

KIPLIN METALS INC.

Consolidated Interim Financial Statements

For the Nine Months Ended September 30, 2022 and 2021

(Unaudited – Expressed in Canadian Dollars)

Notice of No Auditor Review

These unaudited consolidated interim financial statements of Kiplin Metals Inc. (the “Company”) have not been reviewed by the auditors of the Company. This notice is being provided in accordance with Section 4.3 (3) (a) of National Instrument 51-102 - Continuous Disclosure Obligations.

KIPLIN METALS INC.Consolidated Interim Statements of Financial Position
(Unaudited - Expressed in Canadian Dollars)

	September 30	December 31
	2022	2021
		Restated (note 11)
ASSETS		
Current assets		
Cash	\$ 34,847	\$ 34,053
GST receivable	4,698	7,327
Prepaid fees	-	302,188
Total Current Assets	39,545	343,568
Exploration and evaluation assets (note 4)	131,670	83,970
Total Assets	\$ 171,215	\$ 427,538
LIABILITIES		
Current liabilities		
Accounts payable (note 6)	\$ 87,033	\$ 113,863
Accrued liabilities	-	8,000
Loan payable (note 5)	-	50,000
Total Current Liabilities	87,033	171,863
SHAREHOLDERS' (DEFICIENCY) EQUITY		
Share capital (note 8)	21,701,005	21,492,018
Warrants (note 8)	83,689	83,689
Share-based payments reserve (note 8)	1,328,523	1,328,523
Deficit	(23,029,035)	(22,648,555)
Total (Deficiency) Equity	84,182	255,675
Total Liabilities and Equity	\$ 171,215	\$ 427,538

Going concern (note 1)

Approved on behalf of the Board:

Director "Peter Born"
Peter BornDirector "Richard Ko"
Richard Ko*The accompanying notes are an integral part of these consolidated interim financial statements*

KIPLIN METALS INC.Consolidated Interim Statements of Comprehensive Loss
(Unaudited - Expressed in Canadian Dollars)

	Three months ended		Nine months ended	
	September 30		September 30	
	2022	2021	2022	2021
EXPENSES				
Corporate communications	\$ 37,055	\$ 222,330	\$ 307,116	\$ 222,330
Finance expense	-	-	1,277	-
Geological consulting (note 6)	3,000	3,000	9,000	9,000
Management fees (note 6)	3,900	5,400	11,700	16,200
Office and general	4,557	4,910	14,205	18,748
Professional fees	2,397	7,490	13,289	7,096
Property investigation	-	-	4,200	-
Regulatory and transfer agent fees	1,218	6,261	19,693	14,256
Net loss and comprehensive loss	(52,127)	(249,391)	(380,480)	(287,630)
Basic and diluted income per share	\$ (0.00)	\$ (0.01)	\$ (0.01)	\$ (0.01)
Weighted average number of common shares outstanding	55,127,748	47,690,826	53,029,045	47,661,705

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

KIPLIN METALS INC.

Consolidated Interim Statements of Changes in Equity
(Unaudited - Expressed in Canadian Dollars)

	Number of Shares	Share capital	Warrants	Share-Based Payments Reserve	Deficit	Total
Balance at January 1, 2021	47,615,748	\$ 21,488,193	\$ 83,689	\$ 1,328,523	\$ (22,398,190)	\$ 502,215
Exercise of warrants (note 8)	75,000	2,125	-	-	-	2,125
Net loss and comprehensive loss	-	-	-	-	(287,630)	(287,630)
Balance at September 30, 2021	47,690,748	21,490,318	83,689	1,328,523	(22,685,820)	216,710
Balance at January 1, 2022	47,750,748	21,492,018	83,689	1,328,523	(22,648,555)	255,675
Exercise of warrants (note 8)	7,377,000	208,987	-	-	-	208,987
Net loss and comprehensive loss	-	-	-	-	(380,480)	(380,480)
Balance at September 30, 2022	55,127,748	\$ 21,701,005	\$ 83,689	\$ 1,328,523	\$ (23,029,035)	\$ 84,182

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

KIPLIN METALS INC.Consolidated Interim Statements of Cash Flows
(Unaudited - Expressed in Canadian Dollars)

	Nine months ended	
	September 30	
	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss	\$ (380,480)	\$ (287,630)
Non-cash working capital items:		
GST receivable	2,629	7,204
Prepaid fees	302,188	(1,050)
Accounts payable	(26,830)	9,284
Accrued liabilities	(8,000)	(9,800)
Net cash flows used in operating activities	(110,493)	(281,992)
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to exploration and evaluation assets	(47,700)	-
Net cash flows used in investing activities	(47,700)	-
CASH FLOWS FROM FINANCING ACTIVITIES		
Loan repayment	(50,000)	-
Proceeds from exercise of warrants	208,987	2,125
Net cash flows from financing activities	158,987	2,125
Change in cash during the period	794	(279,867)
Cash, beginning of the period	34,053	603,459
Cash, end of the period	\$ 34,847	\$ 323,592
Interest paid during the period	\$ 1,534	-

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

KIPLIN METALS INC.

Notes to the Consolidated Interim Financial Statements

As at and for the periods ended September 30, 2022 and 2021

(Unaudited - Expressed in Canadian Dollars)

1) NATURE OF OPERATIONS AND GOING CONCERN

Kiplin Metals Inc. (“Kiplin” or the “Company”) was incorporated in the Province of British Columbia and is a junior exploration company engaged in the business of identification, acquisition and exploration of mineral interests. The Company’s common shares are listed for trading on the TSX Venture Exchange (the “Exchange”) under the symbol “KIP”, on the OTC/PINK under the symbol “ALDVF”, and on the Frankfurt Exchange under the symbol “17G1”. The Company’s principal office and registered and records office is located at 2200-885 West Georgia Street, Vancouver, BC V6C 3E8.

Effective November 24, 2021, the Company undertook a forward share split in which two additional shares were issued for every one common share currently outstanding. The Company has adjusted these financial statements to reflect the forward share split.

These consolidated interim financial statements were authorized for issue on November 29, 2022, by the directors of the Company.

At the date of the consolidated interim financial statements, the Company has not identified a known body of commercial grade minerals on any of its properties. The ability of the Company to realize the costs it has incurred to date on these properties is dependent upon the Company identifying a commercial mineral body, to finance its development costs and to resolve any environmental, regulatory or other constraints which may hinder the successful development of the property. To date, the Company has not earned any revenues and is considered to be in the exploration stage.

Management is targeting sources of additional financing through alliances with financial, exploration and mining entities, and other business and financial transactions which would assure continuation of the Company’s operations and exploration programs. In addition, management closely monitors commodity prices of precious and base metals, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company if favourable or adverse market conditions occur.

These consolidated interim financial statements have been prepared on a going concern basis which presumes the realization of assets and settlement of liabilities in the normal course of operations in the foreseeable future. The Company has incurred operating losses since inception and at September 30, 2022, had a cumulative deficit of \$23,029,035. The continuing operations of the Company are dependent upon its ability to continue to raise adequate financing and to commence profitable operations in the future.

These consolidated interim financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue in existence. The aforementioned factors indicate the existence of a material uncertainty which may cast significant doubt about the Company’s ability to continue as a going concern. Further discussion of liquidity risk is included in notes 7 and 9.

In March 2020 the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak has had a significant impact on businesses through the restrictions put in place by the Canadian and U.S. governments regarding travel, business operations and isolation/quarantine orders. At this time, the extent of the impact that the COVID-19 outbreak may have on the Company is unknown as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the virus, and the duration of the outbreak, including the duration of travel restrictions, business closures, and quarantine/isolation measures that are currently, or may be put, in place by Canada, U.S. and other countries to fight the virus. The Company continues to monitor its impact of its operations and financing activities and assess the impact COVID-19 will have on its business activities. The extent of the effect of COVID-19 pandemic on the Company is uncertain.

KIPLIN METALS INC.

Notes to the Consolidated Interim Financial Statements
As at and for the periods ended September 30, 2022 and 2021
(Unaudited - Expressed in Canadian Dollars)

2) BASIS OF PRESENTATION

These consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) applicable to the preparation of interim financial statements, including International Accounting Standards (“IAS”) 34, Interim Financial Reporting. These consolidated interim financial statements do not include all of the information required for full annual financial statements and should be read in conjunction with the Company’s audited annual financial statements for the year ended December 31, 2021, which have been prepared in accordance with IFRS.

These consolidated interim financial statements have been prepared on the historical cost basis. The presentation and functional currency of the Company is the Canadian dollar.

These consolidated interim financial statements include the accounts of the Company and Kiplin Metals Inc. Saskatchewan, (“Kiplin Saskatchewan”), its wholly owned subsidiary, in which the Company has control, where control is defined as the power to govern the financial operating policies of an enterprise so as to obtain benefits from its activities.

All intercompany balances and transactions have been eliminated on consolidation.

Details of the Company’s subsidiary are as follows:

Name	Place of incorporation	Interest %	Principal activity
Kiplin Metals Inc. Saskatchewan	Saskatchewan, Canada;	100%	Holding company for the option of the Cluff Lake Property

3) SIGNIFICANT ACCOUNTING POLICIES

a) Significant accounting judgments, estimates and assumptions

The preparation of the Company’s interim financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities and contingent liabilities at the date of the interim financial statements and reported amounts of revenues and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management’s experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Critical judgments in applying accounting policies:

The following are critical judgments that management has made in the process of applying accounting policies and that have the most significant effect on the amounts recognized in the interim financial statements:

- the determination that the Company will continue as a going concern for the next year; and
- the determination that there have been no events or changes in circumstances that indicate the carrying amount of exploration and evaluation assets may not be recoverable.

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Notes to the Consolidated Interim Financial Statements

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(Unaudited - Expressed in Canadian Dollars)

3) SIGNIFICANT ACCOUNTING POLICIES *(continued)*

b) Impairment

At each reporting period, management reviews all assets for indicators of impairment. If such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss, if any. The recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction. In assessing value in use, the estimated future cash flows are discounted to their present value. If the recoverable amount of the asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in the profit or loss for that period. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash generating unit to which that asset belongs.

Past impairments are also considered at each reporting period and where there is an indication that an impairment loss may have decreased, the recoverable amount is calculated as outlined above to determine the extent of the recovery. If the recoverable amount of the asset is more than its carrying amount, the carrying amount of the asset is increased to its recoverable amount and the impairment loss is reversed in the profit or loss for that period. The increased carrying amount due to reversal will not be more than what the depreciated historical cost would have been if the impairment had not been recognized.

c) New accounting standards

The Company has performed an assessment of new standards issued by the IASB and IFRIC that are not yet effective and has determined that any new standards that have been issued would have no or very minimal impact on the Company's interim financial statements.

KIPLIN METALS INC.

Notes to the Consolidated Interim Financial Statements

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(Unaudited - Expressed in Canadian Dollars)

4) EXPLORATION AND EVALUATION ASSETS

A summary of the Company's exploration and evaluation assets is shown below:

September 30, 2022	Cluff Lake	Exxeter Gold	Lac Rochester Copper	Nadina Mountain	Total
Acquisition Costs					
<i>Balance, December 31, 2021</i>	\$ 20,000	\$ -	\$ -	\$ -	\$ 20,000
Additions	-	20,000	-	-	20,000
<i>Acquisition costs, September 30, 2022</i>	20,000	20,000	-	-	40,000
Exploration Costs					
<i>Balance, December 31, 2021</i>	-	63,970	-	-	63,970
Additions	25,000	2,700	-	-	27,700
<i>Exploration costs, September 30, 2022</i>	25,000	66,670	-	-	91,670
Balance, September 30, 2022	\$ 45,000	\$ 86,670	\$ -	\$ -	\$ 131,670
December 31, 2021					
Acquisition Costs					
<i>Balance, December 31, 2020</i>	\$ -	\$ -	\$ 10,000	\$ -	\$ 10,000
Additions	20,000	-	-	-	20,000
Impairment	-	-	(10,000)	-	(10,000)
<i>Acquisition costs, December 31, 2021</i>	20,000	-	-	-	20,000
Exploration Costs					
<i>Balance, December 31, 2020</i>	-	-	-	1,825	1,825
Additions	-	63,970	-	-	63,970
Impairment	-	-	-	(1,825)	(1,825)
<i>Exploration costs, December 31, 2021</i>	-	63,970	-	-	63,970
Balance, December 31, 2021	\$ 20,000	\$ 63,970	\$ -	\$ -	\$ 83,970

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Notes to the Consolidated Interim Financial Statements

As at and for the periods ended September 30, 2022 and 2021

(Unaudited - Expressed in Canadian Dollars)

4) EXPLORATION AND EVALUATION ASSETS *(continued)*

Nadina Mountain Claims – British Columbia, Canada

On November 21, 2017, the Company entered into an option agreement to acquire a 100% interest in the Nadina Mountain Creek Property in British Columbia. Under the terms of the agreement, the Company can earn a 100% interest by issuing 833,331 common shares to the vendor (issued December 4, 2017), making a cash payment of \$5,000, a further \$500,000 within 24 months and incurring \$200,000 in exploration expenditures within five years. The Company's interest is subject to a 1% NSR payable to the vendor, of which ½% may be purchased for \$1,000,000, less all amounts previously received as GORR payments.

On May 15, 2020, the Company amended its option agreement for the Nadina Mountain Claims by delaying the deadline of the \$500,000 cash payment to within 48 months of the signing of the agreement and reducing the number of claims on the property. All other terms and conditions of the original agreement remain the same.

The Company recorded an impairment of \$1,825 during in the year ended December 31, 2021.

Exxeter Gold Property – Quebec, Canada

The Exxeter Gold Project covers an area of 715ha, located in Val d'Or Quebec. The project covers 3.8km of the Cadillac Tectonic zone.

The Company announced on September 3, 2020 that it had entered into a mineral property option agreement with an arms-length third party and has been granted the option to acquire the Exxeter Gold Property ("Exxeter") in the Province of Quebec. In order to exercise the option and acquire Exxeter, the Company must make cash payments of \$500,000, with an initial \$100,000 payment due by the first anniversary of the option agreement (unpaid) and incur work expenditures of \$500,000 over a three year term.

A 1% Net Smelter Royalty ("NSR") shall be granted to the vendor, of which 1% may be purchased for \$1,000,000 at any time, less all amounts previously received as NSR payments.

On May 3, 2022, the Company amended its Option Agreement for the Exxeter Gold Property, originally dated September 3, 2020. Under the amended terms, the Company must make cash payments of \$550,000, as follows:

- a) \$20,000 cash by May 8, 2022 (*paid*);
- b) \$30,000 cash by November 1, 2022;
- c) \$50,000 cash by May 1, 2023;
- d) \$50,000 cash by November 1, 2023;
- e) \$100,000 cash by May 1, 2024; and
- f) \$300,000 cash by December 1, 2024.

KIPLIN METALS INC.

Notes to the Consolidated Interim Financial Statements

As at and for the periods ended September 30, 2022 and 2021

(Unaudited - Expressed in Canadian Dollars)

4) EXPLORATION AND EVALUATION ASSETS *(continued)*

Lac Rochester Copper Property – Quebec, Canada

On August 5, 2021, the Company entered into an option agreement to acquire a 100% interest in the Lac Rochester Copper Property in Quebec. Under the terms of the agreement, the Company can earn a 100% interest by making the following payments:

- a) \$10,000 cash on the signing of the agreement (*paid*);
- b) \$140,000 cash eighteen months after the signing of the agreement; and
- c) \$250,000 cash thirty-six months after the signing of the agreement.

The Company must also incur the following in exploration expenditures:

- a) \$85,000 on or before the first anniversary of the signing of the agreement;
- b) \$115,000 within eighteen months after the signing of the agreement; and
- c) \$200,000 within thirty-six months after the signing of the agreement.

The Company's interest is subject to a 1% Net Smelter Royalty ("NSR") payable to the vendor, of which 1% may be purchased for \$1,000,000, less all amounts previously received as NSR payments.

On February 7, 2022, the Company terminated its agreement for the Lac Rochester property and recorded impairment of \$10,000 in the year ended December 31, 2021.

Cluff Lake Property – Saskatchewan, Canada

On December 5, 2021, the Company entered into an option agreement to acquire a 100% interest in the Cluff Lake Uranium Project in Saskatchewan. Under the terms of the agreement, the Company can earn a 100% interest by making the following payments:

- a) \$20,000 cash on the signing of the agreement (*paid*);
- b) \$100,000 cash on or before December 5, 2023; and
- c) Incurring \$50,000 in exploration expenditures on or before December 5, 2022.

The Company's interest is subject to a 1% Net Smelter Royalty ("NSR") payable to the vendor, of which 1% may be purchased for \$1,000,000.

5) LOAN PAYABLE

On December 2, 2021, the Company entered into a loan agreement with an arm's length third party. Pursuant to the loan agreement, the Company received a total of \$50,000. The amount is unsecured, bears interest of 10% per annum and is payable on demand to the lender.

During the nine months ended September 30, 2022, the Company settled the outstanding balance of the loan plus accrued interest expense of \$1,534.

KIPLIN METALS INC.

Notes to the Consolidated Interim Financial Statements

As at and for the periods ended September 30, 2022 and 2021

(Unaudited - Expressed in Canadian Dollars)

6) RELATED PARTY TRANSACTIONS

Related party transactions have been measured at the exchange amount of consideration agreed between the related parties. Related party transactions not disclosed elsewhere in these financial statements are listed below. During the nine months ended September 30, 2022, the Company:

- a) Incurred management fees of \$11,700 (2021 - \$16,200) to a director of the Company, a company controlled by a common director, and, in 2021, a former director; and
- b) Incurred geological consulting fees of \$9,000 (2021 - \$9,000) to a company controlled by a director of the Company.

At September 30, 2022, the Company owed a director and a company controlled by a director \$3,045 (2021 – advances of \$1,050 shown in prepaid expenses) in respect of fees, which is included in accounts payable.

Key management personnel comprise the Company's Board of Directors and executive officers. No remuneration was paid to key management personnel during the periods ended September 30, 2022 and 2021 other than as indicated above.

7) CAPITAL MANAGEMENT

The Company's objectives for the management of capital are to safeguard the Company's ability to continue as a going concern, including the preservation of capital, and to achieve reasonable returns on invested cash after satisfying the objective of preserving capital.

The Company considers its cash to be its manageable capital. The Company's policy is to maintain sufficient cash and deposit balances to cover operating and exploration costs over a reasonable future period. The Company accesses capital markets as necessary and may also acquire additional funds where advantageous circumstances arise.

The Company currently has no externally imposed capital requirements. There was no change to the Company's approach to capital management during the period.

8) SHARE CAPITAL

Authorized

Unlimited number of common shares, without par value.

KIPLIN METALS INC.

Notes to the Consolidated Interim Financial Statements
As at and for the periods ended September 30, 2022 and 2021
(Unaudited - Expressed in Canadian Dollars)

8) SHARE CAPITAL (continued)

Issued

During the nine months ended September 30, 2022:

On February 16, 2022, the Company issued 3,606,000 common shares pursuant to the exercise of warrants at \$0.0283 per share for gross proceeds of \$102,170.

On February 25, 2022, the Company issued 75,000 common shares pursuant to the exercise of warrants at \$0.0283 per share for gross proceeds of \$2,100.

On March 10, 2022, the Company issued 90,000 common shares pursuant to the exercise of warrants at \$0.0283 per share for gross proceeds of \$2,547.

On April 19, 2022, the Company issued 3,606,000 common shares pursuant to the exercise of warrants at \$0.0283 per share for gross proceeds of \$102,170.

During the year ended December 31, 2021:

Effective November 24, 2021, the Company undertook a forward share split in which two additional shares were issued for every one common share currently outstanding.

On April 20, 2021, the Company issued 75,000 common shares pursuant to the exercise of warrants at \$0.0283 per share for gross proceeds of \$2,125.

November 30, 2021, the Company issued 60,000 common shares pursuant to the exercise of warrants at \$0.0283 per share for gross proceeds of \$1,700.

Warrants

Common share purchase warrant transactions during the periods ended September 30, 2022 and December 31, 2021 are as follows:

	Nine months ended September 30 2022		Year ended December 31 2021	
	Number of Warrants	Weighted average exercise price	Number of Warrants	Weighted average exercise price
Outstanding - beginning of period	36,225,000	\$ 0.028	36,360,000	\$ 0.028
Exercised	(7,377,000)	0.028	(135,000)	0.028
Outstanding - end of period	28,848,000	\$ 0.028	36,225,000	\$ 0.028

KIPLIN METALS INC.

Notes to the Consolidated Interim Financial Statements

As at and for the periods ended September 30, 2022 and 2021

(Unaudited - Expressed in Canadian Dollars)

8) SHARE CAPITAL (continued)

Details of common share purchase warrants outstanding at September 30, 2022 are as follows:

	Number of Warrants	Exercise price	Expiry date	Remaining Life (years)
Issued in private placement	28,848,000	\$ 0.028	April 28, 2023	0.58
	28,848,000	\$ 0.028		0.58

The weighted average remaining contractual life of the issued and outstanding warrants at September 30, 2022 was 0.58 years.

Share-based payments

The Company has a stock option plan in place under which it is authorized to grant options to executive officers and directors, employees and consultants. The Company may reserve a maximum of 10% of the issued and outstanding listed common shares, the exercise price to be determined on the date of issuance of the options. Under the plan, the exercise price of each option cannot be less than the discounted market price as defined in Policy 1.1 of the Exchange policies. The options can be granted for a maximum term of five years and the vesting period of each option grant is at the discretion of the board of directors, subject to applicable Exchange policies.

At September 30, 2022 and December 31, 2021, there were no stock options outstanding.

Share-based payments Reserve

The share-based payment reserve records items recognized as stock-based compensation expense and other share-based payments until such time that the stock options or warrants are exercised, at which time the corresponding amount will be transferred to share capital.

KIPLIN METALS INC.

Notes to the Consolidated Interim Financial Statements

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(Unaudited - Expressed in Canadian Dollars)

9) FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

As at September 30, 2022, the Company's financial instruments consist of cash and accounts payable.

In management's opinion, the Company's carrying values of cash and accounts payable approximate their fair values due to the immediate or short-term maturity of these instruments.

The Company classifies the fair value of these financial instruments according to the following hierarchy based on the amount of observable inputs used to value the instrument:

Level 1 – Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions occur in sufficient frequency and volume to provide pricing information on an ongoing basis. Cash is classified under Level 1.

Level 2 – Fair value measurements are those derived from inputs other than quoted prices that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (derived from prices). The Company does not have any financial instruments classified under Level 2.

Level 3 – Valuations in the level are those with inputs for the asset or liability that are not based on observable market data.

The Company's financial instruments are exposed to the following risks:

Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Financial instruments which are potentially subject to credit risk for the Company consist primarily of cash and short-term investments. Cash is maintained with financial institutions of reputable credit and lawyers trust account.

The carrying amount of financial assets represents the maximum credit exposure. The Company has gross credit exposure at September 30, 2022 relating to cash of \$34,847. All cash is held at a Canadian chartered bank and lawyers trust accounts and the Company considers the credit risk to be minimal for all cash assets based on changes that are reasonably possible at the reporting date.

KIPLIN METALS INC.

Notes to the Consolidated Interim Financial Statements
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(Unaudited - Expressed in Canadian Dollars)

9) FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (*continued*)

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to pay financial instrument liabilities as they come due. The Company's only liquidity risk from financial instruments is its need to meet account payables.

At present, the Company's operations do not generate positive cash flows. The Company's primary source of funding has been the issuance of equity securities through private placements. Despite previous success in acquiring these financings, there is no guarantee of obtaining future financings.

Foreign Exchange Risk

Foreign currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. The Company is not exposed to foreign exchange risk.

Interest Rate Risk

Interest rate risk is the risk that an investment's value will change due to a change in the level of interest rates. The Company's exposure to interest rate risk relates to its ability to maintain the current rate of interest on its cash equivalents. Management believes the interest rate risk to be minimal.

Fair Value of Financial Instruments

The fair value classification of the Company's financial instruments as at September 30, 2022 and December 31, 2021 is as follows:

	September 30			December 31		
	2022			2021		
	Fair Value Level	Fair value through profit or loss	Amortized cost	Fair value through profit or loss	Amortized cost	
<i>Financial assets:</i>						
Cash	1	\$ 34,847	-	\$ 34,053	-	
<i>Financial liabilities:</i>						
Accounts payable		-	\$ 87,033	-	\$ 113,863	

During the period ended September 30, 2022 and the year ended December 31, 2021, there were no transfers between level 1, level 2 and level 3 classified assets and liabilities.

KIPLIN METALS INC.

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10) RESTATEMENT

The Company's December 31, 2021 financial statements were restated to correct an error identified subsequent to the financial statements being issued. The effect to the statement of financial position as at December 31, 2021 is presented below. The September 30, 2022 consolidated interim financial statements have incorporated this restatement and there is no impact on the 2021 comparative interim statements of loss and comprehensive loss, cash flows or changes in equity.

	December 31, 2021 \$	Adjustment	December 31, 2021 \$
	As reported		As restated
Prepaid	153,968	148,220	302,188
Total current assets	195,348	148,220	343,568
Total Assets	279,318	148,220	427,538

Deficit	(22,796,775)	148,220	(22,648,555)
Total Equity	107,455	148,220	255,675

	2021 \$	Adjustment	2021 \$
	As reported		As restated
Net loss and comprehensive loss	(398,585)	148,220	(250,365)