TRISTAR GOLD, INC.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
(Unaudited)
(Expressed in United States Dollars)

For the three month periods ended March 31, 2019 and 2018

Reader's Note: These condensed consolidated interim financial statements for the three month periods ended March 31, 2019 and 2018 of TriStar Gold, Inc. have been prepared by management and have not been reviewed by the Company's auditor.

TriStar Gold, Inc.

Condensed Consolidated Interim Statements of Financial Position
(Unaudited)

(Expressed in United States Dollars)

	March 31, 2019	December 31, 2018
Assets		
Current assets:		
Cash and cash equivalents (Note 7)	**$ 235,995**	$ 734,200
Accounts receivable	**4,218**	8,386
Prepaid expenses	**26,331**	46,106
Total current assets	**266,544**	788,692
Non-current assets:		
Mineral properties and deferred expenditures (Note 8)	**19,418,217**	19,264,607
Plant and equipment, net (Note 9)	**24,314**	29,999
Total non-current assets	**19,442,531**	19,294,606
Total assets	**$ 19,709,075**	$ 20,083,298
Liabilities and Shareholders' equity		
Current liabilities:		
Accounts payable and accrued liabilities	**$ 111,911**	$ 179,770
Total current liabilities	**111,911**	179,770
Non-current liabilities:		
Provisions (Note 10)	**313,365**	314,035
Warrants liability (Note 11)	**192,650**	320,693
Total non-current liabilities	**506,015**	634,728
Total liabilities	**617,926**	814,498
Shareholders' equity:		
Share capital (Note 12)	**43,886,034**	43,886,034
Capital reserve (Note 12, Note 13 and Note 15)	**4,474,610**	4,474,610
Accumulated deficit	**(29,269,495)**	(29,091,844)
Total shareholders' equity	**19,091,149**	19,268,800
Total liabilities and shareholders' equity	**$ 19,709,075**	$ 20,083,298

Nature of Operations and Going Concern (Note 2)
Commitments and Contingencies (Note 19)

Approved on behalf of the Board of Directors.

Director: "Mark E. Jones, III"
Director: "Nicholas Appleyard"

See accompanying notes which are an integral part of these condensed consolidated interim financial statements.

TriStar Gold, Inc.

Condensed Consolidated Interim Statements of Comprehensive Income (Loss)
(Unaudited)

(Expressed in United States Dollars)

	Three months ended	
	March 31, 2019	March 31, 2018
Expenses:		
General and administrative (Note 16)	**$ 299,258**	$ 505,459
Foreign exchange losses	**5,784**	46,028
	305,042	551,487
Other income (expenses):		
Warrants liability fair value change (Note 11)	**128,043**	561,876
Bank charges	**(1,089)**	(1,740)
Interest income	**437**	2,057
	127,391	562,193
Net income (loss) and comprehensive income (loss) for the period	**$ (177,651)**	$ 10,706
Basic income (loss) per share (Note 17)	**$ (0.00)**	$ 0.00
Diluted loss per share (Note 17)	**$ (0.00)**	$ (0.00)
Basic weighted-average number of shares outstanding (Note 17)	**178,754,440**	165,043,027
Diluted weighted-average number of shares outstanding (Note 17)	**178,754,440**	179,618,027

See accompanying notes which are an integral part of these condensed consolidated interim financial statements.

TriStar Gold, Inc.

Condensed Consolidated Interim Statements of Changes in Shareholders' Equity
(Unaudited)

(Expressed in United States Dollars)

	Common Shares			**Deficit and Accumulated Other Comprehensive**	**Total Shareholders'**
	Number	**Amount**	**Capital Reserve**	**Loss**	**Equity**
Balance at December 31, 2018	**178,754,440**	**$ 43,886,034**	**$ 4,474,610**	**$ (29,091,844)**	**$ 19,268,800**
Net income and comprehensive income for the period	-	-	-	(177,651)	(177,651)
Balance at March 31, 2019	**178,754,440**	**$ 43,886,034**	**$ 4,474,610**	**$ (29,269,495)**	**$ 19,091,149**

	Common Shares			Deficit and Accumulated Other Comprehensive	Total Shareholders'
	Number	Amount	Capital Reserve	Loss	Equity
Balance at December 31, 2017	155,524,143	$ 41,432,191	$ 4,445,316	$ (28,483,297)	$ 17,394,210
Shares issued on financing, net of share issue cost (Note 12)	12,980,297	1,254,280	-	-	1,254,280
Stock-based compensation (Note 12, Note 14 and Note 15)	-	-	28,067	-	28,067
Net income and comprehensive income for the period	-	-	-	10,706	10,706
Balance at March 31, 2018	168,504,440	$ 42,686,471	$ 4,473,383	$ (28,472,591)	$ 18,687,263

See accompanying notes which are an integral part of these condensed consolidated interim financial statements.

TriStar Gold, Inc.

Condensed Consolidated Interim Statements of Cash Flows

(Unaudited)

(Expressed in United States Dollars)

	For the three months ended	
	March 31, 2019	March 31, 2018
Operating activities		
Net income (loss) for the period	**$ (177,651)**	$ 10,706
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:		
Depreciation (Note 9)	**544**	388
Warrants liability fair value change (Note 11)	**(128,043)**	(561,876)
Stock-based compensation (Note 12, Note 14 and Note 15)	**-**	17,658
Changes in non-cash operating working capital:		
Accounts receivable	**4,168**	6,624
Prepaid expenses	**19,775**	(60,520)
Accounts payable and accrued liabilities	**(67,859)**	(268,082)
Provisions (Note 10)	**(670)**	5,986
Net cash used in operating activities	**(349,736)**	(849,116)
Investing activities		
Mineral properties acquisition and exploration (Note 8)	**(148,469)**	(388,479)
Purchase of equipment (Note 9)	**-**	(39,819)
Net cash used in investing activities	**(148,469)**	(428,298)
Financing activities		
Net proceeds from financing (Note 12)	**-**	2,195,851
Net cash provided by financing activities	**-**	2,195,851
Net increase (decrease) in cash and cash equivalents	**(498,205)**	918,437
Cash and cash equivalents, beginning of period	**734,200**	960,281
Cash and cash equivalents, end of period	**$ 235,995**	$ 1,878,718

See accompanying notes which are an integral part of these condensed consolidated interim financial statements.

1. Corporate Information

TriStar Gold, Inc. ("TriStar" or the "Company") was incorporated on May 21, 2010, in British Columbia, Canada. The Company is listed on the TSX Venture Exchange ("TSX"), under the symbol TSG.V. The address of the Company's corporate office and principal place of business is 7950 E Acoma Drive, Suite 209, Scottsdale, Arizona, United States, 85260.

TriStar was created to hold certain assets of Brazauro Resources Corporation ("Brazauro") as a result of an Arrangement Agreement (the "Arrangement") between Brazauro and Eldorado Gold Corporation ("Eldorado"). The completion of the Arrangement occurred on July 20, 2010.

2. Nature of Operations and Going Concern

TriStar's primary business focus is the acquisition, exploration and development of precious metal prospects in the Americas, including its current focus on advancing the exploration success of Castelo de Sonhos ("CDS") located in the Tapajós Gold District of Brazil's northerly Pará State. The Company is concentrating its exploration activities on the CDS property because the Company believes CDS has the potential to host several million ounces of gold.

The Company's current properties are in the exploration stage and have not yet been proven to be commercially developable. The continued operations of the Company and the recoverability of the amounts shown for mineral property are dependent upon the existence of economically recoverable mineral reserves, the ability of the Company to obtain necessary financing to complete the exploration and development of such properties, and the future profitable production from or disposition of such properties.

The Company has no source of revenue. Its ability to continue as a going concern and meet its commitments as they become due, including completion of the exploration and development of its mineral property interests and to meet its general and administrative expenses, is dependent on the Company's ability to obtain the necessary financing. The Company relies on the sale of its treasury securities to fund its operations and the Company's cash position is currently insufficient to maintain its planned operations for a full year. Management is planning to raise additional capital to finance operations and expected growth. Although the Company has been successful in raising funds in the past, there can be no assurance that adequate funding will be available in the future, or available under terms favorable to the Company.

For the period ended March 31, 2019, the Company reported a net loss of $177,651 (March 31, 2018: net income of $10,706). The Company's accumulated deficit at March 31, 2019, was $29,269,495 (December 31, 2018: $29,091,844). The unaudited condensed consolidated interim financial statements ("consolidated financial statements") have been prepared by management in accordance with International Financial Reporting Standards ("IFRS") applicable to a going concern, which assumes that the Company will be able to meet its obligations and continue its operations for its next fiscal year, adverse financial conditions may cast substantial doubt upon the validity of this assumption.

These consolidated financial statements do not include any additional adjustments to the recoverability and classification of certain recorded asset amounts, classification of certain liabilities and changes to the Consolidated Statements of Comprehensive Income (Loss) that may be necessary if the Company was unable to continue as a going concern.

3. Basis of Presentation

Statement of Compliance

The consolidated financial statements for the three month periods ended March 31, 2019 and 2018 have been prepared in accordance with IAS 34, *Interim Financial Reporting* ("IAS 34"). Accordingly, certain information and disclosures normally included in annual financial statements prepared in accordance with IFRS, as issued by the International Accounting Standards Board ("IASB") in effect at March 31, 2019, have been omitted or condensed.

3. Basis of Presentation (continued)

These consolidated financial statements were authorized for issuance by the Board of Directors of the Company on May 28, 2019.

Basis of measurement

These consolidated financial statements have been prepared on a historical cost basis, as modified by the revaluation of available-for-sale financial assets, and financial assets and financial liabilities at fair value through profit or loss. These financial statements are presented in United States dollars ("U.S. dollars"), unless otherwise noted.

4. Significant Accounting Policies

These consolidated financial statements have been prepared on the basis of accounting policies and methods of computation consistent with those applied in the Company's December 31, 2018, audited annual consolidated financial statements. The accompanying unaudited condensed consolidated interim financial statements should be read in conjunction with the Company's audited consolidated financial statements for the year ended December 31, 2018.

5. Critical Accounting Judgments and Key sources of estimation uncertainty

The preparation of the Company's condensed consolidated interim financial statements in conformity with IFRS requires management to make estimates based on assumptions about future events that affect the reported amount of assets and liabilities and disclosures of contingent assets or liabilities at the date of the financial statements, and the reported amounts of income and expenses during the reported periods.

The estimates and associated assumptions are based upon historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results could differ from those estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognized prospectively in the period in which the estimate is revised.

Material areas that require estimates and assumptions as the basis for determining the reported amounts include, but are not limited to, the following:

Going concern. Management considers whether there exists any events or conditions that may cast doubt on the Company's ability to continue as a going concern. Considerations take into account all available information about the future including the availability of debt and equity financing as well as the Company's working capital balance and future cash commitments.

Functional currency. The functional currency of each of the Company's entities is measured using the currency of the primary economic environment in which that entity operates. The functional currency of all entities within the group is the U.S. dollar. Functional currency of each of the entities was determined based on the currency that mainly influences sales prices for goods and services, labor, material and other costs and the currency in which funds from financing activities are generated.

Impairment of assets. Management assesses each cash generating unit ("CGU") at each reporting period to determine whether any indication of impairment exists. In addition, management assesses a CGU for impairment if events or changes in circumstances indicate that the carrying value may not be recoverable. Where an indicator of impairment exists, a formal estimate of the recoverable amount is made which is considered to be the higher of the fair value less costs to sell and its value in use. These assessments require the use of estimates and assumptions such as future capital requirements and assessments of preliminary assay results. Fair value is determined as the amount that could be obtained from the sale of the asset in an arm's-length transaction between knowledgeable and willing parties.

(Expressed in United States Dollars)

5. Critical Accounting Judgments and Key Sources of Estimation Uncertainty (continued)

Fair value of derivative financial instruments (Warrants Liability). Management assesses the fair value of the Company's financial derivatives in accordance with the accounting policy stated in Note 4 to the consolidated audited financial statements. Fair values of warrants have been measured using the Black-Scholes model, taking into account the terms and conditions upon which the warrants are granted. These calculations require the use of estimates and assumptions. Changes in assumptions concerning volatilities, interest rates and expected life could have significant impact on the fair valuation attributed to the Company's financial derivatives. When these assumptions change or become known in the future, such differences will impact asset and liability carrying values in the period in which they change or become known.

Fair value of stock options and stock based compensation. Management assesses the fair value of stock options granted in accordance with the accounting policy stated in Note 4 to the consolidated audited financial statements. The fair value of the options granted is measured using the Black-Scholes model, taking into account the terms and conditions upon which the options are granted. Changes in assumptions concerning volatilities, interest rates and expected life could have significant impact on the fair valuation attributed to the Company's stock options.

Mineral resources. The Company estimates its measured and indicated and inferred mineral resources for Castelo de Sonhos based upon information compiled by Qualified Persons, as defined in National Instrument 43-101. Information relative to geological data on the size, depth, grade and shape of the mineralized body requires complex geological and geo-statistical judgements to interpret data, which judgements themselves contain significant estimates and assumptions.
Changes in the measured and indicated and inferred mineral resources may impact the carrying value of mineral properties and deferred expenditures.

6. Recent and Future Changes in Accounting Pronouncements

The following IFRS standards became effective for the Company beginning on January 1, 2019:

On January 1, 2019, The Company adopted *IFRS 16-LEASES* ("IFRS 16") which superseded IAS 17-Leases . IFRS 16 applies a control model to the identification of leases distinguishing between a lease and a service contract on the basis of whether the customer controls the asset. Control is considered to exist if the customer has the right to obtain substantially all of the economic benefits from the use of the identified asset and the right to direct the use of the asset. For those assets determined to met the definition of a lease, IFRS 16 introduces significant changes to the accounting by lessees, introducing a single, on balance sheet accounting model that is similar to the finance lease accounting model, with exceptions for short term leases or leases of low value assets. The adoption of IFRS 16 did not have a significant effect on the Company's financial statements beginning January 1, 2019 because the Company elected to apply the exceptions available as permitted under IFRS 16 for the short term and low value leases to which the Company is a party.

7. Cash and Cash Equivalents

Cash and cash equivalents include:

	Balance at March 31, 2019		Balance at December 31, 2018	
Cash:				
Cash at bank	**$**	**37,256**	$	102,053
Investment accounts		**198,739**		632,147
Total	**$**	**235,995**	$	734,200

As at March 31, 2019 the investment accounts include saving accounts for a balance of $198,739. As at December 31, 2018, the investment accounts include a Canadian Redeemable Short Term Investment Certificate (RSTIC) for a total balance of $99,000 (March 31, 2019: nil) with an annual interest rate of 1.4% and maturity date of less than a year and saving accounts for a balance of $533,147.

8. Mineral Properties and Deferred Expenditures

Although the Company has taken steps to verify title to mineral properties in which it has an interest, these procedures cannot guarantee the Company's title to all of its properties. Such properties may be subject to prior mineral rights applications with priority, prior unregistered agreements or transfers or indigenous land claims, and title may be affected by undetected defects. Certain of the mineral rights held by the Company are held under applications for mineral rights or renewal of mineral rights and, until final approval of such applications is received, the Company's rights to such mineral rights may not materialize and the exact boundaries of the Company's properties may be subject to adjustment. The Company does not maintain title insurance on its properties.

Castelo de Sonhos Property (Brazil)

On November 9, 2010, the Company entered into an agreement with a third party vendor to acquire 100% of the mineral rights to the Castelo de Sonhos property in Brazil. Pursuant to this agreement and subsequent amendments (three such amendments were agreed to), the Company has made the following payments resulting in its ownership of 100% of the mineral rights in the CDS property:

- $50,000 was paid upon execution of a commitment letter on April 29, 2010.
- $250,000 was paid on February 23, 2011 after the mineral rights were transferred to a subsidiary of the Company.
- Installment payments of $100,000 each were made on September 15, 2011 and March 5, 2012.
- Installment payments were also made on September 3, 2012 in the amount of $125,000 and on March 6, 2013 in the amount of $150,000.
- Pursuant to the first amendment, the Company paid the vendors $50,000 on November 19, 2013 and issued the vendors 1,000,000 common shares on December 23, 2013.
- Pursuant to the second amendment the Company made two installment payments in the amount of $100,000 each in March and September of 2014. A further $100,000 was paid in December 2014. In addition, with this amendment an additional 1,000,000 common shares were issued to the vendors on February 28, 2014.
- Pursuant to the third amendment a payment of $500,000 was made in July 2015, $300,000 in January 2016, and $800,000 in July 2016. Also 1,000,000 common shares were issued to the vendors in July 2016.

Thus, all agreed fixed price payments have been made. However, under the Second Amending Agreement, the Company agreed to pay the vendor $3,600,000 out of production from the property over and above its royalty. At its option, TriStar may pay to the vendor $1,500,000 on or prior to the making of a construction decision in lieu of the payment out of production.

Under the original agreement, the vendors had the right to receive a payment equal to $1.0 per ounce should a gold deposit with proven and probable reserves in excess of 1 million troy ounces be identified and the property owner will retain a 2% Net Smelter Return royalty, half of which can be purchased by TriStar at any time and which amount will be calculated based on the indicated and measured reserves identified by a feasibility study.

Mineral properties and deferred expenditures were as follows:

(Expressed in United States Dollars)

8. Mineral Properties and Deferred Expenditures (continued)

	Balance at December 31, 2018	Additions	Impairments/ Write-Offs	Balance at March 31, 2019
Castelo de Sonhos Properties:				
Acquisition costs	**$ 3,303,945**	$ -	$ -	**$ 3,303,945**
Exploration costs	**15,960,662**	153,610	-	**16,114,272**
Total Carrying Amount	**$ 19,264,607**	**$ 153,610**	**$ -**	**$ 19,418,217**

	Balance at December 31, 2017	Additions	Impairments/ Write-Offs	Balance at March 31, 2018
Castelo de Sonhos Properties:				
Acquisition costs	$ 3,303,945	$ -	$ -	$ 3,303,945
Exploration costs	14,136,722	388,479	-	14,525,201
Total Carrying Amount	$ 17,440,667	$ 388,479	$ -	$ 17,829,146

During the periods ended March 31, 2019 and 2018, the additions to exploration costs include the following:

	Three months ended March 31, 2019	Three months ended March 31, 2018
Castelo de Sonhos Properties:		
Camp costs	$ 46,772	$ 77,213
Wages, salaries and benefits costs (Note 18)	97,118	137,134
Geological analysis costs	3,578	5,400
Drilling costs	-	124,539
Other costs	6,142	44,193
Total Exploration Costs	**$ 153,610**	$ 388,479

9. Plant and Equipment

Plant and equipment were as follows:

	Balance at December 31, 2018	Additions	Disposals	Balance at March 31, 2019
Cost:				
Furniture	**$ 2,464**	$ -	$ -	**$ 2,464**
Office equipment	**17,241**	-	-	**17,241**
Vehicles	**228,574**	-	-	**228,574**
Field equipment	**55,907**	-	-	**55,907**
Total costs	**304,186**	-	-	**304,186**
Accumulated Depreciation:				
Furniture	**(2,464)**	-	-	**(2,464)**
Office equipment	**(12,998)**	(544)	-	**(13,542)**
Vehicles	**(203,270)**	(5,141)	-	**(208,411)**
Field equipment	**(55,455)**	-	-	**(55,455)**
Total accumulated depreciation	**(274,187)**	(5,685)	-	**(279,872)**
Total net book value	**$ 29,999**	$ (5,685)	$ -	**$ 24,314**

9. Plant and Equipment (continued)

	Balance at December 31, 2017	Additions	Disposals	Balance at March 31, 2018
Cost:				
Furniture	$ 2,464	$ -	$ -	$ 2,464
Office equipment	15,356	-	-	15,356
Vehicles	188,088	39,819	-	227,907
Field equipment	55,268	-	-	55,268
Total costs	261,176	39,819	-	300,995
Accumulated Depreciation:				
Furniture	(2,464)	-	-	(2,464)
Office equipment	(12,003)	(388)	-	(12,391)
Vehicles	(188,088)	-	-	(188,088)
Field equipment	(55,268)	-	-	(55,268)
Total accumulated depreciation	(257,823)	(388)	-	(258,211)
Total net book value	$ 3,353	$ 39,431	$ -	$ 42,784

10. Provisions

The provision represents the Company's estimate of the taxes it may have to pay on a possible contingent liability for labor severance obligations in Brazil. The Company is uncertain about the amount or timing of any outflows of funds, if any were to occur.

The following table presents the changes in the Provision:

	March 31, 2019	March 31, 2018
Balance at beginning of the period	**$ 314,035**	$ 322,713
Change in provision estimate	(670)	5,986
Balance at end of the period	**$ 313,365**	$ 328,699

Each reporting period the Company reviews estimated amounts and other assumptions used in the valuation of the provision to reflect events, changes in circumstances and new information available. Changes in these estimates and assumptions may have a corresponding impact on the value of the provision. The changes in the provision estimate are reported in general and administrative expenses (Note 16).

During the period of three months ended March 31, 2019, included in the change in the provision estimate are $1,133 from effect of exchange rates (March 31, 2018: $1,685).

11. Warrants Liability

Warrants have their exercise prices denominated in Canadian dollars which is not the Company's functional currency and therefore the warrants have been accounted for as a non-hedged derivative financial liability. The derivative liability is recorded at the estimated fair value through profit and loss at each reporting date based upon a Black-Scholes Option Pricing Model. At initial recognition when warrants are issued the Company allocates their full fair value as a warranty liability with the residual value of proceeds raised from the shares issued recorded in common shares. Subsequent changes in the fair value of the warrants liability are recorded in the Consolidated Statement of Comprehensive Income (Loss) for the period.

(Expressed in United States Dollars)

11. Warrants Liability (continued)

In January 2018, under a private placement, the Company issued 6,490,147 share purchase warrants exercisable to acquire 6,490,147 shares at Can$0.35 per share until July 2020. The estimated fair value of the warrant liability at issuance was $931,163.

The following is a summary of changes in warrants:

	Number of Warrants	**Weighted Average Exercise Price**	**Amount**
Balance at December 31, 2018	**20,169,281**	**Can$0.37**	**$ 320,693**
Warrants liability fair value change	-	-	(128,043)
Balance at March 31, 2019	**22,138,385**	Can$0.45	**$ 192,650**

	Number of Warrants	Weighted Average Exercise Price	Amount
Balance at December 31, 2017	15,648,238	Can$0.50	$ 253,944
Issued warrants	6,490,147	Can$0.35	931,163
Warrants liability fair value change	-	-	(561,876)
Balance at March 31, 2018	22,138,385	Can$0.45	$ 623,231

As at March 31, 2019, outstanding warrants are as follows:

Number of Warrants	**Weighted Average Exercise Price**	**Issuance Date**	**Expiry Date**
8,554,134	Can$0.45	April 28, 2017	April 28, 2019
6,490,147	Can$0.35	January 24, 2018	July 24, 2020
3,600,000	Can$0.25	August 3, 2018	February 3, 2021
1,525,000	Can$0.25	August 10, 2018	February 10, 2021
20,169,281			

At March 31, 2019 and 2018 the fair value of the Company's warrants was estimated using the Black-Scholes option-pricing model with the following assumptions:

	March 31, 2019	March 31, 2018
Expected dividend yield	**0%**	0%
Expected volatility	**84.54% - 92.09%**	74.40% - 85.21%
Risk-free interest rate	**1.78%**	1.74%
Expected life	**1 – 22 months**	3 months – 2.3 years
Share Price	**Can$0.12**	Can$0.23

(Expressed in United States Dollars)

12. Share Capital and Capital Reserve

The Company's authorized share capital consists of an unlimited number of common shares without par value. As at March 31, 2019, the Company had 178,754,440 common shares outstanding, and a total of 35,619,823 common shares were reserved for issuance after exercise of options and warrants outstanding.

a. On January 24, 2018, the Company closed its private placement, announced December 14, 2017, consisting of 12,980,297 units at the price of Can$0.22 per unit for gross proceeds of $2,313,946 from which the Company deducted cash finder's fees in the amount of $89,735 and share issue costs, including legal and other fees paid, in the amount of $28,359 for net proceeds of $2,195,851. Each unit in this financing consists of one common share and one half (1/2) of one non-transferable common share purchase warrant. Each of the 6,490,147 whole common share purchase warrants entitles the holder to purchase one additional common share of the Company at Can$0.35 per share until July 24, 2020. The fair value of warrants issued in the amount of $931,163 was recorded in warrants liability. In addition, the Company issued 72,546 agent's compensation options, having the same terms as the warrants, and the estimated fair value at grant date of $10,409 was recorded in capital reserve. The Company deducted the amount of the fair value of warrants and the agent compensation options from the net proceeds and recorded the remaining amount of $1,254,280 in Common Shares.

b. On February 7, 2018, a total of 100,000 stock options, with an exercise price of Can$0.28 per option, were granted to a member of the Company's Advisory Committee. The options expire on February 7, 2023 and had an estimated fair value at grant date of $17,658.

The following is a summary of changes in common share capital and capital reserve:

	Common Shares		
	Number	Amount	Capital Reserve
Balance at December 31, 2017	155,524,143	$ 41,432,191	$ 4,445,316
Shares issued on financing, net of share issue cost	12,980,297	1,254,280	-
Stock-based compensation	-	-	28,067
Balance at March 31, 2018	168,504,440	$ 42,686,471	$ 4,473,383

No changes occurred in share capital and capital reserve during the three month period ended March 31, 2019. The final balances were as follow:

	Common Shares		
	Number	**Amount**	**Capital Reserve**
Balance at March 31, 2019	**178,754,440**	**$ 43,886,034**	**$ 4,474,610**

13. Agent Compensation Options

As part of its financings the Company has issued some agent compensation options.

The following is a summary of the changes in broker and agent compensation options outstanding and exercisable:

(Expressed in United States Dollars)

13. Agent Compensation Options (continued)

	Number of Options Outstanding	Number of Options Exercisable	Weighted Average Exercise Price of Options (in Can$)
Balance at December 31, 2017	750,542	750,542	$ 0.44
Compensation Options Granted	72,546	72,546	$ 0.35
Balance at March 31, 2018	1,282,414	1,282,414	$ 0.38

On January 24, 2018, the Company issued 72,546 agent's compensation options with an exercise price of Can$0.35 per option. The compensation options expire on July 24, 2020. The estimated fair value at grant date of $10,409 was recorded in capital reserve.

As at March 31, 2019, the Company had 750,542 agent compensation options outstanding and exercisable, with and weighted average exercise price of Can$0.44, with no changes from the balances as at December 31, 2018.

The weighted average exercise price of agent compensation options issued during the three month period ended March 31, 2018, was Can$0.35 per option (March 31, 2019: nil). The weighted average fair value at issue date of agent compensation options issued during the during the three month period ended March 31, 2018, was Can$0.17 per option (March 31, 2019: nil).

During the period of three month ended March 31, 2018 the fair value of agent compensation options granted was estimated as of the date of grant using the Black-Scholes option-pricing model with the following assumptions:

	March 31, 2018
Expected dividend yield	**0%**
Expected volatility	**109.31%**
Risk-free interest rate	**1.64%**
Expected life	**2.5 years**
Share Price	**Can$0.30**
Weighted average fair value of options granted	**Can$0.17**

Option pricing models require the input of subjective assumptions including the expected price volatility, the expected life and forfeiture rate. Changes in these assumptions can materially affect the estimated fair value of the stock options granted. The expected price volatility used was based on the historic volatility of the Company's share price

The following table summarizes information about agent compensation options outstanding at March 31, 2019:

Grant Date	**Compensation Options Outstanding**	**Exercise Price**	**Proceeds upon exercise of options outstanding (in Can$)**	**Fair Value of Options Outstanding**	**Weighted Average Remaining Life in Years**	**Expiration Date**
4/28/2017	660,496	Can$0.45	$ 297,223	$ 65,223	0.3	4/28/2019
1/24/2018	72,546	Can$0.35	25,391	10,409	1.5	7/24/2020
8/3/2018	17,500	Can$0.25	4,375	1,227	2.0	2/3/2021
	750,542		**$ 326,989**	**$ 76,859**	**0.5**	

The weighted average exercise price of the agent compensation options outstanding at March 31, 2019, is Can$0.44 (March 31, 2018: Can$0.38).

(Expressed in United States Dollars)

14. Stock Option Plan

The Company maintains a stock option plan ("the Plan") for directors, senior officers, employees and consultants of TriStar and its subsidiaries. Under the terms of the Plan, the options are exercisable over periods of up to ten years, and the exercise price of each option equals the closing market price of the Company's stock on the trading day immediately before the date of grant. Any consideration paid by the option holder on the exercise of options is credited to share capital and offset against amounts previously recorded in capital reserve.

The number of shares which may be issued pursuant to options previously granted and those granted under the Plan shall not exceed 18,800,000 at the time of the grant. The options granted under the Plan vest at determination of the Board. In addition, the number of shares which may be reserved for issuance to any one individual may not exceed 5% of the issued and outstanding shares on a yearly basis.

The Plan will terminate when all of the options have been granted or when the Plan is otherwise terminated by TriStar. Any options outstanding when the Plan is terminated will remain in effect until they are exercised or they expire.

As at March 31, 2019, the Company had 14,700,000 options outstanding and exercisable with a weighted average exercise price of Can$0.20, with no changes from the balances as at December 31, 2018.

The following is a summary of the changes in options outstanding and exercisable as at March 31, 2018:

	Number of Options Outstanding	Number of Options Vested	Weighted Average Exercise Price of Options (in Can$)
Balance at December 31, 2017	15,325,000	15,325,000	$ 0.20
Options granted	100,000	100,000	$ 0.28
Balance at March 31, 2018	15,425,000	15,425,000	$ 0.20

On February 7, 2018, a total of 100,000 stock options, with an exercise price of Can$0.28 per option, were granted to a member of the Company's Advisory Committee. The options expire on February 7, 2023 and had an estimated fair value at grant date of $17,658.

The weighted average exercise price of options granted during the three month period ended March 31, 2018, was Can$0.28 per option (March 31, 2019: nil).

The weighted average fair value at grant date of options granted during the three month period ended March 31, 2018, was Can$0.22 per option (March 31, 2019: nil).

During the three month periods ended March 31, 2019 and 2018 the estimated forfeiture rates were nil.

The fair value of options granted during the three month period ended March 31, 2018 was estimated as of the date of grant using the Black-Scholes option-pricing model with the following assumptions:

	March 31, 2018
Expected dividend yield	**0%**
Expected volatility	**109.77%**
Risk-free interest rate	**2.01%**
Expected life	**5 years**
Share Price	**Can$0.28**
Weighted average fair value of options granted	**Can$0.22**

(Expressed in United States Dollars)

14. Stock Option Plan (continued)

Option pricing models require the input of subjective assumptions including the expected price volatility, the expected life and forfeiture rate. Changes in these assumptions can materially affect the estimated fair value of the stock options granted. The expected price volatility used was based on the historic volatility of the Company's share price.

The following table summarizes information about stock options outstanding at March 31, 2019:

Grant Date	Options Outstanding	Options Vested	Exercise Price	Proceeds upon exercise of options outstanding (in Can$)	Fair Value of Options Outstanding	Weighted Average Remaining Life in Years	Expiration Date
4/29/2014	1,250,000	1,250,000	Can$0.15	$ 187,500	$ 88,940	0.3	4/29/2019
2/12/2015	1,600,000	1,600,000	Can$0.20	320,000	177,992	1.1	2/11/2020
12/10/2015	8,075,000	8,075,000	Can$0.18	1,453,500	1,348,794	1.9	12/9/2020
4/19/2016	750,000	750,000	Can$0.28	210,000	146,196	2.3	4/18/2021
9/28/2017	2,775,000	2,775,000	Can$0.25	693,750	464,595	3.7	9/27/2022
10/20/2017	150,000	150,000	Can$0.25	37,500	25,434	3.8	10/19/2022
2/7/2018	100,000	100,000	Can$0.28	28,000	17,658	4.1	2/7/2023
	14,700,000	**14,700,000**		**$ 2,930,250**	**$ 2,269,609**	**2.1**	

The weighted average exercise price of the options outstanding at March 31, 2019, is Can$0.20 (March 31, 2018: Can$0.20).

15. Stock-based Compensation

During the three month period ended March 31, 2018 stock-based compensation expenses in the amount of $17,658 related to options granted to employees, directors and consultants were included in the consulting expense account (Note 16) reported in the Consolidated Statements of Comprehensive Loss (March 31, 2019: nil). These amounts have been recorded as capital reserve (Note 12) in the Consolidated Statements of Financial Position.

16. General and Administrative Expenses

General and administrative expenses consist of the following:

	Three months ended	
	March 31, 2019	March 31, 2018
Consulting and professional fees (Note 15 and Note 18)	**$ 51,946**	$ 105,071
Change in provisions (Note 10)	**1,133**	7,671
Depreciation (Note 9)	**544**	388
Insurance	**2,835**	2,893
Office	**9,286**	19,273
Rent	**7,661**	10,660
Salaries and benefits (Note 18)	**184,753**	234,882
Shareholder relations	**28,573**	100,253
Travel and meals	**12,527**	24,368
Total	**$ 299,258**	$ 505,459

(Expressed in United States Dollars)

17. Basic and Diluted Income (Loss) per Share

The following table sets forth the computation of basic and diluted loss per share:

	Three months ended	
	March 31, 2019	March 31, 2018
Numerator:		
Net Income (loss)	**$ (177,651)**	$ 10,706
Numerator for basic income (loss) per share	**(177,651)**	10,706
Effect of warrants dilution	**(128,043)**	(561,876)
Numerator for diluted loss per share	**$ (305,694)**	$ (551,170)

	Three months ended	
	March 31, 2019	March 31, 2018
Denominator:		
Initial Balance of issued common shares	**178,754,440**	155,524,143
Effect of shares issued on financing	**-**	9,518,884
Denominator for basic income (loss) per share	**178,754,440**	165,043,027
Effect of diluted securities: Options	**-**	14,575,000
Denominator for diluted loss per share	**178,754,440**	179,618,027
Basic income (loss) per share	**$ (0.00)**	$ 0.00
Diluted loss per share	**$ (0.00)**	$ (0.00)

During the three month periods ended March 31, 2019 and 2018 the share purchase warrants, and some agent compensation options and stock options were excluded from the computation of diluted loss per share as their inclusion would be antidilutive.

18. Related Party Transactions

Key management personnel compensation comprised:

	Three months ended	
	March 31, 2019	March 31, 2018
Short term employee salaries and benefits (Note 16)	**$ 145,532**	$ 172,661
Consulting fees	**11,283**	50,925
	$ 156,815	$ 223,586

For the period ended March 31, 2019, short term employee benefits received by key management personnel in the amount of $145,532 (March 31, 2018: $161,950) was recorded in the salaries and benefits expenses account (Note 16) in the Consolidated Statements of Comprehensive Income (Loss), and for the period ended March 31, 2018, the amount of $10,711 (March 31, 2019: nil) was reported in Mineral properties and deferred expenditures (Note 8) under exploration cost of the Castelo de Sonhos project,

During the three month periods ended March 31, 2019 and 2018, the Company paid consulting fees of $11,283 and $50,925 respectively to directors and officers for advisory services and did not pay any directors' fees.

(Expressed in United States Dollars)

18. Related Party Transactions (continued)

For the period ended March 31, 2018, consulting fees paid to key management personnel in Brazil in the amount of $39,325 (March 31, 2019: nil) were reported in Mineral properties and deferred expenditures (Note 8) under exploration cost of the Castelo de Sonhos project.

As of March 31, 2019, the total number of outstanding warrants and options held by directors and officers of the Company was 500,000 and 10,625,000, respectively (March 31, 2018: 1,977,839 and 11,175,000, respectively).

Related party transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties and the Board of Directors.

19. Commitments and Contingencies

The Company leases offices in USA, Brazil and Canada, with expiration dates ranging between May and December 2019, for an estimated cost of approximately $2,600 per month and are cancellable within two to three months' notice.

The Company has various property access agreements related to its projects at an estimated cost of approximately $2,000 per month.

There are no material pending legal proceedings to which the Company or any of its subsidiaries is a party or to which any of their property is subject.

20. Segmented Information

Segments are defined as material components of an enterprise about which separate financial information is available and deemed relevant in managing the business. All of the Company's operations are within the mineral exploration sector. The Company's exploration operations are centralized whereby the Company's head office is responsible for the exploration results and for providing support in addressing local and regional issues. The Company's mineral properties are located in Brazil.

Information relating to each of the Company's reportable segments is presented as follows:

	Total Assets	**Total Liabilities**
As at March 31, 2019		
Corporate Office	$ 1,392,424	$ 253,744
Mineral Exploration	18,316,651	364,182
Total	**$ 19,709,075**	**$ 617,926**

	Total Assets	Total Liabilities
As at March 31, 2018		
Corporate Office	$ 2,947,345	$ 725,497
Mineral Exploration	16,911,129	445,714
Total	$ 19,858,474	$ 1,171,211

	Three months ended	
	March 31, 2019	March 31, 2018
Net income (loss)		
Corporate Office	**$ (160,321)**	$ 55,015
Mineral Exploration	**(17,330)**	(44,309)
Total	**$ (177,651)**	$ 10,706

(Expressed in United States Dollars)

20. Segmented Information (continued)

Geographical information related to non-current assets is presented as follows:

	Canada	**United States**	**Brazil**	**Total**
As at March 31, 2019				
Mineral properties and deferred expenditures (Note 8)	$ -	$ -	$ 19,418,217	**$ 19,418,217**
Property, plant and equipment (Note 9)	-	3,699	20,615	**24,314**
Total non-current assets	**$ -**	**$ 3,699**	**$ 19,438,832**	**$ 19,442,531**

	Canada	United States	Brazil	Total
As at March 31, 2018				
Mineral properties and deferred expenditures (Note 8)	$ -	$ -	$ 17,829,146	$ 17,829,146
Property, plant and equipment (Note 9)	-	2,965	39,819	42,784
Total non-current assets	$ -	$ 2,965	$ 17,868,965	$ 17,871,930

21. Capital Management and Liquidity

The Company considers its cash and cash equivalents, common shares, stock options and warrants as capital. The Company's objective in managing capital is to maintain adequate levels of funding to support exploration of its mineral property interests, maintain corporate and administrative functions necessary to support organizational management oversight, and obtain funding sufficient for advancing the Company's investments.

The Company manages its capital structure in a manner that intends to provide sufficient funding for operational activities. Funds are primarily secured through equity capital obtained in private placements. There can be no assurances that the Company will be able to continue raising capital in this manner.

In order to facilitate management of its capital requirements, the Company prepares expenditure budgets that are updated as necessary with actual spending compared to budget on a monthly basis. The Company's investment policy, in general, is to invest short-term excess cash in highly liquid short-term interest bearing investments with maturities of less than one year or that may be liquidated with no reduction in principal. This is to ensure working capital is available to meet the Company's short-term obligations while maximizing liquidity and preserving its invested balances.

22. Financial Instruments and Management of Financial Risk

The Company is exposed to potential loss from various risks including currency risk, interest rate risk, liquidity risk, market risk and commodity price risk.

Market Risks

The significant market risks to which the Company is exposed include commodity price risk and interest rate risk.

Credit Risk

Financial instruments that potentially subject the Company to credit risk consist of cash and cash equivalents, and accounts receivable. The Company invests any excess capital in short-term, highly liquid and highly-rated financial instruments such as cash and short-term guaranteed deposits, all held with Canadian and USA based financial institutions.

22. Financial Instruments and Management of Financial Risk (continued)

Liquidity Risk

The Company manages liquidity risk by maintaining sufficient cash and cash equivalents balances. Liquidity requirements are managed based on expected cash flow to ensure there is sufficient capital to meet short-term obligations. The Company estimates that its contractual obligations pertaining to accounts payable and accrued liabilities should be satisfied within one year.

Commodity Price Risk

The Company's ability to raise capital to fund exploration or development activities is subject to risk associated with fluctuations in the market price of gold. The Company does not have any sales revenue and accordingly no hedging or other commodity-based risks impact its operations.

Market prices for gold historically have fluctuated widely and are affected by numerous factors outside of the Company's control, including, but not limited to, levels of worldwide production, short-term changes in supply and demand, industrial and retail demand, central bank lending, and forward sales by producers and speculators. The Company has elected not to actively manage its commodity price risk.

Currency risk

The Company operates in USA, Canada, and Brazil. As a result, the Company has foreign currency exposure with respect to items not denominated in U.S. dollars. The three main types of foreign exchange risk of the Company can be categorized as follows:

Transaction exposure

The Company operates and incurs costs in different currencies. This creates exposure at the operational level, which may affect the Company's profitability as exchange rates fluctuate. The Company has not hedged its exposure to currency fluctuations.

Exposure to currency risk

The Company is exposed to currency risk through the following assets and liabilities denominated in currencies other than the U.S. dollar: cash and cash equivalents, accounts receivables, prepaid expenses, accounts payables and other liabilities, provisions and warrants liability. The currencies of the Company's financial instruments and other foreign currency denominated liabilities, based on notional amounts, were as follows:

	March 31, 2019		December 31, 2018	
	Canadian dollar	**Brazilian Real**	Canadian dollar	Brazilian Real
Cash and cash equivalents	$ 11,616	$ 10,201	$ 9,780	$ 5,077
Accounts receivable	309	3,909	1,713	6,673
Prepaid expenses	24,224	-	43,394	-
Accounts payable and accrued liabilities	(20,084)	(50,817)	(80,916)	(52,630)
Provisions	-	(313,365)	-	(314,035)
Warrants liability	(192,650)	-	(320,693)	-
Net balance sheet exposure	**$ (176,585)**	**$ (350,072)**	$ (346,722)	$ (354,915)

22. Financial Instruments and Management of Financial Risk (continued)

Translation exposure

A strengthening of the U.S. dollar by 10% against the Canadian dollar and the Brazilian Real at March 31, 2019, with all other variables held constant would have decreased the Company's before tax net loss by approximately $55,000 (at March 31, 2018, would have increased the Company's before tax net loss by approximately $58,000) as a result of a change in value of the financial assets and liabilities denominated in those currencies.

Interest Rate Risk

Interest rate risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

In respect of financial assets, the Company's policy is to invest cash at variable rates of interest in cash equivalents, in order to maintain liquidity, while preserving capital. The Company is exposed to interest rate risk on its short-term investments which were included in cash and cash equivalents at March 31, 2019. The short-term investment interest earned is based on prevailing one day to one year market savings interest rates which may fluctuate. Based on amounts as at March 31, 2019, a one percent change in the interest rate would change interest income by approximately $1,200 (March 31, 2018: $5,500). The Company has not entered into any derivative contracts to manage this risk.

23. Fair Value Measurements

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Fair values are determined directly by reference to published price quotations in an active market, when available, or by using a valuation technique that uses inputs observed from relevant markets.

The fair value hierarchy categorizes into three levels the inputs to valuation techniques used to measure fair value.

- Level 1 inputs are unadjusted quoted prices in active markets for identical, unrestricted assets or liabilities that the entity can access at the measurement date.
- Level 2 inputs are quoted prices in markets that are not active, quoted prices for similar assets or liabilities in active markets, inputs other than quoted prices that are observable for the asset or liability, either directly or indirectly (for example, interest rate and yield curves observable at commonly quoted interval and volatility measurements used to value option contracts), or inputs that are derived principally from or corroborated by observable market data or other means.
- Level 3 inputs are prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (i.e., supported by little or no market activity).

The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs.

(Expressed in United States Dollars)

23. Fair Value Measurements (continued)

As at March 31, 2019, the Company's assets and liabilities measured at fair value on a recurring basis were as follows:

	Level 1	Level 2	Level 3
Assets			
Cash and cash equivalents (Note 7)	$ 235,995	$ -	$ -
Liabilities			
Warrants liability (Note 11)	-	192,650	-
	$ 235,995	**$ 192,650**	**$ -**

The following table provides the carrying value and the fair value of financial instruments at March 31, 2019:

	Carrying Amount	Fair Value
Financial assets		
Cash and cash equivalents (Note 7)	$ 235,995	$ 235,995
Accounts receivable	4,218	4,218
	$ 240,213	$ 240,213
Financial liabilities		
Accounts payable and accrued liabilities	$ 111,911	$ 111,911
Derivative instruments		
Warrants liability (Note 11)	$ 192,650	$ 192,650

24. Subsequent Events

In May of 2019, Tristar Gold and Royal Gold Inc. entered into a letter agreement under which Royal Gold will pay to Tristar, subject to the completion of due diligence and receipt of the appropriate approvals, a total of $8.0 million. In return Royal Gold will receive: (i) a 1.5% net smelter return royalty on the Castelo de Sonhos property, (ii) an assignment of TriStar's right to buy down 50% of the existing 2% net smelter return on CDS held by the vendors of the property and (iii) 19,640,000 warrants for common shares of Tristar with a five year term to maturity and an exercise price of $0.25 per share. In return for $500,000 Tristar has assigned the royalty buy down right to Royal Gold and it is planned to complete the rest of the transaction by the end of June 2019.