
NORTHSTAR GOLD CORP.
CONDENSED INTERIM FINANCIAL STATEMENTS
THREE AND NINE MONTHS ENDED
JANUARY 31, 2024
(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	January 31, 2024	April 30, 2023
ASSETS		
Current Assets		
Cash	\$ 251,248	\$ 263,838
Prepays and other assets	121,046	175,023
Sales tax receivable	61,410	70,560
Total Current Assets	433,704	509,421
Non-Current Assets		
Property and equipment (note 4)	1,047	1,635
Exploration and evaluation assets (note 5)	4,781,394	4,777,287
Total Assets	\$ 5,216,145	\$ 5,288,343
EQUITY AND LIABILITIES		
Current Liabilities		
Accounts payable and accrued liabilities	\$ 158,264	\$ 256,546
Flow-through share premium liability (note 10)	127,198	116,428
Shareholder advances (note 7)	-	34,179
Government loan (note 6)	-	60,000
Total Liabilities	285,462	467,153
Equity		
Share capital (note 8(b))	19,564,366	18,547,754
Warrant reserves (note 8(c))	802,225	852,948
Contributed surplus	2,033,682	2,008,834
Deficit	(17,469,590)	(16,588,346)
Total Equity	4,930,683	4,821,190
Total Equity and Liabilities	\$ 5,216,145	\$ 5,288,343

Nature of Business (note 1)

Going Concern (note 2)

Subsequent Events (notes 10(i) and 14)

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

Northstar Gold Corp.

Condensed Interim Statements of Income (loss) and Comprehensive Loss (Expressed in Canadian Dollars) (Unaudited)

	Three Months Ended January 31,		Nine Months Ended January 31,	
	2024	2023	2024	2023
Expenses				
Professional fees	\$ 10,500	\$ 35,250	\$ 28,353	\$ 54,125
Investor relations	64,924	74,182	282,071	193,817
Advertising and promotion	3,300	16,912	4,454	28,912
Salaries and related benefits	27,300	28,654	91,580	90,758
General and administration	79,394	52,362	172,025	169,006
Travel	1,559	6,414	15,952	18,292
Exploration expenses (note 11)	250,267	158,031	504,103	381,539
Depreciation	196	196	588	680
Stock-based compensation (note 8(d))	902	4,962	24,848	64,556
Consulting	40,300	47,625	135,550	141,375
Income (loss) Before Other (Expense) Income	(478,642)	(424,588)	(1,259,524)	(1,143,060)
Gain on settlement of Government loan (note 6)	20,000	-	20,000	-
Gain on settlement of accounts payable (notes 7 and 8(b))	-	-	25,274	-
Net Loss and Comprehensive Loss for the Period	\$ (458,642)	\$ (424,588)	\$ (1,214,250)	\$ (1,143,060)
Basic and Diluted Loss per Share (notes 1 and 9)	\$ (0.01)	\$ (0.01)	\$ (0.01)	\$ (0.02)
Weighted Average Number of Common Shares Outstanding - Basic and Diluted	91,667,090	70,958,341	83,156,448	61,569,812

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 Nine Months Ended January 31,	2024	2023
Operating Activities		
Net loss for the period	\$ (1,214,250)	\$ (1,143,060)
Adjustments for:		
Depreciation	588	680
Stock-based compensation	24,848	64,556
Gain on settlement of accounts payable (note 8(b))	(25,274)	-
Gain on settlement of Government loan	(20,000)	-
Changes in non-cash working capital items:		
Prepays and other assets	53,977	(192,949)
Sales tax receivable	9,150	(16,893)
Accounts payable and accrued liabilities	(43,999)	(21,215)
Net Cash Used In Operating Activities	(1,214,960)	(1,308,881)
Investing Activities		
Acquisition of exploration and evaluation assets	(4,107)	(93,203)
Net Cash Used In Investing Activities	(4,107)	(93,203)
Financing Activities		
Shares issued on private placements, net	1,246,477	1,367,851
Loan payable	(40,000)	-
Net Cash Provided by Financing Activities	1,206,477	1,367,851
Net Change in Cash for the Period	(12,590)	(34,233)
Cash, Beginning of Period	263,838	709,000
Cash, End of Period	\$ 251,248	\$ 674,767

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	Deficit	Total
Balance, April 30, 2022	56,647,765	\$ 17,705,784	\$ 1,336,539	\$ 1,031,153	\$ (15,113,867)	\$ 4,959,609
Private placement, net of issuance costs	17,716,826	1,367,851	-	-	-	1,367,851
Issuance of warrants	-	(493,921)	-	493,921	-	-
Exercise of broker warrants	-	(40,203)	-	40,203	-	-
Expiration of warrants	-	-	-	(598,474)	598,474	-
Flow-through share premium	-	(174,642)	-	-	-	(174,642)
Stock-based compensation	-	-	64,556	-	-	64,556
Shares issued for exploration and evaluation assets	293,750	37,000	-	-	-	37,000
Net loss for the period	-	-	-	-	(1,143,060)	(1,143,060)
Balance, January 31, 2023	74,658,341	\$ 18,401,869	\$ 1,401,095	\$ 966,803	\$ (15,658,453)	\$ 5,111,314
Balance, April 30, 2023	75,021,977	18,547,754	2,008,834	852,948	(16,588,346)	4,821,190
Private placements, net of issuance costs	23,105,325	1,246,480	-	-	-	1,246,480
Issuance of warrants	-	(279,040)	-	279,040	-	-
Broker warrants issued	-	(3,243)	-	3,243	-	-
Flow-through share premium	-	(10,770)	-	-	-	(10,770)
Shares issued on settlement of debt	1,263,698	63,185	-	-	-	63,185
Expiration of warrants	-	-	-	(333,006)	333,006	-
Stock-based compensation	-	-	24,848	-	-	24,848
Net loss for the period	-	-	-	-	(1,214,250)	(1,214,250)
Balance, January 31, 2024	99,391,000	\$ 19,564,366	\$ 2,033,682	\$ 802,225	\$ (17,469,590)	\$ 4,930,683

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 and Nine Months Ended January 31, 2024

(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 March 22, 2024.

2. Going Concern

As at January 31, 2024, the Company had not yet commenced production and had accumulated losses of \$17,469,590 (April 30, 2023 - \$16,588,346). During the nine months ended January 31, 2024, the Company incurred a loss of \$1,214,250 (nine months ended January 31, 2023 - \$755,608). 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 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. 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, 2023.

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, 2023.

Northstar Gold Corp.
Notes to Condensed Interim Financial Statements
Three and Nine Months Ended January 31, 2024
(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 4 to the Company's financial statements for the year ended April 30, 2023.

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

Adoption of New Accounting Policies

IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors (Amendment)

In February 2021, the International Accounting Standards Board (IASB) issued amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors which were incorporated into Part I of the CPA Canada Handbook - Accounting in June 2021.

The amendments introduce a new definition of 'accounting estimates' to replace the definition of 'change in accounting estimates' and also include clarifications intended to help entities distinguish changes in accounting policies from changes in accounting estimates.

The amendments are effective for annual periods beginning on or after January 1, 2023. The Company adopted this standard on May 1, 2023, with no impact on the Company's financial statements.

Standards Issued But Not Yet Effective

The Company has not adopted the following standards and interpretations applicable to the Company that have been issued but not yet effective:

IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2 Making Materiality Judgements (Amendments)

In February 2021, the International Accounting Standards Board (IASB) issued amendments to IAS 1 Presentation of Financial Statements which were incorporated into Part I of the CPA Canada Handbook - Accounting and IFRS Practice Statement 2 Making Materiality Judgements in June 2021.

The amendments help entities provide accounting policy disclosures that are more useful to primary users of financial statements by:

- Replacing the requirement to disclose "significant" accounting policies under IAS 1 with a requirement to disclose "material" accounting policies. Under this, an accounting policy would be material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that primary users of general purpose financial statements make on the basis of those financial statements.
- Providing guidance in IFRS Practice Statement 2 to explain and demonstrate the application of the four-step materiality process to accounting policy disclosures.

The amendments, which should be applied prospectively, are effective for annual periods beginning on or after January 1, 2024. Earlier application is permitted. Once the entity applies the amendments to IAS 1, it is also permitted to apply the amendments to IFRS Practice Statement 2. The adoption of this amendment and the IFRS Practice Statement 2 is not expected to have a significant impact on the Company's financial statements.

Northstar Gold Corp.

Notes to Condensed Interim Financial Statements
Three and Nine Months Ended January 31, 2024
(Expressed in Canadian Dollars)
(Unaudited)

3. Basis of Preparation (Continued)

Standards Issued But Not Yet Effective (Continued)

IAS 1 Presentation of Financial Statements (Amendment)

In October 2022, the International Accounting Standards Board (IASB) issued amendments to IAS 1 which were incorporated into Part I of the CPA Canada Handbook - Accounting in December 2022. The amendments require an entity to disclose, in specified circumstances, information in the notes that enables financial statement users to understand the risk that non-current liabilities with covenants could become repayable within 12 months after the reporting period. As part of the amendments, a provision was added to clarify that only covenants that an entity must comply with on or before the reporting date would affect a liability's classification as current or non-current, even if compliance with the covenant is only assessed after the entity's reporting date. Covenants which an entity must comply with after the reporting date would not affect classification of a liability as current or non-current at the reporting date.

The amendments are effective for annual reporting periods beginning on or after January 1, 2024. Earlier application is permitted. The Company has evaluated the impact, on its financial statements and has determined there will be no material impact.

4. Property and Equipment

Cost	Building	Furniture and Equipment	Vehicles	Computer Equipment	Total
Balance, April 30, 2022, April 30, 2023 and January 31, 2024	\$ 1,500	\$ 6,968	\$ 13,132	\$ 4,827	\$ 26,427

Accumulated Depreciation	Building	Furniture and Equipment	Vehicles	Computer Equipment	Total
Balance, April 30, 2022	\$ 537	\$ 5,512	\$ 13,040	\$ 4,827	\$ 23,916
Depreciation for the year	56	728	92	-	876
Balance, April 30, 2023	\$ 593	\$ 6,240	\$ 13,132	\$ 4,827	\$ 24,792
Depreciation for the period	42	546	-	-	588
Balance, January 31, 2024	\$ 635	\$ 6,786	\$ 13,132	\$ 4,827	\$ 25,380

Carrying value	Building	Furniture and Equipment	Vehicles	Computer Equipment	Total
Balance, April 30, 2023	\$ 907	\$ 728	\$ -	\$ -	\$ 1,635
Balance, January 31, 2024	\$ 865	\$ 182	\$ -	\$ -	\$ 1,047

Northstar Gold Corp.

Notes to Condensed Interim Financial Statements
Three and Nine Months Ended January 31, 2024
(Expressed in Canadian Dollars)
(Unaudited)

5. Exploration and Evaluation Assets

	Britcanna	Rosegrove	Miller	Bryce	Temagami- Milestone	Total
Balance, April 30, 2022	\$ -	\$ 23,500	\$ 333,581	\$ 4,247,822	\$ 4,000	\$ 4,608,903
Additions	71,182	-	97,000	202	-	168,384
Balance, April 30, 2023	\$ 71,182	\$ 23,500	\$ 430,581	\$ 4,248,024	\$ 4,000	\$ 4,777,287
Additions	663	2,800	160	484	-	4,107
Balance, January 31, 2024	\$ 71,845	\$ 26,300	\$ 430,741	\$ 4,248,508	\$ 4,000	\$ 4,781,394

(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"). Pursuant to the Agreement, the Company has earned a 50% interest. As of April 30, 2023, the second anniversary and subsequent payments are currently subject to negotiation. At this time, there is no assurance that a 100% interest will be earned.

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 Second anniversary (June 2023) and subsequent payments are currently subject to negotiation. These payments have not been made. At this time, there is no assurance that a 100% interest will be earned.
- 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.

Northstar Gold Corp.

Notes to Condensed Interim Financial Statements
Three and Nine Months Ended January 31, 2024
(Expressed in Canadian Dollars)
(Unaudited)

5. Exploration and Evaluation Assets (Continued)

(a) Miller Gold Project, Ontario (Continued)

- 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.

(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:

- Cash payment of \$18,000 (paid) and issued 93,750 common shares (ascribed a fair value of \$15,000) common shares upon signing in settlement of the initial obligation.
- On the first anniversary date of the agreement, 363,636 common shares ascribed a fair value of \$18,182 were issued to the property owners in settlement of the first anniversary share obligation. The \$20,000 cash portion of the anniversary payment was paid in October 2023.
- 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
- 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.
- 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.

Northstar Gold Corp.

Notes to Condensed Interim Financial Statements Three and Nine Months Ended January 31, 2024 (Expressed in Canadian Dollars) (Unaudited)

5. Exploration and Evaluation Assets (Continued)

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.

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, 2023. On January 18, 2024, the Company repaid \$40,000 of this loan, at which time the Government of Canada forgave the remaining \$20,000, fully extinguishing the obligation. The Company has recorded the forgiven amount as on its statement of loss and comprehensive loss as a gain on settlement of Government loan.

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 and nine months ended January 31, 2024, the Company paid \$28,828 and \$87,058, respectively (three and nine months ended January 31, 2023 - \$26,233 and \$88,337, respectively) in fees to the Company's VP, exploration. Included in accounts payable and accrued liabilities is \$5,726 (April 30, 2023 - \$2,651) in relation to these fees and reimbursable expenses.
- During the three and nine months ended January 31, 2024, the Company paid \$43,125 and \$129,375, respectively (three and nine months ended January 31, 2023 - \$43,250 and \$129,375, respectively) to the Company's Chief Executive Officer, of which \$7,325 was charged to exploration expenses. Included in accounts payable and accrued liabilities is \$19,716 (April 30, 2023 - \$16,384) in relation to these fees and reimbursable expenses.
- As at January 31, 2024, \$nil (April 30, 2023 - \$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. On May 3, 2023, the Company issued 500,000 common shares ascribed a fair value of \$25,000 in settlement of this debt. Accordingly, a gain on settlement of debt of \$10,000 was recorded on the Company's condensed interim statements of loss and comprehensive loss for the nine months ended January 31, 2024.
- During the three and nine months ended January 31, 2024, the Company incurred directors fees of \$nil (three and nine months ended January 31, 2023 - \$15,400 and \$46,500, respectively). As at January 31, 2024, \$nil was included in accounts payable and accrued liabilities pertaining to these fees (April 30, 2023 - \$98,167). On May 3, 2023, the Company issued 763,698 common shares ascribed a fair value of \$38,185 in settlement of \$98,167 in accrued directors fees, less \$44,708 in source deductions. Accordingly, a gain on settlement of debt of \$15,274 was recorded on the Company's condensed interim statements of loss and comprehensive loss for the nine months ended January 31, 2024.
- During the three and nine months ended January 31, 2024, the Company expensed stock-based compensation pertaining to grants awarded key management, officers and directors of the Company of \$902 and \$24,848, respectively, (three and nine months ended January 31, 2023 - \$4,962 and \$64,556, respectively).

Northstar Gold Corp.

Notes to Condensed Interim Financial Statements Three and Nine Months Ended January 31, 2024 (Expressed in Canadian Dollars) (Unaudited)

7. Related Party Transactions and Key Management Compensation (Continued)

- During the three and nine months ended January 31, 2024 the Company expensed \$22,216 and \$51,033, respectively (three and nine months ended January 31, 2023 - \$17,530 and \$43,350, respectively) 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 January 31, 2024 the Marrelli Group was owed \$4,489 (April 30, 2023 - \$11,636) and these amounts were included in accounts payable and accrued liabilities.

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 nine months ended January 31, 2024 and 2023:

	Number of Common Shares	Amount
Balance, April 30, 2022	56,647,765	\$ 17,705,784
Private placement, net of costs	17,716,826	1,367,851
Issuance of warrants	-	(493,921)
Issuance of finders warrants	-	(40,203)
Flow-through share premium	-	(174,642)
Shares issued for exploration and evaluation assets	293,750	37,000
Balance, January 31, 2023	74,658,341	\$ 18,401,869
Balance, April 30, 2023	75,021,977	\$ 18,547,754
Private placements, net of costs (ii)	23,105,325	1,246,480
Issuance of warrants (ii)	-	(279,040)
Issuance of broker warrants (ii)	-	(3,243)
Flow-through share premium (Note 10)	-	(10,770)
Shares issued on settlement of debt (i)	1,263,698	63,185
Balance, January 31, 2024	99,391,000	\$ 19,564,366

Northstar Gold Corp.

Notes to Condensed Interim Financial Statements

Three and Nine Months Ended January 31, 2024

(Expressed in Canadian Dollars)

(Unaudited)

8. Share Capital (Continued)

(b) Common Shares Issued (continued)

- i) On May 3, 2023, the Company issued 1,263,698 common shares ascribed a fair value of \$63,185 in settlement of \$98,167 in accrued directors fees, less \$44,708 in source deductions and \$35,000 in shareholder advances. Accordingly, a gain on settlement of debt of \$25,274 was recorded on the Company's condensed interim statements of loss and comprehensive loss for the nine months ended January 31, 2024.
- ii) On August 30, September 14, and October 6, 2023, the Company closed a private placement, consisting of three tranches, issuing 9,665,636 units for gross proceeds of \$531,626. The units were priced at 5.5 cents, and were composed of one common share of the Company and one share purchase warrant. Each full warrant is exercisable into one additional common share of the Company at an exercise price of 7.5 cents for a period of 24 months. The Company incurred aggregate costs of issue of \$31,472, including \$4,360 in finders fees. 79,273 finders warrants were issued with an exercise price of \$0.075, expiring 24 months from the date of issue.

The 3,990,000 warrants issued in conjunction with the August 30, 2023 tranche of this private placement was assigned a grant date fair value of \$61,262 using the Black-Scholes option pricing model under the relative value method at \$0.015 per warrant, based on the following assumptions: underlying share price of \$0.055 per share, exercise price of \$0.075, expected annualized volatility of 84%; risk free interest rate of 4.65%; expected dividend yield of 0%; and expected life of 2 years.

The 3,913,181 warrants issued in conjunction with the September 14, 2023 tranche of this private placement was assigned a grant date fair value of \$60,082 using the Black-Scholes option pricing model under the relative value method at \$0.015 per warrant, based on the following assumptions: underlying share price of \$0.055 per share, exercise price of \$0.075, expected annualized volatility of 84%; risk free interest rate of 4.69%; expected dividend yield of 0%; and expected life of 2 years.

The 1,762,755 warrants issued in conjunction with the October 6, 2023 tranche of this private placement was assigned a grant date fair value of \$24,105 using the Black-Scholes option pricing model under the relative value method at \$0.014 per warrant, based on the following assumptions: underlying share price of \$0.05 per share, exercise price of \$0.075, expected annualized volatility of 84%; risk free interest rate of 4.85%; expected dividend yield of 0%; and expected life of 2 years.

The grant date fair value of the 7,000, August 30, 2023 \$0.075 finders warrants issued in conjunction with this private placement was assigned a fair value of \$149 using the Black-Scholes option pricing model at \$0.02 per warrant, based on the following assumptions: underlying share price of \$0.055 per share, exercise price of \$0.075, expected annualized volatility of 84%; risk free interest rate of 4.65%; expected dividend yield of 0%; and expected life of 2 years.

The grant date fair value of the 72,273, September 14, 2023 \$0.075 finders warrants issued in conjunction with this private placement was assigned a fair value of \$1,539 using the Black-Scholes option pricing model at \$0.02 per warrant, based on the following assumptions: underlying share price of \$0.055 per share, exercise price of \$0.075, expected annualized volatility of 84%; risk free interest rate of 4.69%; expected dividend yield of 0%; and expected life of 2 years.

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8. Share Capital (Continued)

(b) Common Shares Issued (continued)

- iii) On December 14, 2023, the Company closed the first tranche of a private placement issuing 6.15 million critical minerals eligible flow-through units and 381,820 hard-dollar units for a total of \$390,000.

Flow-through units were priced at six cents and comprised one common share of the company and one share purchase warrant. Each full warrant is exercisable into one additional common share of the company at an exercise price of 10 cents for a period of 24 months. Hard-dollar units were priced at 5.5 cents and comprised one common share of the company and one share purchase warrant. Each full warrant is exercisable into one additional common share of the company at an exercise price of 7.5 cents for a period of 24 months.

The company issued 28,000 finder warrants at an exercise price of six cents expiring 24 months from the closing date of the offering.

On December 29, 2023, the Company closed a second tranche, issuing 5,816,659 critical minerals eligible flow-through units, for a total of \$349,000. The Company issued 98,000 finder warrants at an exercise price of 10 cents expiring 24 months from the closing date of the offering.

Cash cost of issue for two tranches amounted to \$52,675.

The 6,150,000 \$0.10 warrants issued in conjunction with the December 14, 2023 flow through tranche of this private placement was assigned a grant date fair value of \$59,782 using the Black-Scholes option pricing model under the relative value method at \$0.010 per warrant, based on the following assumptions: underlying share price of \$0.045 per share, exercise price of \$0.010, expected annualized volatility of 84%; risk free interest rate of 3.91%; expected dividend yield of 0%; and expected life of 2 years.

The 381,820 \$0.075 warrants issued in conjunction with the December 14, 2023 hard dollar tranche of this private placement was assigned a grant date fair value of \$4,476 using the Black-Scholes option pricing model under the relative value method at \$0.012 per warrant, based on the following assumptions: underlying share price of \$0.045 per share, exercise price of \$0.075, expected annualized volatility of 84%; risk free interest rate of 3.91%; expected dividend yield of 0%; and expected life of 2 years.

The 28,000 \$0.06 finders warrants issued in conjunction with the December 14, 2023 tranche of this private placement was assigned a grant date fair value of \$418 using the Black-Scholes option pricing model under the relative value method at \$0.015 per warrant, based on the following assumptions: underlying share price of \$0.045 per share, exercise price of \$0.06, expected annualized volatility of 84%; risk free interest rate of 3.91%; expected dividend yield of 0%; and expected life of 2 years.

The 5,816,659 \$0.10 warrants issued in conjunction with the December 29, 2023 flow through tranche of this private placement was assigned a grant date fair value of \$56,542 using the Black-Scholes option pricing model under the relative value method at \$0.010 per warrant, based on the following assumptions: underlying share price of \$0.045 per share, exercise price of \$0.010, expected annualized volatility of 84%; risk free interest rate of 3.88%; expected dividend yield of 0%; and expected life of 2 years.

The 98,000 \$0.10 finders warrants issued in conjunction with the December 29, 2023 tranche of this private placement was assigned a grant date fair value of \$1,137 using the Black-Scholes option pricing model under the relative value method at \$0.012 per warrant, based on the following assumptions: underlying share price of \$0.045 per share, exercise price of \$0.10, expected annualized volatility of 84%; risk free interest rate of 3.88%; expected dividend yield of 0%; and expected life of 2 years.

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8. Share Capital (Continued)

(b) Common Shares Issued (continued)

- iv) On January 29, 2024, the Company closed private placement issuing 1,090,910 units for a total of \$60,000. The units were priced at 5.5 cents and comprised one common share of the company and one share purchase warrant. Each full warrant is exercisable into one additional common share of the company at an exercise price of 0.075 cents for a period of 24 months. Each full warrant is exercisable into one additional common share of the company at an exercise price of 7.5 cents for a period of 24 months.

The 1,090,910 \$0.10 warrants issued in conjunction with this financing were assigned a grant date fair value of \$12,790 using the Black-Scholes option pricing model under the relative value method at \$0.012 per warrant, based on the following assumptions: underlying share price of \$0.045 per share, exercise price of \$0.10, expected annualized volatility of 84%; risk free interest rate of 4.02%; expected dividend yield of 0%; and expected life of 2 years.

(c) Warrants

The following table reflects the continuity of warrants for the nine months ended January 31, 2024 and 2023:

	Number of Warrants	Amount
Balance, April 30, 2022,	9,750,077	\$ 1,031,153
Issued	18,529,160	534,124
Expired	(5,396,415)	(598,474)
Balance, January 31, 2023	22,882,822	\$ 966,803
Balance, April 30, 2023	22,883,563	\$ 852,948
Issued	23,310,598	282,283
Expired	(4,353,662)	(435,679)
Balance, January 31, 2024	41,840,499	\$ 699,552

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8. Share Capital (Continued)

(c) Warrants (Continued)

The following table reflects the warrants outstanding and exercisable as of January 31, 2024:

Expiry Date	Exercise Price (\$)	Weighted Average Remaining Contractual Life (Years)	Number of Warrants Outstanding
November 2, 2024	0.10	0.76	11,362,826
November 2, 2024	0.075	0.76	133,000
November 2, 2024	0.085	0.76	235,295
December 20, 2024	0.10	0.89	6,798,780
August 30, 2025	0.075	1.58	3,997,000
September 14, 2025	0.075	1.62	3,985,454
October 6, 2025	0.075	1.68	1,762,755
December 14, 2025	0.06	1.87	28,000
December 14, 2025	0.075	1.87	381,820
December 14, 2025	0.10	1.87	6,150,000
December 29, 2025	0.10	1.91	5,914,659
January 29, 2026	0.10	1.99	1,090,910
	0.09	1.35	41,840,499

(d) Stock Options

The following table reflects the continuity of stock options for the nine months ended January 31, 2024 and 2023:

	Number of Stock Options	Weighted Average Exercise Price (\$)
Balance, April 30, 2022	4,160,000	0.30
Granted	856,000	0.10
Balance, January 31, 2023	5,016,000	0.27
Balance, April 30, 2023 and January 31, 2024	5,016,000	0.27

As at January 31, 2024, 4,802,000 (January 31, 2023 - 4,558,000) issued and outstanding options were exercisable.

The following table reflects the stock options issued and outstanding as of January 31, 2024:

Expiry Date	Exercise Price (\$)	Average Remaining Contractual Life (years)	Number of Options Outstanding
February 9, 2024	0.30	0.03	2,200,000
January 27, 2025	0.30	0.99	1,160,000
September 13, 2025	0.10	1.67	856,000
September 13, 2026	0.30	2.63	800,000
	0.27	0.95	5,016,000

Northstar Gold Corp.

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9. Loss per Share

The calculation of basic and diluted loss per share for the nine months ended January 31, 2024 and 2023 were based on the loss attributable to common shareholders of \$1,214,250, (nine months ended January 31, 2023 - \$1,143,060) and the weighted average number of common shares outstanding of 83,156,448 (nine months ended January 31, 2023 - 61,569,812). Diluted loss per share does not include the effect of warrants and stock options as they are anti-dilutive.

10. Flow-Through Share Liability

	Nine Months Ended January 31, 2024	Year Ended April 30, 2023
Balance, beginning of period	\$ 116,428	\$ 36,064
Recognition of flow-through premium on flow-through private placement	10,770	158,094
De-recognition of flow-through premium on renunciation of expenditures	-	(77,730)
Balance, end of period	\$ 127,198	\$ 116,428

- (i) The Flow-Through Common Shares issued in private placements completed on November 2 and December 20, 2022 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 \$116,428. Subsequent to period end, the Company filed its renouncement of \$806,391 of its \$989,640 eligible flow-through expenditure commitment within the prescribed period. \$122,254 of the required expenditure commitment was not met.
- (ii) The Flow-Through Common Shares issued in private placements completed on December 14 and 29, 2023 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 \$10,770. The Company is committed to incur and renounce the \$718,000 in eligible flow-through expenditures by December 31, 2024.

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11. Exploration Expenses

	Three Months Ended January 31,		Nine Months Ended January 31,	
	2024	2023	2024	2023
<u>Miller Gold Project</u>				
Drilling	\$ 1,838	\$ -	\$ 184,010	\$ 35,552
Geophysics	12,835	22,216	20,209	69,167
Assays	47,424	11,396	73,382	65,539
Geological	46,702	12,435	51,321	13,655
Support costs	11,302	45,604	18,728	78,399
Travel	2,512	5,632	5,764	9,653
	122,613	97,283	353,414	271,965
<u>Bryce Project</u>				
Geological	-	-	3,788	3,175
	-	-	3,788	3,175
<u>Rosgrove Project</u>				
Geophysics	56,591	-	68,976	45,651
Support costs	16,890	-	23,752	-
Assays	35,273	-	35,273	-
Geological	18,900	-	18,900	-
	127,654	-	146,901	45,651
Total Exploration Expenses	\$ 250,267	\$ 158,031	\$ 504,103	\$ 381,539

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 nine months ended January 31, 2024 or 2023. 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 January 31, 2024 totaled \$4,930,683 (April 30, 2023 - \$4,821,190). 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

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 January 31, 2024, the Company's current liabilities, which comprise accounts payable and accrued liabilities total \$158,264. 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.

14. Subsequent Events

On February 9, 2024, 2,200,000 options with an exercise price of \$0.30 expired without exercise.