

UNITED STATES  
**SECURITIES AND EXCHANGE COMMISSION**  
WASHINGTON, D.C. 20549

**FORM 10-Q**

(Mark One)

Quarterly Report Pursuant To Section 13 Or 15(d) Of The Securities Exchange Act Of 1934

For the quarterly period ended **October 31, 2015**

Transition Report Under Section 13 Or 15(d) Of The Securities Exchange Act Of 1934

For the transition period \_\_\_\_\_ to \_\_\_\_\_

**COMMISSION FILE NUMBER 000-52711**

**STAR GOLD CORP.**

(Exact name of the registrant business issuer as specified in its charter)

**NEVADA**

(State or other jurisdiction of incorporation or organization)

**27-0348508**

(IRS Employer Identification No.)

**611 E. Sherman Avenue**

**Coeur d'Alene, Idaho**  
(Address of principal executive office)

**83814**

(Postal Code)

**(208) 664-5066**

(Issuer's telephone number)

Indicate by check mark whether the issuer (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. **Yes [x]** No [ ]

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes [x] No [ ]

Indicate by checkmark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "Accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act (Check one):

Large Accelerated Filer [ ] Accelerated Filer [ ] Non-Accelerated Filer [ ] Smaller Reporting Company [x]

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes [ ] No [x]

As of **December 11, 2015** there were **40,836,726** shares of issuer's common stock outstanding.

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## PART I - FINANCIAL INFORMATION

### Item 1 – Financial Statements

#### STAR GOLD CORP. BALANCE SHEETS

	October 31, 2015 (unaudited)	April 30, 2015
<b>ASSETS</b>		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 113,279	\$ 5,358
Prepaid expenses (NOTE 3)	10,774	70,837
<b>TOTAL CURRENT ASSETS</b>	<b>124,053</b>	<b>76,195</b>
EQUIPMENT AND MINING INTEREST, net (NOTE 4)	307,251	297,951
RESTRICTED CASH	21,600	21,600
<b>TOTAL ASSETS</b>	<b>\$ 452,904</b>	<b>\$ 395,746</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
CURRENT LIABILITIES:		
Accounts payable	\$ 61,604	\$ 24,839
Other accrued liabilities	-	16,571
Short term notes payable, related party	-	101,916
<b>TOTAL CURRENT LIABILITIES</b>	<b>61,604</b>	<b>143,326</b>
<b>TOTAL LIABILITIES</b>	<b>61,604</b>	<b>143,326</b>
COMMITMENTS AND CONTINGENCIES (NOTE 4 AND 6)	-	-
STOCKHOLDERS' EQUITY		
Preferred Stock, \$.001 par value; 10,000,000 shares authorized, none issued and outstanding	-	-
Common Stock, \$.001 par value; 300,000,000 shares authorized; 40,836,726 and 36,595,726 shares issued and outstanding, respectively	40,836	36,596
Additional paid-in capital	9,533,237	9,112,889
Accumulated deficit	(9,182,773)	(8,897,065)
<b>TOTAL STOCKHOLDERS' EQUITY</b>	<b>391,300</b>	<b>252,420</b>
<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<b>\$ 452,904</b>	<b>\$ 395,746</b>

The accompanying notes are an integral part of these financial statements

**STAR GOLD CORP.**  
**STATEMENTS OF OPERATIONS (UNAUDITED)**

	Three months ended October 31,		Six months ended October 31,	
	2015	2014	2015	2014
OPERATING EXPENSE				
Mineral exploration expense	\$ 86,231	\$ 116,838	\$ 199,686	\$ 205,931
Legal and professional fees	11,480	91,470	33,214	116,067
Management and administrative	21,269	144,731	47,428	301,140
Depreciation	1,350	1,478	2,700	2,958
TOTAL OPERATING EXPENSES	120,330	354,517	283,028	626,096
LOSS FROM OPERATIONS	(120,330)	(354,517)	(283,028)	(626,096)
OTHER INCOME (EXPENSE)				
Interest income (expense)	(359)	62	(2,680)	55
TOTAL OTHER INCOME (EXPENSE)	(359)	62	(2,680)	55
NET LOSS BEFORE INCOME TAXES	(120,689)	(354,455)	(285,708)	(626,041)
Provision for income tax	-	-	-	-
NET LOSS	\$ (120,689)	\$ (354,455)	\$ (285,708)	\$ (626,041)
Basic and diluted loss per share	\$ (0.01)	\$ (0.01)	\$ (0.01)	\$ (0.02)
Basic and diluted weighted average number shares outstanding	37,333,291	36,595,726	36,964,509	35,806,074

The accompanying notes are an integral part of these financial statements

**STAR GOLD CORP.**  
**STATEMENTS OF CASH FLOWS (UNAUDITED)**

	For the six months ended	
	October 31, 2015	October 31, 2014
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Net loss	\$ (285,708)	\$ (626,041)
Adjustments to reconcile net loss to cash used by operating activities		
Stock based compensation	488	79,364
Depreciation	2,700	2,958
Changes in operating assets and liabilities:		
Prepaid expenses	60,063	(8,267)
Accounts payable	24,428	17,759
Other accrued liabilities	(16,571)	(7,146)
Net cash used by operating activities	<u>(214,600)</u>	<u>(541,373)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Payments for mining interest	(12,000)	(9,000)
Net cash used by investing activities	<u>(12,000)</u>	<u>(9,000)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Proceeds from short-term promissory note, related party	40,000	-
Repayment of short-term promissory note, related party	(129,579)	-
Net proceeds from issuance of stock and warrants	424,100	336,412
Net cash provided by financing activities	<u>334,521</u>	<u>336,412</u>
Net increase (decrease) in cash and cash equivalents	107,921	(213,961)
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD</b>	<u>5,358</u>	<u>542,757</u>
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<u>\$ 113,279</u>	<u>\$ 328,796</u>
<b>NON-CASH FINANCING ACTIVITIES:</b>		
Reduction of short-term promissory note, related party by vendor refund	\$ 12,337	\$ -

The accompanying notes are an integral part of these financial statements

**STAR GOLD CORP.**  
**NOTES TO FINANCIAL STATEMENTS**  
**OCTOBER 31, 2015**

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**NOTE 1 - NATURE OF OPERATIONS**

Star Gold Corp. (the "Company") was initially incorporated as Elan Development, Inc., in the State of Nevada on December 8, 2006. The Company was originally organized to explore mineral properties in British Columbia, Canada but the Company is currently focusing on gold, silver and other base metal-bearing properties in Nevada.

The Company's main business consists of assembling and/or acquiring land packages and mining claims the Company believes have potential mining reserves, and expending capital to explore these claims by drilling, geophysical work or other exploration work deemed necessary. The business is a high risk business as there is no guarantee that the Company's exploration work will ultimately discover or produce any economically viable minerals.

**NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES**

Basis of Presentation

This summary of significant accounting policies is presented to assist in understanding the financial statements. The financial statements and notes are representations of the Company's management, which is responsible for their integrity and objectivity. The accompanying unaudited financial statements have been prepared by the Company in accordance with accounting principles generally accepted in the United States of America for interim financial information, as well as the instructions to Form 10-Q. Accordingly, the financial statements do not include all of the information and footnotes required by accounting principles generally accepted in the United States of America for complete financial statements. In the opinion of our management, all adjustments (consisting of only normal recurring accruals) considered necessary for a fair presentation of the interim financial statements have been included. Operating results for the period ended October 31, 2015 are not necessarily indicative of the results that may be expected for the full year ending April 30, 2016. All amounts presented are in U.S. dollars. For further information refer to the financial statements and footnotes thereto in the Company's Annual Report on Form 10-K for the year ended April 30, 2015.

Going Concern

As shown in the accompanying consolidated financial statements, the Company has incurred operating losses since inception. As of October 31, 2015, the Company has limited financial resources with which to achieve the objectives and obtain profitability and positive cash flows. As shown in the accompanying balance sheets and statements of operations, the Company has an accumulated deficit of \$9,182,773 and as of that date the Company's working capital was \$62,449. Achievement of the Company's objectives will be dependent upon the ability to obtain additional financing, to locate profitable energy properties and generate revenue from current and planned business operations, and control costs. The Company plans to fund its future operations by joint venturing, obtaining additional financing from investors, and/or lenders, and attaining additional commercial production. However, there is no assurance that the Company will be able to achieve these objectives, therefore substantial doubt about its ability to continue as a going concern exists. The financial statements do not include adjustments relating to the recoverability of recorded assets should the Company be unable to continue as a going concern. In the event the Company is unable to fulfill the annual exploration expenditures as provided for in each respective Property Option Agreement (Note 4), the Company will default on the agreement(s) and surrender its right to future claims on the respective property.

Use of Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the dates of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Significant areas requiring the use of management assumptions and estimates relate to asset impairments and stock option valuation. Actual results could differ from these estimates and assumptions and could have a material effect on the Company's reported financial position and results of operations.

New Accounting Pronouncement

In August 2014, the FASB issued ASU No. 2014-15—Presentation of Financial Statements—Going Concern. The guidance requires an entity's management to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the entity's ability to continue as a going concern within one year after the date that the financial statements are issued (or within one year after the date that the financial statements are available to be issued when applicable). If conditions or events exist that raise

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**NOTES TO FINANCIAL STATEMENTS**  
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substantial doubt about an entity's ability to continue as a going concern, the guidance requires disclosure in the financial statements. The guidance will be effective for the annual period ending after December 15, 2016, and for annual periods and interim periods thereafter. Early application is permitted. The Company is currently evaluating the new standard and its impact on the Company's consolidated financial statements.

Cash and Cash Equivalents

For the purposes of the statement of cash flows, the Company considers all highly liquid investments with original maturities of three months or less when acquired to be cash equivalents.

Restricted Cash

Restricted cash represents bonds held for exploration permits.

Fair Value Measures

ASC Topic 820 "Fair Value Measurements and Disclosures" ("ASC 820") requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. ASC 820 establishes a fair value hierarchy based on the level of independent, objective evidence surrounding the inputs used to measure fair value. A financial instrument's categorization within the fair value hierarchy is based upon the lowest level of input that is significant to the fair value measurement. ASC 820 prioritizes the inputs into three levels that may be used to measure fair value:

Level 1: Level 1 applies to assets or liabilities for which there are quoted prices in active markets for identical assets or liabilities.

Level 2: Level 2 applies to assets or liabilities for which there are inputs other than quoted prices that are observable for the asset or liability such as quote prices for similar assets or liabilities in active markets; quoted prices for identical assets in markets with insufficient volume or infrequent transactions (less active markets); or model-derived valuations in which significant inputs are observable or can be derived principally from, or corroborated by, observable market data.

Level 3: Level 3 applies to assets or liabilities for which there are unobservable inputs to the valuation methodology that are significant to the measurement of the fair value of the assets or liabilities.

Mining Interests and Mineral Exploration Expenditures

Exploration costs are expensed in the period in which they occur. The Company capitalizes costs for acquiring and leasing mining properties and expenses costs to maintain mineral rights as incurred. Should a property reach the production stage, these capitalized costs would be amortized using the units-of-production method on the basis of periodic estimates of ore reserves. Mining interests are periodically assessed for impairment of value, and any subsequent losses are charged to operations at the time of impairment. If a property is abandoned or sold, its capitalized costs are charged to operations.

Equipment

Equipment is stated at cost. Depreciation of equipment is calculated using the straight-line method over the estimated useful lives of the assets, which ranges from three to seven years. Maintenance and repairs are charged to operations as incurred. Significant improvements are capitalized and depreciated over the useful life of the assets. Gains or losses on disposition or retirement of property and equipment are recognized in operating expenses.

Reclamation and Remediation

The Company's operations are subject to standards for mine reclamation that have been established by various governmental agencies. In the period in which the Company incurs a contractual obligation for the retirement of tangible long-lived assets, the Company will record the fair value of an asset retirement obligation as a liability. A corresponding asset will also be recorded and depreciated over the life of the asset. After the initial measurement of an asset retirement obligation, the liability will be adjusted at the end of each

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reporting period to reflect changes in the estimated future cash flows underlying the obligation. To date, the Company has not incurred any contractual obligation requiring recording either a liability or associated asset.

Impaired Asset Policy

The Company periodically reviews its long-lived assets to determine if any events or changes in circumstances have transpired which indicate that the carrying value of its assets may not be recoverable, pursuant to guidance established in ASC Topic 360, "Accounting for the Impairment or Disposal of Long-lived Assets". The Company determines impairment by comparing the undiscounted net future cash flows estimated to be generated by its assets to their respective carrying amounts. If impairment is deemed to exist, the assets will be written down to fair value.

Stock-based Compensation

The Company estimates the fair value of options to purchase common stock using the Black-Scholes model, which requires the input of some subjective assumptions. These assumptions include estimating the length of time employees will retain their vested stock options before exercising them ("expected life"), the estimated volatility of the Company's common stock price over the expected term ("volatility"), employee forfeiture rate, the risk-free interest rate and the dividend yield. Changes in the subjective assumptions can materially affect the estimate of fair value of stock-based compensation. Options granted have a ten year maximum term and varying vesting periods as determined by the Board. The value of common stock awards is determined based on the closing price of the Company's stock on the date of the award.

Loss Per Share

Basic Earnings Per Share ("EPS") is computed as net income (loss) available to common stockholders divided by the weighted average number of common shares outstanding for the period. Diluted EPS reflects the potential dilution that could occur from common shares issuable through stock options and warrants.

The dilutive effect of convertible and outstanding securities as of October 31, 2015 and 2014, would be as follows:

	<u>October 31, 2015</u>	<u>October 31, 2014</u>
Stock options	3,058,667	3,572,000
Warrants	5,855,400	2,509,014
<b>TOTAL POSSIBLE DILUTION</b>	<b><u>8,914,067</u></b>	<b><u>6,081,014</u></b>

At October 31, 2015 and 2014, respectively, the effect of the Company's outstanding options and warrants would have been anti-dilutive.

Income Taxes

The Company recognizes provision for income tax using the liability method. Deferred income tax liabilities or assets at the end of each period are determined using the tax rates expected to be in effect when the taxes are actually paid or recovered. A valuation allowance is recognized on deferred tax assets when it is more likely than not that some or all of these deferred tax assets will not be realized.

**NOTE 3– PREPAID EXPENSES**

The following is a summary of the Company's prepaid expenses at October 31, 2015 and April 30, 2015:

	<u>October 31, 2015</u>	<u>April 30, 2015</u>
Exploration expense	\$ 8,615	\$ 62,274
Directors and officers liability insurance	2,159	8,563
<b>TOTAL PREPAID EXPENSES</b>	<b><u>\$ 10,774</u></b>	<b><u>\$ 70,837</u></b>



**STAR GOLD CORP.**  
**NOTES TO FINANCIAL STATEMENTS**  
**OCTOBER 31, 2015**

**NOTE 4 – EQUIPMENT AND MINING INTEREST**

The following is a summary of the Company's equipment and mining interest at October 31, 2015 and April 30, 2015, respectively:

	October 31, 2015	April 30, 2015
Equipment	\$ 27,007	\$ 28,992
Less accumulated depreciation	(20,255)	(19,540)
Equipment, net of accumulated depreciation	6,752	9,452
Mining interest – Longstreet property	300,499	288,499
<b>TOTAL EQUIPMENT AND MINING INTEREST</b>	<b>\$ 307,251</b>	<b>\$ 297,951</b>

The Longstreet Property

On December 10, 2014, the Longstreet Property Option Agreement was amended revising the required expenditures and annual stock option obligation.

Through January 15, 2015 (the “Measurement Date), the Company incurred eligible exploration expenditures per the terms of the agreement of \$1,936,216 compared to a cumulative required exploration expenditure through the same date of \$1,800,000, creating a surplus of \$136,216 as of the Measurement Date.

Under terms of the agreement, for the year ended April 30, 2015, the Company paid \$56,000 and issued options to purchase 25,000 shares of common stock with fair value of \$3,000 (Note 6). The Company also purchased \$9,000 of additional mining interests related to the Clifford claims on the Longstreet property during the year ended April 30, 2015. The Company is obligated to pay \$12,000 annually on owners advance royalty payments related to the Clifford claims.

For the three months ended October 31, 2015, the Company purchased no additional mining interests. For the six months ended October 31, 2015, the Company purchased \$12,000 of additional mining interests on the Longstreet property related to the Clifford claims.

The schedule of remaining annual payments, minimum expenditures and number of stock options to be issued pursuant to the amended Longstreet Property Option Agreement is as follows:

	Required Expenditure	Payment to optioner <sup>(1)</sup>	Annual stock option obligation
January 15, 2016	\$ 100,000	\$ 56,000	25,000
January 15, 2017	150,000	56,000	25,000
January 15, 2018	300,000	40,000	40,000
January 15, 2019	500,000	45,000	45,000
January 15, 2020	700,000	50,000	50,000
	<b>\$ 1,750,000</b>	<b>\$ 247,000</b>	<b>185,000</b>

<sup>(1)</sup> Does not include \$12,000 annual payment related to Clifford claims.

Excalibur and Jet Properties

On or about June 30, 2015, the Company elected to terminate the Property Option Agreements on the Excalibur and Jet properties. The Company impaired the Excalibur and Jet properties at April 30, 2015 and subsequently gave notice of cancellation on the properties. The Company expects to focus capital resources on advancing the Longstreet property and therefore decided to return the Jet and Excalibur properties to the underlying owner before any further exploration expenditures were due. Under the terms of the original agreements, the Company is responsible for claims payments on the Excalibur and Jet properties one year in advance of which the Company has charged operations \$Nil and \$8,945 for the three and six months ended October 31, 2015, respectively. There are no liabilities or future obligations to the Company on either the Jet or Excalibur properties.

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**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 5 - RELATED PARTY TRANSACTIONS**

On or about June 30, 2015, the Company entered into a Lease Termination Agreement with Marlin Properties Management, LLC an entity owned by the spouse of the Company's Chairman of the Board of Directors. The Termination Agreement was effective as of June 1, 2015 and relieves the Company of all obligations under the terms of the lease after that date. For the three months ended October 31, 2015 and 2014, \$Nil and \$8,459, respectively, was paid to the related entity inclusive of the Company's pro-rata share of common area expenses. For the six months ended October 31, 2015 and 2014, \$8,617 and \$17,073, respectively, was paid to the related entity inclusive of the Company's pro-rata share of common area expenses.

During the year ended April 30, 2015 and the three months ended July 31, 2015, the Company entered into short term promissory notes with the Company's Chairman of the Board of Directors in the amounts of \$101,916 and \$40,000, respectively. The notes mature on December 31, 2015 and bear interest at 8% per annum with bi-monthly payments of \$150 commencing on August 1, 2015. During the six months ended October 31, 2015, the Company satisfied principal payments on the promissory notes totaling \$129,579 in cash and \$12,337 through the refund of prepaid exploration expenses applied directly toward the Chairman's personal credit card.

Interest expense recognized on the notes was \$206 and \$0 for the three months ended October 31, 2015 and 2014, and \$2,320 and \$0 for the six months ended October 31, 2015 and 2014.

**NOTE 6- OPTIONS TO PURCHASE COMMON STOCK**

Options issued for mining interests

In consideration for mining interests (see Note 4), the Company is obligated to issue stock options based on "fair market price" which for financial statement purposes is considered to be the closing price of the Company's common stock on the issue dates.

The following is a summary of the Company's options issued and outstanding in conjunction with certain mining interest agreements on several properties for the years ended October 31, 2015 and 2014, respectively:

	For the three and six months ended October 31,			
	2015		2014	
	Options	Price (a)	Options	Price (a)
Beginning balance	350,000	\$ 0.34	325,000	\$ 0.36
Issued	-	-	-	-
Exercised	-	-	-	-
Expired	-	-	-	-
Ending balance	350,000	\$ 0.34	325,000	\$ 0.36

(a) Weighted average exercise price.

Options issued for consulting services

As per an agreement fully executed on October 3, 2012, in consideration for consulting and advisory services rendered, the Company is obligated to issue a total of 1,000 stock options based on 5 day variable weighted-average price (VWAP) at the end of each month of the associated consulting contract. The stock options have a term of 1 year. The consultant options vest on the first day of the following month of service and are exercisable for a period of six months following the termination of the agreement. The Company has estimated the fair value of these option grants using the Black-Scholes model with the following information and range of assumptions:

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	For the six months ended	
	October 31, 2015	October 31, 2014
Options issued	6,000	6,000
Weighted average exercise price	\$ 0.10	\$ 0.24
Weighted average volatility	244.4% to 307.6%	239.9% to 279.4%
Weighted average life remaining	0.46	0.46
Risk free rate	0.25% to 0.28%	0.10% to 0.11%

The following is a summary of the Company's options issued and outstanding associated with certain consulting agreements:

	For the three months ended October 31, 2015		For the three months ended October 31, 2014	
	Options	Price (a)	Options	Price (a)
Beginning balance	12,000	\$ 0.16	12,000	\$ 0.34
Issued	3,000	0.07	3,000	0.25
Exercised	-	-	-	-
Expired	(3,000)	(0.25)	(3,000)	(0.39)
Ending balance	12,000	\$ 0.11	12,000	\$ 0.25

(a) Weighted average exercise price.

	For the six months ended October 31, 2015		For the six months ended October 31, 2014	
	Options	Price (a)	Options	Price (a)
Beginning balance	12,000	\$ 0.34	12,000	\$ 0.34
Issued	6,000	0.09	6,000	0.24
Exercised	-	-	-	-
Expired	(6,000)	(0.24)	(6,000)	(0.42)
Ending balance	12,000	\$ 0.11	12,000	\$ 0.25

Total charged against operations under the option grants for consulting services was \$195 and \$585 for the three months ended October 31, 2015 and 2014, respectively. Total charged against operations under the option grants for consulting services was \$488 and \$1,237 for the six months ended October 31, 2015 and 2014, respectively. These costs are classified as management and administrative expense.

Options issued under the 2011 Stock Option/Restricted Plan

The following is a summary of the Company's options issued and outstanding in conjunction with the Company's Stock Option Plan:

	For the three and six months ended October 31,			
	2015		2014	
	Options	Price (a)	Options	Price (a)
Beginning balance	2,696,667	\$ 0.37	3,235,000	\$ 0.38
Issued	-	-	-	-
Exercised	-	-	-	-
Forfeited	-	-	-	-
Ending balance	2,696,667	\$ 0.37	3,235,000	\$ 0.38

(a) Weighted average exercise price.

The following table summarizes additional information about the options under the Company's Stock Option Plan as of October 31, 2015:

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**OCTOBER 31, 2015**

Date of Grant	Options outstanding			Options exercisable	
	Number	Price (a)	Life	Number	Price (a)
May 27, 2011	200,000	\$ 0.90	5.58	200,000	\$ 0.90
May 22, 2012	146,667	0.78	6.40	146,667	0.78
June 18, 2012	1,350,000	0.30	6.64	1,350,000	0.30
May 22, 2013	650,000	0.29	7.57	650,000	0.29
February 13, 2014	350,000	0.28	8.30	350,000	0.28
Total options	<u>2,696,667</u>	<u>\$ 0.37</u>	<u>6.98</u>	<u>2,696,667</u>	<u>\$ 0.37</u>

(a) Weighted average exercise price per shares

The total value of the Plan stock option awards is expensed ratably over the vesting period of the employees receiving the awards. As of October 31, 2015, there was no unrecognized compensation cost related to stock-based options and awards.

Total compensation charged against operations under the plan for employees and advisors was \$Nil and \$53,762 for the three months ended October 31, 2015 and 2014, respectively. Total compensation charged against operations under the plan for employees and advisors was \$Nil and \$76,126 for the six months ended October 31, 2015 and 2014, respectively. These costs are classified under management and administrative expense.

The following is a summary of the Company's stock options outstanding and vested:

	Options	Weighted average exercise price	Expiration date
Options issued for mining interests	350,000	\$ 0.34	April 11, 2019 through January 15, 2025
Options issued for consulting services	12,000	0.11	November 1, 2015 through October 1, 2016
Options issued under the 2011 Stock Option/Restricted Plan	<u>2,696,667</u>	<u>0.37</u>	May 27, 2021 through February 13, 2024
Total vested stock options	<u>3,058,667</u>	<u>\$ 0.36</u>	

The aggregate intrinsic value of all options vested and exercisable at October 31, 2015, was \$2,270 based on the Company's closing price of \$0.14 per common share at October 31, 2015. The Company's current policy is to issue new shares to satisfy option exercises.

**NOTE 7 - WARRANTS**

The following is a summary of the Company's warrants outstanding:

	Warrants	Weighted Average Exercise Price
Outstanding at April 30, 2013	1,727,948	\$ 0.67
Issued – October 4, 2013	<u>2,161,600</u>	<u>0.50</u>
Balance outstanding at April 30, 2014	3,889,548	0.62
Expired – June 18, 2014	(833,334)	(0.75)
Issued – October 29, 2014	1,614,400	0.23
Expired – October 4, 2014	(2,161,600)	(0.50)
Expired January 18, 2015	<u>(894,614)</u>	<u>(0.80)</u>
Balance outstanding at April 30, 2015	1,614,400	\$ 0.23
Issued – October 12, 2015	<u>4,241,000</u>	<u>0.20</u>
Balance outstanding at October 31, 2015	<u>5,855,400</u>	<u>\$ 0.21</u>

**STAR GOLD CORP.**  
**NOTES TO FINANCIAL STATEMENTS**  
**OCTOBER 31, 2015**

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The composition of the Company's warrants outstanding at April 30, 2015, is as follows:

<u>Issue Date</u>	<u>Warrants</u>	<u>Exercise Price</u>	<u>Expiration Date</u>
July 29, 2014	1,614,400	\$ 0.23	July 29, 2019
October 12, 2015	4,241,000	0.20	October 12, 2020
	<u>5,855,400</u>	<u>\$ 0.21</u>	

**NOTE 8 – COMMON STOCK**

On October 12, 2015, the Company completed a private placement of its securities wherein it raised a total of \$424,100 (the "Offering"). The Offering consisted of the sale of "units" of the Company's securities at the per unit price of \$0.10. Pursuant to the Offering, the Company issued 4,241,000 shares of its common stock and warrants to purchase an additional 4,241,000 shares of its common stock. Warrants issued pursuant to the Offering entitle the holders thereof to purchase shares of common stock for the price of \$0.20 per share. The term of each warrant is for five years commencing with its issuance date.

## ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS AND PLAN OF OPERATION.

### CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This quarterly report and the exhibits attached hereto contain "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, as amended. Such forward-looking statements concern the Company's anticipated results and developments in the Company's operations in future periods, planned exploration and development of its properties, plans related to its business and other matters that may occur in the future. These statements relate to analyses and other information that are based on forecasts of future results, estimates of amounts not yet determinable and assumptions of management.

Any statement that expresses or involves discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always using words or phrases such as "expects" or "does not expect", "is expected", "anticipates" or "does not anticipate", "plans", "estimates", or "intends", or states that certain actions, events or results "may" or "could", "would", "might" or "will" be taken, occur or be achieved) are not statements of historical fact and may be forward-looking statements. Forward-looking statements are subject to a variety of known and unknown risks, uncertainties and other factors which could cause actual events or results to differ from those expressed or implied by the forward-looking statements, including, without limitation:

- Risks related to the Company's properties being in the exploration stage;
- Risks related to the mineral operations being subject to government regulation;
- Risks related to the Company's ability to obtain additional capital to develop the Company's resources, if any;
- Risks related to mineral exploration and development activities;
- Risks related to mineral estimates;
- Risks related to the Company's insurance coverage for operating risks;
- Risks related to the fluctuation of prices for precious and base metals, such as gold, silver and copper;
- Risks related to the competitive industry of mineral exploration;
- Risks related to the title and rights in the Company's mineral properties;
- Risks related to the possible dilution of the Company's common stock from additional financing activities;
- Risks related to potential conflicts of interest with the Company's management;
- Risks related to the Company's shares of common stock;

This list is not exhaustive of the factors that may affect the Company's forward-looking statements. Some of the important risks and uncertainties that could affect forward-looking statements are described further under the sections titled "Risk Factors and Uncertainties", "Description of Business" and "Management's Discussion and Analysis" of this Quarterly Report. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those anticipated, believed, estimated or expected. The Company cautions readers not to place undue reliance on any such forward-looking statements, which speak only as of the date made. Star Gold Corp. disclaims any obligation subsequently to revise any forward-looking statements to reflect events or circumstances after the date of such statements or to reflect the occurrence of anticipated or unanticipated events, except as required by law. The Company advises readers to carefully review the reports and documents filed from time to time with the Securities and Exchange Commission (the "SEC"), particularly the Company's Annual Reports on Form 10-K, reports on Form 10-Q and Current Reports on Form 8-K.

**Star Gold Corp qualifies all forward-looking statements contained in this Quarterly Report by the foregoing cautionary statement.**

Certain statements contained in this Quarterly Report on Form 10-Q constitute "forward-looking statements." These statements, identified by words such as "plan," "anticipate," "believe," "estimate," "should," "expect," and similar expressions include the Company's expectations and objectives regarding its future financial position, operating results and business strategy. These statements reflect the current views of management with respect to future events and are subject to risks, uncertainties and other factors that may cause actual results, performance or achievements, or industry results, to be materially different from those described in the forward-looking statements. Such risks and uncertainties include those set forth under the caption "Management's Discussion and Analysis or Plan of Operation" and elsewhere in this Quarterly Report.

As used in this Quarterly Report, the terms "we," "us," "our," "Star Gold," and the "Company", mean Star Gold Corp., unless otherwise indicated. All dollar amounts in this Quarterly Report are expressed in U.S. dollars, unless otherwise indicated.

Management’s Discussion and Analysis is intended to be read in conjunction with the Company’s financial statements and the integral notes (“Notes”) thereto included in the Company’s Annual Report on Form 10-K for the fiscal year ending April 30, 2015. The following statements may be forward-looking in nature and actual results may differ materially.

## Corporate Background

The Company was originally incorporated on December 8, 2006, under the laws of the State of Nevada as Elan Development, Inc. On April 25, 2008, the name of the company was changed to Star Gold Corp. Star Gold Corp. is an exploration stage company engaged in the acquisition and exploration of precious metal deposit properties and advancing them toward production. The Company is engaged in the business of exploring, evaluating and acquiring mineral prospects with the potential for economic deposits of precious and base metals.

Star Gold Corp. currently leases with an option to acquire unpatented mining claims located in the State of Nevada and known as the Longstreet Property. The Longstreet Property comprises 125 mineral claims (75 original optioned claims, of which 70 are unpatented staked claims and five claims acquired from local ranchers (Roy Clifford et al)), as well as 50 recently staked claims by Star Gold, covering a total area of approximately 2,500 acres (1,012 ha). The Longstreet property is at an intermediate stage of exploration.

The Company has no patents, licenses, franchises or concessions which are considered by the Company to be of importance. The business is not of a seasonal nature. Since the potential products are traded in the open market, the Company has no control over the competitive conditions in the industry.

## Overview of Mineral Exploration and Current Operations

Star Gold Corp. is an exploration stage mineral company with no producing mines. Mineral exploration is essentially a research activity that does not produce a product. As such the Company acquires properties which it believes have potential to host economic concentrations of minerals, particularly gold and silver. These acquisitions have and may take the form of unpatented mining claims on federal land, or leasing claims, or private property owned by others. An unpatented mining claim is an interest that can be acquired to the mineral rights on open lands of the federal owned public domain. Claims are staked in accordance with the Mining Law of 1872, recorded with the federal government pursuant to laws and regulations established by the Bureau of Land Management. The Company intends to remain in the business of exploring for mining properties that have the potential to produce gold, silver, base metals and other commodities.

The Company will perform basic geological work to identify specific drill targets on the properties, and then collect subsurface samples by drilling to confirm the presence of mineralization (the presence of economic minerals in a specific area or geological formation). The Company may enter into joint venture agreements with other companies to fund further exploration and/or development work. It is the Company’s plan to focus on assembling a high quality group of mid-stage mineral (gold and silver) exploration prospects, using the experience and contacts of the management group. By such prospects, the Company means properties that have been previously identified by third parties, including prior owners such as exploration companies, as mineral prospects with potential for economic mineralization. Often these properties have been sampled, mapped and sometimes drilled, usually with indefinite results. Accordingly, such acquired projects will have either prior exploration history or will have strong similarity to a recognized geologic ore deposit model. Geographic emphasis will be place on the western United States.

The geologic potential and ore deposit models have been defined and specific drill targets identified on the majority of the Company’s properties. The Company’s property evaluation process involves using basic geologic fieldwork to perform an initial evaluation of a property. If the evaluation is positive, the Company seeks to acquire, either by staking unpatented mining claims on open public domain, or by leasing the property from the owner of private property or the owner of unpatented claims. Once acquired, the Company then typically makes a more detailed evaluation of the property. This detailed evaluation involves expenditures for exploration work which may include rock and soil sampling, geologic mapping, geophysics, trenching, drilling or other means to determine if economic mineralization is present on the property.

Portions of the Company’s mining properties are owned by third parties and leased to Star Gold as outlined in the following table:

Property Name	Third Party	Number of Claims	Acres	Agreements/Royalties
Longstreet	Minquest	125	2,500	3% Net Smelter Royalty (“NSR”) Annual lease payments totaling \$247,000, annual exploration expenditures totaling \$1.75m, and 185,000 shares due through 2020.

## **Compliance With Government Regulations**

If the Company decides to continue with the acquisition and exploration of mineral properties in the State of Nevada it will be required to comply with all regulations, rules and directives of governmental authorities and agencies applicable to the exploration of minerals in the State of Nevada and the United States Federal agencies.

### *United States*

Mining in the State of Nevada is subject to federal, state and local law. Three types of laws are of particular importance to the Company's U.S. mineral properties: those affecting land ownership and mining rights; those regulating mining operations; and those dealing with the environment.

### *Land Ownership and Mining Rights.*

On Federal Lands, mining rights are governed by the General Mining Law of 1872 (General Mining Law) as amended, 30 U.S.C. §§ 21-161 (various sections), which allows the location of mining claims on certain Federal Lands upon the discovery of a valuable mineral deposit and proper compliance with claim location requirements. A valid mining claim provides the holder with the right to conduct mining operations for the removal of locatable minerals, subject to compliance with the General Mining Law and Nevada state law governing the staking and registration of mining claims, as well as compliance with various federal, state and local operating and environmental laws, regulations and ordinances. As the owner or lessee of the unpatented mining claims, the Company has the right to conduct mining operations on the lands subject to the prior procurement of required operating permits and approvals, compliance with the terms and conditions of any applicable mining lease, and compliance with applicable federal, state, and local laws, regulations and ordinances.

### *Mining Operations*

The exploration of mining properties and development and operation of mines is governed by both federal and state laws.

The State of Nevada likewise requires various permits and approvals before mining operations can begin, although the state and federal regulatory agencies usually cooperate to minimize duplication of permitting efforts. Among other things, a detailed reclamation plan must be prepared and approved, with bonding in the amount of projected reclamation costs. The bond is used to ensure that proper reclamation takes place, and the bond will not be released until that time. The Nevada Department of Environmental Protection, which is referred to as the NDEP, is the state agency that administers the reclamation permits, mine permits and related closure plans on the Nevada property. Local jurisdictions (such as Eureka County) may also impose permitting requirements (such as conditional use permits or zoning approvals).

### *Environmental Law*

The development, operation, closure, and reclamation of mining projects in the United States requires numerous notifications, permits, authorizations, and public agency decisions. Compliance with environmental and related laws and regulations requires us to obtain permits issued by regulatory agencies, and to file various reports and keep records of the Company's operations. Certain of these permits require periodic renewal or review of their conditions and may be subject to a public review process during which opposition to the Company's proposed operations may be encountered. The Company is currently operating under various permits for activities connected to mineral exploration, reclamation, and environmental considerations. Unless and until a mineral resource is proved, it is unlikely Star Gold Corp. operations will move beyond the exploration stage. If in the future the Company decides to proceed beyond exploration, there will be numerous notifications, permit applications, and other decisions to be addressed at that time.

## **Competition**

Star Gold Corp. competes with other mineral resource exploration and development companies for financing and for the acquisition of new mineral properties and also for equipment and labor related to exploration and development of mineral properties. Many of the mineral resource exploration and development companies with whom the Company competes have greater financial and technical resources. Accordingly, competitors may be able to spend greater amounts on acquisitions of mineral properties of merit, on exploration of their mineral properties and on development of their mineral properties. In addition, they may be able to afford greater geological expertise in the targeting and exploration of mineral properties. This competition could result in competitors having mineral properties of greater quality and interest to prospective investors who may finance additional exploration and development. This competition could



adversely impact Star Gold Corp.'s ability to finance further exploration and to achieve the financing necessary for the Company to develop its mineral properties.

The Company provides no assurance it will be able to compete in any of its business areas effectively with current or future competitors or that the competitive pressures faced by the Company will not have a material adverse effect on the business, financial condition and operating results.

### **Office and Other Facilities**

Star Gold Corp. currently maintains its administrative offices at 611 E. Sherman Avenue, Coeur d'Alene, ID 83814. The telephone number is (208) 664-5066. Star Gold Corp. does not currently own title to any real property.

### **Employees**

The Company has no employees other than its executive officers as of the date of this Annual Report on Form 10-K. Star Gold Corp. conducts business largely through independent contractor agreements with consultants.

### **Research and Development Expenditures**

The Company has not incurred any research expenditures since incorporation.

### **Reports to Security Holders**

The Registrant does not issue annual or quarterly reports to security holders other than the annual Form 10-K and quarterly Forms 10-Q as electronically filed with the SEC. Electronically filed reports may be accessed at [www.sec.gov](http://www.sec.gov). Interested parties also may read and copy any materials filed with the SEC at the SEC's Public Reference Room at 450 Fifth Street NW, Washington, DC 20549. Information may be obtained on the operation of the Public Reference Room by calling the SEC at (800) SEC-0330.

## **PLAN OF OPERATION**

### **PLAN OF OPERATION**

The financial condition of the Company was positive during 2014 and the metals commodity markets were unfavorable for most of the year but with little impact as Star Gold is in the exploration stage.

In the past year the Company completed the following:

- A detailed scoping study outlining the potential cash costs and capital required to build a mine at Longstreet property.
- A small drill program of approximately 12 holes (3,500 feet) to better define the potential of the eastern side of the Main deposit at the Longstreet Property.
- A formal Star Gold Corp board decision to proceed with the studies necessary to allow a mine permit to be issued at Longstreet.
- Meeting with United States Forest Service ("USFS") and Bureau of Land Management ("BLM") and other stakeholders as to an agreed pathway to proceed through to an environmental impact study.

The Company's plan of operations for the next twelve months, subject to funding, and the availability of contractors, is as follows:

- Begin a collection of data for preparation of a Baseline Study as required by the USFS and BLM. This entails studies of fauna and flora, metallurgic studies, cultural resource studies and preliminary engineering.
- Drilling for water and study of water sufficiency for mining at the Main Deposit zone on Longstreet.

With the exception of hydrology related drilling, the Company does not intend to drill further at Longstreet deposit until permitting has been completed.

The preliminary budget for 2015:

**STAR GOLD CORP. – LONGSTREET Au-Ag PROJECT, NEVADA**

Fauna and flora studies	\$	60,000
Cultural studies		120,000
Preliminary engineering and mapping		80,000
Hydrology		<u>140,000</u>
<b>Total</b>	<b>\$</b>	<b><u><u>400,000</u></u></b>

The hydrology work is contingent on securing additional financing.

Management believes it can source additional capital in the investment markets in the coming months and years. The Company may also consider other sources of funding, including potential mergers, joint ventures and/or farm-out a portion of its exploration properties.

Future liquidity and capital requirements depend on many factors including timing, cost and progress of the Company's exploration efforts. The Company will consider additional public offerings, private placement, mergers or debt instruments.

Additional financing will be required in the future to complete all necessary steps to apply for a final permit. Although the Company believes it will be able to source additional financing there are no guarantees any needed financing will be available at the time needed or on acceptable terms, if at all. If the Company is unable to raise additional financing when necessary, it may have to delay exploration efforts or property acquisitions, or be forced to cease operations. Collaborative arrangements may require the Company to relinquish rights to certain of its mining claims.

**RESULTS OF OPERATIONS**

The Company has earned no revenues from operations in 2015 or 2014 and does not anticipate earning any revenues, from operations, in the foreseeable future. Star Gold Corp. is an exploration stage company and presently is seeking additional business opportunities.

	For the three months ended October 31,		\$\$ Change	% Change
	2015	2014		
Mineral exploration expense	\$ 86,231	\$ 116,838	\$ (30,607)	(26.2%)
Legal and professional fees	11,480	91,470	(79,990)	(87.4%)
Management and administrative	21,268	144,731	(123,463)	(85.3%)
Depreciation	1,351	1,478	(127)	(8.6%)
Other expense (income)	359	(62)	421	(679.0%)
NET LOSS	<u>\$ 120,689</u>	<u>\$ 354,455</u>	<u>\$ (233,766)</u>	<u>(66.0%)</u>

	For the six months ended October 31,		\$\$ Change	% Change
	2015	2014		
Mineral exploration expense	\$ 199,686	\$ 205,931	\$ (6,245)	(3.0%)
Legal and professional fees	33,214	116,067	(82,853)	(71.4%)
Management and administrative	47,427	301,140	(253,713)	(84.3%)
Depreciation	2,701	2,958	(257)	(8.7%)
Other expense (income)	2,680	(55)	2,735	(4972.7%)
NET LOSS	<u>\$ 285,708</u>	<u>\$ 626,041</u>	<u>\$ (340,333)</u>	<u>(54.4%)</u>

Total expenses for the three months ended October 31, 2015 of \$118,979 decreased \$235,476 from total expenses of \$354,455 for the comparable period ended October 31, 2014. The Company reduced exploration activities during the three months ended October 31, 2015 compared to the prior period, and also reduced management and administrative expenses by eliminating a field geologist position in Tonopah, Nevada, terminating the employment contracts of the Company's chief executive officer and chief financial officer and terminating the lease on its administrative office in Coeur d'Alene, Idaho.

### Mineral exploration and consultants expense

	For the three months ended October 31,		\$\$ Change	% Change
	2015	2014		
Drilling and field work	\$ -	\$ 81,215	\$ (81,215)	(100.0%)
Environmental and permitting	82,853	-	82,853	N/A
Geochemical analysis and metallurgy	-	223	(223)	(100.0%)
Field consultants and payroll	3,378	28,418	(25,040)	(88.1%)
Technical consultants	-	6,982	(6,982)	(100.0%)
Claims	-	-	-	N/A
Total mineral exploration expense	<u>\$ 86,231</u>	<u>\$ 116,838</u>	<u>\$ (30,607)</u>	<u>(26.2%)</u>

	For the six months ended October 31,		\$\$ Change	% Change
	2015	2014		
Drilling and field work	\$ 2,856	\$ 83,207	\$ (80,351)	(96.6%)
Environmental and permitting	163,815	-	163,815	N/A
Geochemical analysis and metallurgy	-	223	(223)	(100.0%)
Field consultants and payroll	3,379	47,739	(44,360)	(92.9%)
Technical consultants	-	45,126	(45,126)	(100.0%)
Claims	29,636	29,636	-	N/A
Total mineral exploration expense	<u>\$ 199,686</u>	<u>\$ 205,931</u>	<u>\$ (6,245)</u>	<u>(3.0%)</u>

Mineral exploration expense for the three months ended October 31, 2015 was \$86,231 a decrease of \$30,607 over the three months ended October 31, 2014 expense of \$116,838. During the three months ended October 31, 2015, the Company engaged technical consultants, engineers and biologists to initiate the environmental and permitting phase on the Longstreet project.

The emphasis on exploration expense in the current year is on conducting environmental and engineering work geared toward permitting of an open pit heap leach pad operation at Longstreet.

### Legal and professional fees

	For the three months ended October 31,		\$\$ Change	% Change
	2015	2014		
Audit and accounting	\$ 5,704	\$ 5,009	\$ 695	13.9%
Legal fees	4,975	12,481	(7,506)	(60.1%)
Public company expense	501	46,008	(45,507)	(98.9%)
Investor relations	300	27,972	(27,672)	(98.9%)
Total legal and professional fees	<u>\$ 11,480</u>	<u>\$ 91,470</u>	<u>\$ (79,990)</u>	<u>(87.4%)</u>

	For the six months ended October 31,		\$\$ Change	% Change
	2015	2014		
Audit and accounting	\$ 23,204	\$ 19,243	\$ 3,961	20.6%
Legal fees	9,515	18,666	(9,151)	(49.0%)
Public company expense	(179)	46,248	(46,427)	(100.4%)
Investor relations	674	31,910	(31,236)	(97.9%)
Total legal and professional fees	\$ 33,214	\$ 116,067	\$ (82,853)	(71.4%)

Total legal and professional fees decreased \$79,990 (87.4%) for the three months ended October 31, 2015 from the three months ended October 31, 2014. Total legal and professional fees decreased \$82,853 (71.4%) for the six months ended October 31, 2015 from the six months ended October 31, 2015.

Legal fees decreased \$7,506 (60.1%) for the three months ended October 31, 2015 from the three months ended October 31, 2014. The Company expects a slight decrease in legal fees during the subsequent three months. Legal fees for the six months ended October 31, 2015 decreased \$9,151 (49%) compared to the six months ended October 31, 2014.

Audit and accounting fees for the three months ended October 31, 2015 increased \$695 (13.2%) compared to the three months ended October 31, 2014. For the six months ended October 31, 2015, audit and accounting fees increased \$3,961 (20.6%) over the comparable period ended October 31, 2015. The annual audit of the Company's financial statements came in on budget. The Company expects its audit and accounting fees for the subsequent fiscal quarters to remain relatively constant per a fixed fee engagement with the audit firm.

Public company expense decreased \$45,507 for the three months ended October 31, 2015 over comparable period ending October 31, 2014 as the company postponed plans to list its securities on a foreign exchange indefinitely. Consequently, for the six month period ending October 31, 2015, public company expense also decreased \$46,427 (100.4%) compared to the six months ended October 31, 2014.

Investor relations expense decreased \$27,672 (98.9%) for the three months ended October 31, 2015 over comparable period ending October 31, 2014 and decreased \$31,236 (97.9%) for the six months ended October 31, 2015 versus October 31, 2014. During the six months ended October 31, 2014, the Company incurred expenses related to capital raising efforts, including trips to the Longstreet site in Nevada. During the six months ended October 31, 2015, the Company did not conduct trips to the site.

#### **Management and administrative expense**

	For the three months ended October 31,		\$\$ Change	% Change
	2015	2014		
Auto and travel	\$ -	\$ 6,529	\$ (6,529)	(100.0%)
General administrative and insurance	8,545	7,697	848	11.0%
Management fees and payroll	11,450	66,263	(54,813)	(82.7%)
Office and computer expense	801	1,784	(983)	(55.1%)
Rent and lease expense	-	7,500	(7,500)	(100.0%)
Stock based compensation	195	54,347	(54,152)	(99.6%)
Telephone and utilities	277	611	(334)	(54.7%)
Total management and administrative	\$ 21,268	\$ 144,731	\$ (123,463)	(85.3%)

	For the six months ended October 31,		\$\$ Change	% Change
	2015	2014		
Auto and travel	\$ 1,305	\$ 44,337	\$ (43,032)	(97.1%)
General administrative and insurance	17,035	18,717	(1,682)	(9.0%)
Management fees and payroll	22,884	139,122	(116,238)	(83.6%)
Office and computer expense	2,405	3,280	(875)	(26.7%)
Rent and lease expense	2,500	15,000	(12,500)	(83.3%)
Stock based compensation	486	79,364	(78,878)	(99.4%)
Telephone and utilities	812	1,320	(508)	(38.5%)
Total management and administrative	\$ 47,427	\$ 301,140	\$ (253,713)	(84.3%)

Management and administrative expenses for the three months ended October 31, 2015 decreased \$123,463 to \$21,268 compared to 2014 expenses of \$144,731 resulting primarily from reduced payroll, stock based compensation and travel expense in the current quarter.

For the six months ended October 31, 2015, management fees and payroll decreased \$116,238 compared to the six months ended October 31, 2014. On or about February 4, 2015, Chief Executive Officer David Segelov entered into a separation agreement terminating the employment relationship with the Company but will remain on the Board of Directors and continue serving as the Company's President. The executive employment contract of Chief Financial Officer Kelly Stopher was also terminated but he continues to serve in his capacity of CFO and provides services as an independent contractor as needed. Management fees and payroll of \$11,450 for the three months ended October 31, 2015, decreased \$54,813 compared to the three months ended October 31, 2014.

During the six months ended October 31, 2015, the Company also terminated its lease of office premises with a related party resulting in a monthly savings of \$2,500 plus common area expenses.

## LIQUIDITY AND FINANCIAL CONDITION

### BALANCE SHEET INFORMATION

	October 31, 2015	April 30, 2015
Working capital (deficit)	\$ 62,449	\$ (67,131)
Total assets	452,904	395,746
Accumulated deficit	9,182,773	8,897,065
Stockholder equity	391,300	252,420

### WORKING CAPITAL

	October 31, 2015	April 30, 2015
Current assets	\$ 124,053	\$ 76,195
Current liabilities	(61,604)	(143,326)
Working capital (deficit)	\$ 62,449	\$ (67,131)

### CASH FLOWS

	For the six months ended October 31,	
	2015	2014
Cash flow used by operating activities	\$ (214,600)	\$ (541,373)
Cash flow used by investing activities	(12,000)	(9,000)
Cash flow provided by financing activities	334,521	336,412
Net increase (decrease) in cash during period	\$ 107,921	\$ (213,961)

The Company total assets increased to \$452,904 at October 31, 2015 compared to \$395,746 at April 30, 2014, primarily as a result of an increase in cash balance related to a private placement of the Company's common stock.

Equipment and mining interest, net of depreciation increased from \$297,951 at April 30, 2015 to \$307,251 at October 31, 2015 as a result of the purchase of additional mining interests in the Clifford claims at the Longstreet Property. Prepaid expenses decreased from

\$70,837 at April 30, 2015 to \$10,774 at October 31, 2015 as prepaid deposits on environmental and permitting activities at the Longstreet Property were utilized during the three and six months then ended.

At October 31, 2015, the Company had working capital of \$62,449, primarily related to cash from a private placement of the Company's common stock.

The Company is in compliance with all obligations of the Longstreet Property Option Agreement including required cumulative exploration expenditures. The Company gave notice of termination on the Jet and Excalibur Property Option Agreements during the six months ended October 31, 2015.

As of October 31, 2015, the Company had cash of \$113,279. Since inception, the sources of the Company's financing have been through offerings of its equity and debt securities. Star Gold Corp. has not attained profitable operations and its ability to pursue any future plan of operation is likely dependent upon the Company's ability to obtain additional financing in the future.

Star Gold Corp. anticipates continuing to rely on offerings of its debt and/or equity securities in order to continue to fund business operations. Issuances of additional equity securities may result in dilution to the Company's then existing stockholders. The issuance of additional debt securities, instead of equity securities, will likely result in the reduction of the amount of cash available to the Company to utilize in its ongoing operations and may also result in dilution to the Company's then existing stockholders. There are no assurances that the Company will be able to complete any additional offerings of its securities or that it will be able arrange for any other type of financing to fund its ongoing business activities.

The Company engaged in a private placement offering that raised a total of \$424,100. The private placement consisted of the sale of Units (each a "Unit" and together, the "Units") at \$0.10 per Unit. Each Unit consists of one common share of the Company (each a "Common Share" and together, the "Common Shares") and one common share purchase warrant (each a "Warrant" and together, the "Warrants"). Each Warrant will be exercisable no later than sixty months from the date of issuance thereof to purchase one Common Share of the Company's stock at an exercise price of \$0.20. Once the Company has obtained a Record of Decision from the federal Bureau of Land Management approving an Environmental Impact Statement for the Longstreet Project, the Company, at its sole discretion may call the Warrants issued hereunder as due and exercisable by providing holders of Warrants with 45 day written notice of same

Disruptions in the credit and financial markets over the past several years have had a material adverse impact on a number of financial institutions and have limited access to capital and credit for many companies. The prices for gold, silver and other base metals have also recently been subject to fluctuations which have had a material adverse impact on mining related companies' ability to raise capital. These disruptions could, among other things, make it more difficult for the Company to obtain, or increase the cost of obtaining, capital and financing for operations. Access to additional capital may not be available to terms acceptable to the Company or at all.

The Company's continuation as a going concern or ultimately to attain profitability is dependent upon its ability to generate sufficient cash flow to meet its obligations on a timely basis, to obtain additional financing as may be required and to further develop its properties. Potential sources of cash, or relief of demand for cash, include additional external debt, the sale of shares of the Company's stock or alternative methods such as joint ventures, mergers or sale(s) of the Company's assets. No assurances can be given, however, that the Company will be able to obtain any of these potential sources of cash. The Company currently requires additional cash funding from outside sources to sustain existing operations and to meet current obligations and ongoing capital requirements.

The Company's plans for its long term continuation as a going concern include financing future operations through sales of our common stock and/or debt and the eventual profitable exploitation of the Company's mining properties. These plans may also, at some future point, include the formation of mining joint ventures with senior mining company partners on specific mineral properties whereby the joint venture partner would provide the necessary financing in return for an interest in the Company's properties and/or any minerals it may produce in the future.

### **ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK**

The Company does not hold any derivative instruments and does not engage in any hedging activities.

### **ITEM 4. CONTROLS AND PROCEDURES.**

(a) **Evaluation of disclosure controls and procedures** – In connection with the preparation of this quarterly report on Form 10-Q, an evaluation was carried out by Star Gold Corp's management, with the participation of the President and the Chief Financial Officer, of

the effectiveness of the Company's disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934 ("Exchange Act")) as of October 31, 2015. Disclosure controls and procedures are designed to ensure that information required to be disclosed in reports filed or submitted under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in the SEC rules and forms and that such information is accumulated and communicated to management, including the President and the Chief Financial Officer, to allow timely decisions regarding required disclosures.

Based on that evaluation, Star Gold Corp's management concluded, as of the end of the period covered by this report, that the Company's disclosure controls and procedures were not effective in recording, processing, summarizing, and reporting information required to be disclosed, within the time periods specified in the Securities and Exchange Commission's rules and forms.

Management of Star Gold Corp. is responsible for establishing and maintaining adequate internal control over financial reporting.

The Company's internal control over financial reporting is a process, under the supervision of the President and the Chief Financial Officer, designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the Company's financial statements for external purposes in accordance with United States generally accepted accounting principles (GAAP). Internal control over financial reporting includes those policies and procedures that:

- Pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of the Company's assets;
- Provide reasonable assurance that transactions are recorded as necessary to permit preparation of the financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures are being made only in accordance with authorizations of management and the Board of Directors; and
- Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions or that the degree of compliance with the policies or procedures may deteriorate.

The Company's management conducted an assessment of the effectiveness of the Company's internal control over financial reporting as of October 31, 2015, based on criteria established in *Internal Control – Integrated Framework* (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO"). As a result of this assessment, management identified a material weakness in internal control over financial reporting.

A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting such that there is a reasonable possibility that a material misstatement of the Company's annual or interim financial statements will not be prevented or detected on a timely basis.

The material weakness identified is described below:

Due to insufficient staffing, it was not possible to ensure appropriate segregation of duties between incompatible functions, and formalized monitoring procedures have not been established or implemented.

As a result of the material weakness in internal control over financial reporting described above, the Company's management has concluded that, as of October 31, 2015, the Company's internal control over financial reporting was not effective based on the criteria in *Internal Control – Integrated Framework* (2013) issued by COSO.

This quarterly report does not include an attestation report of the Company's independent registered public accounting firm regarding internal control over financial reporting. The Company was not required to have, nor has it, engaged its independent registered public accounting firm to perform an audit of internal control over financial reporting pursuant to the rules of the Securities and Exchange Commission that permit us to provide only management's report in this quarterly report

(b) **Changes in internal controls** – Our management, including the CEO and CFO, identified no change in our internal control over financial reporting that occurred during the Company's fiscal quarter ended October 31, 2015 that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

## **PART II - OTHER INFORMATION**

### **ITEM 1. LEGAL PROCEEDINGS**

Star Gold Corp. is not a party to any material legal proceedings and, to Management's knowledge, no such proceedings are threatened or contemplated. No director, officer or affiliate of Star Gold Corp. and no owner of record or beneficial owner of more than 5% of the Company's securities or any associate of any such director, officer or security holder is a party adverse to Star Gold Corp. or has a material interest adverse to Star Gold Corp. in reference to pending litigation.

### **ITEM 1A. RISK FACTORS**

There have been no material changes from the risk factors as previously disclosed in the Company's Form 10-K for the year ended April 30, 2015 which was filed with the SEC on August 13, 2015.

### **ITEM 2. RECENT SALES OF UNREGISTERED SECURITIES**

On October 12, 2015, the Company closed a private placement in which it issued a total of 4,241,000 shares of common stock and warrants to purchase an additional 4,241,000 shares to 13 investors, raising a total of \$421,400. Warrants issued in the Offering entitled the holder thereof to purchase shares of common stock for the price of \$0.20 per share and expire sixty (60) months after their issuance date. The Warrants also contain a provision allowing the Company, at its sole discretion, to call the Warrants as due and exercisable by providing holders of the Warrants with forty-five (45) day written notice of the same, upon the Company has obtained a Record of Decision from the federal Bureau of Land Management approving an Environmental Impact Statement for the Longstreet Project.

Shares were registered in reliance on Section 4(2) of the Securities Act of 1933 (the "Act") and Rule 506 of Regulation D promulgated under the Act.

### **ITEM 3. DEFAULTS UPON SENIOR SECURITIES**

None

### **ITEM 4. MINE SAFETY DISCLOSURES**

Pursuant to Section 1503(a) of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (the "Dodd-Frank Act"), issuers that are operators, or that have a subsidiary that is an operator, of a coal or other mine in the United States are required to disclose in their periodic reports filed with the SEC information regarding specified health and safety violations, orders and citations, related assessments and legal actions, and mining-related fatalities. The Company is in the exploration stage and has no operations.

### **ITEM 5. OTHER INFORMATION.**

None



**ITEM 6. EXHIBITS**

<u>Exhibit Number</u>	<u>Description of Exhibits</u>
3.1	Articles of Incorporation. <sup>(1)</sup>
3.2	Bylaws, as amended. <sup>(1)</sup>
4.1	Form of Share Certificate. <sup>(1)</sup>
10.1	Purchase Agreement dated June 22, 2004 between Guy R. Delorme and Star Gold Corp. <sup>(1)</sup>
10.2	Declaration of Trust executed by Guy R. Delorme. <sup>(1)</sup>
14.1	Code of Ethics. <sup>(2)</sup>
31.1	Certification of Principal Executive Officer and Principal Financial Officer as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Certification of Principal Executive Officer and Principal Financial Officer as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS(2)	XBRL Instance
101.SCH*	XBRL Taxonomy Extension Schema
101.CAL*	XBRL Taxonomy Extension Calculation
101.DEF*	XBRL Taxonomy Extension Definition
101.LAB*	XBRL Taxonomy Extension Labels
101.PRE*	XBRL Taxonomy Extension Presentation
(1)	Filed with the SEC as an exhibit to the Company's Registration Statement on Form SB-2 originally filed on June 14, 2007, as amended.
(2)	Filed with the SEC, on February 02, 2012, as an exhibit to form 8-K.
(*)	XBRL Information is furnished and not filed or a part of a registration statement or prospectus for purposes of Sections 11 or 12 of the Securities Act of 1933, as amended, is deemed not filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended and otherwise is not subject to liability under these sections.

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

**STAR GOLD CORP.**

Date: December 11, 2015 By: /s/ David Segelov  
President  
(Principal Executive Officer )

Date: December 11, 2015 By: /s/ Kelly J. Stopher  
Kelly J. Stopher  
Chief Financial Officer and Secretary  
(Principal Financial Officer)

**Exhibit 31.1**

**CERTIFICATION  
PURSUANT TO SECTION 302 OF  
THE SARBANES-OXLY ACT OF 2002**

**Rule 13a-14(a)/15d-14(a) Certifications.**

I, David Segelov, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Star Gold Corp.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the small business issuer as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f) of the registrant, and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the small business issuer, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the small business issuer's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation and
  - (d) Disclosed in this report any change in the small business issuer's internal control over financial reporting that occurred during the small business issuer's most recent fiscal quarter (the small business issuer's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the small business issuer's internal control over financial reporting; and
5. The small business issuer's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the small business issuer's auditors and the audit committee of the small business issuer's board of directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the small business issuer's ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the small business issuer's internal control over financial reporting.

Date: December 11, 2015

*/s/ David Segelov*

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David Segelov  
President

**Exhibit 32.1 Certification of Chief Financial Officer**

**Pursuant to Section 302 of Sarbanes-Oxley Act**

I, Kelly J. Stopher, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Star Gold Corp.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the small business issuer as of, and for, the periods presented in this report;
4. The small business issuer's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13(a)-15(f) of the registrant, and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the small business issuer, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the small business issuer's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the small business issuer's internal control over financial reporting that occurred during the small business issuer's most recent fiscal quarter (the small business issuer's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the small business issuer's internal control over financial reporting.
5. The small business issuer's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the small business issuer's auditors and the audit committee of the small business issuer's board of directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the small business issuer's ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the small business issuer's internal control over financial reporting.

Date: December 11, 2015

/s/ KELLY J. STOPHER

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Kelly J. Stopher

Chief Financial Officer

**CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350,  
AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Star Gold Corp. a Nevada corporation (the "Company") on Form 10-Q for the period ending October 31, 2015, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), David Segelov, Chief Executive Officer of the Company, certifies to the best of his knowledge, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

A signed original of this written statement required by Section 906 has been provided to Star Gold Corp., and will be retained by Star Gold Corp. and furnished to the Securities and Exchange Commission or its staff upon request.

*/s/ David Segelov*

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David Segelov

President

December 11, 2015