GOLDSTORM METALS CORP.

CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE NINE MONTHS ENDED DECEMBER 31, 2022 AND 2021

(Expressed in Canadian Dollars)

(Unaudited – Prepared by Management)

MANAGEMENT'S COMMENTS ON
UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim financial statements of Goldstorm Metals Corp. (the "Company") have been prepared by and are the responsibility of the Company's management. The unaudited condensed interim financial statements are prepared in accordance with International Financial Reporting Standards and reflect management's best estimates and judgments based on information currently available.

The Company's independent auditor has not performed a review of these condensed interim financial statements established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

GOLDSTORM METALS CORP.
CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION
(Unaudited – Prepared by Management)
(Expressed in Canadian dollars)
AS AT

		December 31, 2022		March 31, 2022
ASSETS				
Current				
Cash	$	2,995,284	$	-
Amounts receivable		20,168		-
Prepaids and deposits		186,903		-
		3,202,355		-
Reclamation deposits (Note 4)		56,900		-
Right-of-use assets (Note 7)		235,721		-
Exploration and evaluation assets (Note 4)		13,148,758		-
Total assets	$	16,643,734	$	-
LIABILITIES AND SHAREHOLDER'S EQUITY (DEFICIT)				
Current				
Accounts payable and accrued liabilities	$	39,638	$	-
Bank indebtedness		-		6
Current portion of lease obligation (Note 7)		52,596		-
Due to related party (Note 6)		40,604		3,858
		132,838		3,864
Lease obligation (Note 7)		184,125		-
Flow-through share premium liabilities (Note 8)		163,383		-
Total liabilities		480,346		3,864
Shareholder's equity (deficit)				
Share capital (Note 5)		16,546,955		1
Equity reserves (Note 5)		1,601,110		-
Deficit		(1,984,677)		(3,865)
Total shareholder's equity (deficit)		16,163,388		(3,864)
Total liabilities and shareholder's equity (deficit)	$	16,643,734	$	-

Nature of operations and going concern (Note 1)

Approved and authorized for issuance by the Board of Directors:

"Ken Konkin " Director *"Sean Pownall"* Director

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

	Three months ended December 31, 2022	Three months ended December 31, 2021	Nine months ended December 31, 2022	Nine months ended December 31, 2021
OPERATING EXPENSES				
Accretion of lease (Note 7)	$ 2,134	$ -	$ 2,134	$ -
Consulting fees (Note 6)	45,376	-	45,376	-
Depreciation (Note 7)	13,866	-	13,866	-
Office and miscellaneous	13,721	19	16,086	45
Professional fees (Note 6)	207,014	-	213,814	-
Shareholder information	69,615	-	69,615	-
Share-based compensation (Note 7)	1,570,651	-	1,570,651	-
Transfer agent and filing fees	29,547	-	29,547	-
Travel	30,546	-	30,546	-
Loss from operation	(1,982,470)	(19)	(1,991,635)	(45)
Foreign exchange loss	(1,889)	-	(1,889)	-
Recovery of flow-through share premium liabilities	12,712	-	12,712	-
Loss and comprehensive loss for the period	$ (1,971,647)	$ (19)	$ (1,980,812)	$ (45)
Loss per share – basic and diluted	$ (0.06)	$ (19)	$ (0.17)	$ (45)
Weighted average number of common shares outstanding – basic and diluted	35,031,051	1	11,719,480	1

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

	Nine months ended December 31, 2022	Nine months ended December 31, 2021
OPERATING ACTIVITIES		
Loss for the period	$ (1,980,812)	$ (45)
Accretion on lease obligation	2,134	-
Depreciation	13,866	-
Settlement of flow-through share premium liabilities	(12,712)	-
Share-based compensation	1,570,651	-
Changes in non-cash working capital items:		
Amounts receivable	(20,168)	-
Prepaids and deposits	(182,403)	-
Accounts payable and accrued liabilities	19,239	-
Due to related party	36,746	-
Cash used in operating activities	(553,459)	(45)
INVESTING ACTIVITIES		
Reclamation deposit	(56,900)	-
Exploration and evaluation assets expenditures	(172,388)	-
Cash used in investing activities	(229,288)	-
FINANCING ACTIVITIES		
Proceeds from private placement	3,900,000	-
Share issuance costs	(106,963)	-
Lease payments	(15,000)	-
Cash provided by financing activities	3,778,037	-
Change in cash	2,995,290	(45)
Cash (bank indebtedness), beginning of period	(6)	1
Cash (bank indebtedness), end of period	$ 2,995,284	$ (44)

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

GOLDSTORM METALS CORP.
CONDENSED INTERIM STATEMENTS OF CHANGES IN SHAREHOLDER'S EQUITY (DEFICIT)
(Unaudited – Prepared by Management)
(Expressed in Canadian dollars)
FOR THE PERIODS ENDED DECEMBER 31, 2022 AND 2021

	Number of Shares	Share Capital	Equity Reserves	Deficit	Total
Balance, March 31, 2021	1	$ 1	$ -	$ -	$ 1
Loss for the period	-	-	-	(45)	(45)
Balance, December 31, 2021	1	$ 1	$ -	$ (45)	$ (44)
Balance, March 31, 2022	1	$ 1	$ -	$ (3,865)	$ (3,864)
Shares issued for spun-out assets	49,847,966	12,960,471	-	-	12,960,471
Private placement	14,322,712	3,900,000	-	-	3,900,000
Share issuance costs	-	(137,422)	30,459	-	(106,963)
Flow-through share premium liability	-	(176,095)	-	-	(176,095)
Share-based compensation	-	-	1,570,651	-	1,570,651
Loss for the period	-	-	-	(1,980,812)	(1,980,812)
Balance, December 31, 2022	64,170,679	$16,546,955	$ 1,601,110	$(1,984,677)	$16,163,388

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

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.

During the period ended December 31, 2022, the Company completed a plan of arrangement (the "Arrangement") with Tudor Gold Corp. ("Tudor"), whereby the Company issued 49,847,966 common 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.

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 period ended December 31, 2022 have been in accordance with International Accounting Standards ("IAS") 34, Interim Financial Reporting. Accordingly, these condensed 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 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 February 22, 2023.

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.

(Expressed in Canadian Dollars)

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. EXPLORATION AND EVALUATION ASSETS

	Crown Property
ACQUISITION	
Balance, March 31, 2022	$ -
Contribution from spinout assets	12,960,471
Balance, December 31, 2022	**$ 12,960,471**
EXPLORATION	
Balance, March 31, 2022	$ -
Assays	12,910
Consulting	32,112
Geology	72,501
Field costs	27,978
Travel	42,786
Balance, December 31, 2022	**$ 188,287**
CARRYING VALUE	
March 31, 2022	$ -
December 31, 2022	**$ 13,148,758**

Crown Property

During the period ended December 31, 2022, the Company completed a plan of arrangement with Tudor Gold Corp. whereby the Company issued 49,847,966 common 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. Collectively, the six contiguous mineral properties are known as "Mackie East", "Mackie West", "Fairweather", "High North", "Delta" and "Orion", plus the mineral property known as "Electrum".

Crown Property - Mackie East and Mackie West (collectively the "Mackie Property")

The Mackie East claims are subject to a 2.5% net smelter return ("NSR") royalty.

The Mackie West claims are not subject to royalties in respect of these claims.

Crown Property - Electrum

The Electrum Property comprises eight claims, of which six claims are subject to a 2% NSR royalty which can be purchased at any time for $1,000,000.

4. EXPLORATION AND EVALUATION ASSETS (continued)

Reclamation Deposits

As at December 31, 2022, the Company has a reclamation deposit posted of $56,900 (March 31, 2022 - $nil).

5. SHARE CAPITAL

Authorized: Unlimited common shares without par value.

Share Issuances

During the period ended December 31, 2022, the Company:

a) Completed a plan of arrangement with Tudor, whereby the Company issued 49,847,966 common shares with fair value of $12,960,471 for the acquisition of six contiguous mineral properties located in the Golden Triangle Area in northwestern British Columbia.

b) 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.

c) 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 share purchase 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. The Company recognized $176,095 flow-through liability from this issuance.

   In connection with the private placements, the Company paid certain finders a total cash finder’s fee of $97,031 and issued an aggregate of 260,052 finder’s warrants. 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. The fair value of the finder’s warrants was estimated to be $30,459 using the Black-Scholes option pricing model with the following assumptions: term of 2 years; expected volatility of 57.01%; risk-free rate of 3.83%; expected dividends of $Nil. The Company also incurred additional cash share issuance costs of $9,932 in relation to the financings.

There were no share issuances during the year ended March 31, 2022.

Stock Options

The Company adopted an incentive stock option plan (the “Option Plan”) which allows the Company’s Board of Directors, at its discretion and in accordance with TSX-V requirements, to grant options to purchase common shares to its directors, officers, employees and technical consultants to the Company. The number of common shares reserved for issuance will not exceed 10% of the issued and outstanding common shares. Such options may be exercisable for a period of up to ten years from the date of grant and vesting terms will be determined at the time of grant by the Board of Directors.

During the period ended December 31, 2022, the Company granted 6,400,000 stock options at an exercise price of $0.26 expiring on November 10, 2030. All these options vest immediately. The fair value of the stock options was estimated to be $1,570,651 using the Black-Scholes option pricing model with the following assumptions: term of 8 years; expected volatility of 86.13%; risk-free rate of 3.15%; and expected dividends of $Nil.

(Expressed in Canadian Dollars)

5. SHARE CAPITAL (continued)

Changes in stock options for the period ended December 31, 2022 are as follows:

	Number of Options	Weighted Average Exercise Price
Balance, March 31, 2022	-	$ -
Options granted	6,400,000	0.26
Balance, December 31, 2022	6,400,000	$ 0.26
Number of options currently exercisable	6,400,000	$ 0.26

Stock options outstanding as at December 31, 2022 are as follows:

Grant Date	Number Outstanding	Exercise Price	Expiry Date
November 10, 2022	6,400,000	$ 0.26	November 10, 2030
	6,400,000		

Warrants

Changes in share purchase warrants for the period ended December 31, 2022 are as follows:

	Number of Warrants	Weighted Average Exercise Price
Balance, March 31, 2022	-	$ -
Warrants issued	14,582,764	0.59
Balance, December 31, 2022	14,582,764	$ 0.59

Share purchase warrants outstanding at December 31, 2022 are as follows:

Issue Date	Number Outstanding	Exercise Price	Expiry Date
November 10, 2022	14,322,712	$0.60	November 10, 2024
November 10, 2022	260,052	0.26	November 10, 2024
	14,582,764		

6. 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 $29,500 (2021 - $Nil) to Ken Konkin, the Chief Executive Officer of the Company, for management and supervision of field operations, capitalized to exploration and evaluation assets. At December 31, 2022, the Company owed $12,600 (March 31, 2022 - $nil) to Ken Konkin.

The Company incurred consulting fees of $6,000 (2021 - $nil) to Helmut Finger, a director of the Company. At December 31, 2022, the Company owed $3,000 (March 31, 2022 - $nil) to Helmut Finger.

The Company incurred management, accounting and administrative services, which have been recorded as professional fees, of $56,360 (2021 - $nil) to Cross Davis and Company LLP, a firm of which the Chief Financial Officer, Scott Davis is a partner.

The Company incurred fees of $31,616 (2021 - $Nil) to Natalie Senger, the Vice President Resource Development of the Company. These fees have been capitalized under exploration and evaluation assets and recorded as geological expenditures. At December 31, 2022, the Company owed $5,004 (March 31, 2022 - $nil) to Natalie Senger.

During the period ended December 31, 2022, the Company recognized share-based compensation expense of $1,141,176 (2021 - $nil) for options granted to various officers and directors of the Company.

At December 31, 2022, the Company owed $20,000 (March 31, 2022 - $3,858) to Tudor Gold Corp, a company with common directors for expense reimbursements. The amount is unsecured, non-interest bearing with no terms of repayment.

(Expressed in Canadian Dollars)

7. LEASE OBLIGATION

The Company is required to pay $5,000 per month plus taxes for the use of office space from October 1, 2022 until March 1, 2027. The present value of the total lease obligations was $249,587 using the financing rate of 3.45%. As at December 31, 2022, $52,596 of the lease obligation is due within one year. During the period ended December 31, 2022, the Company recorded a total accretion expense of $2,134 related to this lease obligation.

		Lease Liability
Lease liability, inception	$	249,587
Lease accretion		2,134
Lease payments		(15,000)
Lease liability, December 31, 2022		236,721
Long-term portion		(184,125)
Short-term portion	$	52,596

		Right of Use Asset
COSTS		
Balance, March 31, 2022	$	-
Additions		249,587
Balance, December 31, 2022	$	249,587
ACCUMULATED AMORTIZATION		
Balance, March 31, 2022	$	-
Depreciation		13,866
Balance, December 31, 2022	$	13,866
NET BOOK VALUE		
March 31, 2022	$	-
December 31, 2022	$	235,721

(Expressed in Canadian Dollars)

8. FLOW-THROUGH SHARE PREMIUM LIABILITY

The following is a continuity schedule of the Company's flow-through share premium liability.

	Issued in November 2022
Balance at March 31, 2022	$ -
Liability incurred on flow-through shares issued	176,095
Settlement of flow-through share premium liability on expenditures incurred	(12,712)
Balance at December 31, 2022	$ 163,383

During the period ended December 31, 2022, the Company 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. A flow-through liability of $176,095 was recognized on the issuance date. As at December 31, 2022, $1,012,972 remains to be spent on qualifying expenditures.

9. 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 December 31, 2022, the Company is not subject to externally imposed capital requirements.

(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 December 31, 2022, the Company had cash of $2,995,284 to settle current liabilities of $132,838. 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.

9. FINANCIAL INSTRUMENTS AND RISKS (continued)

(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.

10. SUPPLEMENTAL DISCLOSURES WITH RESPECT TO CASH FLOWS

During the nine months ended December 31, 2022:

- The Company included $15,899 in exploration and evaluation assets which relates to accounts payable and accrued liabilities.
- The Company issued 49,847,966 common shares valued at $12,960,471 for the acquisition of the Crown Property (Note 4).
- The Company issued 260,052 finder's warrants with fair value of $30,459.
- The Company recorded $176,095 flow-through share premium liability in relation to a private placement.
- The Company recognized lease obligation and right-of-use assets of $249,587.

There were no supplemental disclosures with respect to cash flows during the nine months ended December 31, 2021.