

## FORM 5

### QUARTERLY LISTING STATEMENT

Name of Listed Issuer: BADEN RESOURCES INC. (the "Issuer")

Trading Symbol: BDN

This Quarterly Listing Statement must be posted on or before the day on which the Issuer's unaudited interim financial statements are to be filed under the *Securities Act*, or, if no interim statements are required to be filed for the quarter, within 60 days of the end of the Issuer's first, second and third fiscal quarters. This statement is not intended to replace the Issuer's obligation to separately report material information forthwith upon the information becoming known to management or to post the forms required by the Exchange Policies. If material information became known and was reported during the preceding quarter to which this statement relates, management is encouraged to also make reference in this statement to the material information, the news release date and the posting date on the Exchange website.

#### **General Instructions**

- (a) Prepare this Quarterly Listing Statement using the format set out below. The sequence of questions must not be altered nor should questions be omitted or left unanswered. The answers to the following items must be in narrative form. When the answer to any item is negative or not applicable to the Issuer, state it in a sentence. The title to each item must precede the answer.
- (b) The term "Issuer" includes the Listed Issuer and any of its subsidiaries.
- (c) Terms used and not defined in this form are defined or interpreted in Policy 1 – Interpretation and General Provisions.

There are three schedules which must be attached to this report as follows:

#### **SCHEDULE A: FINANCIAL STATEMENTS**

Financial statements are required as follows:

For the first, second and third financial quarters interim financial statements prepared in accordance with the requirements under Ontario securities law must be attached.

If the Issuer is exempt from filing certain interim financial statements, give the date of the exempting order.

Unaudited condensed interim financial statements for the three-month period ended September 30, 2022, as filed with the securities regulatory authorities are attached hereto as Schedule "A".

## **SCHEDULE B: SUPPLEMENTARY INFORMATION**

The supplementary information set out below must be provided when not included in Schedule A.

### **1. Related party transactions**

Provide disclosure of all transactions with a Related Person, including those previously disclosed on Form 10. Include in the disclosure the following information about the transactions with Related Persons:

- (a) A description of the relationship between the transacting parties. Be as precise as possible in this description of the relationship. Terms such as affiliate, associate or related company without further clarifying details are not sufficient.
- (b) A description of the transaction(s), including those for which no amount has been recorded.
- (c) The recorded amount of the transactions classified by financial statement category.
- (d) The amounts due to or from Related Persons and the terms and conditions relating thereto.
- (e) Contractual obligations with Related Persons, separate from other contractual obligations.
- (f) Contingencies involving Related Persons, separate from other contingencies.

All related party transactions have been disclosed in Note 4 in the Issuer's unaudited condensed interim financial statements for the three-month period ended September 30, 2022. For information subsequent to the information contained in the notes to the unaudited condensed interim financial statements with respect to related party transactions, please refer to the Management's Discussion and Analysis ("MD&A") for the three-month period ended September 30, 2022, as filed with the securities regulatory authorities and attached hereto as Schedule "B".

**2. Summary of securities issued and options granted during the period.**

Provide the following information for the period beginning on the date of the last Listing Statement (Form 2A):

All securities issued and options granted, if any, by the Issuer have been disclosed in the Issuer's unaudited condensed interim financial statements for the three-month period ended September 30, 2022.

(a) summary of securities issued during the period,

Date of Issue	Type of Security (common shares, convertible debentures, etc.)	Type of Issue (private placement, public offering, exercise of warrants, etc.)	Number	Price	Total Proceeds	Type of Consideration (cash, property, etc.)	Describe relationship of Person with Issuer (indicate if Related Person)	Commission Paid
No Securities Were Issued During the three-month period ended September 30, 2022.								

(b) summary of options granted during the period,

Date	Number	Name of Optionee if Related Person and relationship	Generic description of other Optionees	Exercise Price	Expiry Date	Market Price on date of Grant
No Options Were Issued During the three-month period ended September 30, 2022.						

**3. Summary of securities as at the end of the reporting period.**

Provide the following information in tabular format as at the end of the reporting period:

(a) description of authorized share capital including number of shares for each class, dividend rates on preferred shares and whether or not cumulative, redemption and conversion provisions,

Description	Number Authorized	Par Value
Common	Unlimited	No Par Value

(b) number and recorded value for shares issued and outstanding,

Description	Number Issued and Outstanding	Value
Common	13,938,100	\$883,245

(c) description of options, warrants and convertible securities outstanding, including number or amount, exercise or conversion price and expiry date, and any recorded value, and

Description	Number Outstanding	Exercise Price	Expiry Date
Stock Options	650,000	\$0.10	February 28, 2025
Stock Options	75,000	\$0.10	July 24, 2025
<b>TOTAL</b>	<b>725,000</b>		

Description	Number Outstanding	Exercise Price	Expiry Date
Warrants	4,075,600	\$0.10	November 26, 2022
Warrants	2,000,000	\$0.13	May 25, 2023
<b>TOTAL</b>	<b>6,075,600</b>		

(d) number of shares in each class of shares subject to escrow or pooling agreements or any other restriction on transfer.

Escrowed and Restricted Shares	Number	Number Released During the Period
Escrowed and Restricted Shares	2,064,000	Nil

4. List the names of the directors and officers, with an indication of the position(s) held, as at the date this report is signed and filed.

Name	Position Held
Howard Milne	President, Chief Executive Officer, and Director
Steve Mathiesen	Chief Financial Officer, Corporate Secretary, and Director
James Place	Director
Daren Hermiston	Director

## **SCHEDULE C: MANAGEMENT DISCUSSION AND ANALYSIS**

Provide Interim MD&A if required by applicable securities legislation.

The Management's Discussion and Analysis ("MD&A") for the three-month period ended September 30, 2022, is attached hereto as Schedule "B".

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## Certificate Of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Quarterly Listing Statement.
2. As of the date hereof there is no material information concerning the Issuer which has not been publicly disclosed.
3. The undersigned hereby certifies to the Exchange that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all Exchange Requirements (as defined in CNSX Policy 1).
4. All of the information in this Form 5 Quarterly Listing Statement is true.

Dated: November 28, 2022.

Howard Milne  
Name of Director or Senior Officer

Signed: "Howard Milne"  
Signature

Chief Executive Officer  
Official Capacity

<b>Issuer Details</b> Name of Issuer BADEN RESOURCES INC.		For Quarter Ended September 30, 2022	Date of Report YYYY/MM/D 2022 / 11 / 28
Issuer Address Suite 503- 905 West Pender Street			
City/Province/Postal Code Vancouver, BC V6C 1L6	Issuer Fax No. N/A	Issuer Telephone No. 604-377-8994	
Contact Name Howard Milne	Contact Position CEO	Contact Telephone No. 604-377-8994	
Contact Email Address hdmcap@shaw.ca	Web Site Address www.badenresources.com		

**SCHEDULE "A"**

**BADEN RESOURCES INC.**

**CONDENSED INTERIM FINANCIAL STATEMENTS**  
**(Expressed in Canadian dollars)**  
**(Unaudited)**

**THREE MONTHS ENDED SEPTEMBER 30, 2022**

**BADEN RESOURCES INC.**

Condensed Interim Statements of Financial Position - Unaudited  
(Expressed in Canadian Dollars)

<b>As at</b>	<b>Note</b>	<b>September 30, 2022</b>	<b>June 30, 2022</b>
		\$	\$
<b>ASSETS</b>			
<b>Current</b>			
Cash and cash equivalents	2	<b>232,945</b>	294,124
Receivables		<b>5,023</b>	5,193
<b>Total assets</b>		<b>237,968</b>	299,317
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>			
<b>Current</b>			
Accounts payable		<b>18,718</b>	176
Accrued liabilities		<b>13,500</b>	36,076
<b>Total liabilities</b>		<b>32,218</b>	36,252
<b>Shareholders' equity</b>			
Share capital	5	<b>883,245</b>	883,245
Reserves	5	<b>30,694</b>	30,694
Deficit		<b>(708,189)</b>	(650,874)
<b>Total shareholders' equity</b>		<b>205,750</b>	263,065
<b>Total liabilities and shareholders' equity</b>		<b>237,968</b>	299,317

**Nature of operations and going concern (Note 1)**

**These financial statements were approved by the Board of Directors on November 28, 2022:**

*"Steve Mathiesen"*

*Steve Mathiesen, Director*

*"Howard Milne"*

*Howard Milne, Director*

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



**BADEN RESOURCES INC.**

Condensed Interim Statements of Loss and Comprehensive Loss - Unaudited

(Expressed in Canadian Dollars)

		<b>For the three months ended</b>	
	<b>Note</b>	<b>September 30,</b>	
		<b>2022</b>	<b>2021</b>
		<b>\$</b>	<b>\$</b>
<b>EXPENSES</b>			
Bank charges and interest		<b>69</b>	65
Consulting fees	4	<b>4,000</b>	-
Listing, filing and transfer agent fees		<b>5,103</b>	3,185
Management fees	4	<b>22,000</b>	12,000
Marketing and advertising		-	27
Operating, general and administrative		<b>2,494</b>	653
Professional fees		<b>19,859</b>	4,700
Rent		<b>4,500</b>	4,500
Telephone and communications		<b>300</b>	300
<b>Loss before other item</b>		<b>(58,325)</b>	(25,430)
<b>Other item</b>			
Interest income		<b>1,010</b>	234
<b>Net loss and comprehensive loss</b>		<b>(57,315)</b>	(25,196)
<b>Loss per share – basic and diluted</b>		<b>(0.00)</b>	(0.00)
<b>Weighted average number of common shares outstanding</b>		<b>13,938,100</b>	11,936,982

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

**BADEN RESOURCES INC.**

Condensed Interim Statements of Changes in Shareholders' Equity - Unaudited  
(Expressed in Canadian Dollars)

	<b>Number of Shares</b>	<b>Share Capital</b>	<b>Reserves</b>	<b>Deficit</b>	<b>Total Equity</b>
		<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Balance, June 30, 2021	11,936,000	682,920	30,809	(241,290)	472,439
Issuance of common shares on exercise of warrants at \$0.10	2,100	210	-	-	210
Allocation of warrants exercised	-	115	(115)	-	-
Loss and comprehensive loss	-	-	-	(25,196)	(25,196)
Balance, September 30, 2021	11,938,100	683,245	30,694	(266,486)	447,453
Issuance of common shares for cash at \$0.10	2,000,000	200,000	-	-	200,000
Loss and comprehensive loss	-	-	-	(384,388)	(384,388)
Balance, June 30, 2022	13,938,100	883,245	30,694	(650,874)	263,065
Loss and comprehensive loss	-	-	-	(57,315)	(57,315)
<b>Balance, September 30, 2022</b>	<b>13,938,100</b>	<b>883,245</b>	<b>30,694</b>	<b>(708,189)</b>	<b>205,750</b>

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

**BADEN RESOURCES INC.**Condensed Interim Statements of Cash Flows - Unaudited  
(Expressed in Canadian Dollars)

	<b>For the three months ended</b>	
	<b>September 30,</b>	
	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
Cash flows used in operating activities:		
Net loss	<b>(57,315)</b>	(25,196)
Changes in non-cash working capital items:		
Receivables	<b>170</b>	(3,916)
Accounts payable and accrued liabilities	<b>(4,034)</b>	5,278
Net cash used in operating activities	<b>(61,179)</b>	(23,834)
Financing activities		
Proceeds from issuance of shares	-	210
Net cash provided by financing activities	-	210
Investing activities		
Exploration and evaluation assets	-	(55,047)
Net cash used in investing activities	-	(55,047)
Decrease in cash and cash equivalents	<b>(61,179)</b>	(78,671)
Cash and cash equivalents, beginning	<b>294,124</b>	402,566
Cash and cash equivalents, ending	<b>232,945</b>	323,895
Cash and cash equivalents consist of the following:		
Cash held in banks	<b>32,945</b>	23,596
Guaranteed investment certificate	<b>200,000</b>	300,299
	<b>232,945</b>	323,895

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

## **BADEN RESOURCES INC.**

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS - Unaudited  
FOR THE THREE MONTHS ENDED SEPTEMBER 30 2022  
(Expressed in Canadian dollars)

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### **1. NATURE OF OPERATIONS AND GOING CONCERN**

Baden Resources Inc. (the "Company") was incorporated in the Province of British Columbia on January, 19, 2020 under the Business Corporations Act of British Columbia. The Company is focused on acquisition, exploration, and development of mineral properties in British Columbia. The Company's business office is located at Suite 503 – 905 W. Pender Street, Vancouver BC V6C 1L6. The Company's shares are listed on the Canadian Securities Exchange ("CSE") under the symbol "BDN".

On June 29, 2022, the Company entered into a business combination agreement (the "Business Combination Agreement") with NorthStar Gaming Inc. ("NorthStar") pursuant to which, among other things, NorthStar will complete a "reverse takeover" of the Company (the "Proposed Transaction") (See Note 8).

These condensed interim financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. As at September 30, 2022, the Company is not able to finance day to day activities through operations and has an accumulated deficit of \$708,189. The continuing operations of the Company are dependent upon its ability to obtain sufficient financing and the success of its exploration activities. This indicates the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. Management intends to finance operating costs with loans from directors and companies controlled by directors and/or issuance of common shares. If the Company is unable to continue as a going concern, the net realizable value of its assets may be materially less than the amounts on its statement of financial position.

### **2. SUMMARY SIGNIFICANT ACCOUNTING**

#### **Basis of preparation**

##### *Statement of compliance*

These unaudited condensed interim financial statements have been prepared in accordance with accounting policies consistent with International Financial Reporting Standards ("IFRS") IAS 34 – Interim Financial Reporting as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). The unaudited condensed interim financial statements, prepared in conformity with accounting policies consistent with IAS 34, follow the same accounting principles and methods of application as the most recent audited annual financial statements. Since the unaudited condensed interim financial statements do not include all disclosures required by IFRS for annual financial statements, they should be read in conjunction with the Company's audited financial statements for the year ended June 30, 2022.

##### *Basis of measurement*

These unaudited condensed interim financial statements have been prepared on a historical cost basis, modified where applicable. In addition, these financial statements have been prepared using the accrual basis of accounting except for cash flow information. The unaudited condensed interim financial statements are presented in Canadian dollars, unless otherwise noted.

#### **Cash and cash equivalents**

Cash is comprised of cash on hand, cash held in trust accounts and demand deposits. Cash equivalents are short-term, highly liquid investments with maturities within three months when acquired or cashable on demand without penalty.

#### **Accounting Standards and Interpretations Issued but Not Yet Adopted**

The Company has reviewed new and revised accounting pronouncements that have been issued but are not yet effective. The Company has not early adopted any of these standards and is currently evaluating the impact, if any, that these standards might have on its financial statements.

Other accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's financial statements.

**BADEN RESOURCES INC.**

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS - Unaudited  
 FOR THE THREE MONTHS ENDED SEPTEMBER 30 2022  
 (Expressed in Canadian dollars)

**3. EXPORATION AND EVALUATION ASSET**

The Company entered into an Option Agreement (“Option Agreement”) dated March 12, 2021 to acquire an option on a 75% interest in the Midway Property, consisting of 24 mining claims located in Southeastern BC (the “Property”). Under the terms of the Option Agreement, the Company will earn a 75% working interest in the Property upon completion of the following:

- a) Cash payments totaling \$500,000 consisting of: (i) \$5,000 upon signing of the Option Agreement (paid); (ii) \$15,000 upon the Company’s listing on the CSE (paid); (iii) further payments totaling \$480,000 paid on the first through fifth anniversary dates of the Company’s listing on the CSE;
- b) Payments totaling 800,000 shares of the Company consisting of: (i) 200,000 shares upon the Company’s listing on the CSE (issued); (ii) 120,000 shares each of the first through fifth anniversary dates of the Company’s listing upon the CSE; and
- c) Expenditures on the Property totaling \$1,120,000 consisting of: (i) \$120,000 spend prior to October 31, 2021 (subsequently amended to \$150,000 prior to December 31, 2021); (ii) \$200,000 spend prior to the second, third and fourth anniversary dates of the Company’s listing upon the CSE; (iii) \$400,000 spend prior to the fifth anniversary dates of the Company’s listing upon the CSE.

As at May 25, 2022, the Company terminated its option of the Midway Property and, as a result, fully impaired the property.

A continuity of the Company’s exploration and evaluation asset is as follows:

	<b>Midway Property</b>	<b>Total</b>
	\$	\$
<b>Acquisition costs:</b>		
Balance, June 30, 2021	50,000	50,000
Write-off of mineral property	(50,000)	(50,000)
<b>Balance, June 30, 2022</b>	<b>-</b>	<b>-</b>
<b>Deferred exploration expenditures:</b>		
Balance, June 30, 2021	20,000	20,000
Assaying and sampling	18,301	18,301
Equipment rental	7,986	7,986
Geological	83,510	83,510
Travel and accommodations	22,808	22,808
Write-off of mineral property	(152,605)	(152,605)
<b>Balance, June 30, 2022</b>	<b>-</b>	<b>-</b>
<b>Total exploration and evaluation assets</b>		
As at June 30, 2022	-	-
<b>As at September 30, 2022</b>	<b>-</b>	<b>-</b>

**BADEN RESOURCES INC.**

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS - Unaudited  
 FOR THE THREE MONTHS ENDED SEPTEMBER 30 2022  
 (Expressed in Canadian dollars)

**4. RELATED PARTY TRANSACTIONS***Key management compensation*

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of members of the Company's Board of Directors and corporate officers. There were no remuneration of directors and key management personnel for the three months ended September 30, 2022 and 2021.

	<b>For the three months ended September 30,</b>	
	<b>2022</b>	<b>2021</b>
	\$	\$
Consulting fees paid to a director	<b>1,000</b>	-
Management fees paid to a company controlled by the CEO	<b>11,000</b>	6,000
Management fees paid by a company controlled by the CFO	<b>11,000</b>	6,000
	<b>23,000</b>	12,000

**5. SHARE CAPITAL***Authorized share capital*

Unlimited number of common shares without par value

*Common Shares**Shares issued during the year ended June 30, 2022*

On August 19, 2021, the Company issued 2,100 common shares on exercise of warrants for gross proceeds of \$210.

On February 25, 2022, the company issued 2,000,000 common shares at \$0.10 per unit for proceeds of \$200,000. Each unit consists of one common share and one warrant. Each warrant is exercisable for one addition common share at \$0.13 per share, expiring May 25, 2023.

*Warrants*

The following is a summary of the Company's warrants for the three months ended September 30, 2022.

	Number	Weighted average exercise price	Weighted average life (years)
		\$	
Balance, June 30, 2021	4,077,700	0.10	-
Issued	2,000,000	0.13	
Exercised	(2,100)	0.10	-
Balance, June 30, 2022 and September 30, 2022	6,075,600	0.11	.32

**BADEN RESOURCES INC.**

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS - Unaudited  
FOR THE THREE MONTHS ENDED SEPTEMBER 30 2022  
(Expressed in Canadian dollars)

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**5. SHARE CAPITAL (continued)***Stock options*

The Company has adopted an incentive stock option plan, which provides that the Board of Directors of the Company may from time to time, in its discretion, and in accordance with Exchange policies, grant to directors, officers and technical consultants to the Company, non-transferable options to purchase common shares, provided that the number of common shares reserved for issuance will not exceed 10% of the common shares issued and outstanding from time to time. Such options are non-transferable and are exercisable at a price per share not below the closing traded price on the day before the date of grant for a period of up to ten years from the date of grant.

	Number	Weighted average exercise price \$	Weighted average life (years)
Balance, June 30, 2022 and September 30, 2022	725,000	0.10	2.45

**6. CAPITAL MANAGEMENT**

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern in order to pursue its operations and to maintain a flexible capital structure, which optimizes the costs of capital at an acceptable risk. The Company considers its capital for this purpose to be its shareholders' equity.

The Company's primary source of capital is through the issuance of equity. The Company manages and adjusts its capital structure when changes in economic conditions occur. To maintain or adjust the capital structure, the Company may seek additional funding. The Company may require additional capital resources to meet its administrative overhead expenses in the long term. The Company believes it will be able to raise capital as required in the long term but recognizes there will be risks involved that may be beyond its control. There are no external restrictions on the management of capital.

**7. FINANCIAL INSTRUMENTS**

The Company thoroughly examines the various financial instrument risks to which it is exposed and assesses the impact and likelihood of those risks. These risks may include interest rate risk, credit risk, liquidity risk, and currency risk and price risk. The carrying value of the Company's financial instruments approximates their fair value due to their short-term nature. Fair value measurements of financial instruments are required to be classified using a fair value hierarchy that reflects the significance of inputs in making the measurements. The levels of the fair value hierarchy are defined as follows:

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 – Inputs for the asset or liability that are not based on observable market data.

The fair values of other financial instruments, which include cash, accounts payable and accrued liabilities, and promissory notes approximate their carrying values due to the relatively short-term maturity of these instruments.

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

## **BADEN RESOURCES INC.**

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS - Unaudited  
FOR THE THREE MONTHS ENDED SEPTEMBER 30 2022  
(Expressed in Canadian dollars)

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### **7. FINANCIAL INSTRUMENTS (continued)**

- b) **Credit risk:** Credit risk is the risk of potential loss to the Company if the counterparty to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its liquid financial assets including cash, which is held with a high-credit financial institution and amounts receivable from the Government of Canada. As such, the Company's credit exposure is minimal.
- c) **Liquidity risk:** Liquidity risk arises from the excess of financial obligations over available financial assets due at any point in time. The Company's objective in managing liquidity risk is to maintain sufficient readily available reserves in order to meet its liquidity requirements. The Company addresses its liquidity through equity financing obtained through the sale of common shares. While the Company has been successful in securing financings in the past, there is no assurance that it will be able to do so in the future.
- d) **Currency risk:** Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange. The Company has minimal exposure to foreign currency transactions during the three months ended September 30, 2022 and accordingly the risk is considered low.

The carrying value of Company's financial assets and liabilities as at September 30, 2022 and June 30, 2022 approximate their fair value due.

### **8. PROPOSED TRANSACTION**

In accordance with the terms of Business Combination Agreement, the parties will complete a three-cornered amalgamation (the "Amalgamation") under the policies of the TSX Venture Exchange (the "TSX-V").

Prior to the Amalgamation, it is anticipated that (i) all of the outstanding NorthStar common shares will be subdivided on a 1 (one) for 736.68 basis, (ii) all post-split NorthStar common shares outstanding will be exchanged for common shares of the Company on a one-for-one basis, post-Consolidation (as defined below), and (iii) the NorthStar preferred shares will be exchanged on a one-for-one basis for preferred shares of the Company.

As a condition to completion of the Proposed Transaction, (i) the Company intends to complete a consolidation of its outstanding common shares on a 3.333333:1 basis (the "Consolidation"), and (ii) NorthStar intends to complete an offering of up to 30,000,000 subscription receipts (the "Subscription Receipts") at a price of \$0.50 per Subscription Receipt.

Immediately prior to completion of the Proposed Transaction, the Subscription Receipts will convert into post-split NorthStar common shares which will then be exchanged for the Company's common shares on a post-Consolidation basis pursuant to the Amalgamation.

Completion of the Proposed Transaction remains subject to a number of conditions, including completion of satisfactory due diligence by both parties, the receipt of any required regulatory approvals and completion of the Concurrent Offering. It is also a condition to completion of the Proposed Transaction that the Company delist from the CSE and the Resulting Issuer obtain conditional approval to list on the TSX-V.



**BADEN RESOURCES INC.**

**MANAGEMENT DISCUSSION AND ANALYSIS**

**For the three months ended on September 30, 2022**

The following MD&A of Baden Resources Inc. (the "Issuer") has been prepared by management, in accordance with the requirements of NI 51-102 as of November 28, 2022, and should be read in conjunction with the audited financial statements and accompany notes for the year ended June 30, 2022 and the related notes contained therein which have been prepared under International Financial Reporting Standards ("IFRS"). The information contained herein is not a substitute for detailed investigation or analysis on any particular issue. The information provided in this document is not intended to be a comprehensive review of all matters and developments concerning the Issuer. The Issuer is not a "Venture Issuer" as defined in NI 51-102.

All financial information in this MD&A has been prepared in accordance with IFRS. All monetary amounts are expressed in Canadian dollars, the presentation and functional currency of the Issuer, unless otherwise indicated.

*Overview*

The Issuer was incorporated in the Province of British Columbia on January 19, 2020 under the name of "Baden Resources Inc." On June 29, 2022, the Company entered into a business combination agreement (the "Business Combination Agreement") with NorthStar Gaming Inc. ("NorthStar") pursuant to which, among other things, NorthStar will complete a "reverse takeover" of the Company (the "Proposed Transaction").

As at September 30, 2022, the Issuer reported working capital of \$205,750. As at September 30, 2022 the Issuer had not yet achieved profitable operations, has accumulated losses of \$708,189 since its inception and expects to incur further losses in the development of its business, all of which casts doubt about the Issuer's ability to continue as a going concern. The Issuer's ability to continue as a going concern is dependent on continued financial support from its shareholders, the ability of the Issuer to raise equity financing, the attainment of profitable operations and external financings.

*Results of Operations - For the three months ended September 30, 2022:*

Revenues

The Issuer currently does not have any revenues from its operations.

Expenses

During the three months ending September 30, 2022, the Issuer recorded a loss of \$57,315 (2021 \$25,196). Some of the significant charges to operations are as follows:

- Management fees of \$22,000
- Professional fees of \$19,859
- Listing, fling and transfer agent fees of \$5,103

## Summary of Quarterly Results

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	September 30, 2022	June 30, 2022	March 31, 2022	December 31, 2021
Revenue	Nil	Nil	Nil	Nil
Loss for the period	(57,315)	(326,455)	(28,913)	(29,021)
Deficit	(708,189)	(650,874)	(324,419)	(295,506)
Loss per share (Basic & Diluted)	(0.00)	(0.02)	(0.00)	(0.00)
Current assets	237,968	299,317	400,056	251,232
Total assets	237,968	299,317	601,120	449,107
Total liabilities	32,218	36,252	11,600	30,674

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	September 30, 2021	June 30, 2021	March 31, 2021	December 31, 2020
Revenue	Nil	Nil	Nil	Nil
Loss for the period	(25,196)	(82,071)	(81,142)	(3,876)
Deficit	(266,486)	(241,290)	(159,219)	(78,077)
Loss per share (Basic & Diluted)	(0.00)	(0.01)	(0.00)	(0.00)
Current assets	338,184	412,939	544,875	559,978
Total assets	463,231	482,939	554,422	628,738
Total liabilities	15,778	10,500	29,912	23,086

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### *Liquidity and Capital Resources*

As at September 30, 2022, the Issuer had working capital of \$205,750 and an accumulated deficit of \$708,189. The financial statements have been prepared in accordance with IFRS on an ongoing basis, which contemplates the realization of assets and the satisfaction of liabilities and commitments in the normal course of business. The continuation of the Issuer is dependent upon the financial support of creditors and stockholders, refinancing debts payable, obtaining additional long-term debt or equity financing, as well as achieving and maintaining a profitable level of operations. The Issuer believes it will require additional working capital to meet operating and exploration costs for the upcoming year.

### *Cash Flow Analysis*

#### Operating Activities

During the three months ended September 30, 2022, cash used in operating activities was \$61,179.

#### Financing Activities

During the three months ended September 30, 2022, cash generated by financing activities was \$Nil.

#### Investing Activities

During the three months ended September 30, 2022, cash used in investing activities was \$Nil.

### *Contractual Obligations*

The Company has no contractual obligations.

### *Proposed Transaction*

On June 29, 2022, the Company entered into a Business Combination Agreement with NorthStar pursuant to which the Company will acquire, through its newly formed subsidiary, all the issued and outstanding share capital of NorthStar (the "Proposed Transaction").

NorthStar, an arm's length party to the Company, is an online gaming operator registered by the Alcohol and Gaming Commission of Ontario (AGCO). Following completion of the Proposed Transaction, the resulting company (the "Resulting Issuer") will operate the business of NorthStar.

In accordance with the terms of Business Combination Agreement, the parties will complete a three-cornered amalgamation (the "Amalgamation") under the policies of the TSX Venture Exchange (the "TSX-V").

Prior to the Amalgamation, it is anticipated that (i) all of the outstanding NorthStar common shares will be subdivided on a 1 (one) for 736.68 basis, (ii) all post-split NorthStar common shares outstanding will be exchanged for common shares of the Company on a one-for-one basis, post-Consolidation (as defined below), and (iii) the NorthStar preferred shares will be exchanged on a one-for-one basis for preferred shares of the Company.

As a condition to completion of the Proposed Transaction, (i) the Company intends to complete a consolidation of its outstanding common shares on a 3.333333:1 basis (the "Consolidation"), and (ii) NorthStar intends to complete an offering of up to 30,000,000 subscription receipts (the "Subscription Receipts") at a price of \$0.50 per Subscription Receipt.

Immediately prior to completion of the Proposed Transaction, the Subscription Receipts will convert into post-split NorthStar common shares which will then be exchanged for the Company's common shares on a post-Consolidation basis pursuant to the Amalgamation.

Completion of the Proposed Transaction remains subject to a number of conditions, including completion of satisfactory due diligence by both parties, the receipt of any required regulatory approvals and completion of the Concurrent Offering. It is also a condition to completion of the Proposed Transaction that the Company delist from the CSE and the Resulting Issuer obtain conditional approval to list on the TSX-V.

### *Related Party Transactions*

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of members of the Company's Board of Directors and corporate officers. The Company entered into the following transactions with related parties:

	<b>For the three months ended Sept 30, 2022</b>	<b>For the three months ended Sept 30, 2021</b>
	\$	\$
Consulting fees paid to a director	<b>1,000</b>	-
Management fees paid to a company controlled by the CEO	<b>11,000</b>	6,000
Management fees paid by a company controlled by the CFO	<b>11,000</b>	6,000
	<b>23,000</b>	12,000

### *Risks and Uncertainties*

The Issuer is engaged in the acquisition and exploration of mining claims. These activities involve significant risks which careful evaluation, experience and knowledge may not, in some cases eliminate the risk involved. The commercial viability of any material deposit depends on many factors not all of which are within the control of management. Some of the factors that affect the financial viability of a given mineral deposit include its size, grade and proximity to infrastructure. Government regulation, taxes, royalties, land tenure, land use, environmental protection and reclamation and closure obligations, have an impact on the economic viability of a mineral deposit.

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Annual losses are expected to continue until the Issuer has an interest in a mineral property that produces revenues. The Issuer's ability to continue its operations and to realize assets at their carrying values is dependent upon the continued support of its shareholders, obtaining additional financing and generating revenues sufficient to cover its operating costs. The Issuer's financial statements do not give effect to any adjustments which would be necessary should the Issuer be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in the consolidated financial statements.

Any forward-looking information in this MD&A is based on the conclusions of management. The Issuer cautions that due to risks and uncertainties, actual events may differ materially from current expectations. With respect to the Issuer's operations, actual events may differ from current expectations due to economic conditions, new opportunities, changing budget priorities of the Issuer and other factors.

### Capital risk management

The Issuer's objective when managing capital is to maintain its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders.

The Issuer includes shareholders' equity, comprised of issued share capital, contributed surplus and deficit, in the definition of capital.

The Issuer's primary objective with respect to its capital management is to ensure that it has sufficient cash resources to further exploration on its properties. To secure the additional capital necessary to pursue these plans, the Issuer will attempt to raise additional funds through the issuance of equity, debt or by securing strategic partners.

The Issuer is not subject to externally imposed capital requirements. The Issuer's financial instruments and risk exposures are summarized below.

#### Currency risk

Foreign exchange risk arises from purchase transactions as well as recognized financial assets and liabilities denominated in foreign currencies. The Issuer's functional and presentation currency is the Canadian dollar.

#### Credit risk

Credit risk is the risk of an unexpected loss if a third party to a financial instrument fails to meet its contractual obligations. The Issuer is exposed to credit risk with respect to its cash. The Issuer reduces its credit risk by maintaining its primary bank accounts at large financial institutions.

#### Liquidity risk

Liquidity risk is the risk that the Issuer will not be able to meet its obligations as they fall due. The Issuer manages its liquidity risk by forecasting cash flows from operations and anticipated investing and financing activities. Senior management is also actively involved in the review and approval of planned expenditures.

As at September 30, 2022, the Issuer had a working capital of \$205,750

The Issuer has liquidity risk and is dependent on raising additional capital to fund exploration and operations.

#### Fair Value risk

Fair value represents the amounts at which a financial instrument could be exchanged between willing parties, based on current markets for instruments with the same risk, principal and remaining maturity. Fair value estimates are based on quoted market values and other valuation methods.

The carrying values of cash, reclamation bonds, bank overdraft and accounts payable and accrued liabilities approximate fair values due to the relatively short-term maturities of these instruments.

#### FAIR VALUE HIERARCHY

The three levels of the fair value hierarchy are:

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

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

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

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

#### *Outstanding Shares, Stock Options and Warrants*

As at the date of this MD&A, the Issuer had the following outstanding share data:

	Number	Exercise price	Expiry date
Common shares	13,938,100	Nil	Nil
Warrants	4,075,600	\$0.10	November 26, 2022
Warrants	2,000,000	\$0.13	May 25, 2023
Stock options	725,000	\$0.10	February 28, 2025- July 6, 2025

#### *Off-Balance Sheet Arrangements*

The Issuer has no off-balance sheet arrangements.

#### *Significant Accounting Policies*

##### Restoration liabilities

The Issuer recognizes the fair value of restoration liabilities related to statutory, contractual or legal obligations associated with the retirement of mining claims in the year in which it is incurred when a reasonable estimate of fair value can be made, in which case the carrying amount of the related mining claim is increased by the same amount as the net present value of the restoration liability. Discount rates using a pre-tax rate that reflects the time value of money are used to calculate the net present value. The Issuer's estimates of such costs could change as a result of changes in regulatory requirements and assumptions regarding the amount and timing of the future expenditures and changes in the net present value.

##### Acquisition, exploration and evaluation expenditures

The Issuer is in the exploration stage with respect to its investment in exploration properties and follows the practice of capitalizing all costs relating to the acquisition of its interest in properties excluding mining lease agreements. All exploration and development expenditures are expensed in the period incurred. Such costs include, but are not exclusive to, geological, geophysical studies, exploratory drilling and sampling. The aggregate acquisition costs related to abandoned mineral properties are charged to income at the time of any abandonment or when it has been determined that there is evidence of permanent impairment.

An impairment charge relating to a mineral property is subsequently reversed when new exploration results or actual or potential proceeds on sale or farmout of the property result in a revised estimate of the

recoverable amount but only to the extent that this does not exceed the original carrying value of the property that would have resulted if no impairment had been recognized.

The recoverability of amounts shown for interest in exploration properties is dependent upon the discovery of economically recoverable reserves, the ability of the Issuer to obtain financing to complete development of the properties, and on future production or proceeds of disposition.

The Issuer recognizes in income costs recovered on exploration properties when amounts received or receivable are in excess of the carrying amount.

All capitalized acquisition costs of interests in properties are monitored for indications of impairment. Where a potential impairment is indicated, assessments are performed for each area of interest. To the extent that the capitalized acquisition cost is not expected to be recovered, it is charged to the results of operations. Exploration areas where reserves have been discovered, but require major capital expenditure before production can begin, are continually evaluated to ensure that commercial quantities of reserves exist or to ensure that additional exploration work is underway as planned.

### Share Capital

Common Shares are classified as equity. Transaction costs directly attributable to the issue of Common Shares and share options are recognized as a deduction from equity, net of any tax effects.

### Income/Loss per share

The Issuer presents basic and diluted income/loss per share data for its Common Shares, calculated by dividing the income/loss attributed to common shareholders of the Issuer by the weighted average number of Common Shares outstanding during the period. Diluted income/loss per share does not adjust the income/loss attributed to the common shareholders or the weighted average number of Common Shares outstanding when the effect is anti-dilutive.

### Provisions

A provision is recognized in the statements of financial position when the Issuer has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are measured by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. The Issuer has recorded no provisions at June 30, 2022.

### Income Taxes

Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity. Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: goodwill not deductible for tax purposes; the initial recognition of assets or liabilities that affect neither accounting nor taxable loss; nor differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount

of the assets and liabilities, using tax rates enacted or substantively enacted at the statement of financial position date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Issuer intends to settle its current tax assets and liabilities on a net basis.

### Financial instruments

Financial instruments are accounted for in accordance with IFRS 9, “Financial Instruments: Classification and Measurement”. A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

#### *Financial assets*

On initial recognition, financial assets are recognized at fair value and are subsequently classified and measured at: (i) amortized cost; (ii) fair value through other comprehensive income (“FVTOCI”); or (iii) fair value through profit or loss (“FVTPL”). The classification of financial assets is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. A financial asset is measured at fair value net of transaction costs that are directly attributable to its acquisition except for financial assets at FVTPL where transaction costs are expensed. All financial assets not classified and measured at amortized cost or FVTOCI are measured at FVTPL. On initial recognition of an equity instrument that is not held for trading, the Issuer may irrevocably elect to present subsequent changes in the investment’s fair value in other comprehensive income.

The Issuer derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership

The classification determines the method by which the financial assets are carried on the statement of financial position subsequent to inception and how changes in value are recorded. Cash is measured at FVTPL.

Receivables are measured at amortized cost.

#### *Impairment of financial assets*

IFRS 9 uses the expected credit loss (“ECL”) model. The credit loss model groups receivables based on similar credit risk characteristics and days past due in order to estimate bad debts. The ECL model applies to the Issuer’s receivables.

#### *Impairment*

An ‘expected credit loss’ impairment model applies which requires a loss allowance to be recognized based on expected credit losses. The estimated present value of future cash flows associated with the asset is determined and an impairment loss is recognized for the difference between this amount and the carrying amount as follows: the carrying amount of the asset is reduced to estimated present value of the future cash flows associated with the asset, discounted at the financial asset’s original effective interest rate,



either directly or through the use of an allowance account and the resulting loss is recognized in profit or loss for the period.

In a subsequent period, if the amount of the impairment loss related to financial assets measured at amortized cost decreases, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized.

### *Financial liabilities*

Financial liabilities are designated as either: (i) fair value through profit or loss; or (ii) other financial liabilities. All financial liabilities are classified and subsequently measured at amortized cost except for financial liabilities at FVTPL. The classification determines the method by which the financial liabilities are carried on the statement of financial position subsequent to inception and how changes in value are recorded. Trade payables are classified under other financial liabilities and carried on the statement of financial position fair value through profit or loss.

The Issuer derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Issuer also derecognizes a financial liability when the terms of the liability are modified such that the terms and/or cash flows of the modified instrument are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value. Gains and losses on derecognition are generally recognized in profit and loss.

### Foreign currency translation

Foreign currency transactions are initially recorded in the functional currency at the transaction date exchange rate. At closing date, monetary assets and monetary liabilities denominated in a foreign currency are translated into the functional currency at the closing date exchange rate.

Non-monetary items measured at historical cost are translated using the historical exchange rate. Non-monetary items measured at fair value are translated using the exchange rates at the date when fair value was determined.

### Related Party transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

### Critical Accounting Estimates

The preparation of financial statements in accordance with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual reports could differ from management's estimates.

Information regarding significant areas of estimation, uncertainty and critical judgements made in applying accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements are the following:

### Share-based payments

Judgment is applied in determining the share price to be assigned to shares issued to enter into mining lease agreements.

### Recovery of deferred tax assets

Judgment is required in determining whether deferred tax assets are recognized in the statement of financial position. Deferred tax assets, including those arising from unutilized tax losses, require management to assess the probability that the Issuer will generate taxable earnings in future periods, in order to utilize recognized deferred tax assets. Estimates of future taxable income are based on forecast cash flows from operations and the application of existing tax laws in each jurisdiction.

Additionally, future changes in tax laws in the jurisdictions in which the Issuer operates could limit the ability of the Issuer to obtain tax deductions in future periods.

### Determination of functional currency

In accordance with IAS 21 *The Effects of Changes in Foreign Exchange Rates*, management determined that the functional currency of the Issuer and its subsidiary is the Canadian dollar.

Other significant accounting estimates include the amounts accrued for restoration liabilities.

### *Internal Controls Over Financial Reporting*

#### Changes in Internal Control over Financial Reporting (“ICFR”)

In connection with National Instrument 52-109, Certification of Disclosure in Issuer’s Annual and Interim Filings (“NI 52-109”) adopted in December 2008 by each of the securities commissions across Canada, the Chief Executive Officer and Chief Financial Officer of the Issuer will file a Venture Issuer Basic Certificate with respect to financial information contained in the unaudited interim financial statements and the audited annual financial statements and respective Management’s Discussion and Analysis. The Venture Issue Basic Certification does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI 52-109.

### *Management’s Responsibility for Financial Statements*

The information provided in this MD&A, including the financial statements, is the responsibility of management. In the preparation of financial statements, estimates are sometimes necessary to make a determination of future values for certain assets or liabilities. Management believes such estimates have been based on careful judgments and have been properly reflected in the financial statements.