
NORTHSTAR GOLD CORP.
CONDENSED INTERIM FINANCIAL STATEMENTS
THREE MONTHS ENDED JULY 31, 2022
(EXPRESSED IN CANADIAN DOLLARS)
(UNAUDITED)

Notice To Reader

The accompanying unaudited condensed interim financial statements of Northstar Gold Corp. (the "Company") have been prepared by and are the responsibility of management. The unaudited condensed interim financial statements have not been reviewed by the Company's auditors.

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

As at	July 31, 2022	April 30, 2022
ASSETS		
Current Assets		
Cash	\$ 174,018	\$ 709,000
Prepays and other assets	61,326	69,824
Sales tax receivable	31,146	31,108
Total Current Assets	266,490	809,932
Non-Current Assets		
Property and equipment (note 4)	2,246	2,511
Exploration and evaluation assets (note 5)	4,738,903	4,608,903
Total Assets	\$ 5,007,639	\$ 5,421,346
EQUITY AND LIABILITIES		
Current Liabilities		
Accounts payable and accrued liabilities	\$ 267,720	\$ 331,494
Flow-through share premium liability (note 10)	36,064	36,064
Shareholder advances (note 7)	34,179	34,179
Government loan (note 6)	60,000	60,000
Total Liabilities	397,963	461,737
Equity		
Share capital (note 8(b))	17,742,784	17,705,784
Warrant reserves (note 8(c))	489,977	1,031,153
Contributed surplus	1,360,111	1,336,539
Deficit	(14,983,196)	(15,113,867)
Total Equity	4,609,676	4,959,609
Total Equity and Liabilities	\$ 5,007,639	\$ 5,421,346

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)

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

For the Three Months Ended July 31,	2022	2021
Expenses		
Professional fees	\$ 8,250	\$ 22,830
Investor relations	77,405	82,732
Advertising and promotion	12,000	9,866
Salaries and related benefits	30,895	30,918
General and administration	61,195	50,055
Travel	11,455	1,199
Exploration expenses (note 11)	139,343	151,781
Depreciation	265	265
Stock-based compensation	23,572	6,341
Consulting	46,125	47,625
Net Loss and Comprehensive Loss for the Period	\$ (410,505)	\$ (403,612)
Basic and Diluted Loss per Share (notes 1 and 9)	\$ (0.01)	\$ (0.01)
Weighted Average Number of Common Shares Outstanding - Basic and Diluted	56,876,641	48,631,001

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,	2022	2021
Operating Activities		
Net loss for the period	\$ (410,505)	\$ (403,612)
Adjustments for:		
Depreciation	265	265
Stock-based compensation	23,572	6,341
Changes in non-cash working capital items:		
Prepays and other assets	8,498	34,462
Sales tax receivable	(38)	60,859
Accounts payable and other liabilities	(63,774)	(240,399)
Net Cash Used In Operating Activities	(441,982)	(542,084)
Investing Activities		
Acquisition of exploration and evaluation assets	(93,000)	(75,000)
Net Cash (Used In) Provided by Investing Activities	(93,000)	(75,000)
Financing Activities		
Shares issued on exercise of warrants	-	7,100
Shares issued on private placements, net	-	102,550
Net Cash Provided by Financing Activities	-	109,650
Net Change in Cash for the Period	(534,982)	(507,434)
Cash, Beginning of Period	709,000	1,261,898
Cash, End of Period	\$ 174,018	\$ 754,464

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, 2021	48,477,853	\$ 16,164,464	\$ 993,124	\$ 809,969	\$ -	\$ (12,740,858)	\$ 5,226,699
Private placement, net of issuance costs	-	-	-	-	102,550	-	102,550
Exercise of broker warrants	28,400	11,927	-	(4,827)	-	-	7,100
Stock-based compensation	-	-	6,341	-	-	-	6,341
Shares issued for exploration and evaluation assets	250,000	88,750	-	-	-	-	88,750
Net loss for the period	-	-	-	-	-	(403,612)	(403,612)
Balance, July 31, 2021	48,756,253	\$ 16,265,141	\$ 999,465	\$ 805,142	\$ 102,550	\$ (13,144,470)	\$ 5,027,828
Balance, April 30, 2022	56,647,765	\$ 17,705,784	\$ 1,336,539	\$ 1,031,153	\$ -	\$ (15,113,867)	\$ 4,959,609
Expiration of warrants	-	-	-	(541,176)	-	541,176	-
Shares issued for exploration and evaluation assets	293,750	37,000	-	-	-	-	37,000
Stock-based compensation	-	-	23,572	-	-	-	23,572
Net loss for the period	-	-	-	-	-	(410,505)	(410,505)
Balance, July 31, 2022	56,941,515	\$ 17,742,784	\$ 1,360,111	\$ 489,977	\$ -	\$ (14,983,196)	\$ 4,609,676

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

Northstar Gold Corp.
Notes to Condensed Interim Financial Statements
Three Months Ended July 31, 2022
(Expressed in Canadian Dollars)
(Unaudited)

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 29, 2022.

2. Going Concern

As at July 31, 2022, the Company had not yet commenced production and had accumulated losses of \$14,983,196 (April 30, 2022 - \$15,113,867). During the three months ended July 31, 2022, the Company incurred a loss of \$410,505 (three months ended July 31, 2021 - \$403,612) 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 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 which assumes the Company will be able to realize and discharge its liabilities in the normal course of business. 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 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. Such adjustments could be material.

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, 2022.

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, 2022.

Northstar Gold Corp.

Notes to Condensed Interim Financial Statements

Three Months Ended July 31, 2022

(Expressed in Canadian Dollars)

(Unaudited)

3. Basis of Preparation (Continued)

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, 2022.

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

New Standards and Interpretations

In May 2020, the International Accounting Standards Board (IASB) issued amendments to update IAS 37 Provisions, Contingent Liabilities and Contingent Assets. The Accounting Standards Board (AcSB) completed its endorsement process and incorporated the amendments into Part I of the CPA Canada Handbook – Accounting in September 2020. The amendments specify that in assessing whether a contract is onerous under IAS 37, the cost of fulfilling a contract includes both the incremental costs and an allocation of costs that relate directly to contract activities. The amendments also include examples of costs that do, and do not, relate directly to a contract. These amendments are effective for annual periods beginning on or after January 1, 2022. The Company adopted this standard on May 1, 2022, with no impact on the Company's financial statements.

4. Property and Equipment

Cost	Building	Furniture and Equipment	Vehicles	Computer Equipment	Total
Balance, April 30, 2021, April 30, 2022 and July 31, 2022	\$ 1,500	\$ 6,968	\$ 13,132	\$ 4,827	\$ 26,427
Accumulated Depreciation	Building	Furniture and Equipment	Vehicles	Computer Equipment	Total
Balance, April 30, 2021	\$ 481	\$ 4,784	\$ 12,764	\$ 4,827	\$ 22,856
Depreciation for the year	56	728	276	-	1,060
Balance, April 30, 2022	\$ 537	\$ 5,512	\$ 13,040	\$ 4,827	\$ 23,916
Depreciation for the period	14	182	69	-	265
Balance, July 31, 2022	\$ 551	\$ 5,694	\$ 13,109	\$ 4,827	\$ 24,181
Carrying value	Building	Furniture and Equipment	Vehicles	Computer Equipment	Total
Balance, April 30, 2022	\$ 963	\$ 1,456	\$ 92	\$ -	\$ 2,511
Balance, July 31, 2022	\$ 949	\$ 1,274	\$ 23	\$ -	\$ 2,246

Northstar Gold Corp.
Notes to Condensed Interim Financial Statements
Three Months Ended July 31, 2022
(Expressed in Canadian Dollars)
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5. Exploration and Evaluation Assets

	Britcanna	Rosegrove	Miller	Bryce	Temagami-Milestone	Total
Balance, April 30, 2021	\$ -	\$ 23,500	\$ 169,831	\$ 4,247,822	\$ 4,000	\$ 4,445,153
Additions	-	-	163,750	-	-	163,750
Balance, April 30, 2022	\$ -	\$ 23,500	\$ 333,581	\$ 4,247,822	\$ 4,000	\$ 4,608,903
Additions	33,000	-	97,000	-	-	130,000
Balance, July 31, 2022	\$ 33,000	\$ 23,500	\$ 430,581	\$ 4,247,822	\$ 4,000	\$ 4,738,903

(a) Miller Gold Project, Ontario

The Miller Gold Project (previously named 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 Miller Gold Project is subject to a 0.25% net smelter royalty (the "NSR"), with an option to buyout 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. The remaining 698 hectares of the Miller Gold Project are unencumbered and royalty free.

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

The Searles Patent

On June 8, 2021, the Company entered into an option agreement (or "the Agreement") to acquire 100% interest in the Searles Patent, located southeast of Kirkland Lake, Ontario ("the Searles Patent").

To earn a 100% interest in the Searles Patent, the Company is subject to the following option terms:

- Cash payment of \$75,000 (paid) and issuance of 250,000 common shares of the Company upon signing (issued and ascribed a fair value of \$88,750).
- Cash payment of \$75,000 (paid), issuance of 200,000 common shares of the Company (issued and ascribed a fair value of \$22,000) and completion of \$100,000 in exploration expenditures by the first anniversary of signing for 50% interest in the Searles Patent.
- Cash payment of \$150,000, issuance of 200,000 common shares of the Company and completion of \$100,000 in exploration expenditures by the second anniversary of signing for 100% interest in the Searles Patent.
- The Property owners retain a 2.5% Net Smelter Return (NSR). Northstar has the right to purchase 1% of the NSR for \$1.5 million and an additional 0.5% NSR for \$1 million. the Company retains a standard right of first refusal on any proposed sale or transfer by Searles of the remaining 1% of the NSR.
- The Company shall pay the Property Owners US\$20 per ounce for any National Instrument 43-101 Measured, Indicated, and Inferred mineral resource ounce delineated on the Searles Patent, determined as at and payable upon the commencement of Commercial Production, subject to a maximum payment of US\$15 million. The parties acknowledge and agree that the ounces shall be verified by a formal feasibility study initiated by Northstar at the time of production.

Northstar Gold Corp.
Notes to Condensed Interim Financial Statements
Three Months Ended July 31, 2022
(Expressed in Canadian Dollars)
(Unaudited)

6. Exploration and Evaluation Assets (Continued)

(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 buyout 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.

(d) Rosegrove, Ontario

On November 2, 2020, the Company acquired the Rosegrove Property. The property is south of the town of Kirkland Lake and Kirkland Lake Gold's Macassa SMC gold mine, northwest of the Miller Gold Property. The purchase price consisted of a cash payment of \$10,000 and the issuance of 50,000 common shares (ascribed a fair value of \$13,500).

(e) Britcanna Project, Ontario

On June 15, 2022, the Company closed an option agreement to acquire 100% interest in the Britcanna Property Mining Lease situated south of Kirkland Lake, Ontario.

To earn a 100% interest in the property, the Company has agreed to the following option terms:

- i. Cash payment of \$18,000 (paid) and issuance of \$15,000 of common shares upon signing (93,750 shares issued).
- ii. On the first anniversary date of the agreement, issue \$20,000 of common shares to the property owners and pay to the property owners \$20,000;
- iii. On the second anniversary date of the agreement, issue \$35,000 common shares to the property owners and pay to the property owners \$22,000; and
- iv. On the third anniversary date of the agreement, issue \$30,000 of common shares to the property owners and pay to the Property Owners \$25,000 for a 100% interest in the Property.
- v. Northstar shall pay to the Property Owners an annual advance minimum royalty ("AMR") payment of \$5,000 per year for a period of 10 years once 100% of the Option has been exercised. The Parties acknowledge that any AMR payments shall be credited in favour of Northstar against any future Royalty payments to the Property Owners.

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.

Northstar Gold Corp.
Notes to Condensed Interim Financial Statements
Three Months Ended July 31, 2022
(Expressed in Canadian Dollars)
(Unaudited)

6. Government Loan

During the year ended April 30, 2021, the Company applied for and received a Canadian Emergency Business Account (“CEBA”) loan for amounts totaling \$60,000. The CEBA loan was implemented by the Government of Canada to provide financial relief measures to small businesses adversely effected by COVID-19. Under the terms of the CEBA loan, proceeds received are interest-free up until December 31, 2022. If a minimum of 75% of the principal balance on the loan is repaid on, or prior to, December 31, 2022, the remaining 25% shall be forgiven. All principal amounts unpaid and outstanding subsequent to December 31, 2022 shall bear interest at a rate of 5% per annum, payable and compounding monthly.

7. 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, 2022, the Company paid \$30,895 (three months ended July 31, 2021 - \$30,063) in fees to the Company's VP, exploration. Included in accounts payable and accrued liabilities is \$2,977 (2021 - \$4,678) in relation to these fees and reimbursable expenses.
- During the three months ended July 31, 2022, the Company paid \$43,125 (three months ended July 31, 2021 - \$43,125) to the Company's Chief Executive Officer. Included in accounts payable and accrued liabilities is \$15,507 (April 30, 2022 - \$15,175) in relation to these fees and reimbursable expenses.
- As at July 31, 2022, \$35,000 (April 30, 2022 - \$35,000) was owed to a shareholder who is a director of the Company pertaining to working capital advances. These advances are unsecured, non-interest bearing and have no fixed terms for repayment.
- During the three months ended July 31, 2022, the Company incurred directors fees of \$15,550 (July 31, 2021 - \$nil). As at July 31, 2022, \$56,833 was included in accounts payable and accrued liabilities pertaining to these fees (2021 - \$nil).

During the three months ended July 31, 2022 the Company expensed \$12,799 (three months ended July 31, 2021 - \$11,207) 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, 2022 the Marrelli Group was owed \$12,138 (April 30, 2022 - \$20,044) and these amounts were included in accounts payable and accrued liabilities.

Northstar Gold Corp.

Notes to Condensed Interim Financial Statements

Three Months Ended July 31, 2022

(Expressed in Canadian Dollars)

(Unaudited)

8. 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 the three months ended July 31, 2022 and 2021:

	Number of Common Shares	Amount
Balance, April 30, 2021	38,787,971	\$ 14,521,400
Exercise of broker warrants	28,400	11,927
Shares issued for exploration and evaluation assets	250,000	88,750
Balance, July 31, 2021	39,066,371	\$ 14,622,077
Balance, April 30, 2021	56,647,765	17,705,784
Shares issued for exploration and evaluation assets (Notes 5(a),(d))	293,750	37,000
Balance, July 31, 2022	56,941,515	\$ 17,742,784

(c) **Warrants**

The following table reflects the continuity of warrants for the three months ended July 31, 2022 and 2021:

	Number of Warrants	Amount
Balance, April 30, 2021, Exercised	6,624,945 (28,400)	\$ 809,969 (4,827)
Balance, July 31, 2021	6,596,545	\$ 805,142
Balance, April 30, 2022 Expired	9,750,077 (4,806,775)	1,031,153 (541,176)
Balance, July 31, 2022	4,943,302	\$ 489,977

Northstar Gold Corp.

Notes to Condensed Interim Financial Statements

Three Months Ended July 31, 2022

(Expressed in Canadian Dollars)

(Unaudited)

9. Share Capital (Continued)

(c) Warrants (Continued)

The following table reflects the warrants outstanding and exercisable as of July 31, 2022:

Expiry Date	Exercise Price (\$)	Weighted Average Remaining Contractual Life (Years)	Number of Warrants Outstanding
August 21, 2022	0.40	0.06	561,000
August 21, 2022	0.25	0.06	28,640
August 5, 2023	0.31	1.02	160,608
August 5, 2023	0.28	1.02	137,631
August 5, 2023	0.42	1.02	2,646,831
September 13, 2023	0.28	1.12	18,000
September 13, 2023	0.42	1.12	182,258
December 6, 2023	0.24	1.35	1,041,667
December 6, 2023	0.37	1.35	166,667
	0.37	0.99	4,943,302

(d) Stock Options

The following table reflects the continuity of stock options for the three months ended July 31, 2022 and 2021:

	Number of Stock Options	Weighted Average Exercise Price (\$)
Balance, April 30, 2021 and July 31, 2021	3,360,000	0.30
Balance, April 30, 2022 and July 31, 2022	4,160,000	0.30

As at July 31, 2022, 3,499,166 (July 31, 2021 - 3,020,000) issued and outstanding options were exercisable.

The following table reflects the stock options issued and outstanding as of July 31, 2022:

Expiry Date	Exercise Price (\$)	Average Remaining Contractual Life (years)	Number of Options Outstanding
February 9, 2024	0.30	1.53	2,200,000
January 27, 2025	0.30	2.49	1,160,000
September 13, 2026	0.30	4.13	800,000
	0.30	2.30	4,160,000

Northstar Gold Corp.

Notes to Condensed Interim Financial Statements

Three Months Ended July 31, 2022

(Expressed in Canadian Dollars)

(Unaudited)

9. Loss per Share

The calculation of basic and diluted loss per share for the three months ended July 31, 2022 and 2021 were based on the loss attributable to common shareholders of \$410,505 (three months ended July 31, 2021 - \$403,612) and the weighted average number of common shares outstanding of 56,876,641 (three months ended July 31, 2021 - 48,631,001). Diluted loss per share does not include the effect of warrants and stock options as they are anti-dilutive.

10. Flow-Through Share Liability

	Three Months Ended July 31, 2022	Year Ended April 30, 2022
Balance, beginning of period	\$ 36,064	\$ 302,138
Recognition of flow-through premium on flow-through private placement	-	133,596
De-recognition of flow-through premium on renunciation of expenditures	-	(399,670)
Balance, end of period	\$ 36,064	\$ 36,064

- (i) The Flow-Through Common Shares issued in private placement completed on December 6, 2021 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 \$41,667. The Company is committed to incur and renounce the \$500,000 in eligible flow-through expenditures by December 31, 2022. In fiscal 2022, the Company had incurred and renounced \$67,249 in eligible flow-through expenditures. Accordingly the flow-through premium for this financing was reduced to \$36,064.

11. Exploration Expenses

For the three months ended July 31,	2022	2021
<u>Miller Gold Project</u>		
Geophysics	\$ 42,256	\$ 44,205
Assays	32,790	39,816
Geological	840	10,448
Support costs	15,116	3,043
Transportation	-	170
Travel	-	189
	91,002	97,871
<u>Bryce Project</u>		
Geological	2,690	11,313
	2,690	11,313
<u>Rosgrove Project</u>		
Geophysics	45,651	42,597
Total Exploration Expenses	\$ 139,343	\$ 151,781

Northstar Gold Corp.
Notes to Condensed Interim Financial Statements
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(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 three months ended July 31, 2022 or 2021. 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, 2022 totaled \$4,609,676 (April 30, 2022 - \$4,959,609). 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

Credit Risk

The Company is not exposed to major credit risk attributable to customers. Additionally, 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 July 31, 2022, the Company's current liabilities, which comprise accounts payable and accrued liabilities total \$267,720. 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.

Northstar Gold Corp.
Notes to Condensed Interim Financial Statements
Three Months Ended July 31, 2022
(Expressed in Canadian Dollars)
(Unaudited)

14. Impact of COVID-19

The outbreak of the novel strain of corona virus, specifically identified as “COVID-19”, has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused material disruption to businesses globally resulting in an economic slowdown. Global equity markets have experienced significant volatility and weakness. Governments and central banks have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions. The duration and impact of the COVID-19 outbreak is unknown at this time, as is the efficacy of the government and central bank interventions. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results, ability to finance, carrying value of assets and condition of the Corporation and its operating subsidiaries in future periods. On April 6, 2020, the Company temporarily suspended its drilling program as it no longer felt that these activities could be carried out in a way that was safe to the Company's employees and contractors. Operations re-commenced on June 15, 2020. Additionally, the Company continues to experience processing delays with its assay contractors, attributable to periodic capacity and continuity of staffing on a processing facility level. To date, the delays have not materially impacted the Company's operations.