

**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, 2018**

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 small business issuer as specified in its charter)

NEVADA

(State or other jurisdiction of incorporation or organization)

611 E. Sherman Avenue

Coeur d'Alene, Idaho

(Address of principal executive office)

27-0348508

(IRS Employer Identification No.)

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 No

Indicate by checkmark whether the registrant has submitted electronically and posted on its corporate Website, 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 filed). Yes 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

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

As of **December 12, 2018** there were **77,394,841** Shares of issuer's common stock, \$0.001 par value, issued and outstanding.

Contents

| | |
|--|----|
| PART I - FINANCIAL INFORMATION | 3 |
| ITEM 1. FINANCIAL STATEMENTS | 3 |
| ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS AND PLAN OF OPERATION..... | 13 |
| ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK | 21 |
| ITEM 4. CONTROLS AND PROCEDURES | 21 |
| PART II - OTHER INFORMATION | 21 |
| ITEM 1. LEGAL PROCEEDINGS. | 21 |
| ITEM 1A. RISK FACTORS..... | 21 |
| ITEM 2. RECENT SALES OF UNREGISTERED SECURITIES. | 21 |
| ITEM 3. DEFAULTS UPON SENIOR SECURITIES..... | 21 |
| ITEM 4. MINE SAFETY DISCLOSURES. | 22 |
| ITEM 5. OTHER INFORMATION..... | 22 |
| ITEM 6. EXHIBITS..... | 22 |

PART I - FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

**STAR GOLD CORP.
BALANCE SHEETS (UNAUDITED)**

| | October 31, 2018 | April 30, 2018 |
|--|---------------------|---------------------|
| ASSETS | | |
| CURRENT ASSETS | | |
| Cash and cash equivalents | \$ 602,063 | \$ 832,426 |
| Other current assets (NOTE 5) | 18,841 | 22,636 |
| TOTAL CURRENT ASSETS | 620,904 | 855,062 |
| EQUIPMENT AND MINING INTEREST, net (NOTE 4) | 425,690 | 414,522 |
| OTHER ASSETS – NON-CURRENT (NOTE 5) | 11,954 | 15,735 |
| RECLAMATION BOND | 21,600 | 21,600 |
| TOTAL ASSETS | \$ 1,080,148 | \$ 1,306,919 |
| LIABILITIES AND STOCKHOLDERS' EQUITY | | |
| CURRENT LIABILITIES | | |
| Accounts payable | \$ 27,518 | \$ 95,911 |
| TOTAL CURRENT LIABILITIES | 27,518 | 95,911 |
| TOTAL LIABILITIES | 27,518 | 95,911 |
| COMMITMENTS AND CONTINGENCIES (NOTE 4) | | |
| 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; 77,394,841 and 76,434,424 shares issued and outstanding, respectively | 77,395 | 76,434 |
| Additional paid-in capital | 11,558,277 | 11,501,613 |
| Accumulated deficit | (10,583,042) | (10,367,039) |
| TOTAL STOCKHOLDERS' EQUITY | 1,052,630 | 1,211,008 |
| TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY | \$ 1,080,148 | \$ 1,306,919 |

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

STAR GOLD CORP.
STATEMENTS OF OPERATIONS (UNAUDITED)

| | Three months ended October 31, | | Nine months ended October 31, | |
|--|--------------------------------|-------------|-------------------------------|--------------|
| | 2018 | 2017 | 2018 | 2017 |
| OPERATING EXPENSE | | | | |
| Mineral exploration expense | \$ (4,714) | \$ 1,583 | \$ 19,914 | \$ 25,301 |
| Pre-development expense | 45,766 | 11,581 | 90,812 | 54,839 |
| Legal and professional fees | 5,357 | 15,208 | 35,252 | 53,440 |
| Management and administrative | 38,490 | 36,005 | 69,942 | 76,076 |
| Depreciation | 416 | - | 832 | - |
| TOTAL OPERATING EXPENSES | 85,315 | 64,377 | 216,752 | 209,656 |
| LOSS FROM OPERATIONS | (85,315) | (64,377) | (216,752) | (209,656) |
| OTHER INCOME (EXPENSE) | | | | |
| Interest expense | (200) | (188) | (400) | (375) |
| Interest income | 591 | 95 | 1,149 | 113 |
| TOTAL OTHER INCOME (EXPENSE) | 391 | (93) | 749 | (262) |
| NET LOSS | \$ (84,924) | \$ (64,470) | \$ (216,003) | \$ (209,918) |
| Basic and diluted loss per share | Nil | Nil | Nil | Nil |
| Basic and diluted weighted average number shares outstanding | 76,483,930 | 54,836,726 | 76,459,832 | 54,836,726 |

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, 2018 | October 31, 2017 |
| CASH FLOWS FROM OPERATING ACTIVITIES: | | |
| Net loss | \$ (216,003) | \$ (209,918) |
| Adjustments to reconcile net loss to net cash used by operating activities | | |
| Depreciation | 832 | - |
| Changes in operating assets and liabilities: | | |
| Other current assets | 3,795 | (8,458) |
| Other assets | 3,781 | (12,063) |
| Accounts payable | (10,768) | (25,230) |
| Net cash used by operating activities | <u>(218,363)</u> | <u>(205,209)</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES: | | |
| Payments for mining interest | <u>(12,000)</u> | <u>(12,000)</u> |
| Net cash used in investing activities | <u>(12,000)</u> | <u>(12,000)</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES: | | |
| Proceeds from common stock subscriptions | <u>-</u> | <u>1,069,884</u> |
| Net cash provided by financing activities | <u>-</u> | <u>1,069,884</u> |
| Net change in cash and cash equivalents | (230,363) | 852,675 |
| CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD | <u>832,426</u> | <u>109,380</u> |
| CASH AND CASH EQUIVALENTS AT END OF PERIOD | <u>\$ 602,063</u> | <u>\$ 962,055</u> |
| NON-CASH FINANCING AND INVESTING ACTIVITIES: | | |
| Common stock issued for account payable | \$ 57,625 | \$ - |

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

STAR GOLD CORP.
NOTES TO FINANCIAL STATEMENTS
OCTOBER 31, 2018

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 focused on gold, silver and other base metal-bearing properties in Nevada.

The Company’s core 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, and performing geophysical work or other exploration work deemed necessary to move such claims towards development and production. 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 management, the accompanying unaudited financial statements contain all adjustments, consisting of only normal recurring adjustments, necessary for a fair statement of its financial position as of October 31, 2018, and its results of operations for the three and six months ended October 31, 2018 and 2017, and cash flows for the six months ended October 31, 2018 and 2017. The balance sheet at April 30, 2018, was derived from audited annual financial statements but does not contain all of the footnote disclosures from the annual financial statements. 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, 2018.

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 long-lived asset impairments and stock-based compensation 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.

Risks and uncertainties

The Company’s operations are subject to significant risks and uncertainties, including financial, operational, technological and other risks associated with operating an emerging exploration mining business, including the potential risk of business failure.

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.

Financial Instruments

The Company’s financial instruments include cash and cash equivalents and reclamation bonds. All instruments are accounted for on a cost basis, which, due to the short maturity of these financial instruments, approximates fair value at October 31, 2018.

STAR GOLD CORP.
NOTES TO FINANCIAL STATEMENTS
OCTOBER 31, 2018

Fair Value Measures

When required to measure assets or liabilities at fair value, the Company uses a fair value hierarchy based on the level of independent, objective evidence surrounding the inputs used. The Company determines the level within the fair value hierarchy in which the fair value measurements in their entirety fall. The categorization within the fair value hierarchy is based upon the lowest level of input that is significant to the fair value measurement. Level 1 uses quoted prices in active markets for identical assets or liabilities, Level 2 uses significant other observable inputs, and Level 3 uses significant unobservable inputs. The amount of the total gains or losses for the period are included in earnings that are attributable to the change in unrealized gains or losses relating to those assets and liabilities still held at the reporting date.

At October 31, 2018 and April 30, 2018, the Company had no assets or liabilities accounted for at fair value on a recurring or nonrecurring basis.

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.

Pre-development Expenditures

Pre-development activities involve costs incurred in the exploration stage that may ultimately benefit production, such as underground ramp development, which are expensed due to the lack of evidence of economic development, which is necessary to demonstrate future recoverability of these expenses.

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 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.

Impairment of Long-lived Assets

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. 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

STAR GOLD CORP.
NOTES TO FINANCIAL STATEMENTS
OCTOBER 31, 2018

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 of Directors. The value of shares of common stock awards is determined based on the closing price of the Company’s stock on the date of the award.

Income Taxes

The Company accounts for income taxes using the liability method. The liability method requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of (i) temporary differences between financial statement carrying amounts of assets and liabilities and their basis for tax purposes and (ii) operating loss and tax credit carry-forwards for tax purposes. Deferred tax assets are reduced by a valuation allowance when management concludes that it is more likely than not that a portion of the deferred tax assets will not be realized in a future period.

Reclassifications

Certain reclassifications have been made to the 2017 financial statements in order to conform to the 2018 presentation. These reclassifications have no effect on net loss, total assets or accumulated deficit as previously reported.

New Accounting Pronouncements

In August 2016, the Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update (“ASU”) No. 2016-15 Statement of Cash Flows (Topic 230): Classification of Certain Cash Receipts and Cash Payments. The update provides guidance on classification for cash receipts and payments related to eight specific issues. The update is effective for fiscal years beginning after December 15, 2017, and interim periods within those fiscal years, with early adoption permitted. There was no impact to the financial statements upon adoption of this update effective May 1, 2018.

In November 2016, the FASB issued ASU No. 2016-18 Statement of Cash Flows (Topic 230): Restricted Cash. The update requires that a statement of cash flows explain the change during the period in the total of cash, cash equivalents, and amounts generally described as restricted cash or restricted cash equivalents. The update is effective for fiscal years beginning after December 15, 2017, and interim periods within those fiscal years, with early adoption permitted. There was no impact to the financial statements upon adoption of this update effective May 1, 2018.

In January 2017, the FASB issued ASU No. 2017-01 Business Combinations (Topic 805): Clarifying the Definition of a Business. The update clarifies the definition of a business with the objective of adding guidance to assist entities with evaluating whether transactions should be accounted for as acquisitions (or disposals) of assets or businesses. The update is effective for fiscal years beginning after December 15, 2017, and interim periods within those fiscal years. The Company will apply the provisions of the update to potential future acquisitions.

Other accounting standards that have been issued or proposed by FASB that do not require adoption until a future date are not expected to have a material impact on the consolidated financial statements upon adoption. The Company does not discuss recent pronouncements that are not anticipated to have an impact on or are unrelated to its financial condition, results of operations, cash flows or disclosures.

NOTE 3– EARNINGS 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 outstanding securities at October 31, 2018 and 2017 that could have a dilutive effect are as follows:

STAR GOLD CORP.
NOTES TO FINANCIAL STATEMENTS
OCTOBER 31, 2018

| | October 31, 2018 | October 31, 2017 |
|---------------------------------------|-------------------|-------------------|
| Stock options | 6,650,000 | 5,210,000 |
| Warrants | 30,654,249 | 30,654,249 |
| TOTAL POSSIBLE DILUTIVE SHARES | 37,304,249 | 35,864,249 |

For the six months ended October 31, 2018 and 2017, respectively, the effect of the Company’s outstanding stock options and warrants would have been anti-dilutive and so are excluded in the diluted EPS.

NOTE 4– EQUIPMENT AND MINING INTEREST

The following is a summary of the Company’s equipment and mining interest at October 31, 2018 and April 30, 2018.

| | October 31, 2018 | April 30, 2018 |
|--|-------------------|-------------------|
| Equipment | \$ 32,002 | \$ 32,002 |
| Less accumulated depreciation | (28,186) | (27,354) |
| Equipment, net of accumulated depreciation | 3,816 | 4,648 |
| Mining interest - Longstreet | 421,874 | 409,874 |
| TOTAL EQUIPMENT AND MINING INTEREST | \$ 425,690 | \$ 414,522 |

Pursuant to the Longstreet Property Option Agreement, as amended, (the “Longstreet Agreement”) entered into by the Company on or about January 15, 2010, the Company leases, with an option to acquire, unpatented mining claims located in the State of Nevada known as the Longstreet Property. Under the agreement, the Company is required to make minimal lease payments in the form of cash and options to purchase shares of the Company’s common stock.

In addition, the Company is obligated, pursuant to the Longstreet Agreement, to pay an annual advance royalty payment of \$12,000 related to the Clifford claims. The Longstreet Agreement obligates the Company to minimal expenditures to be spent on the property. All allowable expenditures in excess of the required annual expenditures are carried-over to the subsequent year.

For the year ended April 30, 2018, the Company made the annual required payment to the optioner of \$35,000 which is included in “Equipment and Mining Interest”. The Company also issued options to purchase 40,000 shares of common stock with fair value of \$2,000 during the year ended April 30, 2018.

For the six months ended October 31, 2018, the Company paid the annual \$12,000 advance royalty for additional mining interest on the Longstreet Property related to the Clifford claims.

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

| | Required expenditure | Cash payment ⁽¹⁾ | Stock options |
|--|----------------------|-----------------------------|---------------|
| January 17, 2018 through January 16, 2019 | \$ 500,000 | \$ 40,000 | 45,000 |
| January 17, 2019 through January 16, 2020 | 700,000 | 45,000 | 50,000 |
| Payment due upon transfer but no later than January 16, 2021 | - | 85,000 | - |
| TOTAL | \$1,200,000 | \$ 170,000 | 95,000 |

⁽¹⁾ Does not include \$12,000 annual advance royalty payment related to Clifford claims.

As of the measurement date of January 16, 2018, the Company had made cumulative allowable expenditures of \$2,433,991, a

STAR GOLD CORP.
NOTES TO FINANCIAL STATEMENTS
OCTOBER 31, 2018

surplus of \$83,991 over the required cumulative expenditures of \$2,350,000. As of October 31, 2018, the Company was in compliance with all provisions of the Longstreet Agreement.

NOTE 5 – OTHER ASSETS

On January 19, 2017, the Company entered into an Option and Lease of Water Rights with Stone Cabin Company, LLC (the “Stone Cabin Water Rights Agreement”). In exchange for a one-time payment of \$20,000, the Stone Cabin Water Rights Agreement granted the Company a three-year option to commence a ten-year lease of certain water rights in Nevada. The water rights are for use in conjunction with the Company’s Longstreet Project. Lease payments for the water rights do not commence unless the Company exercises the option to lease. The Stone Cabin Water Rights Agreement also granted the Company the ability to extend, upon additional option payments, the option to lease for up to an additional three years and the ability to extend the water rights lease (if exercised) for an additional ten-year period. The \$20,000 payment was deferred as Other Assets and is being amortized on a straight-line basis over the three-year option period.

On August 21, 2017, the Company entered into an Option and Lease of Water Rights, with High Test Hay, LLC (the “High Test Water Rights Agreement”). In exchange for a one-time payment of \$25,000, the High Test Water Rights Agreement grants the Company a three-year option to commence a ten-year lease on certain water rights in Nevada. The water rights are for use in conjunction with the Company’s Longstreet Project. Lease payments for the water rights do not commence unless and until the Company exercises the option to lease. The High Test Water Rights Agreement also grants the Company the ability to extend, upon additional option payments, the option to lease for up to an additional three years and the ability to extend the water rights lease (if exercised) for up to an additional twenty years. The \$25,000 payment has been deferred and is being amortized on a straight-line basis over the three-year option period.

The following is a summary of the Company’s Other Assets at October 31, 2018 and April 30, 2018.

| | <u>October 31, 2018</u> | <u>April 30, 2018</u> |
|--|-------------------------|-----------------------|
| Option on water rights lease agreements, net | \$ 23,174 | \$ 30,735 |
| Prepaid insurance | 7,621 | 7,636 |
| Total | <u>30,795</u> | <u>38,371</u> |
| Less Other Assets - Current | <u>(18,841)</u> | <u>(22,636)</u> |
| TOTAL OTHER ASSETS - NON-CURRENT | <u>\$ 11,954</u> | <u>\$ 15,735</u> |

NOTE 6 – RELATED PARTY TRANSACTIONS

The Company rents its office space from Marlin Property Management, LLC (“Marlin”) an entity owned by the spouse of the Company’s former President and current Chairman of the Board of Directors. The lease is on a month-to-month basis as financial resources are available. The Company currently pays \$250 per month plus a proportionate share of utilities and insurance. For the three months ended October 31, 2018 and 2017, office rent was \$750 and \$750, respectively. For the six months ended October 31, 2018 and 2017, office rent was \$1,500 and \$1,500, respectively.

NOTE 7 – STOCKHOLDERS’ EQUITY

STAR GOLD CORP.
NOTES TO FINANCIAL STATEMENTS
OCTOBER 31, 2018

On October 17, 2017, the Company issued 21,597,698 shares of its common stock and 10,798,849 warrants to purchase common stock to 34 investors pursuant to a private placement of its securities (the "2017 Offering"). The 2017 Offering consisted of the sale of "units" of the Company's securities at the per unit price of \$0.10. Each unit consisted of two shares of common stock and one warrant to purchase an additional share of common stock at an exercise price of \$0.15. The warrants expiration date is October 31, 2020. The Company raised a total of \$1,079,884.

On October 26, 2018, the Company issued 960,417 shares of its common stock in lieu of cash payment for accounts payable. The value of the shares issued was \$57,625, based on a price of \$0.06 per share which approximated fair value on the date of issuance.

NOTE 8 – WARRANTS

The following is a summary of the Company's warrants to purchase shares of common stock activity:

| | Warrants | Weighted Average Exercise Price |
|--|------------|------------------------------------|
| Balance outstanding at April 30, 2017 | 19,855,400 | \$ 0.17 |
| Issued – October 31, 2017 (Note 7) | 10,798,849 | 0.15 |
| Balance outstanding at October 31, 2018 and April 30, 2018 | 30,654,249 | \$ 0.16 |

The composition of the Company's warrants outstanding at October 31, 2018 is as follows:

| Issue Date | Expiration Date | Warrants | Exercise Price | Remaining life (years) |
|------------------|------------------|------------|----------------|------------------------|
| July 29, 2014 | July 29, 2019 | 1,614,400 | \$ 0.23 | 0.74 |
| October 12, 2015 | October 12, 2020 | 4,241,000 | 0.20 | 1.95 |
| October 12, 2016 | October 12, 2021 | 14,000,000 | 0.15 | 2.95 |
| October 31, 2017 | October 31, 2020 | 10,798,849 | 0.15 | 2.00 |
| | | 30,654,249 | \$ 0.16 | 2.36 |

NOTE 9 - STOCK OPTIONS

Options issued for mining interest

In consideration for its mining interest (see Note 4), the Company is obligated to issue stock options to purchase shares of the Company's common stock 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. Those costs are capitalized as Mining Interest (Note 4). No options were issued for mineral interests during the six months ended October 31, 2018 and 2017.

As of October 31, 2018, the remaining weighted average term of the option grants for mining interest was 3.86 years. As of October 31, 2018, the weighted average exercise price of the option grants for mining interest was \$0.28 per share.

Options issued under the 2011 Stock Option/Restricted Stock Plan

The Company established the 2011 Stock Option/Restricted Stock Plan. The Stock Option Plan is administered by the Board of Directors and provides for the grant of stock options to eligible individuals including directors, executive officers and advisors that have furnished bona fide services to the Company not related to the sale of securities in a capital-raising transaction.

The Stock Option Plan has a fixed maximum percentage of 10% of the Company's outstanding shares that are eligible for the plan pool, whereby the number of Shares under the plan increases automatically as the total number of issued and outstanding shares of the Company's common stock increases. The number of shares subject to the Stock Option Plan and any outstanding awards will be adjusted appropriately by the Board of Directors if the Company's common stock is affected through a

STAR GOLD CORP.
NOTES TO FINANCIAL STATEMENTS
OCTOBER 31, 2018

reorganization, merger, consolidation, recapitalization, restructuring, reclassification dividend (other than quarterly cash dividends) or other distribution, stock split, spin-off or sale of substantially all of the Company's assets.

The Stock Option plan also has terms and conditions, including without limitations that the exercise price for stock options granted under the Stock Option Plan must equal the stock's fair value, based on the closing price per share of common stock, at the time the stock option is granted. The fair value of each option award is estimated on the date of grant utilizing the Black-Scholes model and commonly utilized assumptions associated with the Black-Scholes methodology. Options granted under the Plan have a ten-year maximum term and varying vesting periods as determined by the Board.

The total value of stock option awards is expensed ratably over the vesting period of the employees receiving the awards. As of October 31, 2018, there was no unrecognized compensation cost related to stock-based options and awards. No options were issued under the 2011 Plan during the six months ended October 31, 2018 and 2017.

The following table summarizes additional information about the options under the Company's Stock Option Plan as of October 31, 2018:

| Date of Grant | Options outstanding and exercisable | | |
|------------------|-------------------------------------|----------------|----------------|
| | Shares | Exercise Price | Remaining Term |
| October 18, 2016 | 4,810,000 | \$ 0.06 | 2.97 |
| April 30, 2018 | 1,400,000 | 0.065 | 4.50 |
| Total options | 6,210,000 | \$ 0.06 | 3.31 |

Summary:

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

| Options issued for: | Expiration Date | Options | Weighted Average Exercise Price |
|---|------------------------------------|-----------|---------------------------------|
| Mining interests | April 22, 2019 to January 15, 2025 | 440,000 | \$ 0.28 |
| Stock option plan | October 18, 2021 to April 30, 2023 | 6,210,000 | 0.06 |
| Outstanding and exercisable at October 31, 2018 | | 6,650,000 | \$ 0.08 |

The aggregate intrinsic value of all options vested and exercisable at October 31, 2018 was \$Nil based on the Company's closing price of \$0.06 per common share at October 31, 2018. The Company's current policy is to issue new shares to satisfy option exercises.

NOTE 10 – SUBSEQUENT EVENTS

On December 4, 2018, the Longstreet Property Option Agreement (Note 4) was amended, changing future measurement dates for required expenditures from January 16, 2019 and January 16, 2020 to August 31, 2019 and August 31, 2020, respectively. All other terms, payments and provisions of the Longstreet Property Option Agreement remain unchanged.

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 environmental concerns;
- 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, Quarterly 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, 2018. 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 certain unpatented mining claims located in the State of Nevada which in part make up what we refer to as the "Longstreet Property" (or the "Longstreet Project"). The Longstreet Property in its entirety comprises 125 mineral claims: 75 original optioned claims, of which 70 are unpatented staked claims and five claims leased from local ranchers, pursuant to the "Clifford Lease"; as well as 50 claims subsequently staked by Star Gold. The Longstreet Property covers a total area of approximately 2,500 acres (1,012 ha). The Longstreet Project 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. Because minerals are traded in the open market, the Company has little to 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. 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, in the mineral rights on open lands of the federally 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 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 (primarily 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 and/or 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 prior exploration history and/or will have strong similarity to a recognized geologic ore deposit model. Geographic emphasis will be placed on the western United States.

The geologic potential and ore deposit models have been defined and specific drill targets identified the Company's sole remaining property. 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 a 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 | Longstreet |
| Third parties | Great Basin Resources, Inc. and Clifford |
| Number of claims | 125 ⁽¹⁾ |
| Acres (approx.) | 2,500 |
| Agreements/Royalties | |
| Royalties | 3% Net Smelter Royalty (“NSR”) |
| Annual lease payments – total due through 2020 | \$170,000 |
| Minimum exploration expenditures – total due through 2020 | \$1,500,000 |
| Stock options – total due through 2020 | 95,000 |
| Annual advance royalty payment | \$12,000 |

(1) Great Basin Resources, Inc. (“Great Basin”) took assignment from MinQuest, Inc., of the 120 claims which are leased to the Company under the Longstreet Agreement (which was also assigned to Great Basin) (Note 4 of the financial statements contained in Item 1 of this Form 10Q) and Clifford owns 5 claims (also Note 4) which are managed by the Company.

Compliance with Government Regulations

Continuing to acquire and explore mineral properties in the State of Nevada will require the Company 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 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 as of the date of this Quarterly Report on Form 10-Q. 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. 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

The Company maintains a corporate office in Coeur d'Alene, Idaho. This is the primary administrative office for the Company and is utilized by Board Chairman Lindsay Gorrill and Chief Financial Officer Kelly Stopher.

During the year ended April 30, 2018, the Company completed the following:

- Wildlife and Biological Baseline Study (WBS)
- Cultural and Archeology Study

For the upcoming fiscal year ending April 30, 2019, the Company plans to commence or continue the following activities as it prepares the Environmental Impact Statement ("EIS") on the Longstreet Project:

- Part 2 of a Raptor Study began in early May 2018 as a two-year study is required;
- Hydrology Study (in progress – dependant on permit to drill water table holes. Permit application has been filed.);
- Geochemical analysis – design of program for submission to State of Nevada (in progress); and

Plan of Operations Development (Mine Plan, Civil Engineering Designs).

Assuming the results of the above-referenced studies are favorable, the Company intends to proceed to the preparation of an EIS and plan of operation for the Longstreet project (the “Longstreet Plan”). The eventual objective of the EIS and Longstreet Plan is the issuance, by each governing agency, of the necessary permits to authorize the construction of, and ongoing operations at, an open pit/heap leach mine at the Longstreet Property.

The Company anticipates all of the aforementioned tasks to be completed by mid 2019, with the EIS prepared in late 2019.

Approval of the Longstreet Plan is subject to governmental agency review and may require additional remediation activities.

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

| | For the three months ended October 31, | | \$ Change | % Change |
|-------------------------------|--|------------------|------------------|--------------|
| | 2018 | 2017 | | |
| Mineral exploration expense | \$ (4,714) | \$ 1,583 | \$ (6,297) | (397.8%) |
| Pre-development expense | 45,766 | 11,581 | 34,185 | 295.2% |
| Legal and professional fees | 5,357 | 15,208 | (9,851) | (64.8%) |
| Management and administrative | 38,490 | 36,005 | 2,485 | 6.9% |
| Depreciation | 416 | - | 416 | N/A |
| Interest expense | 200 | 188 | 12 | 6.4% |
| Interest (income) | (591) | (95) | (496) | 522.1% |
| NET LOSS | <u>\$ 84,924</u> | <u>\$ 64,470</u> | <u>\$ 20,454</u> | <u>31.7%</u> |

| | For the six months ended October 31, | | \$ Change | % Change |
|-------------------------------|--------------------------------------|-------------------|-----------------|-------------|
| | 2018 | 2017 | | |
| Mineral exploration expense | \$ 19,914 | \$ 25,301 | \$ (5,387) | (21.3%) |
| Pre-development expense | 90,812 | 54,839 | 35,973 | 65.6% |
| Legal and professional fees | 35,252 | 53,440 | (18,188) | (34.0%) |
| Management and administrative | 69,942 | 76,076 | (6,134) | (8.1%) |
| Depreciation | 832 | - | 832 | N/A |
| Interest expense | 400 | 375 | 25 | 6.7% |
| Interest (income) | (1,149) | (113) | (1,036) | 916.8% |
| NET LOSS | <u>\$ 216,003</u> | <u>\$ 209,918</u> | <u>\$ 6,085</u> | <u>2.9%</u> |

The Company earned no operating revenue in 2018 or 2017 and does not anticipate earning any operating revenues in the near future. Star Gold Corp. is an exploration stage company and presently is seeking other natural resources related business opportunities.

The Company will continue to focus its capital and resources toward exploration and permitting activities at its Longstreet Property.

Total net loss for the three months ended October 31, 2018 of \$84,924 increased by \$20,454 from 2017 total net loss of \$64,470. Total loss for the six months ended October 31, 2018 of \$216,003 increased by \$6,085 from 2017 total net loss of \$209,918.

Mineral exploration and consultants' expense

| | For the three months ended October 31, | | \$ Change | % Change |
|--|--|----------|-----------|----------|
| | 2018 | 2017 | | |
| Drilling and field work | \$ (4,714) | \$ 1,583 | (6,297) | (397.8%) |
| Total mineral exploration and consultants' expense | \$ (4,714) | \$ 1,583 | (6,297) | (397.8%) |
| | For the six months ended October 31, | | \$ Change | % Change |
| | 2018 | 2017 | | |
| Drilling and field work | \$ (3,910) | 1,583 | (5,493) | (347.0%) |
| Claims | 23,824 | 23,718 | 106 | 0.4% |
| Total mineral exploration and consultants' expense | \$ 19,914 | 25,301 | (5,387) | (21.3%) |

Exploration and consultants' expense for the three months ended October 31, 2018 was \$(4,714) a decrease of \$6,297 from 2017 exploration and consultants' expense of \$1,583. During the three months ended October 31, 2018, the Company received a refund of a reclamation bond for \$5,479 which had previously been expensed. For the six months ended October 31, 2018, exploration and consultants' expense was \$19,914, a decrease of \$5,387 from the prior period ended October 31, 2017.

The Company's emphasis has shifted from exploratory drilling to activities related to pre-development expense including environmental and anthropological studies associated with building a Plan of Operations and obtaining a permit for construct a mine at the Longstreet site.

Pre-development expense

| | For the three months ended October 31, | | \$ Change | % Change |
|---|--|--------|-----------|----------|
| | 2018 | 2017 | | |
| Flora and fauna contractor | \$ - | - | - | - |
| Cultural resources and anthropological | 1,096 | - | 1,096 | N/A |
| Environmental and permitting services | - | - | - | N/A |
| Environmental impact and plan of operations | 21,057 | 893 | 20,164 | 2258.0% |
| Project management | 19,832 | 7,750 | 12,082 | 155.9% |
| Water rights costs | 3,781 | 2,938 | 843 | 28.7% |
| Aerial mapping | - | - | - | N/A |
| Total pre-development expense | \$ 45,766 | 11,581 | 34,185 | 295.2% |
| | For the six months ended October 31, | | \$ Change | % Change |
| | 2018 | 2017 | | |
| Flora and fauna contractor | \$ 8,837 | - | 8,837 | N/A |
| Cultural resources and anthropological | 1,096 | 7,869 | (6,773) | (86.1%) |
| Environmental and permitting services | - | 3,842 | (3,842) | (100.0%) |
| Environmental impact and plan of operations | 33,070 | 893 | 32,177 | 3603.2% |
| Project management | 40,247 | 21,500 | 18,747 | 87.2% |
| Water rights costs | 7,562 | 4,685 | 2,877 | 61.4% |

| | | | | |
|-------------------------------|------------------|---------------|---------------|--------------|
| Aerial mapping | - | 16,050 | (16,050) | (100.0%) |
| Total pre-development expense | <u>\$ 90,812</u> | <u>54,839</u> | <u>35,973</u> | <u>65.6%</u> |

Pre-development expense for the three months ended October 31, 2018 was \$45,766, an increase of \$34,185 from 2017 pre-development expense of \$11,581. The Company is currently assembling bids from engineering firms for development of a full Plan of Operations and Mine Schedule for development and eventual submission of an application to permit construction of a heap leach mining operation on the Longstreet property.

Legal and professional fees

| | <u>For the three months ended October 31,</u> | | <u>\$ Change</u> | <u>% Change</u> |
|-----------------------------------|---|---------------|------------------|-----------------|
| | <u>2018</u> | <u>2017</u> | | |
| Audit and accounting | \$ 3,000 | 3,013 | (13) | (0.4%) |
| Legal fees | 1,925 | 6,838 | (4,913) | (71.8%) |
| Public company expense | 432 | 5,357 | (4,925) | (91.9%) |
| Total legal and professional fees | <u>\$ 5,357</u> | <u>15,208</u> | <u>(9,851)</u> | <u>(64.8%)</u> |

| | <u>For the six months ended October 31,</u> | | <u>\$ Change</u> | <u>% Change</u> |
|-----------------------------------|---|---------------|------------------|-----------------|
| | <u>2018</u> | <u>2017</u> | | |
| Audit and accounting | \$ 18,000 | 18,013 | (13) | (0.1%) |
| Legal fees | 4,263 | 19,513 | (15,250) | (78.2%) |
| Public company expense | 12,989 | 15,914 | (2,925) | (18.4%) |
| Total legal and professional fees | <u>\$ 35,252</u> | <u>53,440</u> | <u>(18,188)</u> | <u>(34.0%)</u> |

Audit and accounting fees for the three months ended October 31, 2018 remained essentially unchanged compared to the three and six months ended October 31, 2017.

The primary component of public company expense is the annual fee associated with OTC Markets for the Company's OTCQB status. Public company expense decreased \$4,925 and \$2,925, respectively for the three and six months ended October 31, 2018 compared to October 31, 2017.

Legal fees decreased \$4,913 and \$15,250 from the three and six months ended October 31, 2017, respectively, to \$1,925 and \$4,263 for the three and six months ended October 31, 2018, respectively. The decrease in legal fees is primarily as the result of non-recurring expenses related to preparation of offering documents for the 2017 Offering (Note 7 to the Financial Statements). There are no pending legal issues or contingencies as of October 31, 2018.

General and administrative expense

| | <u>For the three months ended October 31,</u> | | <u>\$ Change</u> | <u>% Change</u> |
|--------------------------------------|---|---------------|------------------|-----------------|
| | <u>2018</u> | <u>2017</u> | | |
| Auto and travel | \$ 13,091 | 13,201 | (110) | (0.8%) |
| General administrative and insurance | 8,819 | 8,750 | 69 | 0.8% |
| Management fees and payroll | 13,253 | 11,774 | 1,479 | 12.6% |
| Office and computer expense | 2,320 | 1,043 | 1,277 | 122.4% |
| Rent and lease expense | 750 | 750 | - | 0.0% |
| Telephone and utilities | 257 | 487 | (230) | (47.2%) |
| Total general and administrative | <u>\$ 38,490</u> | <u>36,005</u> | <u>2,485</u> | <u>6.9%</u> |

| | For the six months ended October 31, | | \$ Change | % Change |
|--------------------------------------|--------------------------------------|-----------|------------|----------|
| | 2018 | 2017 | | |
| Auto and travel | \$ 20,750 | \$ 30,712 | \$ (9,962) | (32.4%) |
| General administrative and insurance | 17,640 | 17,500 | 140 | 0.8% |
| Management fees and payroll | 26,506 | 23,548 | 2,958 | 12.6% |
| Office and computer expense | 2,951 | 1,785 | 1,166 | 65.3% |
| Rent and lease expense | 1,500 | 1,500 | - | 0.0% |
| Telephone and utilities | 595 | 1,031 | (436) | (42.3%) |
| Total general and administrative | \$ 69,942 | \$ 76,076 | \$ (6,134) | (8.1%) |

Total general and administrative expense increased \$2,485 for the three months ended October 31, 2018 to \$38,490 compared to \$36,005 for the three months ended October 31, 2017. Total general and administrative expense decreased \$6,134 to \$69,942 for the six months ended October 31, 2018 compared to \$76,076 for the six months ended October 31, 2017.

LIQUIDITY AND FINANCIAL CONDITION

WORKING CAPITAL

| | October 31, 2018 | April 30, 2018 |
|---------------------|------------------|----------------|
| Current assets | \$ 620,904 | \$ 855,062 |
| Current liabilities | 27,518 | 95,911 |
| Working capital | \$ 593,386 | \$ 759,151 |

| CASH FLOWS | For the six months ended | |
|---|--------------------------|------------------|
| | October 31, 2018 | October 31, 2017 |
| Cash flow used by operating activities | \$ (218,263) | (205,209) |
| Cash flow used by investing activities | (12,000) | (12,000) |
| Cash flow provided by financing activities | - | 1,069,884 |
| Net increase (decrease) in cash during period | \$ (230,363) | 852,675 |

As of October 31, 2018, the Company had cash on hand of \$602,063. Since inception, the sole source of financing has been sales of the Company's debt and equity securities. Star Gold Corp. has not attained profitable operations and its ability to pursue any future plan of operation is dependent upon our ability to obtain financing.

Star Gold Corp. anticipates continuing to rely on sales of its debt and/or equity securities in order to continue to fund ongoing operations. Issuances of additional shares of common stock may result in dilution to the Company's existing stockholders. There is no assurance that the Company will be able to complete any additional sales of equity securities or that it will be able arrange for other financing to fund its planned business activities.

The Company's continuation as a going concern 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, or ultimately to attain profitability. 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 mergers or sale 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 plans for the long-term continuation as a going concern include financing future operations through sales of our equity and/or debt securities and the anticipated 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 equity in the property.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no significant off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that are material to its stockholders.

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

Conclusions of Management Regarding Effectiveness of Disclosure Controls and Procedures

At the end of the period covered by this Quarterly Report on Form 10-Q, an evaluation was carried out under the supervision and with the participation of the Company's management, including the President and Principal Executive Officer ("PEO") and Principal Accounting Officer ("PAO"), of the effectiveness of the design and operations of the Company's disclosure controls and procedures (as defined in Rule 13a – 15(e) and Rule 15d – 15(e) under the Exchange Act). Based on that evaluation, the PEO and the PAO have concluded that as of the end of the period covered by this report, the Company's disclosure controls and procedures were not effective as it was determined that there were material weaknesses affecting our disclosure controls and procedures.

Management of the Company believes that these material weaknesses are due to the small size of the company's accounting staff. The small size of the Company's accounting staff may prevent adequate controls in the future, such as segregation of duties, due to the cost/benefit of such remediation. To mitigate the current limited resources and limited employees, we rely heavily on direct management oversight of transactions, along with the use of external legal and accounting professionals. As the Company grows, management expects to increase the number of employees, which will enable us to implement adequate segregation of duties within the internal control framework.

Changes in Internal Control over Financial Reporting

There have been no changes during the quarter ended October 31, 2018 in the Company's internal controls over financial reporting that have materially affected, or are reasonably likely to materially affect, internal controls 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, 2018 which was filed with the SEC on July 31, 2018.

ITEM 2. RECENT SALES OF UNREGISTERED SECURITIES.

None.

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.

| Exhibit Number | Description of Exhibits |
|----------------|--|
| 3.1 | Articles of Incorporation. ⁽¹⁾ |
| 3.2 | Bylaws, as amended. ⁽¹⁾ |
| 4.1 | Form of Share Certificate. ⁽¹⁾ |
| 10.1 | Purchase Agreement dated June 22, 2004 between Guy R. Delorme and Star Gold Corp. ⁽¹⁾ |
| 10.2 | Declaration of Trust executed by Guy R. Delorme. ⁽¹⁾ |
| 14.1 | Code of Ethics. ⁽²⁾ |
| 99.1 | Property Option Agreement dated January 15, 2010 between MinQuest Inc. and Star Gold Corp. |
| 99.1 | Amendment to Longstreet Property Option Agreement dated December 10, 2014 between MinQuest, Inc. and Star Gold Corp. |
| 99.1 | Amendment to Longstreet Property Option Agreement dated January 5, 2016 between MinQuest, Inc. and Star Gold Corp. |
| 99.1 | Amendment to Longstreet Property Option Agreement dated December 4, 2018 between Great Basin Resources, Inc. and Star Gold Corp. |
| 99.1 | Option and Lease of Water Rights Agreement dated August 21, 2017 between High Test Hay, LLC and Star Gold Corp. |
| 99.1 | Option and Lease of Water Rights Agreement dated December 30, 2017 between Stone Cabin Company, LLC and Star Gold Corp. |
| 99.2 | Shareholder Letter January 23, 2017 |
| 99.2 | Shareholder Letter March 20, 2018 |
| 31.1 | Certification of Principal Executive Officer as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. |
| 31.2 | Certification of Principal Accounting Officer as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. |
| 32.1 | Certification of Principal Executive Officer as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. |
| 32.2 | Certification of Principal Accounting 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 12, 2018 By: /s/ *DAVID SEGELOV*
Principal Executive Officer

Date: December 12, 2018 By: /s/ *KELLY J. STOPHER*
Kelly J. Stopher
Principal Accounting 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 small business issuer'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.
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 12, 2018

/s/ David Segelov

David Segelov

Principal Executive Officer

Exhibit 31.2

**Certification of Principal Accounting 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 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.
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):
 - e. 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
 - f. 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 12, 2018

/s/ KELLY J. STOPHER

Kelly J. Stopher

Principal Accounting Officer

Exhibit 32.1

**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, 2018, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), David Segelov, Principal 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

David Segelov

Principal Executive Officer

December 12, 2018

Exhibit 32.2

**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, 2018, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), Kelly J. Stopher, Principal Accounting 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/ Kelly J. Stopher

Kelly J. Stopher
Principal Accounting Officer
December 12, 2018