

GOLDSTORM METALS CORP.

CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED SEPTEMBER 30, 2022 AND 2021

(Expressed in Canadian Dollars)

(Unaudited – Prepared by Management)

GOLDSTORM METALS CORP.
CONDENSED INTERIM STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
(Unaudited – Prepared by Management)
(Expressed in Canadian dollars)

	Three months ended September 30, 2022	Three months ended September 30, 2021	Six months ended September 30, 2022	Six months ended September 30, 2021
OPERATING EXPENSES				
Office and miscellaneous	\$ 2,347	\$ 19	\$ 2,365	\$ 26
Professional fees	6,800	-	6,800	-
Loss and comprehensive loss for the period	\$ (9,147)	\$ (19)	\$ (9,165)	\$ (26)
Loss per share – basic and diluted	\$ (9,147)	\$ (19)	\$ (9,165)	\$ (26)
Weighted average number of common shares outstanding – basic and diluted	1	1	1	1

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

GOLDSTORM METALS CORP.
CONDENSED INTERIM STATEMENTS OF CASH FLOWS
(Unaudited – Prepared by Management)
(Expressed in Canadian dollars)

	Six months ended September 30, 2022	Six months ended September 30, 2021
OPERATING ACTIVITIES		
Loss for the period	\$ (9,165)	\$ (26)
Changes in non-cash working capital items:		
Amounts receivable	(4,020)	-
Prepays and deposits	(4,043)	-
Accounts payable and accrued liabilities	15,140	-
Due to related party	30,626	-
Cash provided by (used in) operating activities	<u>28,538</u>	<u>(26)</u>
INVESTING ACTIVITIES		
Exploration advances	<u>(28,529)</u>	<u>-</u>
Cash used in investing activities	<u>(28,529)</u>	<u>-</u>
FINANCING ACTIVITIES		
Share subscriptions received in advance	<u>403,000</u>	<u>-</u>
Cash provided by financing activities	<u>403,000</u>	<u>-</u>
Change in cash	403,009	(26)
Cash (bank indebtedness), beginning of period	<u>(6)</u>	<u>1</u>
Cash (bank indebtedness), end of period	<u>\$ 403,003</u>	<u>\$ (25)</u>

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GOLDSTORM METALS CORP.
CONDENSED INTERIM STATEMENTS OF CHANGES IN SHAREHOLDER'S EQUITY (DEFICIT)
(Unaudited – Prepared by Management)
(Expressed in Canadian dollars)
FOR THE PERIOD ENDED SEPTEMBER 30, 2022 AND 2021

	Number of Shares	Share Capital	Share Subscriptions Received in Advance	Deficit	Total
Balance, March 31, 2021	1	\$ 1	\$ -	\$ -	\$ 1
Loss for the period	-	-	-	(26)	(26)
Balance, September 30, 2021	1	\$ 1	\$ -	\$ (26)	\$ (25)
Balance, March 31, 2022	1	\$ 1	\$ -	\$ (3,865)	\$ (3,864)
Share subscriptions received in advance	-	-	403,000	-	403,000
Loss for the period	-	-	-	(9,165)	(9,165)
Balance, September 30, 2022	1	\$ 1	\$ 403,000	\$ (13,030)	\$ 389,971

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

GOLDSTORM METALS CORP.

Notes to the Condensed Interim Financial Statements

For the six months ended September 30, 2022 and 2021

(Unaudited – Prepared by Management)

(Expressed in Canadian Dollars)

1. NATURE AND CONTINUANCE OF OPERATIONS

Goldstorm Metals Corp. (the “Company”) was incorporated under the laws of British Columbia on August 5, 2020. The Company’s head office is located at Suite 789, 999 West Hastings Street, Vancouver, British Columbia, V6C 2W2. The Company is listed on the TSX Venture Exchange (“TSX-V”) under the trading symbol “GSTM”. The Company is a junior resource exploration company that is involved in the acquisition and exploration of mineral properties in Canada.

Subsequent to September 30, 2022, the Company completed a plan of arrangement for spinout transaction from Tudor Gold Corp. (parent company); whereby, the Company issued 49,847,966 shares as consideration for the transfer of Tudor Gold Corp’s Crown properties.

While these condensed interim financial statements have been prepared on a going concern basis which assumes the realization of assets and liquidation of liabilities in the normal course of business, there are material uncertainties that may cast significant doubt upon the Company’s ability to continue as a going concern.

2. BASIS OF PREPARATION

These condensed interim financial statements of the Company for the six months ended September 30, 2022 and 2021 have been in accordance with International Accounting Standards (“IAS”) 34, Interim Financial Reporting. Accordingly, these condensed consolidated interim financial statements do not include all of the information and footnotes required by IFRS for complete financial statements for year-end reporting process. These condensed consolidated interim financial statements should be read in conjunction with the Company’s annual financial statements for the year ended March 31, 2022.

The condensed interim financial statements were authorized for issue by the Board of Directors on November 21, 2022.

The condensed interim financial statements are presented in Canadian dollars, which is the Company’s functional currency.

These condensed interim financial statements have been prepared on a historical cost basis, except for financial instruments classified as fair value through profit or loss, which are stated at their fair value. In addition, these condensed interim financial statements have been prepared using the accrual basis of accounting except for cash flow information.

The preparation of these condensed interim financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the condensed interim financial statements and reported amounts of expenses during the year. Actual results could differ from these estimates.

These condensed interim financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the condensed interim 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.

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For the six months ended September 30, 2022 and 2021

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3. SIGNIFICANT ACCOUNTING POLICIES

The preparation of these condensed interim financial statements, is based on accounting principles and practices consistent with those used in the preparation of the audited annual financial statements as at March 31, 2022. These unaudited condensed interim financial statements should be read in conjunction with the Company's audited financial statements for the year ended March 31, 2022.

4. SHARE CAPITAL

Authorized: Unlimited common shares without par value.

There were no share issuances during the period ended September 30, 2022 and the year ended March 31, 2022.

Share subscriptions received in advance

During the period ended September 30, 2022, the Company received \$403,000 related to a private placement that closed on October 28, 2022 (Note 7).

5. RELATED PARTY TRANSACTIONS

Key management personnel are the persons responsible for the planning, directing and controlling the activities of the Company and include both executive and non-executive directors, and entities controlled by such persons. The Company considers all Directors and Officers of the Company to be key management personnel.

The Company incurred consulting fees of \$5,000 (2021 - \$Nil) to Ken Konkin, the Chief Executive Officer of the Company, which has been recorded to exploration advances.

The Company incurred geological fees of \$3,328 (2021 - \$Nil) to Natalie Senger, the Vice President Resource Development of the Company. These fees have been recorded to exploration advances.

As at September 30, 2022, total advances received was \$40,170 (2021 - \$nil) from Tudor Gold Corp., a company with common directors. The amount is used to cover expenditures prior to the completion of the spinout transaction, and is unsecured, non-interest bearing with no terms of repayment.

6. FINANCIAL INSTRUMENTS AND RISKS

The Company is exposed to various financial instrument risks and assesses the impact and likelihood of this exposure. These risks include liquidity risk, credit risk, currency risk, and interest rate risk. Where material, these risks are reviewed and monitored by the Board of Directors.

(a) Capital management

The Company manages its capital to safeguard the Company's ability to continue as a going concern, so that it can continue to provide adequate returns to shareholders and benefits to other stakeholders, and to have sufficient funds on hand for business opportunities as they arise.

The Company considers the items included in shareholders' equity as capital. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may issue new shares through short-term prospectuses, private placements, sell assets, incur debt, or return capital to shareholders. As at September 30, 2022, the Company is not subject to externally imposed capital requirements.

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6. FINANCIAL INSTRUMENTS AND RISKS

(b) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. As at September 30, 2022, the Company had cash of \$403,003 (March 31, 2022 – bank indebtedness of \$6). The Company's cash is invested in business accounts with quality financial institutions, is available on demand for the Company's programs, and is not invested in any asset-backed commercial paper.

(c) Credit risk

Credit risk is the risk of potential loss to the Company if the counterparty to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its liquid financial assets including cash and receivables. The Company limits exposure to credit risk on liquid financial assets through maintaining its cash with high-credit quality financial institutions. The Company's cash is held with a major Canadian based financial institution. The carrying amount of financial assets represents the maximum credit exposure.

(d) Currency risk

The Company's functional currency is the Canadian dollar and major purchases are transacted in Canadian dollars. The Company is not exposed to foreign currency risk.

(e) Interest rate risk

The Company is not exposed to interest rate risk.

(f) Fair values

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices that are observable for the asset or liability, either directly or indirectly; and

Level 3 – Inputs that are not based on observable market data.

The fair value of cash is measured based on level 1 inputs of the fair value hierarchy.

The estimated fair values of other financial instruments, including receivables and accounts payable and accrued liabilities, are equal to their carrying values due to the short-term nature of these instruments.

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7. SUBSEQUENT EVENTS

Subsequent to September 30, 2022, the Company:

- Completed a plan of arrangement (the “Arrangement”) with Tudor Gold Corp. (“Tudor”), whereby the Company issued 49,847,966 common shares (the “Common Shares” or “Shares”) as consideration in connection with the spin-off of Tudor’s six contiguous mineral properties located in the Golden Triangle Area in northwestern British Columbia.
- Completed a private placement consisting of 10,800,812 non-flow-through units at a price of \$0.26 per unit for gross proceeds of \$2,808,211. Each non-flow-through unit consisted of one common share and one share purchase warrant (each a “warrant”). Each warrant is exercisable for one common share at a price of \$0.60 for a period of two years from the date of issuance.

Completed a private placement consisting of 3,521,900 flow-through units at a price of \$0.31 per unit for gross proceeds of \$1,091,789. Each flow-through unit consisted of one flow-through common share and one warrant. Each warrant is exercisable for one common share at a price of \$0.60 for a period of two years from the date of issuance.

In connection with the financing, the Company issued an aggregate of 260,052 finder’s warrants and cash finder’s fee of \$97,031. Each finder’s warrant is exercisable for one common share at a price of \$0.26 for a period of two years from the date of issuance.

- Granted 6,400,000 options to directors, officers and consultant with exercise price of \$0.26 for a period of eight years.
- The Company has been listed on the TSX Venture Exchange at the close of business day on November 10, 2022 and commenced trading at the opening of business day on November 11, 2022.