## Proposed Compensation to be paid to Executive Officers

Upon completion of the Offering, during the next 12 months, the Corporation proposes to pay the following compensation to its Named Executive Officers:

Name and Principal Position	Salary (\$)	All Other Compensation (\$)	Total Compensation (\$) <sup>(1)</sup>
<b>Brian P. Fowler</b> Chief Executive Officer	\$120,000	200,000 stock options	\$120,000
<b>Robert D.B. Suttie</b> Chief Financial Officer	\$18,000	80,000 stock options	\$18,000
<b>George W. Pollock</b> Vice President, Exploration	\$84,000	300,000 stock options	\$84,000

(1) Prior to giving effect to any value derived from the Black-Scholes formula.

## Termination of Employment, Change of Control Benefits and Employment Contracts

The Corporation does not have any contracts, agreements, plans or arrangements in place with any Named Executive Officers that provides for payment following or in connection with any termination (whether voluntary, involuntary or constructive) resignation, retirement, a change of control of the Corporation or a change in an Named Executive Officers responsibilities, other than George W. Pollock’s employment agreement contains an \$80,000 severance payment by the Corporation in the event of involuntary or constructive dismissal.

## Directors' Compensation

The only arrangements the Corporation has pursuant to which directors are compensated by the Corporation for their services in their capacity as directors, or for committee participation, involvement in special assignments or for services as consultant or expert during the most recently completed financial period or subsequently, are by the issuance of incentive stock options pursuant to the Corporation’s Stock Option Plan. The directors have not received any cash remuneration for serving in their capacity as directors and will not receive any cash remuneration in 2019.

The purpose of granting such options is to assist the Corporation in compensating, attracting, retaining, and motivating the directors of the Corporation and to closely align the personal interests of such persons to that of the shareholders.



## INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

Other than routine indebtedness for travel and other expense advances, no existing or proposed director, executive officer or senior officer of the Corporation or any associate of any of them, was indebted to the Corporation as of the date of this Prospectus, or is currently indebted to the Corporation.

## PLAN OF DISTRIBUTION

### Common Shares

The Offering is for a minimum of 8,333,333 Common Shares and a maximum of 13,333,333 Common Shares at a price of \$0.30 per Common Share for total gross proceeds of \$2,500,000 in the event of a Minimum Offering and \$4,000,000 in the event of a Maximum Offering. In the event such subscriptions are not attained within 90 days of the issuance of the final receipt for this Prospectus or, if an amendment to the final Prospectus has been filed and a receipt has been issued for such amendment, within 90 days of the issuance of a receipt for an amendment to the final Prospectus and, in any event, not later than 180 days after the issuance of a receipt for the final Prospectus, all funds raised hereunder will be retained by the Agents and refunded to investors, or as instructed by the investor, without interest or deduction.

Pursuant to the Agency Agreement, the Corporation engaged the Agents as its exclusive agent for the purposes of the Offering, and the Corporation, through the Agents, hereby offers for sale to the public under this Prospectus, on a commercially reasonable efforts basis, the Common Shares to be issued and sold under the Offering at the Offering Price, subject to prior sale if, as and when issued. The Offering Price and terms of the Offering were established through negotiation between the Corporation and the Agents, in accordance with the policies of the CSE. The Agents have agreed to use their commercially reasonable efforts to secure subscriptions for the Common Shares offered pursuant to the Offering in the Selling Jurisdictions. This Prospectus qualifies the distribution of the Common Shares to investors in those jurisdictions. The Agents reserves the right, at no additional cost to the Corporation, to offer selling group participation in the normal course of the brokerage business to selling groups of other licensed dealers, brokers, and investment dealers who may or may not be offered part of the commission or Agents' Warrants derived from this Offering. The Agents are not obligated to purchase Common Shares in connection with this Offering. The obligations of the Agents under this Offering may be terminated at any time in the Agents' discretion on the basis of its assessment of the state of the financial markets and may also be terminated upon the occurrence of certain other stated events as set forth in the Agency Agreement.

The Corporation has agreed to pay to the Agents a commission equal to 10% of the aggregate Offering Price of the Common Shares sold under the Offering. The Corporation will reimburse the Agents for all reasonable expenses, including due diligence and legal expenses incurred in connection with the Offering. In addition, the Agents are entitled to receive upon successful completion of the Offering, as part of its remuneration, Agents' Warrants entitling the Agents to purchase that number of Common Shares equal to 10% of the number of Common Shares sold pursuant to this Offering. The Agents' Warrants will be exercisable at a price of \$0.30 per Common Share for a period of 2 years from the Listing Date. This Prospectus qualifies the distribution of the Agents' Warrants.

The Corporation has granted to the Agents the Over-Allotment Option. Pursuant to the Over-Allotment Option, the Agents may purchase up to an additional 2,000,000 Common Shares at a price of \$0.30 per Common Share, assuming completion of the Maximum Offering. The Over-Allotment Option is exercisable at any time for a period of 30 days following the Closing Date. If the Over-Allotment Option is exercised in full, the gross proceeds of the Offering, Agents' Commission and net proceeds to the Corporation (before deducting expenses of the Offering) will be \$4,600,000, \$460,000 and \$4,140,000, respectively, assuming the Maximum Offering. This Prospectus also qualifies the distribution of the Over-Allotment Option and the Common Shares issuable pursuant to the exercise of the Over-Allotment Option. A purchaser who acquires Common Shares forming part of the Agents' over-allocation position acquires those Common Shares under this Prospectus, regardless of whether the over-allocation position is ultimately filled through the exercise of the Over-Allotment Option or secondary market purchases.

Subject to applicable laws, the Agents may, in connection with the Offering, effect transactions which stabilize or maintain the market price of the Common Shares at levels other than those which might otherwise prevail on the open market in accordance with applicable stabilization rules. Such transactions, if commenced, may be discontinued at any time.

The Corporation has agreed in the Agency Agreement to indemnify the Agents and its affiliates and its directors, officers and employees against certain liabilities and expenses and will contribute to payments that the Agents may be required to make in respect thereof.

### **Closing of this Offering is conditional upon achieving the Minimum Offering.**

The Corporation has granted the Agents a right of first refusal in respect of future brokered debt or equity financings of the Corporation for a period of 12 months from the Closing Date. As at the date of this Prospectus, the Corporation does not have any of its securities listed or quoted, has not applied to list or quote any of its securities, and does not intend to apply to list or quote any of its securities, on the Toronto Stock Exchange, a U.S. marketplace, or a marketplace outside of Canada and the United States of America.

Subscriptions will be received for the Common Shares offered hereby subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time. Upon rejection of a subscription, or in the event that the Offering does not complete within the time required, the subscription price and the subscription will be returned to the Subscriber, or as directed by the subscriber, forthwith without interest or deduction.

On the Closing Date, should the Agents elect for book entry delivery, the Common Shares will be available for delivery in book entry form through CDS or its nominee and will be deposited with CDS. If delivered in book entry form, purchasers of Common Shares will receive only a customer confirmation from the registered dealer that is a CDS participant and from or through which the Common Shares were purchased.

### **Listing Application**

The Corporation has applied to list its Common Shares and any Common Shares issued upon exercise of the Agents' Warrants, on the CSE. The CSE issued conditional listing approval on June 25, 2019. Listing of the Corporation's Common Shares will be subject to the Corporation meeting all of the listing requirements prescribed by the CSE.

As at the date of this Prospectus, the Corporation does not have any of its securities listed or quoted on any exchange, has not applied to list or quote any of its securities on an exchange, and does not intend to apply to list or quote any of its securities on the Toronto Stock Exchange, a U.S. marketplace, or a marketplace outside of Canada and the United States.

### **RISK FACTORS**

An investment in the Common Shares offered hereunder is highly speculative and involves a number of significant risk factors. These securities are suitable only for those purchasers who are willing to rely upon the ability, judgement and integrity of the management and directors of the Corporation and who can afford a total loss of their investment. Each purchaser should carefully consider the following risk factors, many of which are inherent in the ownership of securities of a junior resource corporation:

*Exploration Stage Company:* The Corporation has no history of operations and is still in an early stage of development. The Corporation is engaged in the business of acquiring and exploring mineral properties in the hope of locating economic deposits of minerals. The Miller Gold Property is in the early stages of exploration and is without a known deposit of commercial ore. Development of the Miller Gold Property will only follow upon obtaining satisfactory exploration results. There can be no assurance that the Corporation's existing or future exploration programs will result in the discovery of commercially viable mineral deposits. Further, there can be no assurance that even if a deposit of minerals is located, that it can be commercially mined.

*Mineral Exploration and Development:* The exploration and development of minerals is highly speculative in nature and involves a high degree of financial and other risks over a significant period of time, during which even a combination of careful evaluation, experience and knowledge may not eliminate. The proposed program on the Miller Gold Property is an exploratory search for mineral deposits. While discovery of an ore body may result in significant rewards, few properties which are explored are ultimately developed into producing mines. Substantial expenses are required to establish ore reserves by drilling, sampling and other techniques and to design and construct mining and processing facilities. Whether a mineral deposit will be commercially viable depends on a number of factors, including the particular attributes of the deposit, financing costs, the cyclical nature of commodity prices, and government regulations (including those related to prices, taxes, currency controls, royalties, land tenure, land use, importing and exporting of mineral products, and environmental protection). The effect of these factors or a combination thereof, cannot be accurately predicted but could have an adverse impact on the Corporation. The Corporation's operations are also subject to all of the hazards and risks normally encountered in mineral exploration and development. These risks include unusual and unexpected geological formations, seismic activity, rock bursts, cave-ins, water inflows and other conditions involved in the drilling and removal of material, environmental hazards, industrial accidents, periodic interruptions due to adverse weather conditions, labour disputes, political unrest aboriginal band claims and theft. The occurrence of any of the foregoing could result in damage to, or destruction of, mineral properties or interests, production facilities, personal injury, damage to life or property, environmental damage, delays or interruption of operations, increases in costs, monetary losses, legal liability and adverse government action. The Corporation does not currently carry insurance against these risks and there is no assurance that such insurance will be available in the future, or if available, at economically feasible premiums or upon acceptable terms. The potential costs associated with losses

or liabilities not covered by insurance coverage may have a material adverse effect upon the Corporation's financial condition.

*Operating History and Financial Resources:* The Corporation has no history of operations or revenues and it is unlikely that the Corporation will generate any revenues from operations in the foreseeable future. The Corporation anticipates that its existing cash resources, together with the net proceeds of the Offering, will be sufficient to cover the Corporation's projected funding requirements for the ensuing year. If the Corporation's exploration program is successful, additional funds will be required for further exploration and development to determine if any deposits are economic and, if economic, to possibly bring such deposits to production. Additional funds will also be required for the Corporation to acquire and explore other mineral interests. The Corporation has limited financial resources and there is no assurance that sufficient additional funding will be available to enable it to fulfill the Corporation's existing obligations or for further exploration and development on acceptable terms or at all. Failure to obtain additional funding on a timely basis could result in delay or indefinite postponement of further exploration and development and could cause the Corporation to forfeit its interests in some or all of the Corporation's properties or to reduce or terminate the Corporation's operations. Additional funds raised by the Corporation from treasury share issuances may result in further dilution to its shareholders or result in a change of control.

*Possible Loss of Interest in the Miller Gold Property:* The Corporation's ability to maintain an interest in the Miller Gold Property will be dependent on its ability to raise additional funds by equity financing. Failure to obtain additional financing may result in the Corporation being unable to expend certain minimum amounts on the exploration of the Miller Gold Property. If the Corporation fails to incur such expenditures in a timely fashion, the Corporation may lose its interest in the Miller Gold Property.

*Competition:* The mineral exploration business is competitive in all of its phases. The Corporation competes with numerous other companies and individuals, including competitors with greater financial, technical and other resources, in the search for and the acquisition of attractive mineral properties. The Corporation's ability to acquire properties in the future will depend not only on the Corporation's ability to develop the Miller Gold Property, but also on the Corporation's ability to select and acquire suitable prospects for mineral exploration or development. In addition, the mining industry periodically faces a shortage of equipment and skilled personnel and there can be intense competition for experienced geologists, engineers, field personnel and other contractors. There is no assurance that the Corporation will be able to compete successfully with others in acquiring prospective properties, equipment or personnel.

*Environmental Risks and Hazards:* All phases of the Corporation's operations are subject to extensive environmental regulations. These regulations mandate, among other things, the maintenance of air and water quality standards and land reclamation, provide for restrictions and prohibitions on spills, releases or emissions of various substances produced in association with certain mining industry activities and operations. They also set forth limitations on the generation, transportation, storage and disposal of hazardous waste. A breach of these regulations may result in the imposition of fines and penalties. In addition, certain types of mining operations require the submission and approval of environmental impact assessments. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. The cost of compliance with changes in governmental regulations has the potential to reduce the viability or profitability of operations. Environmental hazards may exist on the properties in which the Corporation holds its interests or on properties that will be acquired which are unknown to the Corporation at present and which have been caused by previous or existing owners or operators of those properties.

*Government Regulations:* The Corporation's current or future operations, including exploration and development activities and the commencement and continuation of commercial production, require licenses, permits or other approvals from various federal, provincial, territorial and/or local governmental authorities. Such operations are or will be governed by laws and regulations relating to prospecting, development, mining, production, exports, taxes, labour standards, occupational health and safety, waste disposal, toxic substances, land use, water use, environmental protection, aboriginal land claims and other matters. The Corporation believes that it is in substantial compliance with all material laws and regulations which currently apply to the Corporation's activities. There can be no assurance, however, that the Corporation will obtain on reasonable terms or at all the permits and approvals, and the renewals thereof, which the Corporation may require for the conduct of the Corporation's current or future operations or that compliance with applicable laws, regulations, permits and approvals will not have an adverse effect on any mining project which the Corporation may undertake. Possible changes to mineral tax legislation and, regulations could cause additional expenses, capital expenditures, restrictions and delay on the Corporation's planned exploration and operations, the extent of which cannot be predicted. Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations.

*Title Risks:* While the Corporation has exercised the usual due diligence with respect to determining title to the Corporation's properties, there is no guarantee that title to such properties will not be challenged or impugned. The Corporation's properties have not been surveyed. The Corporation's properties may be subject to prior unregistered agreements or transfers or aboriginal land claims and title may be affected by undetected defects. If title defects do exist, it is possible that the Corporation may lose all or a portion of its rights, title, estate and interest in and to the properties, when and if earned, to which the title defects relate.

*First Nations Land Claims:* The Miller Gold Property or other properties optioned by the Corporation may now or in the future be the subject of first nations land claims. The legal nature of aboriginal land claims is a matter of considerable complexity. The impact of any such claim on the Corporation's ownership interest in the properties optioned by the Corporation cannot be predicted with any degree of certainty and no assurance can be given that a broad recognition of aboriginal rights in the area in which the properties optioned by the Corporation are located, by way of a negotiated settlement or judicial pronouncement, would not have an adverse effect on the Corporation's activities. Even in the absence of such recognition, the Corporation may at some point be required to negotiate with first nations in order to facilitate exploration and development work on the properties optioned by the Corporation.

*Negative Operating Cash Flow:* Since inception, the Corporation has had negative operating cash flow. The negative operating cash flow is expected to continue for the foreseeable future as funds are expended on the exploration program on the Miller Gold Property and administrative costs. The Corporation cannot predict when it will reach positive operating cash flow.

*Commodity Prices:* The price of the Corporation's securities, the Corporation's financial results and exploration, development and mining activities have previously been, and may in the future be, significantly adversely affected by declines in the price of precious or base metals. Precious or base metal prices fluctuate widely and are affected by numerous factors beyond the Corporation's control such as the sale or purchase of precious or base metals by various dealers, central banks and financial institutions, interest rates, exchange rates, inflation or deflation, currency exchange fluctuation, global and regional supply and demand, production and consumption patterns, speculative activities, increased production due to improved mining and production methods, government regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals, environmental protection, the degree to which a dominant producer uses its market strength to bring supply into equilibrium with demand, and international political and economic trends, conditions and events. The prices of precious or base metals have fluctuated widely in recent years, and future price declines could cause continued development of the Corporation's properties to be impracticable.

*Price Volatility and Lack of Active Market:* In recent years, the securities markets in Canada and elsewhere have experienced a high level of price and volume volatility, and the market prices of securities of many public companies, particularly resource issuers, have experienced significant fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. It may be anticipated that any quoted market for the Corporation's securities will be subject to such market trends and that the value of such securities may be affected accordingly. There is currently no market through which the Corporation's Common Shares can be sold and there can be no assurance that one will develop or be sustained after the Offering. If an active market does not develop, the liquidity of your investment may be limited and the market price of the Common Shares forming part of the Common Shares may decline below the Offering Price.

*Reliance on Management and Experts:* The Corporation's success will be largely dependent, in part, on the services of the Corporation's senior management and directors. The Corporation has not purchased any "key man" insurance, nor has the Corporation entered into any non-competition or non-disclosure agreements with any of the Corporation's directors, officers or key employees and has no current plans to do so. The Corporation may hire consultants and others for geological and technical expertise but there is no guarantee that the Corporation will be able to retain personnel with sufficient technical expertise to carry out the future development of the Corporation's properties.

*Concentration of Ownership:* Immediately following the completion of the Offering, the Corporation's directors, major shareholders, executive officers and their respective associates will beneficially own 7,891,022 Common Shares representing approximately 20.57% of the Corporation's outstanding share capital assuming none of the foregoing persons participate in the Offering and assuming completion of the Maximum Offering. These shareholders could significantly influence the outcome of actions taken by management that require shareholder approval. For example, these shareholders could significantly influence the election of the Corporation's directors and control changes in management.

*Conflicts of Interest:* Certain of the Corporation's directors, officers and other members of management do, and may in the future, serve as directors, officers, promoters and members of management of other companies and, therefore, it is possible that a conflict may arise between their duties as a director, officer, promoter or member of the Corporation's management team and their duties as a director, officer, promoter or member of management of such other companies. The Corporation's directors and officers are aware of the laws governing accountability of directors and officers for corporate opportunity and the requirement of directors to disclose conflicts of interest. The Corporation will rely upon these laws in respect of any directors' and officers' conflicts of interest or in respect of any breaches of duty by any of its directors or officers.

Risk Factors Relating to this Offering

***The Corporation's shares are not currently traded on any stock market and there is no assurance that Common Shares purchased pursuant to this Offering can be resold and, if resold, at prices at or above the Offering Price.***

The Offering Price was determined by negotiation with the Agents and bears no relationship to the Corporation's earnings, book value, or any other recognized criteria of value. At the present time there is no public market for the Common Shares and the Corporation cannot predict the extent to which investor interest in the Corporation will lead to the development of an active, liquid trading market. Investors should not consider investing in this Offering unless they can afford the complete loss of their investment.

***Shareholders may suffer dilution in the future.***

The Corporation may make future acquisitions or enter into financings or other transactions involving the issuance of securities of the Corporation which may be dilutive to existing securityholders.

***The Corporation will incur significant costs as a result of operating as a reporting company, and management will be required to devote substantial time to compliance initiatives.***

The Corporation will incur significant legal, accounting and other expenses as a fully-reporting public company. The Corporation's management will need to devote a substantial amount of time to these new compliance initiatives. Moreover, these rules and regulations will increase the Corporation's legal and financial compliance costs and will make some activities more time-consuming and costly.

***The Corporation does not plan to pay dividends in the foreseeable future, and, as a result, stockholders will need to sell shares to realize a return on their investment.***

The Corporation has not declared or paid any cash dividends on its capital stock since inception. The Corporation intends to retain any future earnings to finance the operation and expansion of its business and does not anticipate paying any cash dividends in the foreseeable future. As a result, stockholders may need to sell shares of common stock in order to realize a return on their investment, if any. If no market develops for the common shares in the future investors could lose their entire investment.

***You may not be able to sell the Common Shares.***

There is no public market for the Common Shares. In the absence of being listed, no market is available for investors to sell their Common Shares. Although the Corporation has applied for listing on the CSE, and received conditional listing approval on June 25, 2019, there is no guarantee that any such listing will occur. Even if a CSE listing is achieved, there is no guarantee that a market will develop for the Common Shares and therefore, investors in this Offering may find it difficult or impossible to sell their Common Shares. Furthermore, the stock market may experience extreme price and volume fluctuations, which, without a direct relationship to the Corporation's operating performance, may affect the market price of the Common Shares.

***The Corporation may, in the future, issue additional Common Shares which would reduce investors' percentage ownership and may dilute the value of the Common Shares.***

The authorized share capital of the Corporation consists of unlimited class "A" common shares (or "Common Shares"), class "B" shares, class "A" special shares, class "B" special shares and class "C" special shares. As of the date of this prospectus, 25,014,032 class "A" common shares were issued and outstanding as fully paid and non-assessable shares, and the Corporation has not issued shares from any of the other authorized classes. The Corporation may value any securities issued in the future on an arbitrary basis. The issuance of additional securities for future services or acquisitions or other corporate actions may also have the effect of diluting the value of the Common Shares held by the Corporation's investors and might have an adverse effect on the trading market for the Common Shares.

### ***Insufficient Capital***

The Corporation does not currently have any revenue producing operations and may, from time to time, report a working capital deficit. To maintain its activities, the Corporation will require additional funds which may be obtained either by the sale of equity capital or by entering into an option or joint venture agreement with a third party providing such funding. There is no assurance that the Corporation will be successful in obtaining such additional financing; failure to do so could result in failure of the Corporation and total loss of your investment.

### ***Financing Risks***

The Corporation has no history of significant earnings and, due to the nature of its business, there can be no assurance that the Corporation will be profitable. The Corporation has paid no dividends on its shares since incorporation and does not anticipate doing so in the foreseeable future. The only present source of funds available to the Corporation is through the sale of its equity shares and there is no assurance that any such funds will be available on terms acceptable to the Corporation, or at all. If available, future equity financing may result in substantial dilution to purchasers under the Offering. At present it is impossible to determine what amounts of additional funds, if any, may be required.

### ***Limited Operating History***

The Corporation has no history of earnings. The purpose of this Offering is to raise funds to carry out its business objectives.

### ***Resale of Common Shares***

The continued operation of the Corporation will be dependent upon its ability to generate operating revenues and to procure additional financing. There can be no assurance that any such revenues can be generated or that other financing can be obtained. If the Corporation is unable to generate such revenues or obtain such additional financing, any investment in the Corporation may be lost. In such event, the probability of resale of the Common Shares purchased would be vastly diminished.

### ***Price Volatility of Publicly Traded Securities***

In recent years, the securities markets in the United States and Canada have experienced a high level of price and volume volatility, and the market prices of securities of many companies have experienced wide fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that continual fluctuations in price will not occur. It may be anticipated that any quoted market for the Common Shares will be subject to market trends generally, notwithstanding any potential success of the Corporation in creating revenues, cash flows or earnings. The value of Common Shares distributed hereunder will be affected by such volatility.

Before this Offering, there has been no public market for the Common Shares. An active public market for the Common Shares might not develop or be sustained after this Offering. The Offering Price of the Common Shares has been determined by negotiations between the Corporation and representatives of the Agents and such Offering Price will not necessarily reflect the prevailing market price of the Common Shares following this Offering. If an active public market for the Common Shares does not develop, the liquidity of a shareholder's investment may be limited and the share price may decline below the Offering Price to the public.

### ***Conflicts of Interest***

There are potential conflicts of interest to which the directors, officers, insiders and promoters of the Corporation will be subject in connection with the operations of the Corporation. Some of the directors and officers are engaged and will continue to be engaged in the search for additional business opportunities on behalf of other corporations, and situations may arise where these directors and officers will be in direct competition with the Corporation. Conflicts, if any, will be dealt with in accordance with the relevant provisions of the *Business Corporations Act* (Ontario).

### ***Discretion in the use of proceeds***

The Corporation's management will have discretion concerning the use of the proceeds of the Offering as well as the timing of their expenditures. As a result, an investor will be relying on the judgment of management for the application of the proceeds of the Offering. The Corporation's management may use the net proceeds of the Offering in ways that an investor may not consider desirable. The results and the effectiveness of the application of the proceeds are uncertain. If the proceeds are not applied effectively, the Corporation's results of operations may suffer.



## General Risk Factors

### ***Infrastructure***

Exploration, development and processing activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important elements of infrastructure, which affect access, capital and operating costs. The lack of availability on acceptable terms or the delay in the availability of any one or more of these items could prevent or delay exploration or development of the Miller Gold Property. If adequate infrastructure is not available in a timely manner, there can be no assurance that the exploration or development of the Miller Gold Property will be commenced or completed on a timely basis, if at all. Furthermore, unusual or infrequent weather phenomena, sabotage, government or other interference in the maintenance or provision of necessary infrastructure could adversely affect the Corporation's operations.

### ***Social and environmental activism can negatively impact exploration, development and mining activities***

There is an increasing level of public concern relating to the effects of mining on the natural landscape, on communities and on the environment. Certain non-governmental organizations, public interest groups and reporting organizations ("NGOs") who oppose resource development can be vocal critics of the mining industry. In addition, there have been many instances in which local community groups have opposed resource extraction activities, which have resulted in disruption and delays to the relevant operation. While the Corporation seeks to operate in a socially responsible manner and believes it has good relationships with local communities in the regions in which it operates, NGOs or local community organizations could direct adverse publicity against and/or disrupt the operations of the Corporation in respect of one or more of its properties, regardless of its successful compliance with social and environmental best practices, due to political factors, activities of unrelated third parties on lands in which the Corporation has an interest or the Corporation's operations specifically. Any such actions and the resulting media coverage could have an adverse effect on the reputation and financial condition of the Corporation or its relationships with the communities in which it operates, which could have a material adverse effect on the Corporation's business, financial condition, results of operations, cash flows or prospects.

### ***Force Majeure***

The Corporation's projects now or in the future may be adversely affected by risks outside the control of the Corporation, including the price of gold on world markets, labour unrest, civil disorder, war, subversive activities or sabotage, fires, floods, explosions or other catastrophes, epidemics or quarantine restrictions.

### ***Tax issues***

Income tax consequences in relation to the Common Shares will vary according to the circumstances by each purchaser. Prospective purchasers should seek independent advice from their own tax and legal advisors prior to subscribing for shares.

**These risk factors, individually or occurring together, would likely have a substantial negative effect on the Corporation's business and would likely cause it to fail.**

## **PROMOTERS**

Brian P. Fowler, John W. Pollock, and George W. Pollock are considered to be the promoters of the Corporation. See "Directors and Officers".

Brian P. Fowler acquired 67,000 Common Shares at a price of \$0.30 per Common Share pursuant to a private placement, representing 0.27% of the Common Shares issued by the Corporation prior to the Offering. All of these Common Shares are held in escrow. Mr. Fowler was granted 200,000 stock options at an exercise price of \$0.30 per stock option for a period of 5 years from the date of grant on February 9, 2019.

John W. Pollock holds 2,499,005 Common Shares of the Corporation, representing 9.9% of the outstanding Common Shares prior to the Offering. All of these Common Shares will be held in escrow. Mr. Pollock holds 300,000 Options exercisable at \$0.30 and expiring on February 9, 2024.

George W. Pollock holds 2,166,667 Common Shares of the Corporation, representing 8.66% of the outstanding Common Shares prior to the Offering. All of these Common Shares will be held in escrow. Mr. Pollock holds 300,000 Options exercisable at \$0.30 and expiring on February 9, 2024.

See "Escrowed Securities".

## **LEGAL PROCEEDINGS AND REGULATORY ACTIONS**

The Corporation is not a party to any legal proceedings or regulatory actions and is not aware of any such proceedings known to be contemplated.

## **INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS**

The directors, senior officers and principal shareholders of the Corporation or any associate or affiliate of the foregoing have had no material interest, direct or indirect, in any transactions in which the Corporation has participated within the three year period prior to the date of this Prospectus, or will have any material interest in any proposed transaction, which has materially affected or will materially affect the Corporation.

## **RELATIONSHIP BETWEEN THE CORPORATION AND AGENTS**

The Corporation is not a related party or connected party to any of the Agents (as such terms are defined in National Instrument 33-105 - *Underwriting Conflicts*).

## **AUDITORS**

The auditor of the Corporation is Grant Thornton LLP, Chartered Professional Accountants of Mississauga, Ontario.

## **REGISTRAR AND TRANSFER AGENT**

The registrar and transfer agent of the Corporation is TSX Trust Company, of 300 - 5th Avenue SW, 10th Floor, Calgary, Alberta T2P 3C4.

## **MATERIAL CONTRACTS**

Except for contracts made in the ordinary course of business, the following are the only material contracts entered into by the Corporation: (a) since the beginning of the Corporation's last financial year ending before the date of the Prospectus; or (b) before the beginning of the Corporation's last financial year ending before the date of the Prospectus that are still in effect:

1. Stock Option Plan dated November 22, 2018 referred to under "Options to Purchase Securities".
2. Stock Option Agreements dated for reference February 9, 2019 between the Corporation and certain directors and officers of the Corporation referred to under "Options to Purchase Securities".
3. Escrow Agreement among the Corporation, the Escrow Agent and the Principals of the Corporation dated March 20, 2019 referred to under "Escrowed Shares".
4. Agency Agreement between the Corporation and Haywood Securities Inc. dated for reference November 14, 2019 referred to under "Plan of Distribution".

A copy of any material contract may be inspected during distribution of the Common Shares being offered under this Prospectus and for a period of 30 days thereafter during normal business hours at the Corporation's offices at 17 Wellington Street North, New Liskeard, Ontario P0J 1P0.

As well, the material contracts are available for viewing on SEDAR located at the following website: [www.sedar.com](http://www.sedar.com).

## **EXPERTS**

The following persons or companies whose profession or business gives authority to a statement made by the person or company are named in the Prospectus as having prepared or certified a part of this document or a report of valuation described in the Prospectus:

1. The information in this Prospectus under the headings "Eligibility for Investment" has been included in reliance upon the opinion of Heighington Law; and
2. The audited financial statements of the Corporation included with this Prospectus have been subject to audit by Grant Thornton LLP, Chartered Professional Accountants and their audit report is included herein.
3. The information in this Prospectus related to the Miller Gold Property is derived from the NI 43-101 Technical Report prepared by Trevor Boyd, PhD, P. Geo, Elisabeth Ronacher, PhD, P. Geo, and Ronacher McKenzie Geoscience Inc.

Based on information provided by the relevant persons listed above, none of such persons or companies have received or will receive any direct or indirect interests in the property of the Corporation. None of the aforementioned persons or companies, nor any of the directors, officers, employees and partners thereof, beneficially own, directly or indirectly, any securities of the Corporation or its associates and affiliates.

Grant Thornton LLP are the auditors of the Corporation and has informed the Corporation that it is independent of the Corporation within the meaning of the rules of professional conduct of the Institute of Chartered Professional Accountants of Ontario.

## **OTHER MATERIAL FACTS**

There are no other material facts other than as disclosed herein.

## **DIVIDEND POLICY**

The Corporation intends to retain any future earnings to pay down debt and/or fund the development and growth of its business and do not currently anticipate paying dividends on the Common Shares in the near-term. The Corporation may elect to pay a dividend in the future, however, any determination to pay dividends will be at the discretion of our Board and will depend on many factors, including, among others, our financial condition, current and anticipated cash requirements, contractual restrictions and financing agreement covenants, solvency tests imposed by applicable corporate law and other factors that our Board may deem relevant.

## **PURCHASERS' STATUTORY RIGHT OF WITHDRAWAL AND RESCISSION**

Securities legislation in certain of the provinces and territories of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt or deemed receipt of a prospectus and any amendment. The securities legislation further provides a purchaser with remedies for rescission or damages if the prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of these rights or consult with a legal adviser.

## **FINANCIAL STATEMENTS**

Attached to and forming a part of this Prospectus are the audited financial statements of the Corporation for the years ended April 30, 2019, 2018 and 2017 and unaudited interim statements for the three-month period ended July 31, 2019.

## SCHEDULE "A"

### NORTHSTAR GOLD CORP. (the "Company")

#### AUDIT COMMITTEE CHARTER

The Board of Directors of Northstar Gold Corp. (the "Company") has established an audit committee consisting of board members (the "Audit Committee"). The primary function of the Audit Committee is to assist the board of directors of the Company (the "Board") in fulfilling its oversight responsibilities.

#### **ROLE**

The Committee's primary function is to assist the Board in fulfilling its oversight responsibilities, including:

- a. Serving as an independent and objective party to monitor the integrity of the Company's financial reporting process and systems of internal controls regarding finance, accounting, and legal compliance, and disclosure controls and procedures.
- b. Making recommendations to the Board as needed regarding the Company's internal control and management information systems.
- c. Monitoring the independence and performance of the Company's independent auditors.
- d. Facilitating communication among the independent auditors, management and the Directors.
- e. On a regular basis, reviewing with management and, if appropriate, making recommendations for approval of the Board in respect of risk management.
- f. Providing oversight to the enterprise risk management system, including risk management systems, policies and practices that establish an appropriate framework for identifying and understanding significant and emerging risks, and for making risk management decisions, and ensuring the enterprise risk management system is designed, understood, implemented and updated by management.
- g. Providing guidance and assistance to the Board on matters relating to business planning, investment and capital raising opportunities.
- h. Encouraging continuous improvement of, and fostering adherence to, the Company's policies, procedures and practices at all levels.
- i. Reviewing and recommending for approval by the Directors, the quarterly and annual consolidated financial results of the Company, corresponding press releases and statutory filings, as well as all MD&A's and Annual Information Forms.
- j. Establishing and providing oversight to a procedure for the receipt, retention and treatment of complaints received by the Company including, but not limited to, accounting, internal accounting controls, or auditing matters.
- k. Establishing a procedure for the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.
- l. Utilizing its authority to conduct any investigation appropriate to fulfilling its responsibilities through direct access to the independent auditors as well as anyone in the organization.

#### **COMPOSITION AND MEMBERSHIP**

The independent members of the Board will appoint annually the members of the Committee. The Members will be appointed to hold office until the next annual general meeting of shareholders of the Company or until their successors are appointed.

The Committee will consist of at least three directors, all of whom shall be independent non-executive directors, free from any relationship that, in the opinion of the Board, would interfere with the exercise of his or her independent judgment as a member of the Audit Committee.

All members of the Committee shall have a sound understanding of the nature and significance of the types of risks faced by the Company.

In addition to meeting the definition of independence and being "financially literate" within the meaning of Multilateral Instrument 52-110, all members shall meet the requirements, if any, for members of audit committees under applicable law and the rules of any stock exchange on which the Company's securities are listed for trading.

The Board will appoint one of the Members to act as the Chair of the Committee (the "Chair").

## **MEETINGS AND PROCESS**

The Committee shall meet at least four times annually, or more frequently as circumstances require.

Meetings of the Committee will be held at such times and places as the Chair may determine, and may be held in person, by telephone, and/or by video conference. At each meeting of the Committee, there shall be an *in camera* session of only the independent members, if applicable.

A majority of the members of the Committee shall constitute a quorum. Members shall be provided with a minimum of 48 hours' notice of meetings. The notice period may be waived by a quorum of the Committee. No business may be transacted by the Committee except at a meeting of its Members at which a quorum of the Committee is present, or by a unanimous written consent.

The Committee Chair, if present, will act as the chair of meetings of the Committee and shall establish the agenda of the meeting and, where possible, ensure that materials are circulated sufficiently in advance to provide adequate time for review prior to the meeting. The Committee Chair will appoint a Recording Secretary at each meeting. The Secretary will keep minutes of each meeting, which will be distributed in advance of subsequent meetings for Committee approval.

The Committee may delegate work to one or more of its members, and such members must report to the Committee at its next scheduled meeting or as otherwise mandated. In order to properly carry out its responsibilities, the Committee may retain outside consultants upon the approval of the Board Chair.

The Committee shall have access to officers and employees of the Company, its auditors, legal counsel and to such information respecting the Company as it considers necessary or advisable in order to perform its duties and responsibilities. The Audit Committee will meet privately in executive session at least annually with management and the independent auditors (without management present) to discuss any matters that the Committee or each of these groups believe should be discussed. In addition, the Committee will communicate with management quarterly to review the Company's financial statements.

The Committee shall report its discussions to the Board at the next Board meeting.

## **RELATIONSHIP WITH THE CHIEF FINANCIAL OFFICER (THE "CFO")**

The CFO is indirectly accountable to the Audit Committee and is responsible for the timeliness and integrity of the financial reporting and information presented to the Board. Board-related responsibilities of the CFO will also include acting as the chief advisor to the Audit Committee of the Board.

## **DUTIES AND RESPONSIBILITIES**

### **OVERSIGHT OF FINANCIAL REPORTING**

- a. Review the Company's annual audited and interim consolidated financial statements, MD&A and annual and interim earnings press releases prior to filing or distribution, as well as the independent auditors' reports thereon, as applicable, and recommend the approval of such financial statements, MD&A and press releases by the Directors if advisable.
- b. Ensure that adequate procedures are in place for the review of the Company's public disclosure of financial information extracted or derived from financial statements, other than the public disclosure in financial statements, MD&A and annual and interim earnings press releases, and periodically assess the adequacy of those procedures.
- c. Consider the independent auditors' judgements about the quality and appropriateness, not just the acceptability, of the Company's accounting principles and financial disclosure practices, as applied in its financial reporting.
- d. Consider and recommend to the Board if appropriate, major changes to the Company's accounting principles, policies and practices as suggested by the independent auditors or management and ensure that the auditors' reasoning is described in determining the appropriateness of changes in accounting principles, policies and disclosures.
- e. In consultation with the management and the independent auditors, consider the integrity of the Company's financial reporting processes and controls, and disclosure controls. Discuss significant financial risk exposures and the steps management has taken to monitor, control, and report such exposures. Review significant findings prepared by the independent auditors together with management's responses.

- f. Review any significant disagreements among management and the independent auditors in connection with the preparation of the financial statements and the Company's financial reporting and oversee the resolution of such disagreements.
- g. Review with financial management and the independent auditors, if applicable, the Company's quarterly financial results prior to the release of earnings and/or the Company's quarterly financial statements prior to filing or distribution.
- h. Discuss any significant changes to the Company's accounting principles applied in respect of such quarterly financial statements.
- i. Review treasury and taxation matters.
- j. Review related party transactions to ensure they reflect legal and regulatory requirements and report to the Board on all such transactions, if any, each quarter.

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#### OVERSIGHT OF INTERNAL CONTROLS

- a. Review and assess the adequacy and effectiveness of the Company's system of internal control over financial reporting (ICOFR) and related management information systems through discussions with management, the internal auditor and the external auditor.
- b. Oversee system of internal control, by:
  - i. Monitoring and reviewing policies and procedures for internal accounting, internal audit, financial control and management information;
  - ii. Consulting with the external auditor regarding the adequacy of the Company's internal controls;
  - iii. Reviewing with management its philosophy with respect to internal controls and, on a regular basis, all significant control-related findings together with management's response; and
  - iv. Obtaining from management adequate assurances that all statutory payments and withholdings have been made.
- c. Oversee investigations of alleged fraud and illegality relating to the Company's finances.
- d. Review with management the effectiveness of procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters, the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters, and for the protection from retaliation of those who report such complaints in good faith.
- e. Review and address as required, all complaints received by the Company regarding accounting, internal accounting controls (ICOFR), or auditing matters.
- f. Review the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters.

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#### OVERSIGHT OF RISK MANAGEMENT

- a. The Committee shall, at least annually, review the processes in place to ensure that areas of risk for the Company are properly defined and managed and that any area of risk oversight delegated to a Board committee is appropriately delegated and addressed in the committee's mandate.
- b. At least annually, review policies and practices to control significant risks.
- c. Review quarterly reporting related to specific areas of the Company's financial, legal, operational or other risk.

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#### CODE OF BUSINESS CONDUCT AND ETHICS

The Committee will:

- a. As appropriate, refer alleged breaches of the Code of Business Conduct and Ethics received by the Committee to the Governance and Nominating Committee.
- b. Administer the Code of Business Conduct and Ethics and Whistleblower Policy, including the review of requests for waivers from the Code of Conduct requested by directors or senior executives and determination of whether to grant such waivers.



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## EXTERNAL AUDITORS

- a. The external auditors of the Company shall report directly to the Committee and the Directors and ultimately accountable to them. The Committee will:
  - i. Review the independence and performance of the auditors and annually recommend to the Directors the appointment of the independent auditors for election by the Company's shareholders or recommend to the Board any discharge of auditors when circumstances warrant.
  - ii. As part of its external auditor oversight responsibilities, together with management, conduct an annual assessment of the auditors and every 5 years, a comprehensive assessment of the auditors, as recommended by the Canadian Public Accountability Board.
  - iii. Review and recommend for approval to the Board the fees and other significant compensation to be paid to the independent auditors.
- b. Pre-approve auditing services (including the provision of comfort letters in public or private offerings) and other non-audit services to be provided by the audit firm other than in respect of minor taxation advisory services.
- c. Review the independent auditors' audit plan and discuss the auditors' scope with reference to Part One of the Policy on the Scope of Services of the Auditor and Hiring Practices for the Auditor Engagement Team (Appendix A to this Mandate), staffing, materiality, locations, reliance upon management and their general audit approach.
- d. Discuss with the external auditor any significant changes required in the approach or scope of their audit plan, management's handling of any proposed adjustments identified by the external auditor, and any actions or inactions by management that limited or restricted the scope of their work.
- e. Review, in the absence of management, the results of the annual external audit, the audit report thereon and the auditor's review of the related MD&A, and discuss with the external auditor the quality of accounting principles used, any alternative treatments of financial information that have been discussed with management, the ramifications of their use and the auditor's preferred treatment, and any other material communications with management.
- f. Review all other material written communications between the external auditor and management, including the post-audit management letter containing the recommendations of the external auditor, management's response.
- g. Review any other matters related to the external audit that are to be communicated to the Committee under generally accepted auditing standards.
- h. Review with management and the external auditor any correspondence with regulators or governmental agencies, employee complaints or published reports that raise material issues regarding the Company's financial statements or accounting policies.
- i. Consider the tenure of the lead audit partner on the engagement and review and confirm the independence of the external auditor.
- j. Periodically review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Company, with reference to Part Two of the Policy on the Scope of Services of the Auditor and Hiring Practices for the Auditor Engagement Team (Appendix A to this Mandate).

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## ETHICAL, LEGAL AND OTHER COMPLIANCE

The Committee will:

- a. As appropriate, refer alleged breaches of the Code of Business Conduct and Ethics received by the Committee to the Governance and Nominating Committee.
- b. Review as needed with the Company's counsel, any legal matters that could have a significant impact on the Company's financial statements or compliance with applicable laws and regulations, and inquiries received from regulators or governmental agencies.
- c. Perform any other activities consistent with this Charter, the Company's by-laws and governing law, as the Audit Committee or the Directors deem necessary or appropriate.

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## OTHER AUDIT COMMITTEE RESPONSIBILITIES

The Committee will:

- a. Describe in the Company's annual regulatory filings, the Committee's composition and responsibilities and how they were discharged.
- b. Ensure regulatory documents meet reporting obligations under Multilateral Instrument 52-110.
- c. Annually review the Committee's agenda and mandate and report recommended changes to the Board.
- d. Annually conduct a self-assessment of the Committee's performance.
- e. Perform such other duties as may be assigned to it by the board of as the Committee shall deem appropriate from time to time, or as may be required by applicable regulatory authorities or legislation.

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## APPENDIX “A”

### **Policy on the Scope of Services of the Auditor and Hiring Practices for Auditor Engagement Team**

Northstar Gold Corp. (the “**Company**”) has established parameters for the engagement of the Auditor consistent with the Company’s corporate governance expectations and applicable law. These parameters cover all work that might be performed by the Auditor through engagements with the Company.

#### **Definition of Auditor**

The term Auditor refers to the firm of accountants that is appointed to perform the audit of the consolidated financial statements of the Company.

#### **Part One - Scope of Work and Authorization Standards**

All work performed by the Auditor for the Company will be pre-approved by the Audit Committee. The Audit Committee may delegate authority to pre-approve such work to any one member of the Audit Committee, provided that any work so pre-approved must be ratified by the full Audit Committee at the next meeting of the Audit Committee.

The Audit Committee will update the list of “pre-approved services” in respect of the Auditor and add any services that are recurring or otherwise reasonably expected to be provided. In addition, any specific services from this list for which the Auditor is engaged, where the aggregate fees are estimated to be less than or equal to \$10,000, will be submitted to the Chief Financial Officer for approval. The Chief Financial Officer will notify the Chief Executive Officer and Chair of the Audit Committee of the service being engaged immediately. The Audit Committee will be subsequently informed at each regular meeting of the services on the “pre-approved services” list for which the Auditor has been actually engaged since the previous meeting. Any additional requests for pre-approval for services not on the “pre-approved services” list or where the aggregate fees are in excess of \$10,000, will be addressed on a case-by case specific engagement basis.

In the event that a non-audit service is provided by the Auditor that was not recognized at the time of the engagement to be a non-audit service, such service must be brought to the attention of the Audit Committee or its delegate for approval.

The Auditor will only perform audit, audit-related and tax work. Definitions of “audit”, “audit- related” and “tax work” are included below.

**SCHEDULE "B"**

**FINANCIAL STATEMENTS**

Unaudited interim statements for the three-month period ended July 31, 2019

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**NORTHSTAR GOLD CORP.**  
**CONDENSED INTERIM FINANCIAL STATEMENTS**  
**THREE MONTHS ENDED JULY 31, 2019**  
**(EXPRESSED IN CANADIAN DOLLARS)**  
**(UNAUDITED)**

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**Northstar Gold Corp.**  
Condensed Interim Statements of Financial Position  
(Expressed in Canadian Dollars)  
(Unaudited)

	As at July 31, 2019	As at April 30, 2019
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash	\$ 8,399	\$ 90,965
Prepays and other assets	133,307	111,847
Sales tax receivable	6,118	18,095
<b>Total Current Assets</b>	<b>147,824</b>	<b>220,907</b>
<b>Non-Current Assets</b>		
Property and equipment (note 4)	6,973	7,485
Exploration and evaluation assets (note 5)	4,421,653	4,421,653
<b>Total Assets</b>	<b>\$ 4,576,450</b>	<b>\$ 4,650,045</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Current Liabilities</b>		
Accounts payable and accrued liabilities (note 6)	\$ 195,461	\$ 156,023
Flow-through share premium liability	36,452	36,452
<b>Total Liabilities</b>	<b>231,913</b>	<b>192,475</b>
<b>Equity</b>		
Share capital (note 7(b))	11,615,971	11,615,971
Warrant reserves (note 7(c))	186,312	186,312
Contributed surplus	367,399	367,399
Units to be issued (note 7(b))	60,928	60,928
Deficit	(7,886,073)	(7,773,040)
<b>Total Equity</b>	<b>4,344,537</b>	<b>4,457,570</b>
<b>Total Equity and Liabilities</b>	<b>\$ 4,576,450</b>	<b>\$ 4,650,045</b>

The accompanying notes to the unaudited condensed interim financial statements are an integral part of these statements.

**Nature of Operations** (note 1)  
**Going Concern** (note 2)  
**Subsequent Event** (note 11)

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**Northstar Gold Corp.****Condensed Interim Statements of Loss and Comprehensive Loss****(Expressed in Canadian Dollars)****(Unaudited)**

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<b>For the Three Months Ended July 31,</b>	<b>2019</b>	<b>2018</b>
<b>Expenses</b>		
Professional fees	\$ 15,704	\$ 34,732
Salaries and related benefits	29,459	16,947
General and administration	46,173	20,848
Travel	7,259	4,245
Exploration expenses (note 5)	3,881	2,102
Depreciation	512	356
Consulting	10,000	-
<b>Loss Before Other (Expense) Income</b>	<b>(112,988)</b>	<b>(79,230)</b>
Loss on foreign exchange	(45)	(245)
<b>Total Loss and Comprehensive Loss for the Period</b>	<b>\$ (113,033)</b>	<b>\$ (79,475)</b>
<b>Basic and Diluted Net Loss per Share (notes 1 and 8)</b>	<b>\$ (0.00)</b>	<b>\$ (0.00)</b>
<b>Weighted Average Number of Common Shares Outstanding</b>	<b>25,014,032</b>	<b>22,699,580</b>

The accompanying notes to the unaudited condensed interim financial statements are an integral part of these statements.



**Northstar Gold Corp.**

Condensed Interim Statements of Cash Flows  
(Expressed in Canadian Dollars)  
(Unaudited)

For the Three Months Ended July 31,	2019	2018
<b>Operating Activities</b>		
Net loss for the period	\$ (113,033)	\$ (79,475)
Adjustments for:		
Depreciation	512	178
Changes in non-cash working capital items:		
Prepaid expenses and other assets	(21,460)	(22,111)
Sales tax receivable	11,977	(1,190)
Amounts payable and other liabilities	39,438	52,507
<b>Net Cash Used In Operating Activities</b>	<b>(82,566)</b>	<b>(50,091)</b>
<b>Financing Activities</b>		
Shares issued in private placements, net	-	49,020
<b>Net Cash Provided by Financing Activities</b>	<b>-</b>	<b>49,020</b>
<b>Net Change in Cash</b>	<b>(82,566)</b>	<b>(1,071)</b>
<b>Cash, Beginning of Period</b>	<b>90,965</b>	<b>9,714</b>
<b>Cash, End of Period</b>	<b>\$ 8,399</b>	<b>\$ 8,643</b>

The accompanying notes to the unaudited condensed interim financial statements are an integral part of these statements.

**Northstar Gold Corp.****Condensed Interim Statements of Changes in Equity**  
(Expressed in Canadian Dollars)  
(Unaudited)

	Common Shares	Amount	Contributed Surplus	Warrants Reserve	Shares and Units to be Issued	Deficit	Total
Balance, April 30, 2018	22,618,420	\$ 11,187,919	\$ -	\$ -	\$ 30,000	\$ (6,885,364)	\$ 4,332,555
Private placement, net of issuance costs	266,667	63,414	-	15,606	(30,000)	-	49,020
Net loss for the period	-	-	-	-	-	(79,475)	-
<b>Balance, July 31, 2018</b>	<b>22,885,087</b>	<b>\$ 11,251,333</b>	<b>\$ -</b>	<b>\$ 15,606</b>	<b>\$ -</b>	<b>\$ (6,964,839)</b>	<b>\$ 4,381,575</b>
Balance, April 30, 2019	25,014,032	\$ 11,615,971	\$ 367,399	\$ 186,312	\$ 60,928	\$ (7,773,040)	\$ 4,457,570
Net loss for the period	-	-	-	-	-	(113,033)	(113,033)
<b>Balance, July 31, 2019</b>	<b>25,014,032</b>	<b>\$ 11,615,971</b>	<b>\$ 367,399</b>	<b>\$ 186,312</b>	<b>\$ 60,928</b>	<b>\$ (7,886,073)</b>	<b>\$ 4,344,537</b>

The accompanying notes to the unaudited condensed interim financial statements are an integral part of these statements.

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## **Northstar Gold Corp.**

Notes to Condensed Interim Financial Statements

Three Months Ended July 31, 2019

(Expressed in Canadian Dollars)

(Unaudited)

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### **1. Nature of Business**

Northstar Gold Corp. (the "Company") was incorporated on May 20, 2008 under the laws of Ontario, Canada and is an exploration stage junior mining company. The Company's registered office is located at 17 Wellington Street, New Liskeard, Ontario, Canada.

The Company is engaged in the identification, evaluation and exploration of mineral properties in Ontario, Canada. The Company has not yet determined whether any of its properties contain mineral resources that are economically recoverable. The recoverability of any amounts recorded for mineral exploration properties is dependent upon the discovery of economically recoverable resources, the ability of the Company to obtain necessary financing to complete the development of these resources and upon attaining future profitable production from the properties or sufficient proceeds from disposition of the properties.

These financial statements were authorized for issuance by the Board of Directors of the Company on September 30, 2019.

On June 28, 2019, the Company filed a final prospectus and application for a public listing on the Canadian Stock Exchange. Pursuant to the terms of the submission for the final prospectus, the Company is required to complete the initial public offering no later than 90 days from the date of filing, raising a minimum of \$3,000,000 to a maximum of \$4,000,000 at \$0.30 per common share.

On September 23, 2019, the Company withdrew its Prospectus dated June 28, 2019. The Company intends to shortly file a new preliminary prospectus in connection with a minimum offering for \$2,300,000 and a maximum of \$4,000,000 at \$0.30 per share.

### **2. Going Concern**

As at July 31, 2019, the Company had not yet commenced production and had accumulated losses of \$7,886,073. The ability of the Company to recover the costs it has incurred to date on the exploration and evaluation assets is dependent upon the Company being able to identify a commercial ore body, to finance its exploration and development costs and to resolve any environmental, regulatory, and other constraints which may hinder the successful development of the assets. The aforementioned factors indicate the existence of a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern.

The Company's ability to continue as a going concern is dependent on its ability to obtain adequate financing on reasonable terms from lenders, shareholders and other investors and/or to commence profitable operations in the future. Although the Company has been successful in raising funds in the past, there is no assurance that it will be able to obtain adequate financing in which case the Company may be unable to meet its obligations. The directors, after reviewing the current cash position and having considered the Company's ability to raise funds in the short term, adopt the going concern basis in preparing its financial statements.

The accompanying condensed interim financial statements do not include any adjustments relating to the recoverability of assets and to the reclassification of asset and liability amounts that might be necessary should the Company be unable to continue its operations.

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**Northstar Gold Corp.**

Notes to Condensed Interim Financial Statements  
Three Months Ended July 31, 2019  
(Expressed in Canadian Dollars)  
(Unaudited)

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**3. Basis of Preparation**

These unaudited condensed interim financial statements have been prepared in accordance with International Accounting Standard 34 - "Interim Financial Reporting" ("IAS 34") using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). Accordingly, certain disclosures included in annual financial statements prepared in accordance with IFRS have been condensed or omitted and these unaudited condensed interim financial statements should be read in conjunction with the Company's audited financial statements for the year ended April 30, 2019.

The accounting policies applied in preparation of these unaudited condensed interim financial statements are consistent with those applied and disclosed in the Company's financial statements for the year ended April 30, 2019 with the exception of the adoption of new pronouncements, which had no impact on the results of operations or financial position of the Company.

The preparation of condensed interim financial statements in conformity with IAS 34 requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The interim results are not necessarily indicative of results for a full year. The critical judgments and estimates applied in the preparation of the Company's condensed interim financial statements are consistent with those applied and disclosed in note 3 to the Company's financial statements for the year ended April 30, 2019.

These unaudited condensed interim financial statements are presented in Canadian dollars, which is also the functional currency of the Company.

**Adoption of New Accounting Pronouncements**

The following accounting pronouncements were adopted during the current period:

***IFRS 16 Leases***

A finalized version of IFRS 16 Leases replaces IAS 17 Leases. The new standard brings most leases on-balance sheet for lessees under a single model, eliminating the distinction between operating and finance leases. Lessor accounting however remains largely unchanged and the distinction between operating and finance leases is retained. The Company adopted this standard on May 1, 2019, with no resulting change to its condensed interim financial statements.

***IFRS 23 Uncertainty Over Income Tax Treatments***

On June 7, 2017, the IASB issued IFRIC Interpretation 23 - Uncertainty over Income Tax Treatments. The Interpretation provides guidance on the accounting for current and deferred tax liabilities and assets in circumstances in which there is uncertainty over income tax treatments. The Interpretation is applicable for annual periods beginning on or after January 1, 2019. The Company adopted this standard on May 1, 2019, with no resulting change to its condensed interim financial statements.

There are no other relevant IFRS or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Company.

**Northstar Gold Corp.**

Notes to Condensed Interim Financial Statements  
Three Months Ended July 31, 2019  
(Expressed in Canadian Dollars)  
(Unaudited)

**4. Property and Equipment**

<b>Cost</b>	<b>Building</b>	<b>Furniture and Equipment</b>	<b>Vehicles</b>	<b>Computer</b>	<b>Total</b>
Balance, May 1, 2018	\$ 1,500	\$ 6,968	\$ 13,132	\$ 2,833	\$ 24,433
Additions	-	-	-	1,994	1,994
<b>Balance, April 30, 2019 and July 31, 2019</b>	<b>\$ 1,500</b>	<b>\$ 6,968</b>	<b>\$ 13,132</b>	<b>\$ 4,827</b>	<b>\$ 26,427</b>

<b>Accumulated Depreciation</b>	<b>Building</b>	<b>Furniture and Equipment</b>	<b>Vehicles</b>	<b>Computer</b>	<b>Total</b>
Balance, May 1, 2018	\$ 309	\$ 2,420	\$ 11,819	\$ 2,721	\$ 17,269
Depreciation for the year	60	909	393	311	1,673
<b>Balance, April 30, 2019</b>	<b>\$ 369</b>	<b>\$ 3,329</b>	<b>\$ 12,212</b>	<b>\$ 3,032</b>	<b>\$ 18,942</b>
Depreciation for the period	14	182	69	247	512
<b>Balance, July 31, 2019</b>	<b>\$ 383</b>	<b>\$ 3,511</b>	<b>\$ 12,281</b>	<b>\$ 3,279</b>	<b>\$ 19,454</b>

<b>Carrying value</b>	<b>Building</b>	<b>Furniture and Equipment</b>	<b>Vehicles</b>	<b>Computer</b>	<b>Total</b>
Balance, April 30, 2019	\$ 1,131	\$ 3,639	\$ 920	\$ 1,795	\$ 7,485
<b>Balance, July 31, 2019</b>	<b>\$ 1,117</b>	<b>\$ 3,457</b>	<b>\$ 851</b>	<b>\$ 1,548</b>	<b>\$ 6,973</b>



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**Northstar Gold Corp.**

Notes to Condensed Interim Financial Statements

Three Months Ended July 31, 2019

(Expressed in Canadian Dollars)

(Unaudited)

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**5. Exploration and Evaluation Assets**

	Boston Creek- Miller	Bryce	Temagami- Milestone	Total
Balance, April 30, 2018	\$ 169,831	\$ 4,247,822	\$ 4,000	\$ 4,421,653
Balance, April 30, 2019	\$ 169,831	\$ 4,247,822	\$ 4,000	\$ 4,421,653
Balance, July 31, 2019	\$ 169,831	\$ 4,247,822	\$ 4,000	\$ 4,421,653

**(a) Boston Creek - Miller Project, Ontario**

The Boston Creek-Miller Project is the Company's flagship property located in the Catherine, Pacaud, Boston and McElroy Townships in the Larder Lake mining division of Northeastern Ontario. All claims are 100% owned by the Company. These claims were acquired in 2013 and 2014 by issuing 500,000 common shares at a price of \$0.30 for a total of \$150,000 and cash payments of \$19,831.

The Boston Creek-Miller Project is subject to a 0.25% net smelter royalty (the "NSR"), with an option to buy out for \$250,000 on 16 hectares of land in Pacaud township. There is a 3% NSR on 32 hectares of the Campbell portion of the property. There is a 2% NSR on 96 hectares in Catharine Township with a 1% buy back for \$1,000,000 and a right of first refusal on the remaining 1% NSR. The remaining 240 hectares in Catharine Township also carries a 2% NSR, with a 1% buy back for \$1,000,000 and a right of first refusal on the remaining 1% NSR. The 32 hectares of freehold patents hold a 3% NSR.

All exploration expenses during the periods, net of recoveries on sale of gold extracted from samples, relate to the above property.

**(b) Bryce Project, Ontario**

The Bryce Project is located in Bryce and Tudhope Township in the Larder Lake mining division of Northeastern Ontario. The Company owns 100% of the unpatented claims. The Company also has 100% ownership of the mining rights to patented ground contiguous with the rest of the Bryce Property. These claims were acquired in 2008, 2009 and 2010 by issuing 7,041,667 shares at a price of \$0.60 for a total of \$4,225,000 and cash payments of \$22,822.

The Bryce Project is subject to a 3% NSR on 672 hectares in Bryce Township with a right of first refusal on a buy out of the NSR. There is also a 3% NSR on another 176 hectares in Bryce with an option to buyback \$500,000 per 0.5% for a total of \$1,500,000 and a right of first refusal on the remaining 1.5%. The 80 hectares of patented land is subject to a 3% NSR, with a right of first refusal option to buy back 2% at a rate of \$100,000 per 0.5%, for a total of \$400,000 and a right of first refusal on the remaining 1%.

**(c) Temagami-Milestone, Ontario**

The Temagami-Milestone Project is located in Strathcona Township in Northeastern Ontario and is currently in the early stages of exploration. All claims are 100% owned by the Company. No royalties exist on the Property. These claims were acquired in 2012 for staking costs of \$4,000.

*Title to Mineral Property Interests*

Although the Company has taken steps to verify the title to mineral properties in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements or transfers, noncompliance with regulatory requirements or aboriginal land claims, and title may be affected by undetected defects.

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**Northstar Gold Corp.**

Notes to Condensed Interim Financial Statements  
Three Months Ended July 31, 2019  
(Expressed in Canadian Dollars)  
(Unaudited)

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**6. Related Party Transactions and Key Management Compensation**

The Company has contracts for management and geological services plus costs incurred in providing these services with its key management, namely officers, administrators and directors and companies controlled by management. Transactions are recorded at their fair value, which is the agreed upon amount between the parties to provide the services.

- During the three months ended July 31, 2019, the Company paid \$29,324 (three months ended July 31, 2018 - \$16,947) in fees to the Company's VP, exploration. Included in accounts payable is \$nil (April 30, 2019 - \$nil) in relation to these fees and reimbursable expenses.
- During the three months ended July 31, 2019, the Company paid \$10,000 (three months ended July 31, 2018 - \$nil) to the Company's Chief Executive Officer. Included in accounts payable is \$nil (April 30, 2019 - \$15,299) in relation to these fees and reimbursable expenses.

During the three months ended July 31, 2019,, the Company expensed \$14,500 (three months ended July 31, 2019 - \$nil) to Marrelli Support Services Inc. ("Marrelli Support") and DSA Corporate Services Inc. (the "DSA"), together known as the "Marrelli Group" for:

- (i) Robert D.B. Suttie to act as Chief Financial Officer ("CFO") of the Company;
- (ii) Bookkeeping and office support services;
- (iii) Corporate filing services
- (iv) Corporate secretarial service

The Marrelli Group is also reimbursed for out of pocket expenses.

Both Marrelli Support and DSA are private companies. Robert Suttie is the President of Marrelli Support.

As of July 31, 2019 the Marrelli Group was owed \$37,502 (April 30, 2019 - \$20,965) and these amounts were included in accounts payable and accrued liabilities.

**7. Share Capital****(a) Authorized Share Capital**

The Company is authorized to issue an unlimited number of common shares.

**(b) Common Shares Issued**

The following is a summary of common shares issued during periods ended July 31, 2019 and 2018:

	Number of Common Shares	Amount
Balance, April 30, 2018	22,618,420	\$ 11,187,919
Private placement, net of share issuance costs	266,667	79,020
Proceeds allocated to warrants	-	(15,606)
<b>Balance, July 31, 2018</b>	<b>22,885,087</b>	<b>\$ 11,251,333</b>
<b>Balance, April 30, 2019 and July 31, 2019</b>	<b>25,014,032</b>	<b>\$ 11,615,971</b>



**Northstar Gold Corp.**

Notes to Condensed Interim Financial Statements  
 Three Months Ended July 31, 2019  
 (Expressed in Canadian Dollars)  
 (Unaudited)

**7. Share Capital (Continued)****(c) Warrants**

	Number of Warrants	Amount
Balance, April 30, 2018,	-	\$ -
Issued on private placement	266,667	15,606
<b>Balance, July 31, 2018</b>	<b>266,667</b>	<b>\$ 15,606</b>
<b>Balance, April 30, 2019 and July 31, 2019</b>	<b>2,191,400</b>	<b>\$ 186,312</b>

The following table reflects the warrants outstanding and exercisable as of July 31, 2019:

Expiry Date	Exercise Price (\$)	Weighted Average Remaining Contractual Life (Years)	Number of Warrants Outstanding
July 4, 2020	0.54	0.93	266,667
January 28, 2021	0.54	1.50	1,450,667
January 28, 2021	0.30	1.50	10,693
March 18, 2021	0.54	1.63	432,164
March 18, 2021	0.30	1.63	12,320
March 18, 2021	0.36	1.63	18,889
	0.54	1.46	2,191,400

**(d) Stock Options**

The following table reflects the continuity of stock options for the three months ended July 31, 2019 and 2018:

	Number of Stock Options	Weighted Average Exercise Price (\$)
Balance, April 30, 2018, and July 31, 2018	-	-
<b>Balance, April 30, 2019 and July 31, 2019</b>	<b>2,200,000</b>	<b>0.30</b>

As at July 31 2019, all 2,200,000 (April 30, 2019 - 2,200,000) issued and outstanding options were exercisable.

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**Northstar Gold Corp.**

Notes to Condensed Interim Financial Statements

Three Months Ended July 31, 2019

(Expressed in Canadian Dollars)

(Unaudited)

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**7. Share Capital (Continued)****(d) Stock Options (Continued)**

The following table reflects the stock options issued and outstanding as of July 31, 2019:

<u>Expiry Date</u>	<u>Exercise Price (\$)</u>	<u>Weighted Average Remaining Contractual Life (years)</u>	<u>Number of Options Outstanding</u>
February 9, 2024	0.30	4.53	2,200,000

**8. Loss per Share**

The calculation of basic and diluted loss per share for the three months ended July 31, 2019 and 2018 were based on the loss attributable to common shareholders of \$113,033 (three months ended July 31, 2018 - \$79,475) and the weighted average number of common shares outstanding of 25,014,032 (three months ended July 31, 2018 - 22,699,580). Diluted loss per share did not include the effect of warrants and stock options as they are anti-dilutive.

**9. Capital Management**

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition, exploration and development of mineral properties. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. The Company defines capital to include its shareholders' equity. In order to carry out the planned exploration and pay for administrative costs, the Company will spend its existing working capital and raise additional amounts as needed. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geological or economic potential and if it has adequate financial resources to do so. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management during the three months ended July 31, 2019 or 2018. The Company is not subject to externally imposed capital requirements.

The Company considers its capital to be shareholders' equity, which is comprised of share capital and deficit, which as at July 31, 2019 totaled \$4,344,537 (April 30, 2019 - \$4,457,570). The Company's objective when managing capital is to obtain adequate levels of funding to support its exploration activities, to sustain corporate and administrative functions necessary to support organizational functioning and to obtain sufficient funding to further the identification and development of precious metal and base metal deposits.

The Company raises capital, as necessary, to meet its needs and take advantage of perceived opportunities and, therefore, does not have a numeric target for its capital structure. Funds are primarily secured through equity capital raised by way of private placements. There can be no assurance that the Company will be able to continue raising equity capital in this manner.

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**Northstar Gold Corp.**

Notes to Condensed Interim Financial Statements  
Three Months Ended July 31, 2019  
(Expressed in Canadian Dollars)  
(Unaudited)

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**10. Financial Instruments and Risk Management**

The Company has determined the fair value of its financial instruments as follows:

The carrying values of cash and accounts payable and accrued liabilities approximate their fair values due to the short-term nature of these instruments and their market rates of interest.

**Credit Risk**

The Company is not exposed to major credit risk attributable to customers. Additionally, the majority of the Company's cash is held with a highly rated Canadian financial institution in Canada.

**Liquidity Risk**

Liquidity risk is the risk that the Company is not able to meet its financial obligations as they fall due.

The Company's liquidity and operating results may be adversely affected if its access to capital markets is hindered, whether as a result of a downturn in stock market conditions generally or matters specific to the Company. The Company has historically generated cash flow from its financing activities. The Company manages liquidity risk through the management of its capital structure and financial leverage as outlined in note 9. At July 31, 2019, the Company's current liabilities, which comprise accounts payable and accrued liabilities total \$195,461. The Company will require additional funding to maintain corporate and administrative functions and to fund its continuing exploration activities and commitments.

**Market Risk**

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates and commodity prices. The Company is not exposed to any significant interest rate risk volatility or exchange rate volatility.

**11. Subsequent Event**

Subsequent to July 31, 2019, the Company received \$60,000 in working capital advances from its directors. These advances are unsecured, non-interest bearing and have no fixed terms for repayment.

**SCHEDULE "C"**

Audited financial statements of the Corporation for the years ended April 30, 2019, 2018 and 2017

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**NORTHSTAR GOLD CORP.  
FINANCIAL STATEMENTS  
YEARS ENDED APRIL 30, 2019 AND 2018  
(EXPRESSED IN CANADIAN DOLLARS)**

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## INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Northstar Gold Corp.:

### Opinion

We have audited the financial statements of Northstar Gold Corp. ("the Company"), which comprise the statements of financial position as at April 30, 2019, and April 30, 2018, and the statements of loss and comprehensive loss, statements of changes in equity and statements of cash flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly in all material respects, the financial position of the Company as at April 30, 2019 and April 30, 2018, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

### Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Material uncertainty related to going concern

Without qualifying our opinion, we draw your attention to Note 2 of these financial statements, which states that Northstar Gold Corp. incurred losses from operations, negative cash flows from operating activities, a working capital deficiency and an accumulated deficit. This, along with other matters described in Note 2, indicate the existence of a material uncertainty which may cast significant doubt on the ability of Northstar Gold Corp. to continue as a going concern.

### Information other than the financial statements and auditor's report thereon

Management is responsible for the other information. The other information comprises the Management Discussion and Analysis but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing these financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to a going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.



### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is Jeremy Jagt.

Mississauga, Ontario  
August 29, 2019

/s/ Grant Thornton LLP  
Chartered Professional Accountants  
Licensed Public Accountants



## MANAGEMENT'S RESPONSIBILITY LETTER

Management acknowledges responsibility for the preparation and presentation of the financial statements, including responsibility for significant accounting judgments and estimates and the choice of accounting principles and methods that are appropriate to the Company's circumstances. The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") and necessarily include amounts based on estimates and judgments of management.

Grant Thornton LLP, our independent auditors, is engaged to express a professional opinion on the financial statements. Their examination is conducted in accordance with Canadian generally accepted auditing standards and includes tests and other procedures which allow the auditors to report whether the financial statements prepared by management are presented fairly in accordance with IFRS.

The Board of Directors must ensure that management fulfills its responsibilities for financial reporting. In furtherance of the foregoing, the Board of Directors has appointed an Audit Committee composed of three directors, two of whom are independent. The Audit Committee meets with the independent auditors to discuss the results of their audit report prior to submitting the financial statements to the Board of Directors for its approval. On the recommendation of the Audit Committee, the Board of Directors has approved the Company's financial statements.

Management recognizes its responsibility for conducting the Company's affairs in compliance with established financial standards, and applicable laws and regulations, and for maintaining proper standards of conduct for its activities.

"Brian Fowler"  
President and C.E.O.

"Robert D.B. Suttie"  
Chief Financial Officer

**Northstar Gold Corp.**  
**Statements of Financial Position**  
**(Expressed in Canadian Dollars)**

As at April 30,	2019	2018
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash	\$ 90,965	\$ 9,714
Prepays and other assets	111,847	7,977
Sales tax receivable	18,095	4,286
<b>Total Current Assets</b>	<b>220,907</b>	<b>21,977</b>
<b>Non-Current Assets</b>		
Property and equipment (note 5)	7,485	7,164
Exploration and evaluation assets (note 6)	4,421,653	4,421,653
<b>Total Assets</b>	<b>\$ 4,650,045</b>	<b>\$ 4,450,794</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Current Liabilities</b>		
Accounts payable and accrued liabilities (note 8)	\$ 156,023	\$ 118,239
Flow-through share premium liability	36,452	-
<b>Total Liabilities</b>	<b>192,475</b>	<b>118,239</b>
<b>Equity</b>		
Share capital (note 9(b))	11,615,971	11,187,919
Warrant reserves (note 9(c))	186,312	-
Contributed surplus	367,399	-
Units to be issued (note 9(b))	60,928	30,000
Deficit	(7,773,040)	(6,885,364)
<b>Total Equity</b>	<b>4,457,570</b>	<b>4,332,555</b>
<b>Total Equity and Liabilities</b>	<b>\$ 4,650,045</b>	<b>\$ 4,450,794</b>

The accompanying notes to the financial statements are an integral part of these statements.

Nature of Operations (note 1)

Going Concern (note 2)

Subsequent Event (note 14)

Approved on Behalf of the Board:

\_\_\_\_\_  
*"Greg McKnight"*  
 Director

\_\_\_\_\_  
*"John Pollock"*  
 Director

**Northstar Gold Corp.**  
**Statements of Loss and Comprehensive Loss**  
**(Expressed in Canadian Dollars)**

For the Year Ended April 30,	2019	2018
<b>Expenses</b>		
Professional fees	\$ 113,055	\$ 60,764
Salaries and related benefits	101,284	128,067
General and administration	150,183	109,595
Travel	32,679	30,706
Exploration expense, net of recoveries (note 6)	85,267	20,482
Depreciation	1,672	1,600
Stock based compensation (note 9(d))	367,399	-
Consulting	36,092	-
<b>Loss Before Other (Expense) Income</b>	<b>(887,631)</b>	<b>(351,214)</b>
Loss on foreign exchange	(45)	(245)
<b>Total Loss and Comprehensive Loss for the Year</b>	<b>\$ (887,676)</b>	<b>\$ (351,459)</b>
<b>Basic and Diluted Net Loss per Share (notes 1 and 10)</b>	<b>\$ (0.04)</b>	<b>\$ (0.02)</b>
<b>Weighted Average Number of Common Shares Outstanding</b>	<b>23,283,153</b>	<b>21,571,420</b>

The accompanying notes to the financial statements are an integral part of these statements.

**Northstar Gold Corp.**  
**Statements of Cash Flows**  
**(Expressed in Canadian Dollars)**

For the Year Ended April 30,	2019	2018
<b>Operating Activities</b>		
Net loss for the year	\$ (887,676)	\$ (351,459)
Adjustments for:		
Depreciation	1,672	1,600
Stock-based compensation	367,399	-
Accrued interest on notes payable	-	15,166
Changes in non-cash working capital items:		
Prepaid expenses and other assets	(103,870)	(7,334)
Sales tax receivable	(13,809)	25,687
Amounts payable and other liabilities	37,785	52,209
<b>Net Cash Used In Operating Activities</b>	<b>(598,499)</b>	<b>(264,131)</b>
<b>Investing Activities</b>		
Acquisition of property and equipment	(1,994)	-
<b>Net Cash Used In Investing Activities</b>	<b>(1,994)</b>	<b>-</b>
<b>Financing Activities</b>		
Shares issued in private placements, net	681,744	131,520
Proceeds from note payable	-	52,648
Units to be issued	-	30,000
<b>Net Cash Provided by Financing Activities</b>	<b>681,744</b>	<b>214,168</b>
<b>Net Change in Cash</b>	<b>81,251</b>	<b>(49,963)</b>
<b>Cash, Beginning of Year</b>	<b>9,714</b>	<b>59,677</b>
<b>Cash, End of Year</b>	<b>\$ 90,965</b>	<b>\$ 9,714</b>

The accompanying notes to the financial statements are an integral part of these statements.

**Northstar Gold Corp.**  
**Statements of Changes in Equity**  
**(Expressed in Canadian Dollars)**

	Common Shares	Amount	Contributed Surplus	Warrants Reserve	Shares and Units to be Issued	Deficit	Total
<b>Balance, April 30, 2017</b>	<b>20,876,936</b>	<b>\$ 10,711,390</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (6,533,905)</b>	<b>\$ 4,177,485</b>
Private placements, net of issuance costs	562,500	131,520	-	-	-	-	131,520
Shares issued for note payable settlement	799,592	231,192	-	-	-	-	231,192
Units to be issued	-	-	-	-	30,000	-	30,000
Shares issued on settlement of accounts payable	379,392	113,817	-	-	-	-	113,817
Net loss for the year	-	-	-	-	-	(351,459)	(351,459)
<b>Balance, April 30, 2018</b>	<b>22,618,420</b>	<b>\$ 11,187,919</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 30,000</b>	<b>\$ (6,885,364)</b>	<b>\$ 4,332,555</b>
Private placements, net of issuance costs	2,395,612	464,504	-	186,312	30,928	-	681,744
Flow-through share premium	-	(36,452)	-	-	-	-	(36,452)
Stock-based compensation	-	-	367,399	-	-	-	367,399
Net loss for the year	-	-	-	-	-	(887,676)	(887,676)
<b>Balance, April 30, 2019</b>	<b>25,014,032</b>	<b>\$ 11,615,971</b>	<b>\$ 367,399</b>	<b>\$ 186,312</b>	<b>\$ 60,928</b>	<b>\$ (7,773,040)</b>	<b>\$ 4,457,570</b>

The accompanying notes to the financial statements are an integral part of these statements.

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## Northstar Gold Corp.

Notes to Financial Statements

Years Ended April 30, 2019 and 2018

(Expressed in Canadian Dollars)

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### 1. Nature of Business and Share Consolidation

Northstar Gold Corp. (the "Company") was incorporated on May 20, 2008 under the laws of Ontario, Canada and is an exploration stage junior mining company. The Company's registered office is located at 17 Wellington Street, New Liskeard, Ontario, Canada.

The Company is engaged in the identification, evaluation and exploration of mineral properties in Ontario, Canada. The Company has not yet determined whether any of its properties contain mineral resources that are economically recoverable. The recoverability of any amounts recorded for mineral exploration properties is dependent upon the discovery of economically recoverable resources, the ability of the Company to obtain necessary financing to complete the development of these resources and upon attaining future profitable production from the properties or sufficient proceeds from disposition of the properties.

These financial statements were authorized for issuance by the Board of Directors of the Company on August 29, 2019.

#### *Share Consolidation*

On February 8, 2019, the Company completed a share consolidation whereby its outstanding shares were consolidated on a 6 to 1 basis. All share and per share amounts in these financial statements have been adjusted to reflect share capital (including warrants and options, as applicable) on a post-consolidation basis.

### 2. Going Concern

As at April 30, 2019, the Company had not yet commenced production and had accumulated losses of \$7,773,040. The ability of the Company to recover the costs it has incurred to date on the exploration and evaluation assets is dependent upon the Company being able to identify a commercial ore body, to finance its exploration and development costs and to resolve any environmental, regulatory, and other constraints which may hinder the successful development of the assets. The aforementioned factors indicate the existence of a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern.

The Company's ability to continue as a going concern is dependent on its ability to obtain adequate financing on reasonable terms from lenders, shareholders and other investors and/or to commence profitable operations in the future. Although the Company has been successful in raising funds in the past, there is no assurance that it will be able to obtain adequate financing in which case the Company may be unable to meet its obligations. The directors, after reviewing the current cash position and having considered the Company's ability to raise funds in the short term, adopt the going concern basis in preparing its financial statements.

The accompanying financial statements do not include any adjustments relating to the recoverability of assets and to the reclassification of asset and liability amounts that might be necessary should the Company be unable to continue its operations.

### 3. Basis of Preparation

#### *Statement of Compliance*

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

#### *Basis of Measurement*

These financial statements have been prepared on a historical cost basis except for certain financial instruments that are measured at revalued amounts or fair values, as explained in the accounting policies below.

#### *Functional and Presentation Currency*

These financial statements are presented in Canadian dollars, which is the Company's functional currency. All financial information is expressed in Canadian dollars unless otherwise stated and have been rounded to the nearest dollar.



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**Northstar Gold Corp.**  
Notes to Financial Statements  
Years Ended April 30, 2019 and 2018  
(Expressed in Canadian Dollars)

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**3. Basis of Preparation (Continued)**

*Use of Estimates and Judgements*

The preparation of the financial statements in accordance with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from these estimates. Areas where estimates are significant to the financial statements are disclosed in Note 4.

**4. Summary of Significant Accounting Policies**

**Cash**

Cash includes cash in major financial institutions that is available on demand by the Company for its programs.

**Property and Equipment**

Property and equipment are stated at historical cost less accumulated depreciation and any provision for impairment in value. Cost includes the purchase price, any directly attributable costs of bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management, and the present value of the estimated costs of decommissioning and restoration, if applicable.

Depreciation on property and equipment is recognized in net loss and on a straight-line basis over the estimated useful life of the assets as follows:

Buildings	20 years
Furniture and equipment	5 years
Vehicles	3 years
Computer equipment	2 years

**Impairment of Non-Financial Assets**

Non-financial assets are subject to impairment tests whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Where the carrying value of an asset exceeds its recoverable amount, which is the higher of value in use and fair value less costs to sell, the asset is written down accordingly.

Where it is not possible to estimate the recoverable amount of an individual asset, the impairment test is carried out on the asset's cash-generating unit ("CGU"), which is the lowest group of assets in which the asset belongs for which there are separately identifiable cash inflows that are largely independent of the cash inflows from other assets. The Company has one CGU for which impairment testing is performed.

An impairment loss is charged to profit or loss, except to the extent it reverses gains previously recognized in other comprehensive loss.

**Mineral Properties and Exploration and Evaluation**

Exploration and evaluation expenditures incurred to acquire the legal right to explore including licence and property acquisition costs are initially capitalized as exploration and evaluation assets. Exploration and evaluation assets are not depleted and are moved into property and equipment on a decision to proceed to development. Upon transfer to property and equipment the assets are considered available for use once commercial production commences and amortization begins to be recorded.

Exploration and evaluation expenditures incurred subsequent to the acquisition of the legal right to explore such as materials used, surveying costs, drilling costs and payments made to contractors are recognized as expenditures.

Management groups mineral claims that are contiguous and specific to an area encompassing the same prospective minerals into one area of interest and assigns a name to this mineral property or project. Each named mineral property is considered an area of interest and a CGU.



**4. Summary of Significant Accounting Policies (Continued)**

**Mineral Properties and Exploration and Evaluation (Continued)**

When a project is deemed to no longer have commercially viable prospects to the Company, capitalized exploration and evaluation expenditures in respect of that project are deemed to be impaired. As a result, those exploration and evaluation expenditure costs, in excess of estimated recoveries, are written off to the statement of loss and comprehensive loss.

Assets are assessed for impairment when facts and circumstances suggest that the carrying amount of a project may exceed its recoverable amount. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). The Company estimates the recoverable amount of each project, on the basis of areas of interest.

Although not an exhaustive list, one or more of the following facts and circumstances indicate that a specific project should be tested for impairment:

- The period for which the entity has the right to explore in the specific area has expired during the financial statement period or will expire in the near future and is not expected to be renewed.
- Substantive expenditures on further exploration for, and evaluation of, mineral resources in the specific area is neither budgeted nor planned.
- Exploration for and evaluation of mineral resources in the specific area has not led to the discovery of commercially viable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area.
- Sufficient data exists to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or sale.

Recoverable amount is the higher of fair value less disposal costs 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.

The Company expenses all advance royalty payments with exploration and evaluation expenses.

**Financial Instruments**

Financial Assets

*Recognition and Initial Measurement*

The Company recognizes financial assets when it becomes party to the contractual provisions of the instrument. Financial assets are measured initially at their fair value plus, in the case of financial assets not subsequently measured at fair value through profit or loss, transaction costs that are directly attributable to their acquisition. Transaction costs attributable to the acquisition of financial assets subsequently measured at fair value through profit or loss are expensed in profit or loss when incurred.

*Classification and Subsequent Measurement*

On initial recognition, financial assets and liabilities are classified and subsequently measured at amortized cost, fair value through other comprehensive income ("FVOCI") or fair value through profit or loss ("FVTPL"). The Company determines the classification of its financial assets, together with any embedded derivatives, based on the business model for managing the financial assets and their contractual cash flow characteristics.

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**Northstar Gold Corp.**

Notes to Financial Statements

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**4. Summary of Significant Accounting Policies (Continued)****Financial Instruments (Continued)**Financial Assets (Continued)

Financial assets are classified as follows:

- Amortized cost - Assets that are held for collection of contractual cash flows where those cash flows are solely payments of principal and interest are measured at amortized cost. Interest revenue is calculated using the effective interest method and gains or losses arising from impairment, foreign exchange and derecognition are recognized in profit or loss. Financial assets measured at amortized cost are comprised of investments and accounts receivable.
- Fair value through other comprehensive income - Assets that are held for collection of contractual cash flows and for selling the financial assets, and for which the contractual cash flows are solely payments of principal and interest, are measured at fair value through other comprehensive income. Interest income calculated using the effective interest method and gains or losses arising from impairment and foreign exchange are recognized in profit or loss. All other changes in the carrying amount of the financial assets are recognized in other comprehensive income. Upon derecognition, the cumulative gain or loss previously recognized in other comprehensive income is reclassified to profit or loss. The Company does not hold any financial assets measured at fair value through other comprehensive income.
- Mandatorily at fair value through profit or loss - Assets that do not meet the criteria to be measured at amortized cost, or fair value through other comprehensive income, are measured at fair value through profit or loss. All interest income and changes in the financial assets' carrying amount are recognized in profit or loss. The Company does not have any financial assets that are mandatorily measured at fair value through profit or loss.
- Designated at fair value through profit or loss – On initial recognition, the Company may irrevocably designate a financial asset to be measured at fair value through profit or loss in order to eliminate or significantly reduce an accounting mismatch that would otherwise arise from measuring assets or liabilities, or recognizing the gains and losses on them, on different bases. All interest income and changes in the financial assets' carrying amount are recognized in profit or loss. The Company does not hold any financial assets designated to be measured at fair value through profit or loss.

The Company measures all equity investments at fair value. Changes in fair value are recorded in profit or loss. The entity does not hold any equity investments.

*Business Model Assessment*

The Company assesses the objective of its business model for holding a financial asset at a level of aggregation which best reflects the way the business is managed, and the way information is provided to management. Information considered in this assessment includes stated policies and objectives.

*Contractual Cash Flow Assessment*

The cash flows of financial assets are assessed as to whether they are solely payments of principal and interest on the basis of their contractual terms. For this purpose, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money, the credit risk associated with the principal amount outstanding, and other basic lending risks and costs. In performing this assessment, the Company considers factors that would alter the timing and amount of cash flows such as prepayment and extension features, terms that might limit the Company's claim to cash flows, and any features that modify consideration for the time value of money.

**4. Summary of Significant Accounting Policies (Continued)**

**Financial Instruments (Continued)**

Financial Assets (Continued)

*Impairment*

The Company recognizes a loss allowance for the expected credit losses associated with its financial assets, other than financial assets measured at fair value through profit or loss. Expected credit losses are measured to reflect a probability-weighted amount, the time value of money, and reasonable and supportable information regarding past events, current conditions and forecasts of future economic conditions.

The Company applies the simplified approach for accounts receivable. Using the simplified approach, the Company records a loss allowance equal to the expected credit losses resulting from all possible default events over the assets' contractual lifetime.

The Company assesses whether a financial asset is credit-impaired at the reporting date. Regular indicators that a financial instrument is credit-impaired include significant financial difficulties as evidenced through borrowing patterns or observed balances in other accounts and breaches of borrowing contracts such as default events or breaches of borrowing covenants. For financial assets assessed as credit-impaired at the reporting date, the Company continues to recognize a loss allowance equal to lifetime expected credit losses.

For financial assets measured at amortized cost, loss allowances for expected credit losses are presented in the statement of financial position as a deduction from the gross carrying amount of the financial asset.

Financial assets are written off when the Company has no reasonable expectations of recovering all or any portion thereof.

*Derecognition of Financial Assets*

The Company derecognizes a financial asset when its contractual rights to the cash flows from the financial asset expire.

Financial Liabilities

*Recognition and Initial Measurement*

The Company recognizes a financial liability when it becomes party to the contractual provisions of the instrument. At initial recognition, the Company measures financial liabilities at their fair value plus transaction costs that are directly attributable to their issuance, with the exception of financial liabilities subsequently measured at fair value through profit or loss for which transaction costs are immediately recorded in profit or loss.

Financial liabilities are classified as either financial liabilities at FVTPL or at amortized cost. The Company determines the classification of its financial liabilities at initial recognition.

i. Amortized cost

Financial liabilities are classified as measured at amortized cost unless they fall into one of the following categories: financial liabilities at FVTPL, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition, financial guarantee contracts, commitments to provide a loan at a below-market interest rate, or contingent consideration recognized by an acquirer in a business combination.

The Company's accounts payable and accrued liabilities and amount due to related parties do not fall into any of the exemptions and are therefore classified as measured at amortized cost.

ii. Financial liabilities recorded FVTPL

Financial liabilities are classified as FVTPL if they fall into one of the five exemptions detailed above.



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**4. Summary of Significant Accounting Policies (Continued)**

Transaction costs

Transaction costs associated with financial instruments, carried at FVTPL, are expensed as incurred, while transaction costs associated with all other financial instruments are included in the initial carrying amount of the asset or the liability.

Subsequent measurement

Instruments classified as FVTPL are measured at fair value with unrealized gains and losses recognized in profit or loss. Instruments classified as amortized cost are measured at amortized cost using the effective interest rate method. Instruments classified as FVTOCI are measured at fair value with unrealized gains and losses recognized in other comprehensive income.

Derecognition

The Company derecognizes financial liabilities only when its obligations under the financial liabilities are discharged, cancelled, or expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

**Financial Instruments Recorded at Fair Value**

Financial instruments recorded at fair value on the statement of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

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

As of April 30, 2019, and 2018, the fair values of accounts payable and accrued liabilities approximate their carrying value due to their short-term nature.

Fair Value Hierarchy and Liquidity Risk Disclosure

The following summarizes the methods and assumptions used in estimating the fair value of the Company's financial instruments where measurement is required. Fair value amounts represent point-in-time estimates and may not reflect fair value in the future. The measurements are subjective in nature, involve uncertainties and are a matter of significant judgment.

The methods and assumptions used to develop fair value measurements, for those financial instruments where fair value is recognized in the statement of financial position, have been prioritized into three levels as per the fair value hierarchy.

	Level 1	Level 2	Level 3
Cash	\$ 90,965	\$ -	\$ -

**4. Summary of Significant Accounting Policies (Continued)**

**Provisions and Contingencies**

Provisions are recognized when a legal or constructive obligation exists, as a result of past events, and it is probable that an outflow of resources that can be reliably estimated will be required to settle the obligation. Where the effect is material, the provision is discounted using an appropriate current market-based pre-tax discount rate. The increase in the provision due to passage of time is recognized as interest expense.

When a contingency is substantiated by confirming events, can be reliably measured and is likely to result in an economic outflow, a liability is recognized as the best estimate required to settle the obligation. A contingent liability is disclosed where the existence of an obligation will only be confirmed by future events, or where the amount of a present obligation cannot be measured reliably or will likely not result in an economic outflow. Contingent assets are only disclosed when the inflow of economic benefits is probable. When the economic benefit becomes virtually certain, the asset is no longer contingent and is recognized in the financial statements.

**Income Taxes**

Income tax expense is comprised of current and deferred tax. Current tax and deferred tax are recognized in net income or recognized directly in equity or in other comprehensive income/loss.

Current income taxes are recognized for the estimated income taxes payable or receivable on taxable income or loss for the current year and any adjustment to income taxes payable in respect of previous years. Current income taxes are determined using tax rates and tax laws that have been enacted or substantively enacted by the year-end date.

Deferred tax assets and liabilities are recognized where the carrying amount of an asset or liability differs from its tax base, except for taxable temporary differences arising on the initial recognition of goodwill and temporary differences arising on the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting nor taxable profit or loss.

Recognition of deferred tax assets for unused tax losses, tax credits and deductible temporary differences is restricted to those amounts where it is probable that future taxable profit will be available against which the future tax asset can be utilized. At the end of each reporting period, the Company reassesses recognized and unrecognized deferred tax assets. The Company recognizes a previously unrecognized future tax asset to the extent that it has become probable that future taxable profit will allow the future tax asset to be recovered.

**Equity**

The Company records proceeds from the issuance of its common shares as equity. Incremental costs directly attributable to the issue of new common shares are shown in equity as a deduction, net of tax, from the proceeds. Common shares issued for consideration other than cash are valued based on their market value at the date that the shares are issued.

For unit offerings, the proceeds from the issue of units are allocated between common shares and warrants on a relative fair value basis. Upon expiration of warrants, the Company transfers amounts from share purchase warrants reserve to contributed surplus.

**4. Summary of Significant Accounting Policies (Continued)**

**Loss Per Share**

Basic loss per share is calculated by dividing the loss attributable to common shareholders by the weighted average number of common shares outstanding in the period. For all periods presented, the loss attributable to common shareholders equals the reported loss attributable to the owners of the Company. The diluted loss per share reflects all dilutive potential common shares equivalents, which comprise outstanding stock options, if any, and share purchase warrants, in the weighted average number of common shares outstanding during the period if dilutive.

**Stock-Based Payments**

Equity-settled share-based payments for directors, officers and employees are measured at fair value at the date of grant and recorded as compensation expense in the financial statements. The fair value determined at the grant date of the equity-settled stock-based payments is expensed on a straight-line basis over the vesting period based on the Company's estimate of stock that will eventually vest. The number of forfeitures likely to occur is estimated on the grant date. Any consideration paid by the optionee on exercise of equity-settled stock-based payments is credited to share capital. Stock is issued from treasury upon the exercise of equity-settled stock-based instruments.

Compensation expense on stock options granted to non-employees is measured on the earlier of the date at which the counterparty performance is complete and the date the performance commitment is reached or the date at which the equity instruments are granted if they are fully vested and non-forfeitable. Stock options are valued using the fair value method and are recorded as an expense in the same period as if the Company had paid cash for the goods or services received.

When the value of goods or services received in exchange for the share-based payment cannot be reliably estimated, the fair value is measured by use of an appropriate valuation model. The expected life used in the model is adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions, and behavioral considerations.

**Critical Accounting Estimates and Judgments**

In the application of the Company's accounting policies, which are described above, management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

*Significant Judgments*

The most significant critical judgment that members of management have made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognized in the financial statements is the policy on exploration and evaluation assets and expenditures. The Company has elected to expense all exploration and evaluation activities subsequent to the acquisition of the right to explore as incurred. For exploration and evaluation expenditures incurred to acquire the legal right to explore including licence and property acquisition costs, these are capitalized to exploration and expenditure assets and as such management is required to assess mineral properties for impairment. Note 6 discloses the carrying values of such assets. As part of this assessment, management has carried out an assessment whether there are indicators of impairment. If there are indicators, management performs an impairment test on the major assets within this balance.



**4. Summary of Significant Accounting Policies (Continued)**

**Critical Accounting Estimates and Judgments (Continued)**

*Significant Judgments (Continued)*

The recoverability of exploration and evaluation assets is dependent on a number of factors common to the natural resource sector. These include the extent to which the Company can continue to renew its exploration and future development licenses with local authorities, establish economically recoverable reserves on its properties, the availability of the Company to obtain necessary financing to complete the development of such reserves and future profitable production or proceeds from the disposition thereof. The Company will use the evaluation work of professional geologists, geophysicists and engineers for estimates in determining whether to commence or continue mining and processing. These estimates generally rely on scientific and economic assumptions, which in some instances may not be correct, and could result in the expenditure of substantial amounts of money on a deposit before it can be determined whether or not the deposit contains economically recoverable mineralization.

Management assesses the fair value of stock options granted and share purchase warrants issued using the Black-Scholes option pricing model. Measurement inputs include the Company's share price on the measurement date, the exercise price of the option or warrant, the expected volatility of the Company's shares, the expected life of the options or warrants, expected dividends and the risk-free rate of return. The Company estimates the volatility based on historical shares prices in the publicly-traded market. The expected life on the options or warrants, are based on the historical experience and the estimates of the holder's behaviour. Dividends are not factored in as the Company does not expect to pay dividends in the foreseeable future. Management also makes an estimate of the number of options that will be forfeited and the rate is adjusted to reflect the actual number of options that actually vest.

*Key Sources of Estimation Uncertainty*

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Estimates which could materially impact the financial statements include:

- discount rate used to determine the effective interest of notes payable;
- estimated useful lives of property and equipment and related depreciation; and
- fair value of shares issued in exchange for settlement of notes and accounts payable
- fair value of stock-based compensation and warrants

**Recent Accounting Pronouncements Adopted**

*IFRS 15 Revenue from Contracts with Customers*

IFRS 15, Revenue from Contracts with Customers establishes a single model in accounting for revenue arising from contracts with customers. This supersedes current revenue recognition guidance including IAS 18 Revenue, IAS 11 Construction Contracts and the related interpretations. This standard was adopted on May 1, 2018, with no impact on the Company's financial statements.



**4. Summary of Significant Accounting Policies (Continued)**

**Recent Accounting Pronouncements Adopted (Continued)**

*IFRS 9 Financial Instruments*

Financial instruments ("IFRS 9") addresses the classification, measurement and recognition of financial assets and financial liabilities. IFRS 9 was issued in November 2009, October 2010, November 2013 and finalized in July 2014. It replaces the parts of IAS 39 Financial Instruments: Recognition and Measurement that relate to the classification and measurement of financial instruments. IFRS 9 requires financial assets to be classified into two measurement categories: those measured at fair value through profit or loss and those measured at amortized cost, with the determination made at initial recognition. The classification depends on an entity's business model for managing its financial instruments and the contractual cash flow characteristics of the instrument. For financial liabilities, the standard retains most of the IAS 39 requirements. The main change is that in cases where the fair value option is selected for financial liabilities, the part of a fair value change due to an entity's own credit risk is recorded in other comprehensive income rather than the statements of operations, unless this creates an accounting mismatch. IFRS 9 has also been updated to amend the requirements around hedge accounting. However, there is no impact to the Company from these amendments as it does not apply hedge accounting. On May 1, 2018, the Company adopted these amendments.

Under IFRS 9, financial assets are classified and measured based on the business model in which they are held and the characteristics of their contractual cash flows. IFRS 9 contains the primary measurement categories for financial assets: measured at amortized cost, fair value through other comprehensive income (FVTOCI) and fair value through profit and loss (FVTPL).

Below is a summary showing the classification and measurement bases of the financial instruments as at May 1, 2018 as a result of adopting IFRS 9 (along with comparison to IAS 39).

<b>Classification</b>	<b>IAS 39</b>	<b>IFRS 9</b>
Cash	FVTPL	Amortized cost
Prepays and other assets	Loans and receivables	Amortized cost
Accounts payable and accrued liabilities	Other financial liabilities	Amortized cost

There was no impact on the Company's financial statements as result of adopting IFRS 9.

**New Standards, Interpretations and Amendments Not Yet Effective**

The following new standards, and amendments to standards and interpretations, were not yet effective for the year ended April 30, 2019, and have not been applied in preparing these financial statements. Other new standards which are not yet effective for the year ended April 30, 2019 but are not discussed below, are not expected to have an impact on the Company.

*IFRS 16 Leases*

A finalized version of IFRS 16 Leases replaces IAS 17 Leases. The new standard brings most leases on-balance sheet for lessees under a single model, eliminating the distinction between operating and finance leases. Lessor accounting however remains largely unchanged and the distinction between operating and finance leases is retained. This standard is effective for annual reporting periods beginning on or after May 1, 2019. The Company is in the process of determining the impact of this standard and does not expect a significant impact upon its financial statements.

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**4. Summary of Significant Accounting Policies (Continued)**

**New Standards, Interpretations and Amendments Not Yet Effective (Continued)**

*IFRS 23 Uncertainty Over Income Tax Treatments*

On June 7, 2017, the IASB issued IFRIC Interpretation 23 - Uncertainty over Income Tax Treatments. The Interpretation provides guidance on the accounting for current and deferred tax liabilities and assets in circumstances in which there is uncertainty over income tax treatments. The Interpretation is applicable for annual periods beginning on or after January 1, 2019. The Company is in the process of determining the impact of this standard and does not expect a significant impact upon its financial statements.

There are no other relevant IFRS or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Company.

**5. Property and Equipment**

<b>Cost</b>	<b>Building</b>	<b>Furniture and Equipment</b>	<b>Vehicles</b>	<b>Computer</b>	<b>Total</b>
Balance, May 1, 2017 and May 1, 2018	\$ 1,500	\$ 6,968	\$ 13,132	\$ 2,833	\$ 24,433
Balance, April 30, 2018	1,500	6,968	13,132	2,833	24,433
Additions	-	-	-	1,994	1,994
Balance, April 30, 2019	\$ 1,500	\$ 6,968	\$ 13,132	\$ 4,827	\$ 26,427

<b>Accumulated Depreciation</b>	<b>Building</b>	<b>Furniture and Equipment</b>	<b>Vehicles</b>	<b>Computer</b>	<b>Total</b>
Balance, May 1, 2017	\$ 246	\$ 1,583	\$ 11,256	\$ 2,585	\$ 15,670
Depreciation for the year	63	837	563	136	1,599
Balance, April 30, 2018	\$ 309	\$ 2,420	\$ 11,819	\$ 2,721	\$ 17,269
Depreciation for the year	60	909	393	311	1,673
Balance, April 30, 2019	\$ 369	\$ 3,329	\$ 12,212	\$ 3,032	\$ 18,942

<b>Carrying value</b>	<b>Building</b>	<b>Furniture and Equipment</b>	<b>Vehicles</b>	<b>Computer</b>	<b>Total</b>
Balance, April 30, 2018	\$ 1,191	\$ 4,548	\$ 1,313	\$ 112	\$ 7,164
Balance, April 30, 2019	\$ 1,131	\$ 3,639	\$ 920	\$ 1,795	\$ 7,485

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6. Exploration and Evaluation Assets

	Boston Creek- Miller	Bryce	Temagami- Milestone	Total
Balance, April 30, 2017	\$ 169,831	\$ 4,247,822	\$ 4,000	\$ 4,421,653
Balance, April 30, 2018	\$ 169,831	\$ 4,247,822	\$ 4,000	\$ 4,421,653
Balance, April 30, 2019	\$ 169,831	\$ 4,247,822	\$ 4,000	\$ 4,421,653

(a) Boston Creek - Miller Project, Ontario

The Boston Creek-Miller Project is the Company's flagship property located in the Catherine, Pacaud, Boston and McElroy Townships in the Larder Lake mining division of Northeastern Ontario. All claims are 100% owned by the Company. These claims were acquired in 2013 and 2014 by issuing 500,000 common shares at a price of \$0.30 for a total of \$150,000 and cash payments of \$19,831.

The Boston Creek-Miller Project is subject to a 0.25% net smelter royalty (the "NSR"), with an option to buy out for \$250,000 on 16 hectares of land in Pacaud township. There is a 3% NSR on 32 hectares of the Campbell portion of the property. There is a 2% NSR on 96 hectares in Catharine Township with a 1% buy back for \$1,000,000 and a right of first refusal on the remaining 1% NSR. The remaining 240 hectares in Catharine Township also carries a 2% NSR, with a 1% buy back for \$1,000,000 and a right of first refusal on the remaining 1% NSR. The 32 hectares of freehold patents hold a 3% NSR.

All exploration expenses during the periods, net of recoveries on sale of gold extracted from samples, relate to the above property.

(b) Bryce Project, Ontario

The Bryce Project is located in Bryce and Tudhope Township in the Larder Lake mining division of Northeastern Ontario. The Company owns 100% of the unpatented claims. The Company also has 100% ownership of the mining rights to patented ground contiguous with the rest of the Bryce Property. These claims were acquired in 2008, 2009 and 2010 by issuing 7,041,667 shares at a price of \$0.60 for a total of \$4,225,000 and cash payments of \$22,822.

The Bryce Project is subject to a 3% NSR on 672 hectares in Bryce Township with a right of first refusal on a buy out of the NSR. There is also a 3% NSR on another 176 hectares in Bryce with an option to buyback \$500,000 per 0.5% for a total of \$1,500,000 and a right of first refusal on the remaining 1.5%. The 80 hectares of patented land is subject to a 3% NSR, with a right of first refusal option to buy back 2% at a rate of \$100,000 per 0.5%, for a total of \$400,000 and a right of first refusal on the remaining 1%.

(c) Temagami-Milestone, Ontario

The Temagami-Milestone Project is located in Strathcona Township in Northeastern Ontario and is currently in the early stages of exploration. All claims are 100% owned by the Company. No royalties exist on the Property. These claims were acquired in 2012 for staking costs of \$4,000.

*Title to Mineral Property Interests*

Although the Company has taken steps to verify the title to mineral properties in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements or transfers, noncompliance with regulatory requirements or aboriginal land claims, and title may be affected by undetected defects.

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**7. Notes Payable**

	2019	2018
Balance, beginning of year	\$ -	\$ 163,378
Issuance of notes	-	52,648
Interest	-	15,166
Repayment of notes through issuance of shares (note 9(b))	-	(231,192)
<b>Balance, end of year</b>	<b>\$ -</b>	<b>\$ -</b>

During the year ended April 30, 2018, the Company issued notes payable in the amount of \$32,648 to directors of the Company bearing interest at 11% per annum. The notes payable were converted to 108,827 common shares on April 27, 2018 (refer to note 9).

During the year ended April 30, 2018, the Company issued a non-interest bearing note payable in the amount of \$20,000 to directors of the Company. The notes payable were converted to 66,667 common shares on April 27, 2018 (refer to note 9).

**8. Related Party Transactions and Key Management Compensation**

The Company has contracts for management and geological services plus costs incurred in providing these services with its key management, namely officers, administrators and directors and companies controlled by management. Transactions are recorded at their fair value, which is the agreed upon amount between the parties to provide the services.

- During the year ended April 30, 2019, the Company paid compensation in the amount of \$99,485 (2018 - \$109,613) to key management personnel.
- Interest paid on note payable amounts to directors of the Company totaled \$nil (2018 - \$15,166).
- During the year, the Company expensed \$317,300, representing the fair value of stock options granted to officers and directors of the Company.

During the year ended April 30, 2019, the Company expensed \$21,988 (2018 - \$nil) to Marrelli Support Services Inc. ("Marrelli Support") and DSA Corporate Services Inc. (the "DSA"), together known as the "Marrelli Group" for:

- (i) Robert D.B. Suttie to act as Chief Financial Officer ("CFO") of the Company;
- (ii) Bookkeeping and office support services;
- (iii) Corporate filing services
- (iv) Corporate secretarial services

The Marrelli Group is also reimbursed for out of pocket expenses.

Both Marrelli Support and DSA are private companies. Robert Suttie is the President of Marrelli Support.

As of April 30, 2019 the Marrelli Group was owed \$20,965 (2018 - \$nil) and these amounts were included in accounts payable and accrued liabilities.



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**9. Share Capital**

**(a) Authorized Share Capital**

The Company is authorized to issue an unlimited number of common shares.

**(b) Common Shares Issued**

The following is a summary of common shares issued during years ended April 30, 2019 and 2018:

	Number of Common Shares	Amount
Balance, April 30, 2017	20,876,936	\$ 10,711,390
Shares issued for settlement of notes payable (i)(ii)	799,592	231,192
Private placement, net of share issuance costs (iii)	562,500	131,520
Shares issued in exchange for services (v)	379,392	113,817
Balance, April 30, 2018	22,618,420	\$ 11,187,919
Private placements, net of share issuance costs (vi)(vii)(viii)	2,395,612	650,816
Proceeds allocated to warrants (iv)	-	(186,312)
Flow-through share premium	-	(36,452)
<b>Balance, April 30, 2019</b>	<b>25,014,032</b>	<b>\$ 11,615,971</b>

- (i) On May 1, 2017, the Company issued 92,717 shares at a price of \$0.24 per common share on conversion of notes payable by the Company with a fair value of \$20,000 plus accrued interest of \$2,252 (see note 7).
- (ii) On May 2, 2017, the Company issued 46,358 shares at a price of \$0.24 per common share on conversion of notes payable by the Company with a fair value of \$10,000 plus accrued interest of \$1,126 (see note 7).
- (iii) On July 26, 2017, the Company completed a private placement consisting of 562,500 common shares for gross proceeds of \$135,000 at a price of \$0.24 per share. Cash issuance costs totaled \$3,480.
- (iv) On April 27, 2018, the Company issued 660,517 shares at a price of \$0.30 per common share on conversion of notes payable to the Company with a fair value of \$182,648 plus accrued interest of \$15,166 (see note 7).
- (v) On April 27, 2018, the Company issued 379,392 common shares at a price of \$0.30 per common share on conversion of accounts payable by the Company with a fair value of \$113,817.
- (vi) On July 4, 2018, the Company completed a private placement for 266,667 common shares for total proceeds of \$80,000, each common share consisting of one common share priced at \$0.30 per share and one common share purchase warrant, each whole warrant is exercisable into one common share at \$0.54 per share for a period of 24 months. The fair value of the 266,667 warrants was estimated at \$15,606 using the Black-Scholes option pricing model at \$0.06 per warrant, based on the following assumptions: underlying share price of \$0.30 per share, expected annualized volatility of 120% based on comparable companies; risk free interest rate of 2.02%; expected dividend yield of 0%; and expected life of 2 years. Cash issuance costs totaled \$980.

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**Northstar Gold Corp.**  
Notes to Financial Statements  
Years Ended April 30, 2019 and 2018  
(Expressed in Canadian Dollars)

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9. Share Capital (Continued)

(b) Common Shares Issued (Continued)

- (vii) On January 28, 2019, the Company completed a private placement ("January 2019 Offering") for 1,450,667 units at \$0.30 per unit ("January 2019 Unit") for total proceeds of \$435,200. Each January 2019 Unit consists of one common share and one share purchase warrant ("January 2019 Warrant"). Each whole January 2019 Warrant is exercisable into one common share at \$0.54 per share for a period of 24 months. The grant date fair value of the 1,450,667 warrants was estimated at \$128,038 using the Black-Scholes option pricing model at \$0.09 per warrant, based on the following assumptions: underlying share price of \$0.21 per share, expected annualized volatility of 120% based on comparable companies; risk free interest rate of 1.87%; expected dividend yield of 0%; and expected life of 2 years. Cash issuance costs totaled \$5,208.

In connection with the completion of the January 2019 Offering, the Company issued an aggregate of 10,693 broker warrants ("January 2019 Broker Warrant") exercisable at \$0.30 per share for a period of 24 months. The grant date fair value of the 10,693 warrants was estimated at \$1,211 using the Black-Scholes option pricing model at \$0.11 per warrant, based on the following assumptions: underlying share price of \$0.30 per share, expected annualized volatility of 120% based on comparable companies; risk free interest rate of 2.02%; expected dividend yield of 0%; and expected life of 2 years.

Under the terms of the underlying subscription agreements, the Company is committed to issue an aggregate of 290,133 penalty shares to subscribers in the event that the Company's initial public offering did not close before February 28, 2019. Accordingly, a fair value of \$60,928 has been charged against share capital as costs of issue and has been recorded as shares to be issued.

- (viii) On March 18, 2019, the Company closed a private placement ("March 2019 Offering"), consisting of the issuance of 678,278 common shares, of which 246,111 common shares were issued at \$0.36 on a flow-through basis under the Income Tax Act (Canada), and 432,167 hard dollar units consisting of one common share and one warrant were issued at \$0.30, for aggregate proceeds of \$218,250. Each warrant entitles the holder to acquire one common share for \$0.54 and are exercisable until March 18, 2021. In connection with the private placements, the Company issued 12,320 broker warrants exercisable at \$0.30 until March 18, 2021, and 18,889 broker warrants exercisable at \$0.36 until March 18, 2021.

The grant date fair value of the 432,167 warrants was estimated at \$38,079 using the Black-Scholes option pricing model under the relative value method at \$0.09 per warrant, based on the following assumptions: underlying share price of \$0.21 per share, expected annualized volatility of 120% based on comparable companies; risk free interest rate of 1.63%; expected dividend yield of 0%; and expected life of 2 years. Cash issuance costs totaled \$10,718.

In connection with the completion of the March 2019 Offering, the Company issued an aggregate of 18,889 broker warrants ("March 2019 Broker Warrant") exercisable at \$0.36 per share for a period of 24 months. The grant date fair value of these Broker Warrants was estimated at \$1,985 using the Black-Scholes option pricing model under the relative value method at \$0.11 per warrant, based on the following assumptions: underlying share price of \$0.21 per share, expected annualized volatility of 120% based on comparable companies; risk free interest rate of 1.63%; expected dividend yield of 0%; and expected life of 2 years.



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**Northstar Gold Corp.**

Notes to Financial Statements  
Years Ended April 30, 2019 and 2018  
(Expressed in Canadian Dollars)

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**9. Share Capital (Continued)****(b) Common Shares Issued (Continued)****(viii) Continued**

In connection with the completion of the March 2019 Offering, the Company issued an aggregate of 12,320 finders warrants ("March 2019 Finders Warrant") exercisable at \$0.30 per share for a period of 24 months. The grant date fair value of these Broker Warrants was estimated at \$1,393 using the Black-Scholes option pricing model under the relative value method at \$0.11 per warrant, based on the following assumptions: underlying share price of \$0.21 per share, expected annualized volatility of 120% based on comparable companies; risk free interest rate of 1.63%; expected dividend yield of 0%; and expected life of 2 years.

The Flow-Through Common Shares issued in this private placement were issued at a premium to the market price in recognition of the tax benefits accruing to subscribers. The flow-through premium was calculated to be \$36,452.

As at April 30, 2019, the Company was committed to spend \$88,600 in eligible flow-through expenditures by December 31, 2020.

**(c) Warrants**

	Number of Warrants	Amount
Balance, April 30, 2017, April 30, 2018	-	\$ -
Issued (note 9(vi)(vii)(viii))	2,191,400	186,312
Balance, April 30, 2019	2,191,400	\$ 186,312

The following table reflects the warrants outstanding and exercisable as of April 30, 2019:

Expiry Date	Exercise Price (\$)	Weighted Average Remaining Contractual Life (Years)	Number of Warrants Outstanding
July 4, 2020	0.54	1.18	266,667
January 28, 2021	0.54	1.75	1,450,667
January 28, 2021	0.30	1.75	10,693
March 18, 2021	0.54	1.88	432,164
March 18, 2021	0.30	1.88	12,320
March 18, 2021	0.36	1.88	18,889
	0.54	1.71	2,191,400

**Northstar Gold Corp.**  
**Notes to Financial Statements**  
**Years Ended April 30, 2019 and 2018**  
**(Expressed in Canadian Dollars)**

**9. Share Capital (Continued)**

**(d) Stock Options**

The following table reflects the continuity of stock options for the years ended April 30, 2019 and 2018:

	Number of Stock Options	Weighted Average Exercise Price (\$)
Balance, April 30, 2017 and 2018	-	-
Granted	2,200,000	0.30
<b>Balance, April 30, 2019</b>	<b>2,200,000</b>	<b>0.30</b>

As at April 30, 2019, 2,200,000 (April 30, 2018 -nil) all issued and outstanding options were exercisable.

- (i) On February 9, 2019, the Company granted 2,200,000 stock options to officers, directors and consultants of the Company. The options are exercisable at \$0.30 per share, have a five year term, and vest immediately upon grant. The resulting fair value of \$367,399 was estimated using the Black-Scholes option pricing model with the following assumptions: expected dividend yield of 0%; expected volatility from 120%; a risk-free interest rate of 1.79% an expected life of 5 years, and a forfeiture rate of nil.

The following table reflects the stock options issued and outstanding as of April 30, 2019:

Expiry Date	Exercise Price (\$)	Weighted Average Remaining Contractual Life (years)	Number of Options Outstanding
February 9, 2024	0.30	4.78	2,200,000

**(e) Units to be Issued**

On April 28, 2018, the Company received gross proceeds of \$30,000 for 600,000 units to be issued, which were issued subsequently on July 4, 2018. Each unit containing one common share and one common share purchase warrant with an exercise price of \$0.09 per common share for a period of twenty four months from the date of issuance.

**10. Loss per Share**

The calculation of basic and diluted loss per share for the years ended April 30, 2019 and 2018 were based on the loss attributable to common shareholders of \$887,676 (year ended April 30, 2018 - \$351,459) and the weighted average number of common shares outstanding of 23,283,153 (year ended April 30, 2018 - 21,571,420). Diluted loss per share did not include the effect of warrants and stock options as they are anti-dilutive.

**Northstar Gold Corp.**  
**Notes to Financial Statements**  
**Years Ended April 30, 2019 and 2018**  
**(Expressed in Canadian Dollars)**

**11. Income Taxes**

A reconciliation of income taxes at the rates expected to apply when the asset is realized of approximately 12.5% (2018 - 14.5%) with reported taxes is as follows:

	2019	2018
Earnings (loss) before income taxes	\$ (887,676)	\$ (351,459)
Expected income tax recovery	(110,960)	(50,962)
Non-deductible and permanent differences	46,356	764
Impact of rate differences	8,103	25,857
Change in unrecognized portion of deferred tax assets	56,501	24,341
Income tax benefit recorded	\$ -	-

**Unrecognized Deferred Tax Assets**

Recognition of deferred tax assets for unused tax losses and deductible temporary differences is restricted to those instances where it is probable that future taxable profit will be available against which the deferred tax asset can be utilized. The balance of the deferred tax asset has not been recognized in the financial statements.

	2019	2018
Non-capital losses carried forward	\$ 561,268	\$ 515,090
Benefit of tax assets not recognized	-	-
Tax value in excess of carrying value of capital assets	51,020	40,696
Total unrecognized deferred tax assets	\$ 612,288	\$ 555,786

The Company has non-capital losses of approximately \$4,490,144 (2018 - \$4,055,830) which expire through 2039. The benefit of these losses has not been recognized in these financial statements.

Deferred tax assets have not been recognized in respect of these items because it is not probable that future taxable profit will be available against which the Company can utilize the benefits therefrom.

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**Northstar Gold Corp.**

Notes to Financial Statements

Years Ended April 30, 2019 and 2018

(Expressed in Canadian Dollars)

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**12. Capital Management**

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition, exploration and development of mineral properties. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. The Company defines capital to include its shareholders' equity. In order to carry out the planned exploration and pay for administrative costs, the Company will spend its existing working capital and raise additional amounts as needed. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geological or economic potential and if it has adequate financial resources to do so. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management during the years ended April 30, 2019 or 2018. The Company is not subject to externally imposed capital requirements.

The Company considers its capital to be shareholders' equity, which is comprised of share capital and deficit, which as at April 30, 2019 totaled \$4,457,570 (April 30, 2018 - \$4,332,555). The Company's objective when managing capital is to obtain adequate levels of funding to support its exploration activities, to sustain corporate and administrative functions necessary to support organizational functioning and to obtain sufficient funding to further the identification and development of precious metal and base metal deposits.

The Company raises capital, as necessary, to meet its needs and take advantage of perceived opportunities and, therefore, does not have a numeric target for its capital structure. Funds are primarily secured through equity capital raised by way of private placements. There can be no assurance that the Company will be able to continue raising equity capital in this manner.

**13. Financial Instruments and Risk Management**

The Company has determined the fair value of its financial instruments as follows:

The carrying values of cash and accounts payable and accrued liabilities approximate their fair values due to the short-term nature of these instruments and their market rates of interest.

**Credit Risk**

The Company is not exposed to major credit risk attributable to customers. Additionally, the majority of the Company's cash is held with a highly rated Canadian financial institution in Canada.

**Liquidity Risk**

Liquidity risk is the risk that the Company is not able to meet its financial obligations as they fall due.

The Company's liquidity and operating results may be adversely affected if its access to capital markets is hindered, whether as a result of a downturn in stock market conditions generally or matters specific to the Company. The Company has historically generated cash flow from its financing activities. The Company manages liquidity risk through the management of its capital structure and financial leverage as outlined in note 12. At April 30, 2019, the Company's current liabilities, which comprise accounts payable and accrued liabilities total \$156,023. The Company will require additional funding to maintain corporate and administrative functions and to fund its continuing exploration activities and commitments.

**Market Risk**

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates and commodity prices. The Company is not exposed to any significant interest rate risk volatility or exchange rate volatility.

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**Northstar Gold Corp.**

Notes to Financial Statements

Years Ended April 30, 2019 and 2018

(Expressed in Canadian Dollars)

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**14. Subsequent Event**

On June 28, 2019, the Company filed a final prospectus and application for a public listing on the Canadian Stock Exchange. Pursuant to the terms of the submission for the final prospectus, the Company is required to complete the initial public offering no later than 90 days from the date of filing, raising a minimum of \$3,000,000 to a maximum of \$4,000,000 at \$0.30 per common share.

NORTHSTAR GOLD CORP.  
FINANCIAL STATEMENTS  
YEARS ENDED APRIL 30, 2018 AND 2017  
(EXPRESSED IN CANADIAN DOLLARS)



## Independent auditor's report

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Grant Thornton LLP  
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To the Shareholders of  
**Northstar Gold Corp.**

We have audited the accompanying financial statements of **Northstar Gold Corp.**, which comprise the statements of financial position as at April 30, 2018 and 2017, and the statements of loss and comprehensive loss, changes in equity, and cash flows for the years then ended, and a summary of significant accounting policies and other explanatory information.

### **Management's responsibility for the financial statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's responsibility**

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Opinion**

In our opinion, the financial statements present fairly, in all material respects, the financial position of Northstar Gold Corp. as at April 30, 2018 and 2017, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

### **Emphasis of matter**

Without qualifying our audit opinion, we draw your attention to Note 2 of these financial statements, which states that Northstar Gold Corp. incurred losses from operations, negative cash flows from operating activities, a working capital deficiency and an accumulated deficit. This, along with other matters as described in Note 2, indicate the existence of a material uncertainty which may cast significant doubt on the ability of Northstar Gold Corp. to continue as a going concern.

Mississauga, Ontario  
June 27, 2019

*/s/ Grant Thornton LLP*  
Chartered Professional Accountants  
Licensed Public Accountant

**Northstar Gold Corp.**  
**Statements of Financial Position**

(Expressed in Canadian dollars)

As at April 30	2018	2017
<b>Assets</b>		
<b>Current</b>		
Cash	\$ 9,714	\$ 59,677
Prepays and other assets	7,977	643
Sales tax receivable	<u>4,286</u>	<u>29,973</u>
<b>Total current assets</b>	<b>21,977</b>	<b>90,293</b>
<b>Non-current</b>		
Property and equipment (Note 5)	7,164	8,764
Mineral properties (Note 6)	<u>4,421,653</u>	<u>4,421,653</u>
<b>Total assets</b>	<b>\$ <u>4,450,794</u></b>	<b>\$ <u>4,520,710</u></b>
<b>Liabilities and equity</b>		
<b>Current liabilities</b>		
Accounts payable and accrued liabilities	\$ 118,239	\$ 179,847
Notes payable (Note 7)	-	163,378
<b>Total liabilities</b>	<u>118,239</u>	<u>343,225</u>
<b>Equity</b>		
Share capital (Note 9)	11,187,919	10,711,390
Units to be issued (Note 9)	30,000	-
Deficit	<u>(6,885,364)</u>	<u>(6,533,905)</u>
<b>Total equity</b>	<u>4,332,555</u>	<u>4,177,485</u>
<b>Total liabilities and equity</b>	<b>\$ <u>4,450,794</u></b>	<b>\$ <u>4,520,710</u></b>

Nature of operations (Note 1)  
 Going concern (Note 2)  
 Commitments (Note 15)  
 Subsequent events (Note 16)

On behalf of the Board:

(Signed) "Brian P. Fowler", Director

(Signed) "John W. Pollock", Director

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

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**Northstar Gold Corp.**  
**Statements of Loss and Comprehensive Loss**

(Expressed in Canadian dollars)  
For the year ended April 30

	2018	2017
<b>Expenses</b>		
Salaries and benefits	\$ 128,067	\$ 140,070
General and administration	109,596	121,297
Professional fees	60,764	43,589
Travel	30,706	19,459
Exploration and evaluation, net of recoveries (Note 6)	20,482	(2,564)
Depreciation	1,600	2,143
Equipment rental	-	82,609
	<u>351,214</u>	<u>406,693</u>
<b>Loss before other (expense) income</b>	<b>(351,214)</b>	<b>(406,693)</b>
<b>Other expense</b>		
Loss on foreign exchange	<u>(245)</u>	-
<b>Net loss and comprehensive loss</b>	<b>\$ <u>(351,459)</u></b>	<b>\$ <u>(406,693)</u></b>
<b>Basic and diluted loss per share (Notes 1 and 11)</b>	<b>\$ <u>(0.01)</u></b>	<b>\$ <u>(0.01)</u></b>
<b>Weighted average number of common shares outstanding</b>	<b>21,571,420</b>	<b>20,430,737</b>

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

**Northstar Gold Corp.**  
**Statements of Changes in Shareholders' Equity**

Years ended April 30, 2018 and 2017

(Expressed in Canadian dollars)

	Share capital (Note 1)		Units to be issued	Deficit	Total
	Common shares	Amount			
<b>Balance, April 30, 2016</b>	20,390,174	\$10,594,580	\$ -	\$(6,127,212)	\$ 4,467,368
Shares issued for note payable settlement	486,762	116,810	-	-	116,810
Net loss and comprehensive loss	-	-	-	(408,693)	(408,693)
<b>Balance, April 30, 2017</b>	<u>20,876,936</u>	<u>\$10,711,390</u>	<u>\$ -</u>	<u>\$(6,533,905)</u>	<u>\$ 4,177,485</u>
Shares issued for note payable settlement	799,592	231,192	-	-	231,192
Private placements, net of issuance costs	562,500	131,520	-	-	131,520
Shares issued for accounts payable settlement	379,292	113,817	-	-	113,817
Units to be issued	-	-	30,000	-	30,000
Net loss and comprehensive loss	-	-	-	(351,459)	(351,459)
<b>Balance, April 30, 2018</b>	<u>22,618,420</u>	<u>\$11,187,919</u>	<u>\$ 30,000</u>	<u>\$(6,885,364)</u>	<u>\$ 4,332,555</u>

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

**Northstar Gold Corp.**  
**Statements of Cash Flows**

(Expressed in Canadian dollars)  
For the year ended April 30

	2018	2017
<b>Decrease in cash</b>		
<b>Cash flows from operating activities:</b>		
Net loss for the year	\$ (351,459)	\$ (406,693)
Items not affecting cash:		
Depreciation	1,600	2,143
Accrued interest on notes payable (Note 7)	15,166	15,188
Change in non-cash working capital items:		
Prepays	(7,334)	12,936
Sales tax receivable	25,687	(25,189)
Accounts payable and accrued liabilities	52,209	150,084
<b>Total cash used in operating activities</b>	<b><u>(264,131)</u></b>	<b><u>(251,530)</u></b>
<b>Cash flows used in investing activities:</b>		
Purchase of property and equipment	-	(6,000)
<b>Total cash used in investing activities</b>	<b><u>-</u></b>	<b><u>(6,000)</u></b>
<b>Cash flows from financing activities:</b>		
Proceeds from notes payable	52,648	265,000
Units to be issued	30,000	-
Shares issued in private placements, net (Note 9)	131,520	-
<b>Total cash from financing activities</b>	<b><u>214,648</u></b>	<b><u>265,000</u></b>
Decrease in cash	(49,963)	(7,470)
Cash, beginning of year	59,677	52,207
<b>Cash, end of year</b>	<b><u>\$ 9,714</u></b>	<b><u>\$ 59,677</u></b>

Supplemental cash flow information (Note 14)

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

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## **Northstar Gold Corp.**

### **Notes to the financial statements**

(Expressed in Canadian dollars)  
April 30, 2018 and 2017

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#### **1. Nature of business and share consolidation**

Northstar Gold Corp. (the "Company") was incorporated on May 20, 2008 under the laws of Ontario, Canada and is an exploration stage junior mining company. The Company's registered office is located at 17 Wellington Street, New Liskeard, Ontario, Canada.

The Company is engaged in the identification, evaluation and exploration of mineral properties in Ontario, Canada. The Company has not yet determined whether any of its properties contain mineral resources that are economically recoverable. The recoverability of any amounts recorded for mineral exploration properties is dependent upon the discovery of economically recoverable resources, the ability of the Company to obtain necessary financing to complete the development of these resources and upon attaining future profitable production from the properties or sufficient proceeds from disposition of the properties.

The financial statements were approved by the Board of Directors and authorized for issue on March 18, 2019.

#### **Share consolidation**

On February 8, 2019, the Company completed a share consolidation whereby its outstanding shares were consolidated on a 6 to 1 basis. All share and per share amounts in these financial statements have been adjusted to reflect share capital (including warrants and options, as applicable) on a post-consolidation basis.

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#### **2. Going concern**

As at April 30, 2018, the Company had not yet commenced production, has cash of \$9,714, negative working capital of \$96,262 and had accumulated losses of \$6,889,364. The ability of the Company to recover the costs it has incurred to date on the exploration and evaluation assets is dependent upon the Company being able to identify a commercial ore body, to finance its exploration and development costs and to resolve any environmental, regulatory, and other constraints which may hinder the successful development of the assets. The aforementioned factors indicate the existence of a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern.

The Company's ability to continue as a going concern is dependent on its ability to obtain adequate financing on reasonable terms from lenders, shareholders and other investors and/or to commence profitable operations in the future. Although the Company has been successful in raising funds in the past, there is no assurance that it will be able to obtain adequate financing in which case the Company may be unable to meet its obligations. The directors, after reviewing the current cash position and having considered the Company's ability to raise funds in the short term, adopt the going concern basis in preparing its financial statements.

The accompanying financial statements do not include any adjustments relating to the recoverability of assets and to the reclassification of asset and liability amounts that might be necessary should the Company be unable to continue its operations.



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**Northstar Gold Corp.**  
**Notes to the financial statements**

(Expressed in Canadian dollars)  
April 30, 2018 and 2017

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**3. Basis of presentation**

*Statement of compliance*

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

*Basis of measurement*

These financial statements have been prepared on a historical cost basis except for certain financial instruments that are measured at revalued amounts or fair values, as explained in the accounting policies below.

*Functional and presentation currency*

These financial statements are presented in Canadian dollars, which is the Company's functional currency. All financial information is expressed in Canadian dollars unless otherwise stated and have been rounded to the nearest dollar.

*Use of estimates and judgements*

The preparation of the financial statements in accordance with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from these estimates. Areas where estimates are significant to the financial statements are disclosed in Note 4.

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**4. Summary of significant accounting policies**

**Cash**

Cash includes cash in major financial institutions that are available on demand by the Company for its programs.

**Property and equipment**

Property and equipment are stated at historical cost less accumulated depreciation and any provision for impairment in value. Cost includes the purchase price, any directly attributable costs of bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management, and the present value of the estimated costs of decommissioning and restoration, if applicable.

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**Northstar Gold Corp.**  
**Notes to the financial statements**

(Expressed in Canadian dollars)  
April 30, 2018 and 2017

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**4. Summary of significant accounting policies (continued)**

Depreciation on property and equipment is recognized in net loss and on a straight-line basis over the estimated useful life of the assets as follows:

Buildings	20 years
Furniture and equipment	5 years
Vehicles	3 years
Computer equipment	2 years

**Impairment of non-financial assets**

Non-financial assets are subject to impairment tests whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Where the carrying value of an asset exceeds its recoverable amount, which is the higher of value in use and fair value less costs to sell, the asset is written down accordingly.

Where it is not possible to estimate the recoverable amount of an individual asset, the impairment test is carried out on the asset's cash-generating unit ("CGU"), which is the lowest group of assets in which the asset belongs for which there are separately identifiable cash inflows that are largely independent of the cash inflows from other assets. The Company has one CGU for which impairment testing is performed.

An impairment loss is charged to profit or loss, except to the extent it reverses gains previously recognized in other comprehensive loss.

**Mineral properties and exploration and evaluation**

Exploration and evaluation expenditures incurred to acquire the legal right to explore including licence and property acquisition costs are initially capitalized as exploration and evaluation assets. Exploration and evaluation assets are not depleted and are moved into property and equipment on a decision to proceed to development. Upon transfer to property and equipment the assets are considered available for use once commercial production commences and amortization begins to be recorded.

Exploration and evaluation expenditures incurred subsequent to the acquisition of the legal right to explore such as materials used, surveying costs, drilling costs and payments made to contractors are recognized as expenditures.

Management groups mineral claims that are contiguous and specific to an area encompassing the same prospective minerals into one area of interest and assigns a name to this mineral property or project. Each named mineral property is considered an area of interest and a CGU.

When a project is deemed to no longer have commercially viable prospects to the Company, capitalized exploration and evaluation expenditures in respect of that project are deemed to be impaired. As a result, those exploration and evaluation expenditure costs, in excess of estimated recoveries, are written off to the statement of comprehensive loss.

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**Northstar Gold Corp.**  
**Notes to the financial statements**

(Expressed in Canadian dollars)  
April 30, 2018 and 2017

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**4. Significant accounting policies (continued)**

Assets are assessed for impairment when facts and circumstances suggest that the carrying amount of a project may exceed its recoverable amount. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). The Company estimates the recoverable amount of each project, on the basis of areas of interest.

Although not an exhaustive list, one or more of the following facts and circumstances indicate that a specific project should be tested for impairment:

- The period for which the entity has the right to explore in the specific area has expired during the financial statement period or will expire in the near future and is not expected to be renewed.
- Substantive expenditures on further exploration for, and evaluation of, mineral resources in the specific area is neither budgeted nor planned.
- Exploration for and evaluation of mineral resources in the specific area has not led to the discovery of commercially viable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area.
- Sufficient data exists to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or sale.

Recoverable amount is the higher of fair value less disposal costs 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.

The Company expenses all advance royalty payments with exploration and evaluation expenses.

**Financial instruments**

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognized when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred.

A financial liability is derecognized when it is extinguished, discharged, cancelled or expires.

Financial assets and financial liabilities are measured initially at fair value adjusted by transaction costs, and subsequently accounted for at amortized cost, except for financial assets and financial liabilities carried at fair value through profit or loss, which are measured at fair value.

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**Northstar Gold Corp.**  
**Notes to the financial statements**

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**4. Significant accounting policies (continued)**

Financial assets and financial liabilities are measured subsequently as described below.

*Financial assets*

Financial assets are classified into one of the following categories based on the purpose for which the asset was acquired. All transactions related to financial instruments are recorded on a trade date basis. The Company's accounting policy for each category is as follows:

*Loans and receivables*

These assets are non-derivative financial assets resulting from the transfer of cash or other assets by a lender to a borrower in return for a promise to repay on a specified date or dates, or on demand. They are initially recognized at fair value plus transaction costs that are directly attributable to their acquisition and subsequently carried at amortized cost, using the effective interest rate method, less any impairment losses. Amortized cost is calculated taking into account any discount or premium on acquisition and includes fees that are an integral part of the effective interest rate and transaction costs. Gains and losses are recognized in profit or loss when the loans and receivables are derecognized or impaired, as well as through the amortization process.

*Financial assets at fair value through profit or loss*

Financial assets at fair value through profit or loss include financial assets that are either classified as held-for-trading or that meet certain conditions and are designated at fair value through profit or loss upon initial recognition. All derivative financial instruments fall into this category, except for those designated and effective as hedging instruments, for which the hedge accounting requirements apply.

Assets in this category are measured at fair value with gains or losses recognized in profit or loss. The fair values of derivative financial instruments are determined by reference to active market transactions or using a valuation technique where no active market exists.

*Impairment on financial assets*

At each reporting date, the Company assesses whether there is any objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset, which have had an impact on the estimated future cash flows of the financial asset or the group of financial assets.

*Financial liabilities*

Financial liabilities are measured subsequently at amortized cost using the effective interest method, except for financial liabilities designated at fair value through profit or loss, that are carried subsequently at fair value with gains or losses recognized in profit or loss.

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in income.



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**Northstar Gold Corp.**  
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**4. Significant accounting policies (continued)****Provisions and contingencies**

Provisions are recognized when a legal or constructive obligation exists, as a result of past events, and it is probable that an outflow of resources that can be reliably estimated will be required to settle the obligation. Where the effect is material, the provision is discounted using an appropriate current market-based pre-tax discount rate. The increase in the provision due to passage of time is recognized as interest expense.

When a contingency is substantiated by confirming events, can be reliably measured and is likely to result in an economic outflow, a liability is recognized as the best estimate required to settle the obligation. A contingent liability is disclosed where the existence of an obligation will only be confirmed by future events, or where the amount of a present obligation cannot be measured reliably or will likely not result in an economic outflow. Contingent assets are only disclosed when the inflow of economic benefits is probable. When the economic benefit becomes virtually certain, the asset is no longer contingent and is recognized in the financial statements.

**Income taxes**

Income tax expense is comprised of current and deferred tax. Current tax and deferred tax are recognized in net income or recognized directly in equity or in other comprehensive income/loss.

Current income taxes are recognized for the estimated income taxes payable or receivable on taxable income or loss for the current year and any adjustment to income taxes payable in respect of previous years. Current income taxes are determined using tax rates and tax laws that have been enacted or substantively enacted by the year-end date.

Deferred tax assets and liabilities are recognized where the carrying amount of an asset or liability differs from its tax base, except for taxable temporary differences arising on the initial recognition of goodwill and temporary differences arising on the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting nor taxable profit or loss.

Recognition of deferred tax assets for unused tax losses, tax credits and deductible temporary differences is restricted to those amounts where it is probable that future taxable profit will be available against which the future tax asset can be utilized. At the end of each reporting period, the Company reassesses recognized and unrecognized deferred tax assets. The Company recognizes a previously unrecognized future tax asset to the extent that it has become probable that future taxable profit will allow the future tax asset to be recovered.

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**Northstar Gold Corp.**  
**Notes to the financial statements**

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**4. Significant accounting policies (continued)****Equity**

The Company records proceeds from the issuance of its common shares as equity. Incremental costs directly attributable to the issue of new common shares are shown in equity as a deduction, net of tax, from the proceeds. Common shares issued for consideration other than cash are valued based on their market value at the date that the shares are issued.

For unit offerings, the proceeds from the issue of units are allocated between common shares and common share purchase warrants using the residual method, allocating fair value first to the common shares and then to share purchase warrants. Upon expiration of warrants, the Company transfers amounts from share purchase warrants reserve to share-based payments reserve.

**Loss per share**

Basic loss per share is calculated by dividing the loss attributable to common shareholders by the weighted average number of common shares outstanding in the period. For all periods presented, the loss attributable to common shareholders equals the reported loss attributable to the owners of the Company. The diluted loss per share reflects all dilutive potential common shares equivalents, which comprise outstanding stock options, if any, and share purchase warrants, in the weighted average number of common shares outstanding during the period if dilutive.

**Share-based payments**

Equity-settled share-based payments for directors, officers and employees are measured at fair value at the date of grant and recorded as compensation expense in the consolidated financial statements. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period based on the Company's estimate of shares that will eventually vest. The number of forfeitures likely to occur is estimated on the grant date. Any consideration paid by the optionee on exercise of equity-settled share-based payments is credited to share capital. Shares are issued from treasury upon the exercise of equity-settled share-based instruments.

Compensation expense on stock options granted to non-employees is measured on the earlier of the date at which the counterparty performance is complete and the date the performance commitment is reached or the date at which the equity instruments are granted if they are fully vested and non-forfeitable. Stock options are valued using the fair value method and are recorded as an expense in the same period as if the Company had paid cash for the goods or services received.

When the value of goods or services received in exchange for the share-based payment cannot be reliably estimated, the fair value is measured by use of an appropriate valuation model. The expected life used in the model is adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions, and behavioral considerations.



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**Northstar Gold Corp.**  
**Notes to the financial statements**

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**4. Significant accounting policies (continued)**

**Critical accounting estimates and judgments**

In the application of the Company's accounting policies, which are described above, management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

*Significant judgments*

The most significant critical judgment that members of management have made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognized in the financial statements is the policy on exploration and evaluation assets and expenditures. The Company has elected to expense all exploration and evaluation activities subsequent to the acquisition of the right to explore as incurred. For exploration and evaluation expenditures incurred to acquire the legal right to explore including licence and property acquisition costs, these are capitalized to exploration and expenditure assets and as such management is required to assess mineral properties for impairment. Note 6 discloses the carrying values of such assets. As part of this assessment, management has carried out an assessment whether there are indicators of impairment. If there are indicators, management performs an impairment test on the major assets within this balance.

The recoverability of exploration and evaluation assets is dependent on a number of factors common to the natural resource sector. These include the extent to which the Company can continue to renew its exploration and future development licenses with local authorities, establish economically recoverable reserves on its properties, the availability of the Company to obtain necessary financing to complete the development of such reserves and future profitable production or proceeds from the disposition thereof. The Company will use the evaluation work of professional geologists, geophysicists and engineers for estimates in determining whether to commence or continue mining and processing. These estimates generally rely on scientific and economic assumptions, which in some instances may not be correct, and could result in the expenditure of substantial amounts of money on a deposit before it can be determined whether or not the deposit contains economically recoverable mineralization.

*Key sources of estimation uncertainty*

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Estimates which could materially impact the financial statements include:

- discount rate used to determine the effective interest of notes payable;
- estimated useful lives of property and equipment and related depreciation; and
- fair value of shares issued in exchange for settlement of notes and accounts payable

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**Northstar Gold Corp.**  
**Notes to the financial statements**

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**4. Significant accounting policies (continued)****New standards, interpretations and amendments not yet effective**

The following new standards, and amendments to standards and interpretations, were not yet effective for the year ended April 30, 2018, and have not been applied in preparing these consolidated financial statements. Other new standards which are not yet effective for the year ended April 30, 2018 but are not discussed below, are not expected to have an impact on the Company.

*IFRS 9 Financial Instruments*

A finalized version of IFRS 9 Financial Instruments replaces IAS 39 Financial Instruments: Recognition and Measurement. The standard contains requirements for classification and measurement of financial assets and liabilities; impairment of financial assets; hedge accounting; and derecognition of financial assets and liabilities carried forward from IAS 39. This standard is effective for annual reporting periods beginning on or after May 1, 2018. The new standard is not expected to have a significant impact on the financial statements of the Company.

*IFRS 15 Revenue from Contracts with Customers*

IFRS 15, Revenue from Contracts with Customers establishes a single model in accounting for revenue arising from contracts with customers. This supersedes current revenue recognition guidance including IAS 18 Revenue, IAS 11 Construction Contracts and the related interpretations and is effective for annual reporting periods beginning on or after May 1, 2018. The new standard is not expected to have a significant impact on the financial statements of the Company.

*IFRS 16 Leases*

A finalized version of IFRS 16 Leases replaces IAS 17 Leases. The new standard brings most leases on-balance sheet for lessees under a single model, eliminating the distinction between operating and finance leases. Lessor accounting however remains largely unchanged and the distinction between operating and finance leases is retained. This standard is effective for annual reporting periods beginning on or after May 1, 2019. The Company is in the process of determining the impact of IFRS 16 on its financial statements.

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**5. Property and equipment**

	Buildings	Furniture and equipment	Vehicles	Computer equipment	Total
<b>Cost</b>					
Balance at May 1, 2016	\$ 1,500	\$ 968	\$ 13,132	\$ 2,833	\$ 18,433
Additions during the year	-	6,000	-	-	6,000
<b>Balance at April 30, 2017</b>	<b>1,500</b>	<b>6,968</b>	<b>13,132</b>	<b>2,833</b>	<b>24,433</b>
<b>Balance at April 30, 2018</b>	<b>\$ 1,500</b>	<b>\$ 6,968</b>	<b>\$ 13,132</b>	<b>\$ 2,833</b>	<b>\$ 24,433</b>
<b>Accumulated depreciation</b>					
Balance at May 1, 2016	\$ 180	\$ 612	\$ 10,452	\$ 2,282	\$ 13,525
Depreciation for the year	66	970	804	303	2,143
<b>Balance at April 30, 2017</b>	<b>246</b>	<b>1,583</b>	<b>11,256</b>	<b>2,585</b>	<b>15,669</b>
Depreciation for the year	63	838	563	136	1,600
<b>Balance at April 30, 2018</b>	<b>\$ 309</b>	<b>\$ 2,420</b>	<b>\$ 11,819</b>	<b>\$ 2,721</b>	<b>\$ 17,269</b>
<b>Carrying amounts</b>					
<b>Balance at April 30, 2017</b>	<b>\$ 1,254</b>	<b>\$ 5,385</b>	<b>\$ 1,876</b>	<b>\$ 248</b>	<b>\$ 8,764</b>
<b>Balance at April 30, 2018</b>	<b>\$ 1,191</b>	<b>\$ 4,548</b>	<b>\$ 1,313</b>	<b>\$ 112</b>	<b>\$ 7,164</b>

**6. Mineral properties**

	Boston Creek-Miller	Bryce	Temagami-Milestone	Total
Balance, April 30, 2016	\$ 169,831	\$4,247,822	\$ 4,000	\$ 4,421,653
Balance, April 30, 2017	\$ 169,831	\$4,247,822	\$ 4,000	\$ 4,421,653
<b>Balance, April 30, 2018</b>	<b>\$ 169,831</b>	<b>\$4,247,822</b>	<b>\$ 4,000</b>	<b>\$ 4,421,653</b>

**Property descriptions**

(a) Boston Creek - Miller Project, Ontario

The Boston Creek – Miller Project is the Company's flagship property located in the Catherine, Pacaud, Boston and McElroy Townships in the Larder Lake mining division of Northeastern Ontario. All claims are 100% owned by the Company. These claims were acquired in 2013 and 2014 by issuing 500,000 common shares at a price of \$0.30 for a total of \$150,000 and cash payments of \$19,831.

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**6. Mineral properties (continued)**

The Boston Creek – Miller Project is subject to a 0.25% net smelter royalty (the "NSR"), with an option to buy out for \$250,000 on 16 hectares of land in Pacaud township. There is a 3% NSR on 32 hectares of the Campbell portion of the property. There is a 2% NSR on 96 hectares in Catharine Township with a 1% buy back for \$1,000,000 and a right of first refusal on the remaining 1% NSR. The remaining 240 hectares in Catharine Township also carries a 2% NSR, with a 1% buy back for \$1,000,000 and a right of first refusal on the remaining 1% NSR. The 32 hectares of freehold patents hold a 3% NSR.

All exploration expenses, net of recoveries on sale of gold extracted from samples, relate to the above property.

(b) Bryce Project, Ontario

The Bryce Project is located in Bryce and Tudhope Township in the Larder Lake mining division of Northeastern Ontario. The Company owns 100% of the unpatented claims. The Company also has 100% ownership of the mining rights patented ground contiguous with the rest of the Bryce Property. These claims were acquired in 2008, 2009 and 2010 by issuing 7,041,667 shares at a price of \$0.60 for a total of \$4,225,000 and cash payments of \$22,822.

The Bryce Project is subject to a 3% NSR on 672 hectares in Bryce Township with a right of first refusal on a buy out of the NSR. There is also a 3% NSR on another 176 hectares in Bryce with an option to buyback \$500,000 per 0.5% for a total of \$1,500,000 and a right of first refusal on the remaining 1.5%. The 80 hectares of patented land is subject to a 3% NSR, with a right of first refusal option to buy back 2% at a rate of \$100,000 per 0.5%, for a total of \$400,000 and a right of first refusal on the remaining 1%.

(c) Temagami-Milestone, Ontario

The Temagami-Milestone Project is located in Strathcona Township in Northeastern Ontario and is currently in the early stages of exploration. All claims are 100% owned by the Company. No royalties exist on the Property. These claims were acquired in 2012 for staking costs of \$4,000.

*Title to mineral property interests*

Although the Company has taken steps to verify the title to mineral properties in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements or transfers, non-compliance with regulatory requirements or aboriginal land claims, and title may be affected by undetected defects.

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**Northstar Gold Corp.**  
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**7. Notes payable**

	<u>2018</u>	<u>2017</u>
Balance, beginning of year	\$ 163,378	\$ -
Issuance of notes	52,648	265,000
Interest	15,166	15,188
Repayment of notes through issuance of shares (Note 9)	<u>(231,192)</u>	<u>(116,810)</u>
Balance, end of year	<u>\$ -</u>	<u>\$ 163,378</u>

During the year ended April 30, 2018, the Company issued notes payable in the amount of \$32,648 (2017 - \$265,000) to directors of the Company bearing interest at 11% per annum. The notes payable were converted to 1,286,354 common shares during 2018 and 2017 (refer to Note 9).

During the year ended April 30, 2018, the Company issued non-interest bearing notes payable in the amount of \$20,000 (2017 - \$Nil) to directors of the Company. The notes payable were converted to 66,667 common shares (refer to Note 9).

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**8. Related party transactions and key management compensation**

The Company has contracts for management and geological services plus costs incurred in providing these services with its key management, namely officers, administrators and directors and companies controlled by management. Transactions are recorded at their fair value, which is the amount agreed amount upon between the parties to provide the services.

- A company controlled by a director was paid for equipment rental services in the amount of \$Nil (2017 - \$82,609). At April 30, 2018, the Company owed \$Nil (2017 - \$Nil) to this company.
- During the year ended April 30, 2018, the Company paid compensation in the amount of \$109,613 (2017 - \$103,326) to key management personnel.
- Interest paid on note payable amounts to directors of the Company totaled \$15,166 (2017 - \$15,188).



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**9. Share capital**

The Company is authorized to issue an unlimited number of common shares.

The following is a summary of common shares issued at April 30, 2018 and April 30, 2017:

	<u>Number of Shares</u>	<u>Amount</u>
Balance, April 30, 2016	20,390,174	\$ 10,594,580
Shares issued for settlement of notes payable (i)	<u>486,762</u>	<u>116,810</u>
Balance, April 30, 2017	20,876,936	10,711,390
Shares issued for settlement of notes payable (ii, iii, vi)	799,592	231,192
Private placement, net of issuance costs (iv)	562,500	131,520
Shares issued in exchange for services (v)	<u>379,392</u>	<u>113,817</u>
<b>Balance, April 30, 2018</b>	<b><u>22,618,420</u></b>	<b><u>\$ 11,187,919</u></b>

- (i) On April 27, 2017, the Company issued 486,762 shares at a price of \$0.24 per common share on conversion of notes payable by the Company of \$105,000 plus accrued interest of \$11,810 (Note 7).
- (ii) On May 1, 2017, the Company issued 92,717 shares at a price of \$0.24 per common share on conversion of notes payable by the Company of \$20,000 plus accrued interest of \$2,252 (Note 7).
- (iii) On May 2, 2017, the Company issued 46,358 shares at a price of \$0.24 per common share on conversion of notes payable by the Company of \$10,000 plus accrued interest of \$1,126 (Note 7).
- (iv) On July 26, 2017, the Company completed a private placement consisting of 562,500 common shares for gross proceeds of \$135,000 at a price of \$0.24 per share. Share issuance costs totaled \$3,480.
- (v) On April 27, 2018, the Company issued 379,392 common shares at a price of \$0.30 per common share on conversion of accounts payable by the Company with a fair value of \$113,817.
- (vi) On April 27, 2018, the Company issued 660,517 shares at a price of \$0.30 per common share on conversion of notes payable by the Company with a fair value of \$182,648 plus accrued interest of \$15,166 (Note 7).



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9. **Share capital (continued)**

**Units to be issued**

- (i) On April 28, 2018, the Company received gross proceeds of \$30,000 for 100,000 units to be issued, and which were issued on July 4, 2018, with each unit containing one common share and one common share purchase warrant with an exercise price of \$0.54 per common share for a period of twenty four (24) months from the date of issuance.

10. **Income taxes**

A reconciliation of income taxes at the rates expected to apply when the asset is realized of approximately 26.5% (2017 - 26.5%) with the reported taxes is as follows:

	<u>2018</u>	<u>2017</u>
Loss before income taxes	\$ (351,459)	\$ (406,693)
Expected income tax recovery	(50,962)	(61,004)
Non-deductible expenses	764	251
Benefit of tax assets not recognized	<u>50,198</u>	<u>60,753</u>
Provision for income taxes	\$ _____	\$ _____

The Company has the following tax effected net deductible temporary differences for which no deferred tax asset has been recognized:

	<u>2018</u>	<u>2017</u>
Deferred tax assets/(liabilities)	\$ _____	\$ _____

Recognition of deferred tax assets for unused tax losses and deductible temporary differences is restricted to those instances where it is probable that future taxable profit will be available against which the deferred tax asset can be utilized. The balance of the deferred tax asset has not been recognized in the financial statements.

Unrecognized deferred tax assets:

	<u>2018</u>	<u>2017</u>
Non-capital losses carried forward	\$ 522,510	\$ 503,759
Benefit of tax assets not recognized	<u>41,205</u>	<u>36,451</u>
Total unrecognized deferred tax assets	\$ <u>563,715</u>	\$ <u>540,210</u>

The Company has non capital losses of approximately \$4,055,830 (2017 - \$3,799,854) which expire through 2038. The benefit of these losses has not been recognized for financial statements purposes.

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**Northstar Gold Corp.**  
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**11. Net loss per share**

The calculation of basic and diluted loss per share for the year ended April 30, 2018 was based on the loss attributable to common shareholders of \$351,459 (2017 - \$406,693) and the weighted average number of common shares outstanding of 21,571,420 (2017 - 20,430,737).

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**12. Capital management**

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition, exploration and development of mineral properties. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. The Company defines capital to include its shareholders' equity. In order to carry out the planned exploration and pay for administrative costs, the Company will spend its existing working capital and raise additional amounts as needed. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geological or economic potential and if it has adequate financial resources to do so. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management during the year ended April 30, 2018. The Company is not subject to externally imposed capital requirements.

The Company considers its capital to be shareholders' equity, which is comprised of share capital and deficit, which as at April 30, 2018 totalled \$4,332,555 (2017 - \$4,177,485). The Company's objective when managing capital is to obtain adequate levels of funding to support its exploration activities, to sustain corporate and administrative functions necessary to support organizational functioning and to obtain sufficient funding to further the identification and development of precious metal and base metal deposits.

The Company raises capital, as necessary, to meet its needs and take advantage of perceived opportunities and, therefore, does not have a numeric target for its capital structure. Funds are primarily secured through equity capital raised by way of private placements. There can be no assurance that the Company will be able to continue raising equity capital in this manner.

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**13. Financial instruments and risk management****Fair value of financial instruments**

The Company's financial instruments are comprised of cash, accounts payable and accrued liabilities and notes payable which are measured at carrying value. Accounts payable and accrued liabilities are classified for accounting purposes as other financial liabilities, which are measured at amortized cost which also approximates fair value.

The Company has determined the fair value of its financial instruments as follows:

The carrying values of cash, accounts payable and accrued liabilities and notes payable approximate their fair values due to the short-term nature of these instruments and their market rates of interest.

**Credit risk**

The Company is not exposed to major credit risk attributable to customers. Additionally, the majority of the Company's cash are held with a highly rated Canadian financial institution in Canada.

**Liquidity risk**

Liquidity risk is the risk that the Company is not able to meet its financial obligations as they fall due.

The Company's liquidity and operating results may be adversely affected if its access to capital markets is hindered, whether as a result of a downturn in stock market conditions generally or matters specific to the Company. The Company has historically generated cash flow from its financing activities. The Company manages liquidity risk through the management of its capital structure and financial leverage as outlined in Note 12. At April 30, 2018, the Company's current liabilities, which comprise accounts payable and accrued liabilities, total \$118,239. The Company will require additional funding to maintain corporate and administrative functions and to fund its continuing exploration activities and commitments.

**Market risk**

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates and commodity prices. The Company is not exposed to any significant interest rate risk volatility or exchange rate volatility.

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**14. Supplemental cash flow information**

The significant non-cash activity during the year is as follows:

	<u>2018</u>	<u>2017</u>
Shares issued for settlement of notes payable	\$ 231,192	\$ 116,810
Shares issued for settlement of accounts payable	113,817	-

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**Northstar Gold Corp.**  
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**15. Commitments**

The Company is committed to pay rent under an operating lease agreement expiring June 30, 2018. The total commitments are approximately as follows:

2019	\$	35,863
2020		5,997

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**16. Subsequent events****Private placement**

On July 4, 2018, the Company closed a private placement for 1,600,000 units for total proceeds of \$80,000, each unit consisting of one common share priced at \$0.05 per share and one common share purchase warrant, each whole warrant exercisable into one common share at \$0.09 per share for a period of 24 months.

On January 28, 2019, the Company closed a private placement for 1,450,667 units for total proceeds of \$435,200, each unit consisting of one common share priced at \$0.30 per share and one share purchase warrant, each whole warrant exercisable into one common share at \$0.09 per share for a period of 24 months.

On March 18, 2019, the Company closed a private placement ("March 2019 Offering"), consisting of the issuance of 678,278 common shares, of which 246,111 common shares were issued on a flow-through basis under the Income Tax Act (Canada), and 432,167 warrants for aggregate proceeds of \$218,250. Each warrant entitles the holder to acquire one common share for \$0.54 and are exercisable until March 18, 2021. In connection with the private placements, the Company issued 12,320 broker warrants exercisable at \$0.30 until March 18, 2021, and 18,889 broker warrants exercisable at \$0.36 until March 18, 2021. Cash issuance costs totaled \$10,496.

**Stock options**

On February 9, 2019, the Company granted 2,200,000 stock options for the purchase of common shares to directors and officers. The options are exercisable into one common share at \$0.30 per share for a period of 5 years.

**Public offering and listing**

On June 27, 2019, the Company filed a final prospectus and application for a public listing on the Canadian Stock Exchange.

**SCHEDULE "D"**

**MANAGEMENT DISCUSSION AND ANALYSIS FOR THE THREE-MONTH PERIOD ENDED JULY 31, 2019**

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The following management's discussion and analysis ("MD&A") of the financial condition and results of operations of Northstar Gold Corp. ("Northstar" or the "Company") constitutes management's review of the factors that affected the Company's financial and operating performance for the three months ended July 31, 2019. This MD&A has been prepared in compliance with the requirements of National Instrument 51-102 – Continuous Disclosure Obligations. This discussion should be read in conjunction with the audited annual financial statements of the Company for the year ended April 30, 2019, as well as the unaudited interim financial statements for the three months ended July 31, 2019, together with the notes thereto. Results are reported in Canadian dollars, unless otherwise noted. Information contained herein is presented as at September 30, 2019 unless otherwise indicated.

For the purposes of preparing this MD&A, management, in conjunction with the Board of Directors, considers the materiality of information. Information is considered material if: (i) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of the Company's common shares; or (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) if it would significantly alter the total mix of information available to investors. Management, in conjunction with the Board of Directors, evaluates materiality with reference to all relevant circumstances, including potential market sensitivity.

On June 28, 2019, the Company filed a final prospectus and application for a public listing on the Canadian Stock Exchange. Pursuant to the terms of the submission for the final prospectus, the Company is required to complete the initial public offering no later than 90 days from the date of filing, raising a minimum of \$3,000,000 to a maximum of \$4,000,000 at \$0.30 per common share. For additional details, please see the Final Prospectus filed on [www.sedar.com](http://www.sedar.com) ("Sedar") on June 28, 2019.

On September 23, 2019, the Company withdrew its Final Prospectus. The Company intends to shortly file a new preliminary prospectus in connection with a minimum offering for \$2,300,000 and a maximum of \$4,000,000 at \$0.30 per share.

The Company originally filed a final prospectus dated June 28, 2019 with the Ontario Securities Commission (and all other Canadian jurisdictions, except Quebec) and had 90 days to close the Offering, which expired on September 26, 2019. The marketing campaign proved challenging over the summer months and this deadline did not provide adequate time to close the Offering, despite an increasingly positive response and improving market conditions. In light of this, management decided it was in shareholders' best interest to withdraw the prospectus. The Company is currently preparing a new preliminary prospectus which is expected to be filed shortly. If a final receipt is issued by the Ontario Securities Commission, the Company will have an additional 90 day distribution period from the date of a final receipt to close the Offering.

### **Business Objectives**

The immediate business objective is to complete the Company's Initial Public Offering ("Offering") and obtain a listing on the Exchange. The aggregate remaining costs of completing these objectives are estimated at \$150,000 (including the Company's legal costs, auditor fees, filing fees for the Exchange and the securities commissions in the Selling Jurisdictions, and expenses of the Agents and the Agents' legal counsel, but excluding Agents' Commissions). The Company intends to carry out Phase 1 recommended exploration programs described in the Technical Report (filed on Sedar on June 28, 2019) which is estimated to cost \$1,095,000.



### Milestones

The Corporation's business objective of completing the Offering will occur on the closing date; and the business objective of listing on the Exchange will occur on the listing date. The objective of completing the phase 1 work program is expected to occur within 12 months of the Closing Date.

Business Objective	Cost of Objective	Timing to Complete Objective
To pay the balance of the estimated costs of the Offering and list on the CSE	\$150,000	Upon closing the Offering
To carry out the Phase 1 exploration program on the Miller Gold Property	\$1,095,000	Within 12 Months of completion of the Offering
To pay administrative costs	\$539,200	12 months following completion of the Offering
Unallocated working capital	\$98,800	Available for the 12 month period following completion of the Offering (assuming the minimum Offering)

### Description of Business

The Corporation is an exploration-stage company holding a 100% interest in Miller Gold Property. To date, equity financings have provided the main source of financing.

The Company is engaged in the identification, evaluation and exploration of mineral properties in Ontario, Canada. The Company has not yet determined whether any of its properties contain mineral resources that are economically recoverable. The recoverability of any amounts recorded for mineral exploration properties is dependent upon the discovery of economically recoverable resources, the ability of the Company to obtain necessary financing to complete the development of these resources and upon attaining future profitable production from the properties or sufficient proceeds from disposition of the properties.

The recovery of the Corporation's investment in its mineral property will be dependent upon the discovery of economically recoverable mineral reserves and the ability to raise sufficient capital to finance these operations. The ultimate outcome of these operations cannot presently be determined because they are contingent on future matters.

The Corporation has applied to list its Common Shares and any Common Shares issued upon exercise of the Agents' Warrants, on the CSE. Listing of the Corporation's Common Shares will be subject to the Corporation meeting all of the listing requirements prescribed by the CSE.

### Overall Performance

The Company was incorporated in 2008 and from 2008 to 2013 substantial work was undertaken on the Bryce Project until it acquired the Miller Gold Property and commenced drilling on the property in 2014. The Corporation's business is to operate as a mineral resource exploration and development company initially focused on the acquisition, funding and exploration of the Miller Gold Property, and obtaining a listing on the Exchange. To those ends, the Company has (i) maintained the Miller Gold Property in good standing; (ii) raised sufficient funds to fund the initial work on the Miller Gold Property and to cover the costs of going public; (iii) commissioned the Technical Report on the Miller Gold Property; and (iv) engaged the Agents to assist in with the application to the Exchange for a listing of the Common Shares and to assist in the Offering.

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Significant Acquisitions and Dispositions

The only significant acquisition to date has been acquisition of the Miller Gold Property, which was acquired by the Corporation in 2013 and 2014 by issuing, on a post-consolidated basis, 500,000 Common Shares at a price of \$0.30 for a total of \$150,000 and cash payments of \$19,831.

**Mineral Properties**

The Corporation's primary property is the 100% owned, 1,114 ha Miller Gold Property located 18km southeast of Kirkland Lake, Ontario within the Abitibi Greenstone Belt which is one of the most prolific gold- and base-metal-producing greenstone belts in the world. The Kirkland Lake and Timmins mining camps have produced >119 million ounces of gold from >100 mines between 1901 and 2017. (Chadwick, P.J., Péloquin, A.S., Suma-Momoh, J., Daniels, C.M., Bousquet, P., Wilson, A.C., Sabiri, N. and Szumylo, N. 2018. Report of Activities 2017, Resident Geologist Program, Kirkland Lake Regional Resident Geologist Report: Kirkland Lake and Sudbury Districts; Ontario Geological Survey, Open File Report 6340, 142p.; p. 4; van Hees, E.H., Pace, A., Bustard, A., Gomwe, T.S., Bousquet, P., Daniels, C.M., Wilson, A.C., Streit, L., Sword, P., Patterson, C. and Fudge, S.P. 2018. Report of Activities 2017, Resident Geologist Program, Timmins Regional Resident Geologist Report: Timmins and Sault Ste. Marie Districts; Ontario Geological Survey, Open File Report 6339, 117p. P. 10)

Past Production from the Barry-Hollinger Gold mine includes 69, 861 oz Au from 267,741 Tons milled between 1924 and 1945. (Gordon, J.B., Lovell, H.L., de Grijs, Jan, and Davie, R.F. 1979: Gold Deposits of Ontario, Part 2; Ontario Geological Survey, Mineral Deposits Circular 18, 253p. p. 162; TWENTY-EIGHTH ANNUAL REPORT OF THE ONTARIO BUREAU OF MINES, 1919. pt. 1, p. 9 and 116)

The Property is situated on a major 1st order fault structure (Catharine Fault) off the Kirkland /Cadillac-Larder Breaks and hosts unique Kirkland Lake style and age gold-telluride mineralization in low angle and vertical quartz veins and shears cutting highly altered intrusive syenite stocks and mafic volcanic rocks over an under explored 3km x 2km area such as the Vein 1, Allied, Planet, Barry Hollinger & D zones.

The mining history of the Miller Gold Property dates to the early 1900s with the discovery of gold and development of the Miller – Independence Mine. The Property has been explored and developed since 1915, with 11 shallow shafts and thousands of metres of drifting. Official reported production is 58.5 ounces Au and 70 ounces Ag from a 31 Ton bulk sample of recovery grade of 1.89 oz/ton Au (Gordon, J.B., Lovell, H.L., de Grijs, Jan, and Davie, R.F. 1979: Gold Deposits of Ontario, Part 2; Ontario Geological Survey, Mineral Deposits Circular 18, 253p. p. 162; TWENTY-EIGHTH ANNUAL REPORT OF THE ONTARIO BUREAU OF MINES, 1919. pt. 1, p. 9 and 116); however, based upon the mine workings and amount of what appears to be waste rock identified throughout the Property the true production may have been considerably higher. A shaft was built near the original discovery. A flat, faulted vein estimated to contain 1,800 tons of mineralized material was discovered during that period.

In 1937-38 Planet Gold Mines carried out a 7 hole, 322m diamond drilling program in the Planet Syenite area of the Property encountering visible gold and several high grade intervals in drill core within the Planet Syenite intrusion including 6.63 g/t Au over 9.2m between 12.1m and 21.3m depth in DDH 2. (Court Simpson compilation, 1974- Assessment File KL-2281, Kirkland Lake Resident Geologist's Office) Shortly thereafter in 1938 Howey Gold Mines optioned the Planet Syenite and collected a 3,668 lb sample from several surface trenches which graded 0.075 oz/ton in a mill test. Recovery was estimated to be 87% using gravity concentration methods. In 1939 a 3,044 lb bulk sample was taken (probably from the small prospect shaft). The table test indicted a total gold content of 0.096 oz/ton. (Crosscombe 1941). In 1946 Lebon Gold mines carried out additional diamond drilling in the Planet Syenite in which several gold bearing intersections were reported but assay results are unknown. (ODM 1957, Vol.66, pt.5, p.40)

In 1987-88 Nortek Exploration completed 37 diamond drill holes and estimated a historical grade and tonnage for the Miller-Independence "Vein 1" zone of 733,000 tonnes @ 11.48g Au/t for 270,000 oz Au (1987) (Ontario Ministry of Northern Development and Mines Assessment report # OM87-6-L-239: AFRI file 32D04SW0265 "Mining and Geological Report on the 1987 Nortek Exploration Program" by Gordon B. French, President of French & Associates Inc., Highway 112, Tarzwell, Ontario.) Between 2012 and 2015 Northstar completed surface exploration including ground magnetics, 3D IP survey and 5,846 meters (27 holes) of diamond drilling Northstar (2014) / (Oban Mining Corporation – 2015). This number is a historical estimate, not compliant to NI 43-101 guidelines, provided for information only and is not to be relied upon. The relevance of this historical estimate is as a rough guideline of possible resource on the Property. The key assumptions, parameters and methods to prepare this historical estimate are not known. The historical estimate does not use categories set out in sections 1.2 and 1.3 NI 43-101. A full assessment report is filed with MNDM by G.B. French (1988) in which this number is reported. This historical estimate can be updated to a current mineral resource by additional drilling. The Qualified Person has not done sufficient work to classify the historical estimate as current mineral resource and the issuer is not treating this historical estimate as a current mineral resource.

The 2014 Miller drilling program totalling 1778.5m confirmed the historic results and defined the continuity of the Vein 1 zones with holes MG14-02, 7, 9 and 12 indicating widths between 3 metres and 18 metres with an echelon extensional veins extending into the hanging wall. Six holes (MG14-03,7,9,11,12) drilled in the Allied Syenite consistently intersected shallow dipping gold zones between 20 metres and 130 metres vertical depth within the intrusive body. Visible gold and gold tellurides are abundant in Vein 1 and the Allied Syenite. Sub-vertical auriferous sulphide rich shear zones were intersected in holes MG14-01, MG 14-06 and MG 14-12.

Drilling intercepts in the Allied Syenite include 0.99 g/t Au over 104m between 54m and 106m including 11.6 g/t Au over 3.95m between 138.05m and 142m in DDH MG14-12, and 1.04 g/t Au over 97.5m between 22m and 119.5m including 3.25 g/t Au over 14.03m between 105.47m and 119m in DDH MG14-07. South of the Allied Syenite a twin of historic hole DDH 4 intercepted 5.26 g/t Au over 7.95m between 49.7 and 57.65m in the Vein 1 zone in DDH MG14-02.

Exploration during 2015 was focused on determining the potential economics for gold mineralization in the Allied, Planet and Meilleur intrusions and in the adjacent metavolcanics rocks. Exploration included surface mapping, bedrock sampling and 12 diamond drill holes totaling 4,067 metres.

The program discovered high grade structurally controlled zones in drill hole MG 15-26 in the Meilleur Syenite intrusion, which is larger than previously mapped. Historic drilling results on the Planet Syenite were confirmed with drill hole MG15-24 which intercepted high grade gold in a near surface stockwork zone within a larger envelope of pervasive alteration. New high-grade zones were discovered at depth below the previously explored Vein 1 within the Allied Syenite in holes MG15-18 and MG15-20 with confirmation of a historically reported zone at a depth of 300 metres. The drilling results indicate the Vein 1 zone is laterally extensive and remains open in all directions, particularly to the northeast of the Allied Syenite.

Gold mineralization was intersected in the Allied, Planet and Meilleur intrusions. Within the 5 holes that intersected the main body of the Allied intrusion there were 23 intervals that returned >1.0 gram of gold per tonne, with the best interval intersected in MG15-20 which returned 40.5 grams of gold per tonne over 1.0 metre, and a graded interval of 14.1 grams of gold per tonne over 3.05 metres. Drilled back towards MG15-20 from the southwest side of the intrusion on the same section, MG15-18 intersected 4.2 grams of gold per tonne over 3.0 metres, including 5.96 grams of gold per tonne over 0.75 metres and 6.27 grams of gold per tonne over 0.75 metres. Both holes drilled into the Planet intrusion intersected gold mineralization hosted by syenite with the best intersection in MG15-24 out of 16 intervals >1.0 gram of gold per tonne returning 74.9 grams of gold per tonne over 0.3 metres between 53.7m and 54m within a larger interval of 7.3 g/t Au over 4.7m between 52.3m and 57m, and the best intersection in MG15-25 returning 4.7 grams of gold per tonne over 1.5 metres. Two holes were drilled into the north end of the Meilleur intrusion



intersecting a medium-grained brick red syenite. The best interval in MG15-26 returned 20.8 grams of gold per tonne over 0.95 metres hosted in a faulted bleached mafic metavolcanic, but there were also 13 intervals hosted by syenite that returned >1.0 gram of gold per tonne with the best intersection returning 14.3 grams of gold per tonne over 1.4 metre within a shear zone. The best interval in MG15-27 returned 10.2 grams of gold per tonne over 1.0 metre.

In 2016 Northstar excavated a 932 tonne bulk sample from the historic Vein 1 that graded 5.1 g/t gold with a 95.75% gold recovery in custom milling using cyanide leach. Seven oblique channel cuts from the Vein 1 zone in Trench 1 averaged 20.1 g/t Au over 2.2m. One channel cut from Trench 2 averaged 5.9 g/t Au over 5.0m. A 122 kg mini-bulk sample collected from the "D zone" in Trench 4 graded 36.1 g/t Au. Grab sampling of rubble material from the D zone included an assay of 840 g/t Au. The recently upgraded main access road into the Property is within 100m of the Trenching sites making transport of material to locals mills possible.

The Corporation performed metallurgical testing on mill head samples collected from the Vein 1 zone in Trenches 1 and 3 with excellent recoveries using gravity and cyanide leach. Results from two cyanide leach tests using 2,000 grams composite mill head samples under the same conditions as were present in the Camflo Mill returned 96.1% and 97.7% overall gold dissolution in 72 hours. In gravity recoverable gold testing using 2 x 10 kilogram composite mill head samples, 70% to 75% of the total gold was recovered in a single pass at a coarse 1 mm feed size. Overall gravity recoveries using a Knelson concentrator and Wilfley table were 87.8% and 80.3% respectively.

Approximately \$2M in exploration work has been performed on the Miller Gold Property between 2012 and 2016.

The Miller Gold Property has potential for significant near surface large, intrusive hosted bulk tonnage and deeper high-grade gold resources in multiple structurally controlled zones (Vein 1, Allied, Planet and D zone). New mineralized gold bearing ENE, NW and NNE striking shear zones have been discovered on surface adjacent to the Allied, Planet and Meilleur Syenites. A Geophysical 3D IP survey and recent drilling indicates the Vein 1 zone is laterally extensive and open in all directions.

In 2015 Northstar signed comprehensive exploration agreements with Matachewan and Timiskaming First Nations. The agreements establish a commitment by Northstar to develop an ongoing relationship with the two communities in the area of the company's Miller Gold Property and provides the communities with an opportunity to participate in the benefits of the project through ongoing communication and business development.

The Miller Gold Property is subject to a 0.25% net smelter royalty (the "NSR"), with an option to buy out for \$250,000 on 16 hectares of land in Pacaud township. There is a 3% NSR on 32 hectares of the Campbell portion of the Miller Gold Property. There is a 2% NSR on 96 hectares in Catharine Township with a 1% buy back for \$1,000,000 and a right of first refusal on the remaining 1% NSR. The remaining 240 hectares in Catharine Township also carries a 2% NSR (owing on all metals, bullion or concentrates, and a 2% royalty equal to a percentage of the net sales returns realized from the sale or disposition of all diamonds, gems and other precious stones), with a 1% buy back for \$1,000,000. The 32 hectares of freehold patents hold a 3% NSR where the average of the London Bullion Market, afternoon, spot prices for gold (U.S. \$ per Ounce) reported for the calendar month of production is greater than \$325 per ounce, and an NSR of 2% if that price is less than or greater to \$325 per ounce.

Northstar is planning to update and validate drill hole database, conduct sampling studies, and 3D modeling for the purpose of drill hole targeting in the spring of 2019 then follow up with a surface exploration program that includes IP geophysical survey covering 5 square km and surface stripping, mapping, sampling, and structural studies. Upon completion of the surface exploration program Northstar will conduct a Phase 1-3000m drilling program to commence in Q3 2019 based on all data compiled to date.

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Phase 2 exploration will be contingent on the outcome of the Phase 1 exploration work.

Comparison of Miller with Other Properties in the Abitibi

Stylistically the Miller Gold Property is comparable to Eldorado Gold Corporation's recently acquired Lamaque Project (Integra Gold Corp.) near Val-d'Or, Quebec. Coarse, nuggety gold occurs at both projects in a series of shear zones, fractures and veins within and proximal to near vertical intrusive stocks. Gold mineralization in both properties has excellent continuity and depth potential but remains untested laterally and remains open at depth. Vertical veins and structures on both properties were untested by primarily vertical historic drilling. (Source- Technical Report Lamaque Project Québec, Canada, March 29, 2018- Mr. Colm Keogh, P.Eng.-Eldorado Gold Corporation Mr. Jacques Simoneau, P.Geo.-Eldorado Gold Corporation Dr. Stephen Juras, Ph.D., P.Geo.-Eldorado Gold Corporation, Ms. Marianne Utiger, P.Eng.-WSP Canada inc. Mr. François Chabot, P.Eng.-Eldorado Gold Corporation).

Eldorado Gold Corporation acquired Integra Gold Corp. and their principal asset the Lamaque Project in May 2017 following the release of a Preliminary Economic Assessment on the Project (Pre-tax NPV of C\$602M and IRR of 55%; after-tax NPV of C\$363M and IRR OF 43% at US\$1,250 per oz Au – February 27, 2017 Integra Gold Corp Press Release). The total transaction value was approximately C\$590 million (May 15, 2017 Eldorado Gold Corporation Press Release).

On May 2, 2019 Kirkland Lake Gold reported assays from underground drilling at the Macassa Mine (40% asset valuation) in Northeastern Ontario, Canada's highest-grade gold mine that identified two new areas of high-grade mineralization along the Amalgamated Break. The average intercept from eight holes drilled from the 5,700 Ramp to the east is 2.5 m of 162 g/t Au. Reinterpretation of 15 production drill holes (drilled to the west from the 5,700 Ramp development) and five exploration drill holes (drilled to the west from the 5,300 Level) has outlined a steep, north-dipping mineralized zone in the immediate hanging wall of the Amalgamated Break. The average intercept is 2.4 m of 89.2 g/t Au. (Source May 6, 2019 Craig Stanley/Carter Smith – Eight Capital)

Specifically, grades and mineralization from the Amalgamated Break appear similar to the South Mine Complex (SMC), a high-grade zone of mineralization that accounts for 83% of Macassa's reserves and 80% of current throughput. (Source May 6, 2019 Craig Stanley/Carter Smith – Eight Capital)

The Main/04 Breaks host the majority of ore that has been historically mined in the Kirkland Lake camp, although accounts now for just 20% of the annual throughput. The Main Break strikes northeast (60–80 degrees), dips steeply south (60–85 degrees), has a strike of 4,800 m and has been mined from 396 m to more than 1,700 m depth. The 04 Break, located 120 to 180 m north of the Main Break, strikes 60 degrees, dips south at 60-65 degrees, has a strike of 1,700 m and occurs at 1,100–2,100 m depth. Gold occurs in quartz veins, the style of mineralization that has been historically mined in the camp. (Source May 6, 2019 Craig Stanley/Carter Smith – Eight Capital)

The discovery of the SMC in 2005, a new form of mineralization after almost a century of mining in Kirkland Lake, re-energized the camp and now accounts for the highest grades and bulk of reserves. If the newly discovered mineralization at the Amalgamated Break proves to be like that of the SMC, it could have the potential to materially increase both ounces and grade at Macassa. (Source May 6, 2019 Craig Stanley/Carter Smith – Eight Capital)

The similarities between the Kirkland Lake discoveries such as the lower SMC at Macassa and the Miller Property outlines the depth, high-grade and long mine life potential at the Miller Gold Property as shown below:

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- Gold mineralization in the SMC is predominately hosted in calaverite, a gold telluride; the same major gold telluride mineral at Miller.
  - Both the SMC and Miller feature multi-stage, long-lived magmatic gold deposition with an age of the mineralizing event of 2,680 – 2,660 Ma.
  - The Catharine Fault Zone on the Miller Property and the Larder Break near Kirkland Lake are both "First Order Structures", potentially sharing a gold enriched magmatic hydrothermal reservoir at depth.
  - The Barry-Hollinger Shear/D-Zone (Miller Property) and the Main/04 Breaks (Kirkland Lake) are geometrically identical and may coincide with the same deformation event.

P.Geo's Trevor Boyd and Elisabeth Ronacher state in their 43-101 Technical report on the Property ... "The suggestion in this and previous reports (Boyd and Selway 2015, Hart 2015, Boyd 2017) that the Miller Gold Property hosts a large scale hydrothermal gold system is supported from research findings presented in the MSc Thesis of Luis Arteaga (Arteaga, L., 2018, Spatial and temporal relationship between intrusive rocks and gold mineralization in the Miller Dyke Complex, Abitibi greenstone belt, Ontario, Canada: MSc. Thesis, Laurentian University, Sudbury, Ontario, 134 p) which outlines indications of multi-stage and long lived magmatic gold deposition associated with large scale intense metasomatism, pervasive alteration and episyenitization of the named syenite intrusions.

Geochronological Re/Os and U/Pb age dating has found the mineralization is associated with the Temiskaming magmatic event (2680 to 2660 Ma) contemporaneously with the age of gold deposits along the Kirkland lake main break. This is consistent with the Au-Ag-Bi-Cu-Mo-Te signature of the gold mineralization on the Property similar to that of some gold deposits in Kirkland Lake Camp. In conclusion, there is potential for the discovery and outline of a large gold resource on the Property beyond the scope of the high grade but narrow quartz vein mineralization historically exploited to-date."

Northstar will conduct a significant 2019 exploration effort at the Miller Gold Property with the long term objective of developing a gold mineral resource.

#### Other Mining Properties

In addition, the Corporation also holds interests in two additional junior exploration projects, the Bryce Project and Temagami-Milestone Project.

The Bryce Project is located in Bryce and Tudhope Township in the Larder Lake mining division of Northeastern Ontario. The property consists of 260 contiguous, unpatented cell claims covering 5,090 hectares. Twenty five of the 260 cells are boundary cells and 235 are standard cells. 133 claim units covering 2,128 hectares of the Bryce Project are subject to payments for each mineral resource (as that term is defined in National Instrument 43-101) discovered on that portion of the property, upon receipt of a independent third party study confirming that the property contains such mineral resource, which is compliant with National Instrument 43-101. The Corporation must make a one-time payment of \$210,000 upon the receipt of such study, and an annual payment of \$54,000 on the anniversary of that date. Also, for each mineral resource that goes into commercial production discovered on that portion of the Bryce Property, the Corporation must pay the sum of \$2,100,000.

The Corporation also has 100% ownership of the mining rights to 80 hectares of patented ground contiguous with the rest of the Bryce Property. These claims were acquired in 2008, 2009 and 2010 by issuing, on a post consolidated basis, 7,041,667 Common Shares at a price of \$0.60 for a total of



\$4,225,000 and cash payments of \$22,822. The Bryce Project is subject to a 3% NSR on 672 hectares in Bryce Township with a right of first refusal on a buy out of the NSR. There is also a 3% NSR on another 176 hectares in Bryce Township with an option to buyback \$500,000 per 0.5% for a total of \$1,500,000 and a right of first refusal on the remaining 1.5%. The 80 hectares of patented land is subject to a 3% NSR, with a right of first refusal option to buy back 2% at a rate of \$100,000 per 0.5%, for a total of \$800,000 and a right of first refusal on the remaining 1%.

The Bryce Property hosts intrusive porphyry gold and gold-rich VMS systems located within an Archean volcanic centre environment. Numerous geophysical surveys and 68 holes totaling 22,500 metres of diamond drilling representing \$4M Cdn in previous expenditures were completed on the Bryce Property between 2009 and 2013. The drilling programs resulted in the discovery of gold-rich volcanogenic massive sulphides in the Pike Lake area within DDH BG11-47 (2.36 g/t Au, 3.37 g/t Ag and 1.87% Zn over 15.9m including 7.89 g/t Au, 11.18 g/t Ag and 3.77% Zn over 2.4m). The Pike Lake Au-rich VMS discovery displays similarities to the Home and Laronde VMS deposits that are also hosted in similar age volcanics within the Abitibi Greenstone Belt and may have formed contemporaneously. Another important discovery on the property includes the 300m x 1500m Sunday Creek Porphyry zone, which was intersected in DDH's BG10-41, BG12-65 (0.86 g/t Au over 80m including 2.09 g/t Au over 25.5m) and BG13-68 (1.08 g/t Au over 56m, including 25.13 g/t Au over 2.0m). The Sunday Creek Porphyry hosts a large scale stockwork-system with stringers and veins of high-grade gold with bulk tonnage gold resource potential. Further drilling is warranted in the Sunday Creek area as there are multiple untested geophysical and porphyry targets that remain open along strike and at depth.

Other discoveries on the Bryce property include the Morris East zone in DDH BG09-04 (2.3 g/t Au over 16.8m including 18.4 g/t Au over 1.2m), which may represent a southeasterly extension of the deformation zone hosting the Sunday Creek Porphyry, the Honeymoon Creek zone with a 2011 grab sample of 62 g/t Au within a ENE striking shear hosted quartz vein near an inclined shaft, the Karp Main zone with a grab sample collected in 2010 grading 57 g/t Au from a WNW striking shear hosted quartz vein near the historic Harry Oakes shaft, the Taylor South zone with 2009 grab samples of 22.6 and 83.3 g/t Au from within a ENE trending brittle-ductile fault zone with pyrite and chalcopyrite mineralization and the Taylor zone with a 17.1 g/t Au grab sample collected in 2010 from a parallel brittle-ductile ENE striking fault zone with pyrite mineralization. Other historic zones identified on the property include the Karp South, DK zone, Heather Lake, Bailey North, Borgford South, Borgford North, Decaire, Morris West, and Estival zones.

Based upon present metal prices, the property is not considered to be material at this time and no significant work is currently being conducted. A NI 43-101 Technical Report will be prepared 15-18 months after Closing in order to qualify the property for a potential transaction. The cost of the report will be funded from unallocated working capital or future equity financings.

The Temagami-Milestone Project is located in Strathcona Township in Northeastern Ontario and is currently in the early stages of exploration. The property consists of 11 contiguous, unpatented boundary cell claim units covering 155 hectares. All claims are 100% owned by the Company. No royalties exist on the property. These claims were acquired in 2012 for staking costs of \$4,000.

The Temagami-Milestone Property has seen numerous geophysical surveys and 27 holes totaling 2724m of diamond drilling were carried out between 1952 and 2001 by 5 previous operators including Geoscientific Prospectors Ltd. and Copperfields Mining Corporation which later became Teck Corporation. Significant amounts of near surface semi-massive sulphides including pyrite, chalcopyrite, millerite, and bornite as well as magnetite and cobalt-nickel sulfarsenides associated with a footwall breccia zone along the contact between Temagami Island Gabbro and a rhyolite metavolcanic unit have been discovered over a 2.2km strike length.

In 1956 Diadem Mines drilled 13 holes totalling 1356 meters which defined a continuous sulphide zone of 700 feet (200m) in length with widths of approximately 15 feet (4.6m) to vertical depths of 400 feet (120-

125m) steeply dipping to the south ("Diadem deposit"). (Bennett, G.1978: Geology of the Northeast Temagami Area, District of Nipissing; Ontario Geological Survey Report 163, 128p. p. 111).

In 2001 Temex Resources conducted a drilling program of 3 holes totalling 436 meters which intercepted 1.0% Cu, 0.17% Ni, 0.044% Co over 4.25m in DDH-00-03 at 15m vertical depth in the Milestone zone as well as 0.47% Cu and 0.16% Ni over 8.4m in DDH-00-01 within the "Diadem deposit". Anomalous levels of Au, Ag, Co and PGE's were encountered in both drill holes. No follow up work was carried out by Temex Resources.

The Diadem and Milestone zones represent the northeastern extension of the Temagami Island "pyrite zone" which hosts semi-massive to disseminated pyrite, chalcopyrite, millerite, bornite, magnetite and cobalt-nickel sulfarsenides at the lower contact between altered gabbro and rhyolite. The gabbro is steeply dipping, approximately 250 m thick and has a strike extent of at least 20 km. The intensity of mineralization varies greatly but is present over most of the defined strike length of the gabbro. The "pyrite zone" occurs along the same geologic contact that hosts the former Temagami Island Copper mine 20km to the southwest which produced 10,155 oz Au, 186,861 oz Ag and 67,084,858 lbs Cu from 495,561 Tons milled at a grade of 6% Cu during the period 1952 to 1968 from lenses of massive chalcopyrite and gold-silver-PGE-rich sulphides. The massive chalcopyrite lenses were often hosted within x-structures near the base of the "pyrite zone". (Source - Mineral Deposit Inventory Record MDI41116NE00004: Temagami Copper Mine, Copperfields Mining Corp., Abex Mines Central Group)

Exploration results to date indicate the grades in the zone are considered too low to be economic at current metal prices thus the property at this time is not considered to be material. A NI 43-101 Technical Report will be prepared 15-18 months after Closing in order to qualify the property for a potential transaction. The cost of the report will be funded from unallocated working capital or future equity financings.

#### **Additional Disclosure for Venture Issuers Without Significant Revenue**

As the Corporation has had no revenue from operations since incorporation, the following is a breakdown of the material costs incurred for the three months ended July 31, 2019: General and Administrative Expenses: Insurance - \$2,489, Accounting - \$6,653, CFO fees - \$4,500, Corporate secretarial fees - \$3,347; Advertising - \$16,198; Rent - \$9,453; Miscellaneous - \$1,548; Bank Charges - \$1,445; Utilities - \$540. Exploration expenditures during the three months ended July 31, 2019 consisted primarily of geophysical work on the Company's Miller property.

#### **Results of Operations**

##### Three Months Ended July 31, 2019 vs Three Months Ended July 31, 2018

The Company reported a loss of \$113,033 for the three months ended July 31, 2019 compared with a loss of \$79,475 for the comparative three months ended July 31, 2018. The \$33,558 increase over the comparative period was primarily driven by a \$19,028 decline in professional fees, as the Company engaged a third party bookkeeping firm for financial reporting in the fourth quarter of the prior fiscal year, rather than utilizing the Company's auditors. Salaries and benefits increased by \$12,512, driven by an increase in remuneration of the company's key management. General and administration costs increased from \$20,848 to \$46,173, reflective of the prior year fourth quarter engagement of a part time CFO, a part time corporate secretary, and third party bookkeeping services, as the Company positioned itself to become a reporting issuer. Consulting charges increased to \$10,000 during the three months ended July 31, 2019 from \$nil for the comparative three months ended July 31, 2018, representing remuneration of the Company's CEO, appointed late in fiscal 2018.

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Three Months Ended April 30, 2019 vs Three Months Ended April 30, 2018

The Company incurred a loss of \$548,579 for the three ended April 30, 2019 compared with a loss of \$133,026 for the comparative three months ended April 30, 2018. The \$415,553 increase over the comparative period was primarily driven by a \$367,399 stock-based compensation charge to the statement of loss and comprehensive loss, representing the Black-Scholes fair value of stock options granted during the fourth quarter in fiscal 2019. There were no stock options issued prior to this grant. Exploration and evaluation expenses increased by \$25,383 to \$30,866 during the three months ended April 30, 2019, representing geophysical work done in anticipation of a drilling program anticipated to commence on the Miller property upon completion of the company's Initial public offering. General and administration increased by \$51,967 during the three months ended April 30, 2019, as the Company saw increases in advertising, accounting, as well as engaging a part time Chief Financial Officer for the Company in Q4 2019, in preparation for its initial public offering.

**Liquidity and Capital Resources**

The Corporation manages its capital to maintain its ability to continue as a going concern and to provide returns to shareholders and benefits to other stakeholders. The capital structure of the Corporation consists of cash and cash equivalents and equity comprised of issued share capital and deficit.

The Corporation manages its capital structure and makes adjustments to it in light of economic conditions and financial needs. The Corporation, upon approval from its Board, will balance its overall capital structure through new share issues or by undertaking other activities as deemed appropriate under the specific circumstances.

The Corporation is not subject to externally imposed capital requirements as at July 31, 2019.

As of July 31, 2019 the Corporation had working capital deficiency of \$84,088 (April 30, 2019 – positive working capital of \$28,432).

On July 31, 2019, the Corporation had cash of \$8,399 (April 30, 2019 - \$90,965). Management of cash balances is conducted in-house based on internal investment guidelines. Cash is deposited with major Canadian financial institutions. Cash required for immediate operations is held in a checking account. Excess funds may be invested in conservative money market instruments that bear interest and carry a low degree of risk. Some examples of instruments in which we may invest its cash are treasury bills, money market funds, bank guaranteed investment certificates and bankers' acceptance notes. The objective of these investments is to preserve funds for the use in and advancement of the Corporation's business.

Total cash used in operating activities during the three months ended July 31, 2019 was \$82,566 (three months ended July 31, 2018 - \$50,091). Cash was primarily spent on legal fees, accounting fees, rent, and general and administrative costs.

Total net cash generated by financing activities during the three months ended July 31, 2019 was \$nil (three months ended July 31, 2018 - \$49,020), which consisted of funds obtained through the issuance of Common Shares.



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Requirement of Additional Equity Financing

The Corporation has relied primarily on equity financings for all funds raised to date for our operations. We will need more funds to explore and develop the property in the future. Until the Corporation starts generating profitable operations from exploration, development and sale of minerals, it intends to continue relying upon the issuance of securities to finance operations.

The Corporation has had negative cash flow since its inception, and it expects to continue to have negative cash flow for the foreseeable future. Management of the Corporation expects the net proceeds of the Offering, together with our currently available cash on hand will be sufficient to fund our operations for at least 12 months following the Closing Date. During that 12 month period, management estimates total operating costs required to achieve the Corporation's stated business objectives will be \$539,200. See "Use of Proceeds" in the Final Prospectus filed on Sedar by the Company on June 28, 2019. Management of the Corporation does not anticipate incurring any material capital expenditures in addition to the exploration expenditures during that 12 month period.

**Outstanding Share Data**

The authorized share capital of the Corporation consists of unlimited class "A" common shares (or "Common Shares"), class "B" shares, class "A" special shares, class "B" special shares and class "C" special shares.

Share Consolidation

On February 8, 2019, the Company completed a share consolidation whereby its outstanding shares were consolidated on a 6 to 1 basis. All share and per share amounts have been adjusted to reflect share capital (including warrants and options, as applicable) on a post-consolidation basis.

As of the date hereof, there are 25,014,032 Common Shares outstanding, 2,191,400 Warrants outstanding (which includes 266,667 Warrants issued pursuant to a private placement which closed in July of 2018 and exercisable at \$0.54), 2,191,400 warrants exercisable between \$0.30 and \$0.54, expiring between July 4, 2020 and March 18, 2021, and 2,200,000 stock options outstanding exercisable at \$0.30 and expiring on February 9, 2024.

**Critical Accounting Estimates**

The significant accounting policies are presented in Note 4 of the audited financial statements for the period ended April 30, 2019. Note 4 provides that the preparation of the Corporation's financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. The financial statements include estimates that, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Information about

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significant areas of estimation uncertainty in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are noted below.

### **Risk Factors**

For a description of risk factors faced by the Company, please see pages 86 through 91 of the Final Prospectus filed on Sedar on June 28, 2019.

### **Events Occurring After the Reporting Period**

Subsequent to July 31, 2019, the Company received \$60,000 in working capital advances from its directors. These advances are unsecured, non-interest bearing and have no fixed terms for repayment.

### **Management's Responsibility for Financial Information**

The Company's financial statements are the responsibility of the Company's management and have been approved by the Board of Directors. The consolidated financial statements were prepared by the Company's management in accordance with International Financial Reporting Standards. The financial statements include certain amounts based on the use of estimates and assumptions. Management has established these amounts in a reasonable manner, in order to ensure that the financial statements are presented fairly in all material respects.

### **Current Global Financial Conditions and Trends**

Securities of mining and mineral exploration companies, including the common shares of the Company, have experienced substantial volatility in the past, often based on factors unrelated to the financial performance or prospects of the companies involved. These factors include macroeconomic developments in Canada and globally, and market perceptions of the attractiveness of particular industries. The price of the securities of the Company is also significantly affected by short-term changes in commodity prices, base metal prices or other mineral prices, currency exchange fluctuation and the political environment in the countries in which the Company does business. As of July 31, 2019, the global economy continues to be in a period of significant volatility, in large part due to Asian, European, and American economic concerns that have impacted global economic growth, although the zinc market continues to be volatile, the favourable movement in the Canadian dollar relative to the US dollar has served to mitigate the volatility for domestic projects.

### **Potential Dilution**

The issue of common shares of the Company upon the exercise of stock options and/or the warrants will dilute the ownership interest of the Company's current shareholders. The Company may also issue additional options and warrants or additional common shares from time to time in the future. If it does so, the ownership interest of the Company's then current shareholders could also be diluted.

### **Dependence on Key Personnel**

The Company's business and operations are dependent on retaining the services of a small number of key personnel. The success of the Company is, and will continue to be, to a significant extent, dependent on the expertise and experience of these people. The loss of one or more of these key people could have a materially adverse effect on the Company. The Company does not maintain insurance on any of its key people.

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### Transactions with Related Parties

The Company has contracts for management and geological services plus costs incurred in providing these services with its key management, namely officers, administrators and directors and companies controlled by management. Transactions are recorded at their fair value, which is the agreed upon amount between the parties to provide the services.

- During the three months ended July 31, 2019, the Company paid \$29,324 (three months ended July 31, 2018 - \$16,947) in fees to the Company's VP, exploration. Included in accounts payable is \$nil (April 30, 2019 - \$nil) in relation to these fees and reimbursable expenses.
- During the three months ended July 31, 2019, the Company paid \$10,000 (three months ended July 31, 2018 - \$nil) to the Company's Chief Executive Officer. Included in accounts payable is \$nil (April 30, 2019 - \$15,299) in relation to these fees and reimbursable expenses.

During the three months ended July 31, 2019, the Company expensed \$14,500 (three months ended July 31, 2019 - \$nil) to Marrelli Support Services Inc. ("Marrelli Support") and DSA Corporate Services Inc. (the "DSA"), together known as the "Marrelli Group" for: (i) Robert D.B. Suttie to act as Chief Financial Officer ("CFO") of the Company;

- (ii) Bookkeeping and office support services;
- (iii) Corporate filing services
- (iv) Corporate secretarial services

The Marrelli Group is also reimbursed for out of pocket expenses.

Both Marrelli Support and DSA are private companies. Robert Suttie is the President of Marrelli Support.

As of July 31, 2019, the Marrelli Group was owed \$37,502 (April 30, 2019 - \$20,965) and these amounts were included in accounts payable and accrued liabilities.

### New Standards and Interpretations

The following accounting pronouncements were adopted during the current period:

#### IFRS 16 Leases

A finalized version of IFRS 16 Leases replaces IAS 17 Leases. The new standard brings most leases on-balance sheet for lessees under a single model, eliminating the distinction between operating and finance leases. Lessor accounting however remains largely unchanged and the distinction between operating and finance leases is retained. The Company adopted this standard on May 1, 2019, with no resulting change to its condensed interim financial statements.

#### IFRS 23 Uncertainty Over Income Tax Treatments

On June 7, 2017, the IASB issued IFRIC Interpretation 23 - Uncertainty over Income Tax Treatments. The Interpretation provides guidance on the accounting for current and deferred tax liabilities and assets in circumstances in which there is uncertainty over income tax treatments. The Interpretation is applicable for annual periods beginning on or after January 1, 2019. The Company adopted this standard on May 1, 2019, with no resulting change to its condensed interim financial statements.



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There are no other relevant IFRS or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Company.

#### **Off-Balance Sheet Arrangements**

There are no off-balance sheet arrangements pertaining to the Corporation.

#### **Forward Looking Statements**

This MD&A contains forward-looking statements within the meaning of Canadian securities legislation. Forward-looking statements include, but are not limited to, statements with respect to the closing of the Transaction, the future price of metals, the estimation of Mineral Reserves and Resources, the realization of Mineral Reserve and Resource estimates, the timing and amount of estimated future production, costs of production and capital expenditures, costs and timing of the development of deposits, success of exploration activities, permitting time lines, currency fluctuations, requirements for additional capital, government regulation of mining operations, environmental risks, reclamation expenses, the possibility of title disputes or claims, limitations on insurance coverage, and the timing and possible outcome of pending litigation. In certain cases, forward-looking statements can be identified by the use of words such as "plans," "expects" or "does not expect," "is expected," "budget," "scheduled," "estimates," "forecasts," "intends," "anticipates" or "does not anticipate," or "believes," or variations of such words and phrases or statements that certain actions, events or results "may," "could," "would," "might" or "will be taken," "occur" or "be achieved."

Forward-looking statements and other information contained in this MD&A concerning the mining industry and our general expectations concerning the mining industry are based on estimates prepared by us using data from publicly available industry sources as well as from market research and industry analysis and on assumptions based on data and knowledge of this industry which we believe to be reasonable. However, this data is inherently imprecise, although generally indicative of relative market positions, market shares and performance characteristics. While we are not aware of any misstatements regarding any industry data presented in this MD&A, the mining industry involves risks and uncertainties and is subject to change based on various factors. Forward-looking information is based on the reasonable assumptions, estimates, analysis and opinions of management made in light of its experience and its perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances at the date that such statements are made, but which may prove to be incorrect. We believe that the assumptions and expectations reflected in such forward-looking information are reasonable. Assumptions have been made regarding, among other things, our ability to carry on exploration and development activities, the timely receipt of required approvals, the price of zinc, lead and other metals, our ability to operate in a safe, efficient and effective manner and our ability to obtain financing as and when required and on reasonable terms. Readers are cautioned that the foregoing list is not exhaustive of all factors and assumptions that may have been used.

Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such risks and other factors include, among others, risks related to operations; risks associated with current exploration and development activities; uncertainties associated with conclusions of economic evaluations; changes in project parameters as plans continue to be refined; assumptions related to the future prices of metals; possible variations in Mineral Reserves or Mineral Resources, the grade of contained metals or recovery rates; failure of plant, equipment or processes to operate as anticipated; accidents, labour disputes and other risks of the mining industry; delays in obtaining governmental approvals or financing or in the completion of development or construction activities; and risks related to joint venture operations. Although we have attempted to identify important factors that could affect us and may cause actual actions, events or results to differ materially from

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those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. The forward-looking statements in this MD&A speak only as of the date of this MD&A. We do not undertake any obligation to release publicly any revisions to these forward-looking statements to reflect events or circumstances after the date of this MD&A to reflect the occurrence of unanticipated events save and except as required by applicable securities laws.

**SCHEDULE "E"**

**MANAGEMENT DISCUSSION AND ANALYSIS FOR THE YEARS ENDED APRIL 30, 2019, 2018, AND 2017**

The following management's discussion and analysis ("MD&A") of the financial condition and results of operations of Northstar Gold Corp. ("Northstar" or the "Company") constitutes management's review of the factors that affected the Company's financial and operating performance as at and for the year ended April 30, 2019. This MD&A has been prepared in compliance with the requirements of National Instrument 51-102 – Continuous Disclosure Obligations. This discussion should be read in conjunction with the audited annual financial statements of the Company for the year ended April 30, 2019 together with the notes thereto. Information contained herein is presented as at August 29, 2019, unless otherwise indicated.

For the purposes of preparing this MD&A, management, in conjunction with the Board of Directors, considers the materiality of information. Information is considered material if: (i) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of the Company's common shares; or (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) if it would significantly alter the total mix of information available to investors. Management, in conjunction with the Board of Directors, evaluates materiality with reference to all relevant circumstances, including potential market sensitivity.

On June 28, 2019, the Company filed a final prospectus and application for a public listing on the Canadian Stock Exchange. Pursuant to the terms of the submission for the final prospectus, the Company is required to complete the initial public offering no later than 90 days from the date of filing, raising a minimum of \$3,000,000 to a maximum of \$4,000,000 at \$0.30 per common share. For additional details, please see the Final Prospectus filed on [www.sedar.com](http://www.sedar.com) ("Sedar") on June 28, 2019.

### **Business Objectives**

The immediate business objective is to complete the Company's Initial Public Offering ("Offering") and obtain a listing on the Exchange. The aggregate remaining costs of completing these objectives are estimated at \$150,000 (including the Company's legal costs, auditor fees, filing fees for the Exchange and the securities commissions in the Selling Jurisdictions, and expenses of the Agents and the Agents' legal counsel, but excluding Agents' Commissions). The Corporation intends to carry out Phase 1 recommended exploration programs described in the Technical Report (filed on Sedar on June 28, 2019) which is estimated to cost \$1,095,000.

### **Milestones**

The Corporation's business objective of completing the Offering will occur on the closing date; and the business objective of listing on the Exchange will occur on the listing date. The objective of completing the phase 1 work program is expected to occur within 12 months of the Closing Date.

<b>Business Objective</b>	<b>Cost of Objective</b>	<b>Timing to Complete Objective</b>
To pay the balance of the estimated costs of the Offering and list on the CSE	\$150,000	Upon closing the Offering
To carry out the Phase 1 exploration program on the Miller Gold Property	\$1,095,000	Within 12 Months of completion of the Offering
To pay administrative costs	\$539,200	12 months following completion of the Offering
Unallocated working capital	\$1,048,800	Available for the 12 month period following completion of the Offering (assuming the minimum Offering)



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### **Description of Business**

The Corporation is an exploration-stage company holding a 100% interest in Miller Gold Property. To date, equity financings have provided the main source of financing.

The Company is engaged in the identification, evaluation and exploration of mineral properties in Ontario, Canada. The Company has not yet determined whether any of its properties contain mineral resources that are economically recoverable. The recoverability of any amounts recorded for mineral exploration properties is dependent upon the discovery of economically recoverable resources, the ability of the Company to obtain necessary financing to complete the development of these resources and upon attaining future profitable production from the properties or sufficient proceeds from disposition of the properties.

The recovery of the Corporation's investment in its mineral property will be dependent upon the discovery of economically recoverable mineral reserves and the ability to raise sufficient capital to finance these operations. The ultimate outcome of these operations cannot presently be determined because they are contingent on future matters.

The Corporation has applied to list its Common Shares and any Common Shares issued upon exercise of the Agents' Warrants, on the CSE. Listing of the Corporation's Common Shares will be subject to the Corporation meeting all of the listing requirements prescribed by the CSE.

### **Overall Performance**

The Corporation was incorporated in 2008 and from 2008 to 2013 substantial work was undertaken on the Bryce Project until it acquired the Miller Gold Property and commenced drilling on the property in 2014. The Corporation's business is to operate as a mineral resource exploration and development company initially focused on the acquisition, funding and exploration of the Miller Gold Property, and obtaining a listing on the Exchange. To those ends, we have (i) maintained the Miller Gold Property in good standing; (ii) raised sufficient funds to fund the initial work on the Miller Gold Property and to cover the costs of going public; (iii) commissioned the Technical Report on the Miller Gold Property; and (iv) engaged the Agents to assist in with the application to the Exchange for a listing of the Common Shares and to assist in the Offering.

### **Significant Acquisitions and Dispositions**

Our only significant acquisition to date has been acquisition of the Miller Gold Property, which was acquired by the Corporation in 2013 and 2014 by issuing, on a post-consolidated basis, 500,000 Common Shares at a price of \$0.30 for a total of \$150,000 and cash payments of \$19,831.

### **Mineral Properties**

The Corporation's primary property is the 100% owned, 1,114 ha Miller Gold Property located 18km southeast of Kirkland Lake, Ontario within the Abitibi Greenstone Belt which is one of the most prolific gold- and base-metal-producing greenstone belts in the world. The Kirkland Lake and Timmins mining camps have produced >119 million ounces of gold from >100 mines between 1901 and 2017. (Chadwick, P.J., Pélouquin, A.S., Suma-Momoh, J., Daniels, C.M., Bousquet, P., Wilson, A.C., Sabiri, N. and Szumylo, N. 2018. Report of Activities 2017, Resident Geologist Program, Kirkland Lake Regional Resident Geologist Report: Kirkland Lake and Sudbury Districts; Ontario Geological Survey, Open File Report 6340, 142p.; p. 4; van Hees, E.H., Pace, A., Bustard, A., Gomwe, T.S., Bousquet, P., Daniels, C.M., Wilson, A.C., Streit, L., Sword, P., Patterson, C. and Fudge, S.P. 2018. Report of Activities 2017, Resident Geologist Program, Timmins Regional Resident Geologist Report: Timmins and Sault Ste. Marie Districts; Ontario Geological Survey, Open File Report 6339, 117p. P. 10)



Past Production from the Barry-Hollinger Gold mine includes 69, 861 oz Au from 267,741 Tons milled between 1924 and 1945. (Gordon, J.B., Lovell, H.L., de Grijs, Jan, and Davie, R.F. 1979: Gold Deposits of Ontario, Part 2; Ontario Geological Survey, Mineral Deposits Circular 18, 253p. p. 162; TWENTY-EIGHTH ANNUAL REPORT OF THE ONTARIO BUREAU OF MINES, 1919. pt. 1, p. 9 and 116)

The Property is situated on a major 1st order fault structure (Catharine Fault) off the Kirkland /Cadillac-Larder Breaks and hosts unique Kirkland Lake style and age gold-telluride mineralization in low angle and vertical quartz veins and shears cutting highly altered intrusive syenite stocks and mafic volcanic rocks over an under explored 3km x 2km area such as the Vein 1, Allied, Planet, Barry Hollinger & D zones.

The mining history of the Miller Gold Property dates to the early 1900s with the discovery of gold and development of the Miller – Independence Mine. The Property has been explored and developed since 1915, with 11 shallow shafts and thousands of metres of drifting. Official reported production is 58.5 ounces Au and 70 ounces Ag from a 31 Ton bulk sample of recovery grade of 1.89 oz/ton Au (Gordon, J.B., Lovell, H.L., de Grijs, Jan, and Davie, R.F. 1979: Gold Deposits of Ontario, Part 2; Ontario Geological Survey, Mineral Deposits Circular 18, 253p. p. 162; TWENTY-EIGHTH ANNUAL REPORT OF THE ONTARIO BUREAU OF MINES, 1919. pt. 1, p. 9 and 116); however, based upon the mine workings and amount of what appears to be waste rock identified throughout the Property the true production may have been considerably higher. A shaft was built near the original discovery. A flat, faulted vein estimated to contain 1,800 tons of mineralized material was discovered during that period.

In 1937-38 Planet Gold Mines carried out a 7 hole, 322m diamond drilling program in the Planet Syenite area of the Property encountering visible gold and several high grade intervals in drill core within the Planet Syenite intrusion including 6.63 g/t Au over 9.2m between 12.1m and 21.3m depth in DDH 2. (Court Simpson compilation, 1974- Assessment File KL-2281, Kirkland Lake Resident Geologist's Office) Shortly thereafter in 1938 Howey Gold Mines optioned the Planet Syenite and collected a 3,668 lb sample from several surface trenches which graded 0.075 oz/ton in a mill test. Recovery was estimated to be 87% using gravity concentration methods. In 1939 a 3,044 lb bulk sample was taken (probably from the small prospect shaft). The table test indicated a total gold content of 0.096 oz/ton. (Crosscombe 1941). In 1946 Lebon Gold mines carried out additional diamond drilling in the Planet Syenite in which several gold bearing intersections were reported but assay results are unknown. (ODM 1957, Vol.66, pt.5, p.40)

In 1987-88 Nortek Exploration completed 37 diamond drill holes and estimated a historical grade and tonnage for the Miller-Independence "Vein 1" zone of of 733,000 tonnes @ 11.48g Au/t for 270,000 oz Au (1987) (Ontario Ministry of Northern Development and Mines Assessment report # OM87-6-L-239: AFRI file 32D04SW0265 "Mining and Geological Report on the 1987 Nortek Exploration Program" by Gordon B. French, President of French & Associates Inc., Highway 112, Tarzwell, Ontario.) Between 2012 and 2015 Northstar completed surface exploration including ground magnetics, 3D IP survey and 5,846 meters (27 holes) of diamond drilling Northstar (2014) / (Oban Mining Corporation – 2015). This number is a historical estimate, not compliant to NI 43-101 guidelines, provided for information only and is not to be relied upon. The relevance of this historical estimate is as a rough guideline of possible resource on the Property. The key assumptions, parameters and methods to prepare this historical estimate are not known. The historical estimate does not use categories set out in sections 1.2 and 1.3 NI 43-101. A full assessment report is filed with MNDM by G.B. French (1988) in which this number is reported. This historical estimate can be updated to a current mineral resource by additional drilling. The Qualified Person has not done sufficient work to classify the historical estimate as current mineral resource and the issuer is not treating this historical estimate as a current mineral resource.

The 2014 Miller drilling program totalling 1778.5m confirmed the historic results and defined the continuity of the Vein 1 zones with holes MG14-02, 7, 9 and 12 indicating widths between 3 metres and 18 metres with an echelon extensional veins extending into the hanging wall. Six holes (MG14-03,7,9,11,12) drilled in the Allied Syenite consistently intersected shallow dipping gold zones between 20 metres and 130 metres

vertical depth within the intrusive body. Visible gold and gold tellurides are abundant in Vein 1 and the Allied Syenite. Sub-vertical auriferous sulphide rich shear zones were intersected in holes MG14-01, MG 14-06 and MG 14-12.

Drilling intercepts in the Allied Syenite include 0.99 g/t Au over 104m between 54m and 106m including 11.6 g/t Au over 3.95m between 138.05m and 142m in DDH MG14-12, and 1.04 g/t Au over 97.5m between 22m and 119.5m including 3.25 g/t Au over 14.03m between 105.47m and 119m in DDH MG14-07. South of the Allied Syenite a twin of historic hole DDH 4 intercepted 5.26 g/t Au over 7.95m between 49.7 and 57.65m in the Vein 1 zone in DDH MG14-02.

Exploration during 2015 was focused on determining the potential economics for gold mineralization in the Allied, Planet and Meilleur intrusions and in the adjacent metavolcanics rocks. Exploration included surface mapping, bedrock sampling and 12 diamond drill holes totaling 4,067 metres.

The program discovered high grade structurally controlled zones in drill hole MG 15-26 in the Meilleur Syenite intrusion, which is larger than previously mapped. Historic drilling results on the Planet Syenite were confirmed with drill hole MG15-24 which intercepted high grade gold in a near surface stockwork zone within a larger envelope of pervasive alteration. New high-grade zones were discovered at depth below the previously explored Vein 1 within the Allied Syenite in holes MG15-18 and MG15-20 with confirmation of a historically reported zone at a depth of 300 metres. The drilling results indicate the Vein 1 zone is laterally extensive and remains open in all directions, particularly to the northeast of the Allied Syenite.

Gold mineralization was intersected in the Allied, Planet and Meilleur intrusions. Within the 5 holes that intersected the main body of the Allied intrusion there were 23 intervals that returned >1.0 gram of gold per tonne, with the best interval intersected in MG15-20 which returned 40.5 grams of gold per tonne over 1.0 metre, and a graded interval of 14.1 grams of gold per tonne over 3.05 metres. Drilled back towards MG15-20 from the southwest side of the intrusion on the same section, MG15-18 intersected 4.2 grams of gold per tonne over 3.0 metres, including 5.96 grams of gold per tonne over 0.75 metres and 6.27 grams of gold per tonne over 0.75 metres. Both holes drilled into the Planet intrusion intersected gold mineralization hosted by syenite with the best intersection in MG15-24 out of 16 intervals >1.0 gram of gold per tonne returning 74.9 grams of gold per tonne over 0.3 metres between 53.7m and 54m within a larger interval of 7.3 g/t Au over 4.7m between 52.3m and 57m, and the best intersection in MG15-25 returning 4.7 grams of gold per tonne over 1.5 metres. Two holes were drilled into the north end of the Meilleur intrusion intersecting a medium-grained brick red syenite. The best interval in MG15-26 returned 20.8 grams of gold per tonne over 0.95 metres hosted in a faulted bleached mafic metavolcanic, but there were also 13 intervals hosted by syenite that returned >1.0 gram of gold per tonne with the best intersection returning 14.3 grams of gold per tonne over 1.4 metre within a shear zone. The best interval in MG15-27 returned 10.2 grams of gold per tonne over 1.0 metre.

In 2016 Northstar excavated a 932 tonne bulk sample from the historic Vein 1 that graded 5.1 g/t gold with a 95.75% gold recovery in custom milling using cyanide leach. Seven oblique channel cuts from the Vein 1 zone in Trench 1 averaged 20.1 g/t Au over 2.2m. One channel cut from Trench 2 averaged 5.9 g/t Au over 5.0m. A 122 kg mini-bulk sample collected from the "D zone" in Trench 4 graded 36.1 g/t Au. Grab sampling of rubble material from the D zone included an assay of 840 g/t Au. The recently upgraded main access road into the Property is within 100m of the Trenching sites making transport of material to locals mills possible.

The Corporation performed metallurgical testing on mill head samples collected from the Vein 1 zone in Trenches 1 and 3 with excellent recoveries using gravity and cyanide leach. Results from two cyanide leach tests using 2,000 grams composite mill head samples under the same conditions as were present in the Camflo Mill returned 96.1% and 97.7% overall gold dissolution in 72 hours. In gravity recoverable gold testing using 2 x 10 kilogram composite mill head samples, 70% to 75% of the total gold was recovered in



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a single pass at a coarse 1 mm feed size. Overall gravity recoveries using a Knelson concentrator and Wilfley table were 87.8% and 80.3% respectively.

Approximately \$2M in exploration work has been performed on the Miller Gold Property between 2012 and 2016.

The Miller Gold Property has potential for significant near surface large, intrusive hosted bulk tonnage and deeper high-grade gold resources in multiple structurally controlled zones (Vein 1, Allied, Planet and D zone). New mineralized gold bearing ENE, NW and NNE striking shear zones have been discovered on surface adjacent to the Allied, Planet and Meilleur Syenites. A Geophysical 3D IP survey and recent drilling indicates the Vein 1 zone is laterally extensive and open in all directions.

In 2015 Northstar signed comprehensive exploration agreements with Matachewan and Timiskaming First Nations. The agreements establish a commitment by Northstar to develop an ongoing relationship with the two communities in the area of the company's Miller Gold Property and provides the communities with an opportunity to participate in the benefits of the project through ongoing communication and business development.

The Miller Gold Property is subject to a 0.25% net smelter royalty (the "NSR"), with an option to buy out for \$250,000 on 16 hectares of land in Pacaud township. There is a 3% NSR on 32 hectares of the Campbell portion of the Miller Gold Property. There is a 2% NSR on 96 hectares in Catharine Township with a 1% buy back for \$1,000,000 and a right of first refusal on the remaining 1% NSR. The remaining 240 hectares in Catharine Township also carries a 2% NSR (owing on all metals, bullion or concentrates, and a 2% royalty equal to a percentage of the net sales returns realized from the sale or disposition of all diamonds, gems and other precious stones), with a 1% buy back for \$1,000,000. The 32 hectares of freehold patents hold a 3% NSR where the average of the London Bullion Market, afternoon, spot prices for gold (U.S. \$ per Ounce) reported for the calendar month of production is greater than \$325 per ounce, and an NSR of 2% if that price is less than or greater to \$325 per ounce.

Northstar is planning to update and validate drill hole database, conduct sampling studies, and 3D modeling for the purpose of drill hole targeting in the spring of 2019 then follow up with a surface exploration program that includes IP geophysical survey covering 5 square km and surface stripping, mapping, sampling, and structural studies. Upon completion of the surface exploration program Northstar will conduct a Phase 1-3000m drilling program to commence in Q3 2019 based on all data compiled to date.

Phase 2 exploration will be contingent on the outcome of the Phase 1 exploration work.

#### Comparison of Miller with Other Properties in the Abitibi

Stylistically the Miller Gold Property is comparable to Eldorado Gold Corporation's recently acquired Lamaque Project (Integra Gold Corp.) near Val-d'Or, Quebec. Coarse, nuggety gold occurs at both projects in a series of shear zones, fractures and veins within and proximal to near vertical intrusive stocks. Gold mineralization in both properties has excellent continuity and depth potential but remains untested laterally and remains open at depth. Vertical veins and structures on both properties were untested by primarily vertical historic drilling. (Source- Technical Report Lamaque Project Québec, Canada, March 29, 2018- Mr. Colm Keogh, P.Eng.-Eldorado Gold Corporation Mr. Jacques Simoneau, P.Geo.-Eldorado Gold Corporation Dr. Stephen Juras, Ph.D., P.Geo.-Eldorado Gold Corporation, Ms. Marianne Utiger, P.Eng.-WSP Canada inc. Mr. François Chabot, P.Eng.-Eldorado Gold Corporation).

Eldorado Gold Corporation acquired Integra Gold Corp. and their principal asset the Lamaque Project in May 2017 following the release of a Preliminary Economic Assessment on the Project (Pre-tax NPV of C\$602M and IRR of 55%; after-tax NPV of C\$363M and IRR OF 43% at US\$1,250 per oz Au – February

27, 2017 Integra Gold Corp Press Release). The total transaction value was approximately C\$590 million (May 15, 2017 Eldorado Gold Corporation Press Release).

On May 2, 2019 Kirkland Lake Gold reported assays from underground drilling at the Macassa Mine (40% asset valuation) in Northeastern Ontario, Canada's highest-grade gold mine that identified two new areas of high-grade mineralization along the Amalgamated Break. The average intercept from eight holes drilled from the 5,700 Ramp to the east is 2.5 m of 162 g/t Au. Reinterpretation of 15 production drill holes (drilled to the west from the 5,700 Ramp development) and five exploration drill holes (drilled to the west from the 5,300 Level) has outlined a steep, north-dipping mineralized zone in the immediate hanging wall of the Amalgamated Break. The average intercept is 2.4 m of 89.2 g/t Au. (Source May 6, 2019 Craig Stanley/Carter Smith – Eight Capital)

Specifically, grades and mineralization from the Amalgamated Break appear similar to the South Mine Complex (SMC), a high-grade zone of mineralization that accounts for 83% of Macassa's reserves and 80% of current throughput. (Source May 6, 2019 Craig Stanley/Carter Smith – Eight Capital)

The Main/04 Breaks host the majority of ore that has been historically mined in the Kirkland Lake camp, although accounts now for just 20% of the annual throughput. The Main Break strikes northeast (60–80 degrees), dips steeply south (60–85 degrees), has a strike of 4,800 m and has been mined from 396 m to more than 1,700 m depth. The 04 Break, located 120 to 180 m north of the Main Break, strikes 60 degrees, dips south at 60–65 degrees, has a strike of 1,700 m and occurs at 1,100–2,100 m depth. Gold occurs in quartz veins, the style of mineralization that has been historically mined in the camp. (Source May 6, 2019 Craig Stanley/Carter Smith – Eight Capital)

The discovery of the SMC in 2005, a new form of mineralization after almost a century of mining in Kirkland Lake, re-energized the camp and now accounts for the highest grades and bulk of reserves. If the newly discovered mineralization at the Amalgamated Break proves to be like that of the SMC, it could have the potential to materially increase both ounces and grade at Macassa. (Source May 6, 2019 Craig Stanley/Carter Smith – Eight Capital)

The similarities between the Kirkland Lake discoveries such as the lower SMC at Macassa and the Miller Property outlines the depth, high-grade and long mine life potential at the Miller Gold Property as shown below:

- Gold mineralization in the SMC is predominately hosted in calaverite, a gold telluride; the same major gold telluride mineral at Miller.
- Both the SMC and Miller feature multi-stage, long-lived magmatic gold deposition with an age of the mineralizing event of 2,680 – 2,660 Ma.
- The Catharine Fault Zone on the Miller Property and the Larder Break near Kirkland Lake are both "First Order Structures", potentially sharing a gold enriched magmatic hydrothermal reservoir at depth.
- The Barry-Hollinger Shear/D-Zone (Miller Property) and the Main/04 Breaks (Kirkland Lake) are geometrically identical and may coincide with the same deformation event.

P.Geo's Trevor Boyd and Elisabeth Ronacher state in their 43-101 Technical report on the Property ... "The suggestion in this and previous reports (Boyd and Selway 2015, Hart 2015, Boyd 2017) that the Miller Gold Property hosts a large scale hydrothermal gold system is supported from research findings presented in the MSc Thesis of Luis Arteaga (Arteaga, L., 2018, Spatial and temporal relationship between intrusive

rocks and gold mineralization in the Miller Dyke Complex, Abitibi greenstone belt, Ontario, Canada: MSc. Thesis, Laurentian University, Sudbury, Ontario, 134 p) which outlines indications of multi-stage and long lived magmatic gold deposition associated with large scale intense metasomatism, pervasive alteration and episyenitization of the named syenite intrusions.

Geochronological Re/Os and U/Pb age dating has found the mineralization is associated with the Temiskaming magmatic event (2680 to 2660 Ma) contemporaneously with the age of gold deposits along the Kirkland lake main break. This is consistent with the Au-Ag-Bi-Cu-Mo-Te signature of the gold mineralization on the Property similar to that of some gold deposits in Kirkland Lake Camp. In conclusion, there is potential for the discovery and outline of a large gold resource on the Property beyond the scope of the high grade but narrow quartz vein mineralization historically exploited to-date."

Northstar will conduct a significant 2019 exploration effort at the Miller Gold Property with the long term objective of developing a gold mineral resource.

#### Other Mining Properties

In addition, the Corporation also holds interests in two additional junior exploration projects, the Bryce Project and Temagami-Milestone Project.

The Bryce Project is located in Bryce and Tudhope Township in the Larder Lake mining division of Northeastern Ontario. The property consists of 260 contiguous, unpatented cell claims covering 5,090 hectares. Twenty five of the 260 cells are boundary cells and 235 are standard cells. 133 claim units covering 2,128 hectares of the Bryce Project are subject to payments for each mineral resource (as that term is defined in National Instrument 43-101) discovered on that portion of the property, upon receipt of a independent third party study confirming that the property contains such mineral resource, which is compliant with National Instrument 43-101. The Corporation must make a one-time payment of \$210,000 upon the receipt of such study, and an annual payment of \$54,000 on the anniversary of that date. Also, for each mineral resource that goes into commercial production discovered on that portion of the Bryce Property, the Corporation must pay the sum of \$2,100,000.

The Corporation also has 100% ownership of the mining rights to 80 hectares of patented ground contiguous with the rest of the Bryce Property. These claims were acquired in 2008, 2009 and 2010 by issuing, on a post consolidated basis, 7,041,667 Common Shares at a price of \$0.60 for a total of \$4,225,000 and cash payments of \$22,822. The Bryce Project is subject to a 3% NSR on 672 hectares in Bryce Township with a right of first refusal on a buy out of the NSR. There is also a 3% NSR on another 176 hectares in Bryce Township with an option to buyback \$500,000 per 0.5% for a total of \$1,500,000 and a right of first refusal on the remaining 1.5%. The 80 hectares of patented land is subject to a 3% NSR, with a right of first refusal option to buy back 2% at a rate of \$100,000 per 0.5%, for a total of \$800,000 and a right of first refusal on the remaining 1%.

The Bryce Property hosts intrusive porphyry gold and gold-rich VMS systems located within an Archean volcanic centre environment. Numerous geophysical surveys and 68 holes totaling 22,500 metres of diamond drilling representing \$4M Cdn in previous expenditures were completed on the Bryce Property between 2009 and 2013. The drilling programs resulted in the discovery of gold-rich volcanogenic massive sulphides in the Pike Lake area within DDH BG11-47 (2.36 g/t Au, 3.37 g/t Ag and 1.87% Zn over 15.9m including 7.89 g/t Au, 11.18 g/t Ag and 3.77% Zn over 2.4m). The Pike Lake Au-rich VMS discovery displays similarities to the Horne and Laronde VMS deposits that are also hosted in similar age volcanics within the Abitibi Greenstone Belt and may have formed contemporaneously. Another important discovery on the property includes the 300m x 1500m Sunday Creek Porphyry zone, which was intersected in DDH's BG10-41, BG12-65 (0.86 g/t Au over 80m including 2.09 g/t Au over 25.5m) and BG13-68 (1.08 g/t Au over 56m, including 25.13 g/t Au over 2.0m). The Sunday Creek Porphyry hosts a large scale stockwork-system with



stringers and veins of high-grade gold with bulk tonnage gold resource potential. Further drilling is warranted in the Sunday Creek area as there are multiple untested geophysical and porphyry targets that remain open along strike and at depth.

Other discoveries on the Bryce property include the Morris East zone in DDH BG09-04 (2.3 g/t Au over 16.8m including 18.4 g/t Au over 1.2m), which may represent a southeasterly extension of the deformation zone hosting the Sunday Creek Porphyry, the Honeymoon Creek zone with a 2011 grab sample of 62 g/t Au within a ENE striking shear hosted quartz vein near an inclined shaft, the Karp Main zone with a grab sample collected in 2010 grading 57 g/t Au from a WNW striking shear hosted quartz vein near the historic Harry Oakes shaft, the Taylor South zone with 2009 grab samples of 22.6 and 83.3 g/t Au from within a ENE trending brittle-ductile fault zone with pyrite and chalcopyrite mineralization and the Taylor zone with a 17.1 g/t Au grab sample collected in 2010 from a parallel brittle-ductile ENE striking fault zone with pyrite mineralization. Other historic zones identified on the property include the Karp South, DK zone, Heather Lake, Bailey North, Borgford South, Borgford North, Decaire, Morris West, and Estival zones.

Based upon present metal prices, the property is not considered to be material at this time and no significant work is currently being conducted. A NI 43-101 Technical Report will be prepared 15-18 months after Closing in order to qualify the property for a potential transaction. The cost of the report will be funded from unallocated working capital or future equity financings.

The Temagami-Milestone Project is located in Strathcona Township in Northeastern Ontario and is currently in the early stages of exploration. The property consists of 11 contiguous, unpatented boundary cell claim units covering 155 hectares. All claims are 100% owned by the Company. No royalties exist on the property. These claims were acquired in 2012 for staking costs of \$4,000.

The Temagami-Milestone Property has seen numerous geophysical surveys and 27 holes totaling 2724m of diamond drilling were carried out between 1952 and 2001 by 5 previous operators including Geoscientific Prospectors Ltd. and Copperfields Mining Corporation which later became Teck Corporation. Significant amounts of near surface semi-massive sulphides including pyrite, chalcopyrite, millerite, and bornite as well as magnetite and cobalt-nickel sulfarsenides associated with a footwall breccia zone along the contact between Temagami Island Gabbro and a rhyolite metavolcanic unit have been discovered over a 2.2km strike length.

In 1956 Diadem Mines drilled 13 holes totalling 1356 meters which defined a continuous sulphide zone of 700 feet (200m) in length with widths of approximately 15 feet (4.6m) to vertical depths of 400 feet (120-125m) steeply dipping to the south ("Diadem deposit"). (Bennett, G.1978: Geology of the Northeast Temagami Area, District of Nipissing; Ontario Geological Survey Report 163, 128p. p. 111).

In 2001 Temex Resources conducted a drilling program of 3 holes totalling 436 meters which intercepted 1.0% Cu, 0.17% Ni, 0.044% Co over 4.25m in DDH-00-03 at 15m vertical depth in the Milestone zone as well as 0.47% Cu and 0.16% Ni over 8.4m in DDH-00-01 within the "Diadem deposit". Anomalous levels of Au, Ag, Co and PGE's were encountered in both drill holes. No follow up work was carried out by Temex Resources.

The Diadem and Milestone zones represent the northeastern extension of the Temagami Island "pyrite zone" which hosts semi-massive to disseminated pyrite, chalcopyrite, millerite, bornite, magnetite and cobalt-nickel sulfarsenides at the lower contact between altered gabbro and rhyolite. The gabbro is steeply dipping, approximately 250 m thick and has a strike extent of at least 20 km. The intensity of mineralization varies greatly but is present over most of the defined strike length of the gabbro. The "pyrite zone" occurs along the same geologic contact that hosts the former Temagami Island Copper mine 20km to the southwest which produced 10,155 oz Au, 186,861 oz Ag and 67,084,858 lbs Cu from 495,561 Tons milled at a grade of 6% Cu during the period 1952 to 1968 from lenses of massive chalcopyrite and gold-silver-



PGE-rich sulphides. The massive chalcopyrite lenses were often hosted within x-structures near the base of the "pyrite zone". (Source - Mineral Deposit Inventory Record MDI41116NE00004: Temagami Copper Mine, Copperfields Mining Corp., Abex Mines Central Group)

Exploration results to date indicate the grades in the zone are considered too low to be economic at current metal prices thus the property at this time is not considered to be material. A NI 43-101 Technical Report will be prepared 15-18 months after Closing in order to qualify the property for a potential transaction. The cost of the report will be funded from unallocated working capital or future equity financings.

### **Selected Annual Information**

The following selected annual financial data derived from the audited financial statements of the Company as at April 30, 2019, 2018 and 2017:

	Year Ended April 30, 2019	Year Ended April 30, 2018	Year Ended April 30, 2017
Total Revenue	nil	nil	nil
Expenses	(\$887,631)	(\$351,214)	(\$406,693)
Net Loss	(\$887,676)	(\$351,459)	(\$406,693)
Basic and diluted loss per share	(\$0.04)	(\$0.02)	(\$0.01)
Total Assets	\$4,650,045	\$4,450,794	\$4,520,710
Exploration expenses	\$85,267	\$20,482	(\$2,564)
Current liabilities	\$192,475	\$118,239	\$343,225

### **Additional Disclosure for Venture Issuers Without Significant Revenue**

As the Corporation has had no revenue from operations since incorporation, the following is a breakdown of the material costs incurred for the years ended April 30, 2018: General and Administrative Expenses: Insurance - \$13,617, Accounting - \$4,500, Corporate secretarial fees - \$12,153; Advertising - \$54,659; Rent - \$35,813; Travel - \$7,330; Miscellaneous - \$8,269; Bank Charges - \$6,512; Utilities - \$7,330. Exploration expenditures during fiscal 2019 consisted primarily of geophysical work on the Company's Miller property.

### **Results of Operations**

During the year ended April 30, 2019, the Corporation incurred a net loss of \$887,676 (2018: \$351,459),

As a non-reporting issuer, the Corporation has not prepared any interim or quarterly financial statements since its inception other than for the years ended April 30, 2019 and 2017.

#### Year Ended April 30, 2019 vs Year Ended April 30, 2018

The Company reported a loss of \$887,676 for the year ended April 30, 2019 compared with a loss of \$351,459 for the comparative year ended April 30, 2018. The \$536,217 increase over the comparative period was primarily driven by a \$52,291 increase in professional fees, reflective of and increase legal and audit fees associated with the Company's initial public offering, and a \$64,785 increase in exploration expenses, reflective of the increased exploration activity on the Company's properties. Additionally, during

the year ended April 30, 2019, the Company issued 2,200,000 stock options, ascribed a fair value of \$367,399, whereas during the year ended April 30, 2018, there were no options granted and no corresponding charge to the Company's statement of loss and comprehensive loss.

#### Three Months Ended April 30, 2019 vs Three Months Ended April 30, 2018

The Company incurred a loss of \$548,579 for the three ended April 30, 2019 compared with a loss of \$133,026 for the comparative three months ended April 30, 2018. The \$415,553 increase over the comparative period was primarily driven by a \$367,399 stock-based compensation charge to the statement of loss and comprehensive loss, representing the Black-Scholes fair value of stock options granted during the fourth quarter in fiscal 2019. There were no stock options issued prior to this grant. Exploration and evaluation expenses increased by \$25,383 to \$30,866 during the three months ended April 30, 2019, representing geophysical work done in anticipation of a drilling program anticipated to commence on the Miller property upon completion of the company's Initial public offering. General and administration increased by \$51,967 during the three months ended April 30, 2019, as the Company saw increases in advertising, accounting, as well as engaging a part time Chief Financial Officer for the Company in Q4 2019, in preparation for its initial public offering.

#### **Liquidity and Capital Resources**

The Corporation manages its capital to maintain its ability to continue as a going concern and to provide returns to shareholders and benefits to other stakeholders. The capital structure of the Corporation consists of cash and cash equivalents and equity comprised of issued share capital and deficit.

The Corporation manages its capital structure and makes adjustments to it in light of economic conditions and financial needs. The Corporation, upon approval from its Board, will balance its overall capital structure through new share issues or by undertaking other activities as deemed appropriate under the specific circumstances.

The Corporation is not subject to externally imposed capital requirements as at April 30, 2019 and April 30, 2018.

As of April 30, 2019 the Corporation had working capital of \$28,432 (April 30, 2018 – a working capital deficiency of \$96,262; 2017 – a working capital deficiency of \$252,932)

On April 30, 2019, the Corporation had cash of \$90,965 (April 30, 2018 - \$9,714; 2017 - \$59,677). Management of cash balances is conducted in-house based on internal investment guidelines. Cash is deposited with major Canadian financial institutions. Cash required for immediate operations is held in a checking account. Excess funds may be invested in conservative money market instruments that bear interest and carry a low degree of risk. Some examples of instruments in which we may invest its cash are treasury bills, money market funds, bank guaranteed investment certificates and bankers' acceptance notes. The objective of these investments is to preserve funds for the use in and advancement of the Corporation's business.

Total cash used in operating activities during the year ended April 30, 2019 was \$598,499 (2018 - \$264,131; 2017 - \$406,693). Cash was primarily spent on legal fees, accounting fees, rent, and general and administrative costs.

Total cash used in investing activities during the year ended April 30, 2019 was \$1,994 (2018 - \$nil; 2017 - \$6,000), related to exploration work, the Technical Report and mineral property costs.

Total net cash generated by financing activities during the year ended April 30, 2019 was \$681,744 (2018 - \$214,168; 2017 - \$265,000), which consisted of funds obtained through the issuance of Common Shares proceeds from notes payable.

#### Requirement of Additional Equity Financing

The Corporation has relied primarily on equity financings for all funds raised to date for our operations. We will need more funds to explore and develop the property in the future. Until the Corporation starts generating profitable operations from exploration, development and sale of minerals, it intends to continue relying upon the issuance of securities to finance operations.

The Corporation has had negative cash flow since its inception, and it expects to continue to have negative cash flow for the foreseeable future. Management of the Corporation expects the net proceeds of the Offering, together with our currently available cash on hand will be sufficient to fund our operations for at least 12 months following the Closing Date. During that 12 month period, management estimates total operating costs required to achieve the Corporation's stated business objectives will be \$539,200. See "Use of Proceeds" in the Final Prospectus filed on Sedar by the Company on June 28, 2019. Management of the Corporation does not anticipate incurring any material capital expenditures in addition to the exploration expenditures during that 12 month period.

#### **Outstanding Share Data**

The authorized share capital of the Corporation consists of unlimited class "A" common shares (or "Common Shares"), class "B" shares, class "A" special shares, class "B" special shares and class "C" special shares.

#### Share Consolidation

On February 8, 2019, the Company completed a share consolidation whereby its outstanding shares were consolidated on a 6 to 1 basis. All share and per share amounts have been adjusted to reflect share capital (including warrants and options, as applicable) on a post-consolidation basis.

As of the date hereof, there are 25,014,030 Common Shares outstanding, 2,191,400 Warrants outstanding (which includes 266,667 Warrants issued pursuant to a private placement which closed in July of 2018 and exercisable at \$0.54), 41,902 Broker Warrants, and 2,200,000 stock options outstanding exercisable at \$0.30 and expiring on February 9, 2024.

#### **Critical Accounting Estimates**

The significant accounting policies are presented in Note 4 of the audited financial statements for the period ended April 30, 2019. Note 4 provides that the preparation of the Corporation's financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. The financial statements include estimates that, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Information about



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significant areas of estimation uncertainty in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are noted below.

### **Risk Factors**

For a description of risk factors faced by the Company, please see pages 86 through 91 of the Final Prospectus filed on Sedar on June 28, 2019.

### **Events Occuring After the Reporting Period**

On June 28, 2019, the Company filed a final prospectus and application for a public listing on the Canadian Stock Exchange. Pursuant to the terms of the submission for the final prospectus, the Company is required to complete the initial public offering no later than 90 days from the date of filing, raising a minimum of \$3,000,000 to a maximum of \$4,000,000 at \$0.30 per common share.

### **Management's Responsibility for Financial Information**

The Company's financial statements are the responsibility of the Company's management, and have been approved by the Board of Directors. The consolidated financial statements were prepared by the Company's management in accordance with International Financial Reporting Standards. The financial statements include certain amounts based on the use of estimates and assumptions. Management has established these amounts in a reasonable manner, in order to ensure that the financial statements are presented fairly in all material respects.

### **Current Global Financial Conditions and Trends**

Securities of mining and mineral exploration companies, including the common shares of the Company, have experienced substantial volatility in the past, often based on factors unrelated to the financial performance or prospects of the companies involved. These factors include macroeconomic developments in Canada and globally, and market perceptions of the attractiveness of particular industries. The price of the securities of the Company is also significantly affected by short-term changes in commodity prices, base metal prices or other mineral prices, currency exchange fluctuation and the political environment in the countries in which the Company does business. As of December 31, 2018, the global economy continues to be in a period of significant volatility, in large part due to Asian, European, and American economic concerns that have impacted global economic growth, although the zinc market continues to be volatile, the favourable movement in the Canadian dollar relative to the US dollar has served to mitigate the volatility for domestic projects.

### **Potential Dilution**

The issue of common shares of the Company upon the exercise of stock options and/or the warrants will dilute the ownership interest of the Company's current shareholders. The Company may also issue additional options and warrants or additional common shares from time to time in the future. If it does so, the ownership interest of the Company's then current shareholders could also be diluted.

### **Dependence on Key Personnel**

The Company's business and operations are dependent on retaining the services of a small number of key personnel. The success of the Company is, and will continue to be, to a significant extent, dependent on

the expertise and experience of these people. The loss of one or more of these key people could have a materially adverse effect on the Company. The Company does not maintain insurance on any of its key people.

### **Transactions with Related Parties**

The Company has contracts for management and geological services plus costs incurred in providing these services with its key management, namely officers, administrators and directors and companies controlled by management. Transactions are recorded at their fair value, which is the agreed upon amount between the parties to provide the services.

During the year ended April 30, 2019, the Company paid compensation in the amount of \$99,485 (2018 - \$109,613) to key management personnel.

Interest paid on note payable amounts to directors of the Company totaled \$nil (2018 - \$15,166).

During the year, the Company expensed \$317,300, representing the fair value of stock options granted to officers and directors of the Company.

During the year ended April 30, 2019, the Company expensed \$21,988 (2018 - \$nil) to Marrelli Support Services Inc. ("Marrelli Support") and DSA Corporate Services Inc. (the "DSA"), together known as the "Marrelli Group" for:

- (i) Robert D.B. Suttie to act as Chief Financial Officer ("CFO") of the Company;
- (ii) Bookkeeping and office support services;
- (iii) Corporate filing services
- (iv) Corporate secretarial services

The Marrelli Group is also reimbursed for out of pocket expenses.

Both Marrelli Support and DSA are private companies. Robert Suttie is the President of Marrelli Support.

As of April 30, 2019 the Marrelli Group was owed \$20,965 (2018 - \$nil) and these amounts were included in accounts payable and accrued liabilities.

### **New Standards and Interpretations**

The following accounting standards have been issued or amended. The Corporation has adopted these new and amended standards effective May 1, 2018. There was no material impact as a result of the adoptions of these new and amended standards:

- IFRS 9 – Financial Instruments – effective for annual periods beginning on or after January 1, 2018.
- IFRS 15 – Revenue from contracts with customers – effective for annual periods beginning on or after January 1, 2018.

There are no other standards or interpretations that are not yet effective that would be expected to have a material impact on the Corporation except for IFRS 16 – Leases – effective for annual periods beginning on or after January 1, 2019. The Company is in the process of determining the impact of this standard and does not expect a significant impact upon its financial statements.

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### **Off-Balance Sheet Arrangements**

There are no off-balance sheet arrangements pertaining to the Corporation.

### **Forward Looking Statements**

*This MD&A contains forward-looking statements within the meaning of Canadian securities legislation. Forward-looking statements include, but are not limited to, statements with respect to the closing of the Transaction, the future price of metals, the estimation of Mineral Reserves and Resources, the realization of Mineral Reserve and Resource estimates, the timing and amount of estimated future production, costs of production and capital expenditures, costs and timing of the development of deposits, success of exploration activities, permitting time lines, currency fluctuations, requirements for additional capital, government regulation of mining operations, environmental risks, reclamation expenses, the possibility of title disputes or claims, limitations on insurance coverage, and the timing and possible outcome of pending litigation. In certain cases, forward-looking statements can be identified by the use of words such as "plans," "expects" or "does not expect," "is expected," "budget," "scheduled," "estimates," "forecasts," "intends," "anticipates" or "does not anticipate," or "believes," or variations of such words and phrases or statements that certain actions, events or results "may," "could," "would," "might" or "will be taken," "occur" or "be achieved."*

*Forward-looking statements and other information contained in this MD&A concerning the mining industry and our general expectations concerning the mining industry are based on estimates prepared by us using data from publicly available industry sources as well as from market research and industry analysis and on assumptions based on data and knowledge of this industry which we believe to be reasonable. However, this data is inherently imprecise, although generally indicative of relative market positions, market shares and performance characteristics. While we are not aware of any misstatements regarding any industry data presented in this MD&A, the mining industry involves risks and uncertainties and is subject to change based on various factors. Forward-looking information is based on the reasonable assumptions, estimates, analysis and opinions of management made in light of its experience and its perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances at the date that such statements are made, but which may prove to be incorrect. We believe that the assumptions and expectations reflected in such forward-looking information are reasonable. Assumptions have been made regarding, among other things, our ability to carry on exploration and development activities, the timely receipt of required approvals, the price of zinc, lead and other metals, our ability to operate in a safe, efficient and effective manner and our ability to obtain financing as and when required and on reasonable terms. Readers are cautioned that the foregoing list is not exhaustive of all factors and assumptions that may have been used.*

*Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such risks and other factors include, among others, risks related to operations; risks associated with current exploration and development activities; uncertainties associated with conclusions of economic evaluations; changes in project parameters as plans continue to be refined; assumptions related to the future prices of metals; possible variations in Mineral Reserves or Mineral Resources, the grade of contained metals or recovery rates; failure of plant, equipment or processes to operate as anticipated; accidents, labour disputes and other risks of the mining industry; delays in obtaining governmental approvals or financing or in the completion of development or construction activities; and risks related to joint venture operations. Although we have attempted to identify important factors that could affect us and may cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results*



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*not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. The forward-looking statements in this MD&A speak only as of the date of this MD&A. We do not undertake any obligation to release publicly any revisions to these forward-looking statements to reflect events or circumstances after the date of this MD&A to reflect the occurrence of unanticipated events save and except as required by applicable securities laws.*

## SELECTED FINANCIAL INFORMATION AND MANAGEMENT DISCUSSION AND ANALYSIS

*The following Management Discussion and Analysis (“MD&A”) of the Corporation’s financial statements has been prepared by management in accordance with the requirements of NI 51-102 as at the date of this Prospectus unless otherwise stated, and includes financial information from, and should be read in conjunction with, the audited financial statements of the Company for the years ended April 30, 2018 and 2017 and the notes thereto, appearing elsewhere in this Prospectus, as well as the disclosure contained throughout this Prospectus.*

The following MD&A is as of the date of this Prospectus unless otherwise stated.

Management is responsible for the preparation and integrity of the financial statements, including the maintenance of appropriate information systems, procedures and internal controls to ensure that information used internally or disclosed externally, including the MD&A, is complete and reliable.

All the financial information in this MD&A and all dollar amounts in the tables, including comparatives, are expressed in Canadian dollars, unless otherwise noted.

This document contains forward-looking statements. Please refer to “Cautionary Statement Regarding Forward-Looking Statements” in the Prospectus.

### **Description of Business**

The Corporation is an exploration-stage company holding a 100% interest in Miller Gold Property. To date, equity financings have provided the main source of financing.

The Company is engaged in the identification, evaluation and exploration of mineral properties in Ontario, Canada. The Company has not yet determined whether any of its properties contain mineral resources that are economically recoverable. The recoverability of any amounts recorded for mineral exploration properties is dependent upon the discovery of economically recoverable resources, the ability of the Company to obtain necessary financing to complete the development of these resources and upon attaining future profitable production from the properties or sufficient proceeds from disposition of the properties.

The recovery of the Corporation’s investment in its mineral property will be dependent upon the discovery of economically recoverable mineral reserves and the ability to raise sufficient capital to finance these operations. The ultimate outcome of these operations cannot presently be determined because they are contingent on future matters.

The Corporation has applied to list its Common Shares and any Common Shares issued upon exercise of the Agents’ Warrants, on the CSE. The CSE issued conditional listing approval on June 25, 2019. Listing of the Corporation’s Common Shares will be subject to the Corporation meeting all of the listing requirements prescribed by the CSE.

### **Overall Performance**

The Corporation was incorporated in 2008 and from 2008 to 2013 substantial work was undertaken on the Bryce Project until it acquired the Miller Gold Property and commenced drilling on the Property in 2014. The Corporation’s business is to operate as a mineral resource exploration and development company initially focused on the acquisition, funding and exploration of the Miller Gold Property, and obtaining a listing on the Exchange. To those ends, we have (i) maintained the Miller Gold Property in good standing; (ii) raised sufficient funds to fund the initial work on the Miller Gold Property and to cover the costs of going public; (iii) commissioned the Technical Report on the Miller Gold Property; and (iv) engaged the Agents to assist in with the application to the Exchange for a listing of the Common Shares and to assist in the Offering.

### **Significant Acquisitions and Dispositions**

The Corporation’s only significant acquisition to date has been acquisition of the Miller Gold Property, which was acquired by the Corporation in 2013 and 2014 by issuing, on a post-consolidated basis, 500,000 Common Shares at a price of \$0.30 for a total of \$150,000 and cash payments of \$19,831.

## Selected Financial Information

The following selected financial information is subject to the detailed information contained in the financial statements of the Corporation and notes thereto appearing elsewhere in the Prospectus. The selected financial information is derived from the audited financial statements for the years ended April 30, 2018 and 2017 and should be read in conjunction with such statements and related notes contained in this Prospectus.

	Year Ended April 30, 2018	Year Ended April 30, 2017
Total revenues	nil	nil
Expenses	351,214	406,693
Net Loss	(351,214)	(406,693)
Basic and diluted loss per share	(0.01)	(0.01)
Total assets	4,450,794	4,520,710
Exploration expenses	20,482	(2,564)
Current liabilities	(118,239)	(343,225)
Cash dividends per share	nil	nil

## Additional Disclosure for Venture Issuers Without Significant Revenue

As the Corporation has had no revenue from operations since incorporation, the following is a breakdown of the material costs incurred for the years ended April 30, 2018 and 2017: general and administrative expenses of \$109,596 (2017 - \$121,297), consisting of office and warehouse rent and expenses of a general nature ; professional fees of \$60,764 (2017 - \$43,589) consisting primarily of legal and audit expenses; salaries and benefits of \$128,067 (2017 - \$140,070) consisting primarily of wages paid to the Company's VP, exploration; Travel expense of \$30,706 (2017 - \$19,459) consisting primarily of corporate executive travel; equipment rental of \$nil (2017 - \$82,609), consisting of machinery rented to for exploration initiatives. Exploration expenditures of \$20,482 during the year ended April 30, 2018 (2017 – a recovery of \$2,564) consisted primarily of geophysical work on the Company's Miller property.

### Results of Operations

During the year ended April 30, 2018, the Corporation incurred a net loss of \$351,459 (2017: \$406,693), due primarily to the general and administrative expenses noted above. The Corporation also incurred exploration expenditures of \$20,482 during the period (2017 – a recovery of \$2,564).

As a non-reporting issuer, the Corporation had not prepared any interim or quarterly financial statements since its inception to April 30, 2018.

## Liquidity and Capital Resources

The Corporation manages its capital to maintain its ability to continue as a going concern and to provide returns to shareholders and benefits to other stakeholders. The capital structure of the Corporation consists of cash and cash equivalents and equity comprised of issued share capital and deficit.

The Corporation manages its capital structure and makes adjustments to it in light of economic conditions and financial needs. The Corporation, upon approval from its Board, will balance its overall capital structure through new share issues or by undertaking other activities as deemed appropriate under the specific circumstances.

The Corporation is not subject to externally imposed capital requirements as at April 30, 2018 and 2017.

## Working Capital

As of April 30, 2018, the Corporation had a working capital deficiency of \$96,262 (2017 – a working capital deficiency of \$252,932) including \$9,714 (2017 - \$59,677) of cash, subscriptions receivable, amounts receivable and prepaid expenses of \$12,263 (2017 - \$30,616), \$118,239 (2017 - \$179,847) of accounts payable, and \$nil (2017 - \$163,378) in notes payable.

## **Cash**

On April 30, 2018, the Corporation had cash of \$9,714 (2017 - \$59,677). Management of cash balances is conducted in-house based on internal investment guidelines. Cash is deposited with major Canadian financial institutions. Cash required for immediate operations is held in a checking account. Excess funds may be invested in conservative money market instruments that bear interest and carry a low degree of risk. Some examples of instruments in which we may invest its cash are treasury bills, money market funds, bank guaranteed investment certificates and bankers' acceptance notes. The objective of these investments is to preserve funds for the use in and advancement of the Corporation's business.

## **Cash Used in Operating Activities**

Total cash used in operating activities during the year ended April 30, 2018 was \$351,459 (year ended April 30, 2017 - \$406,693). Cash was primarily spent on legal fees, accounting fees, rent, and general and administrative costs.

## **Cash Used in Investing Activities**

Total cash used in investing activities during year ended April 30, 2018 was \$nil (year ended April 30, 2017 - \$6,000), related to exploration work, the Technical Report and mineral property costs.

## **Cash Generated by Financing Activities**

Total net cash generated by financing activities during year ended April 30, 2018 - \$52,648; year ended April 30, 2017 - \$265,000), which consisted of funds obtained through the issuance of Common Shares proceeds from notes payable.

## **Requirement of Additional Equity Financing**

The Corporation has relied primarily on equity financings for all funds raised to date for our operations. We will need more funds to explore and develop the Property in the future. Until the Corporation starts generating profitable operations from exploration, development and sale of minerals, it intends to continue relying upon the issuance of securities to finance operations.

## **Outstanding Share Data**

The authorized share capital of the Corporation consists of unlimited class "A" common shares (or "Common Shares"), class "B" shares, class "A" special shares, class "B" special shares and class "C" special shares.

## **Share Consolidation**

On February 8, 2019, the Company completed a share consolidation whereby its outstanding shares were consolidated on a 6 to 1 basis. All share and per share amounts have been adjusted to reflect share capital (including warrants and options, as applicable) on a post-consolidation basis.

As of the date hereof, there are 25,014,032 Common Shares outstanding, 2,191,400 Warrants outstanding (which includes 266,667 Warrants issued pursuant to a private placement which closed in July of 2018 and exercisable at \$0.54), 2,191,400 warrants exercisable between \$0.30 and \$0.54, expiring between July 4, 2020 and March 18, 2021, and 2,200,000 stock options outstanding exercisable at \$0.30 and expiring on February 9, 2024.

## **Critical Accounting Estimates**

The significant accounting policies are presented in Note 4 of the audited financial statements for the period ended April 30, 2018 and 2017. Note 4 provides that the preparation of the Corporation's financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. The financial statements include estimates that, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Information about significant areas of estimation uncertainty in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are noted below.

### **Key sources of estimation uncertainty**

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Estimates which could materially impact the financial statements include:

- discount rate used to determine the effective interest of notes payable;
- estimated useful lives of property and equipment and related depreciation; and
- fair value of shares issued in exchange for settlement of notes and accounts payable

### **New standards and Interpretations**

The following accounting standards have been issued or amended. The Corporation has adopted these new and amended standards effective May 1, 2018. There was no material impact as a result of the adoptions of these new and amended standards:

- IFRS 9 – Financial Instruments – effective for annual periods beginning on or after January 1, 2018.
- IFRS 15 – Revenue from contracts with customers – effective for annual periods beginning on or after January 1, 2018.

There are no other standards or interpretations that are not yet effective that would be expected to have a material impact on the Corporation except for IFRS 16 – Leases – effective for annual periods beginning on or after January 1, 2019.

### **Transactions with Related Parties**

For the year April 30, 2018, the Corporation had no related party transactions, except as disclosed below.

During the year ended April 30, 2018, the Corporation paid compensation in the amount of \$109,613 (2017 - \$103,326) to George W. Pollock, the former President of the Corporation and the current Vice President, Exploration.

A company controlled by a former director, Karl Pedersen, was paid for equipment rental services in the amount of \$Nil (2017 - \$82,609). At April 30, 2018, the Company owed \$Nil (2017 - \$Nil) to this company. Interest paid on a note payable to a former director, Karl Pedersen, totaled \$15,166 (2017 - \$15,188). Pedersen Construction Ltd. provided the Corporation with rental equipment for stripping and excavating services in the 2016 bulk sampling program on the Miller Property. Mr. Pedersen resigned as a director of the Corporation in October of 2018.

Interest paid on note payable amounts to directors of the Company totaled \$15,166 (2017 - \$15,188).

### **Off-Balance Sheet Arrangements**

There are no off-balance sheet arrangements pertaining to the Corporation.

### **Additional Disclosure for Venture Issuers without Significant Revenue**

The Corporation has not had any revenues from its operations in the past two fiscal years. The enclosed financial statements of the Corporation provide a breakdown of the material elements of the exploration expenditures and general and administrative costs incurred by the Corporation for the fiscal year ended April 30, 2018 and 2017.



**CERTIFICATE OF THE CORPORATION**

Dated: November 14, 2019

This Prospectus constitutes full, true and plain disclosure of all material facts relating to the securities offered by this Prospectus as required by securities legislation in British Columbia, Alberta, Saskatchewan, and Ontario.

(Signed) "*Brian P. Fowler*"

**Brian P. Fowler**

Chief Executive Officer and Director

(Signed) "*Robert D.B. Suttie*"

**Robert Suttie**

Chief Financial Officer

**ON BEHALF OF THE BOARD OF DIRECTORS**

(Signed) "*Dr. John W. Pollock*"

**Dr. John W. Pollock**

Director

(Signed) "*R. Greg McKnight*"

**R. Greg McKnight**

Director

## CERTIFICATE OF PROMOTERS

Dated: November 14, 2019

This Prospectus constitutes full, true and plain disclosure of all material facts relating to the securities offered by this Prospectus as required by securities legislation in British Columbia, Alberta, Saskatchewan, and Ontario.

(Signed) "*Brian P. Fowler*"

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**Brian P. Fowler**

Chief Executive Officer and Director

(Signed) "*John W. Pollock*"

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**John W. Pollock**

Chairman and Director

(Signed) "*George W. Pollock*"

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**George W. Pollock**

Vice President, Exploration

**CERTIFICATE OF THE AGENTS**

Dated: November 14, 2019

To the best of our knowledge, information and belief, this Prospectus constitutes full, true and plain disclosure of all material facts relating to the securities offered by this Prospectus as required by securities legislation in the Provinces of British Columbia, Alberta, Saskatchewan, and Ontario.

**HAYWOOD SECURITIES INC.**

**CANACCORD GENUITY CORP.**

Per: (Signed) "*Ryan Matthiesen*"  
**Ryan Matthiesen**, Managing Director

Per: (Signed) "*Earle McMaster*"  
**Earle McMaster**, Director