

**KINGMAN MINERALS LTD.**  
(Formerly Astorius Resources Ltd.)

**INTERIM FINANCIAL STATEMENTS**

**FOR THE NINE MONTHS ENDED JUNE 30, 2020**

**(Unaudited – Expressed in Canadian Dollars)**

**Notice of No Auditor Review**

These unaudited consolidated interim financial statements of Kingman Minerals Ltd., formerly Astorius Resources Ltd., (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.

**KINGMAN MINERALS LTD.**  
**(formerly Astorius Resources Ltd.)**  
Consolidated Interim Statements of Financial Position  
(Unaudited - Expressed in Canadian Dollars)

	June 30 2020	September 30 2019
<b>ASSETS</b>		
<b>Current assets</b>		
Cash	\$ 252,707	\$ 12,151
GST recoverable	4,924	32
	257,631	12,183
<b>Mineral properties</b> (note 3)	521,901	50,001
	\$ 779,532	\$ 62,184
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Accounts payable (note 5)	\$ 124,416	\$ 168,692
Accrued liabilities (note 5)	190,000	249,516
	314,416	418,208
<b>SHAREHOLDERS' EQUITY (DEFICIENCY)</b>		
Share capital (note 4)	5,090,375	3,717,853
Share-based payment reserve (note 4)	547,349	522,091
Deficit	(5,172,608)	(4,595,968)
	465,116	(356,024)
	\$ 779,532	\$ 62,184

Nature and continuance of operations (note 1)

Approved on behalf of the Board:

Director           "Arthur Brown"            
Arthur Brown, Director

Director           "Sandy MacDougall"            
Sandy MacDougall, Director

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

**KINGMAN MINERALS LTD.**  
**(formerly Astorius Resources Ltd.)**  
Consolidated Interim Statements of Comprehensive Loss  
(Unaudited - Expressed in Canadian Dollars)

	Three months ended June 30		Nine months ended June 30	
	2020	2019	2020	2019
<b>EXPENSES</b>				
Accounting and audit fees	\$ -	\$ 1,675	\$ 3,340	\$ 31,625
Consulting fees (note 5)	30,000	-	117,000	-
Filing and transfer agent fees	10,245	8,499	28,022	19,423
Corporate communications	88,712	840	89,187	3,390
Legal	-	-	2,313	5,201
Management fees (note 5)	49,860	64,860	179,580	198,130
Office and general	16,836	12,766	43,580	41,405
Property investigation	151	-	185	-
Rent	9,054	-	26,101	-
Share-based compensation	25,258	-	25,258	-
Travel	-	-	9,160	131
<b>Loss before other items</b>	<b>(230,116)</b>	<b>(88,640)</b>	<b>(523,726)</b>	<b>(299,305)</b>
<b>Other expenses</b>				
Write-down of mineral properties (note 3)	(50,000)	-	(50,001)	(255,938)
Gain on settlement of debt (note 4)	-	8,700	-	8,700
Interest and finance recovery (expense)	(3,736)	-	(2,913)	(1,644)
	<b>(53,736)</b>	<b>8,700</b>	<b>(52,914)</b>	<b>(248,882)</b>
<b>Net loss and comprehensive loss</b>	<b>(283,852)</b>	<b>(79,940)</b>	<b>(576,640)</b>	<b>(548,187)</b>
<b>Basic and diluted loss per share</b>	<b>\$ (0.01)</b>	<b>\$ (0.02)</b>	<b>\$ (0.04)</b>	<b>\$ (0.11)</b>
<b>Weighted average number of common shares outstanding</b>	<b>23,311,118</b>	<b>5,203,702</b>	<b>14,623,033</b>	<b>5,105,542</b>

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

**KINGMAN MINERALS LTD.**  
**(formerly Astorius Resources Ltd.)**  
Consolidated Interim Statements of Cash Flow  
(Unaudited - Expressed in Canadian Dollars)

	<b>Nine months ended</b>	
	<b>June 30</b>	
	<b>2020</b>	<b>2019</b>
<b>Cash provided by (used in):</b>		
<b>Operating activities</b>		
Net loss for the period	\$ (576,640)	\$ (548,187)
Add (deduct) items not involving cash:		
Share-based compensation	25,258	-
Gain on settlement of debt	-	(8,700)
Write-down of mineral properties	50,001	247,238
Non-cash working capital items		
GST recoverable	(4,892)	6,476
Prepaid expenses	-	2,550
Due to related party	-	1,644
Accounts payable and accrued liabilities	(103,792)	294,945
<b>Net cash (used in) provided by operating activities</b>	<b>(610,065)</b>	<b>(4,034)</b>
<b>Investing activities</b>		
Exploration expenditures	(146,901)	(80,000)
<b>Net cash (used in) investing activities</b>	<b>(146,901)</b>	<b>(80,000)</b>
<b>Financing activities</b>		
Proceeds from issuance of common shares	1,045,230	-
Share issue costs	(47,708)	-
<b>Net cash provided by financing activities</b>	<b>997,522</b>	<b>-</b>
<b>Change in cash during the period</b>	<b>240,556</b>	<b>(84,034)</b>
<b>Cash, beginning of the period</b>	<b>12,151</b>	<b>113,243</b>
<b>Cash, end of the period</b>	<b>\$ 252,707</b>	<b>\$ 29,209</b>
<b>Cash paid for interest</b>	<b>\$ -</b>	<b>\$ -</b>

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**KINGMAN MINERALS LTD.****(formerly Astorius Resources Ltd.)**

Consolidated Interim Statements of Changes in Equity

(Unaudited - Expressed in Canadian Dollars)

	Number of Shares	Share Capital	Share-based Payment Reserve	Deficit	Total Equity
<b>Balance at October 1, 2018</b>	5,057,267	\$ 3,655,060	\$ 522,091	\$ (3,427,167)	\$ 749,984
Shares issued in exchange for debt (note 4)	268,962	62,793	-	-	62,793
Net and comprehensive loss for the period	-	-	-	(548,187)	(548,187)
<b>Balance at June 30, 2019</b>	<b>5,326,229</b>	<b>3,717,853</b>	<b>522,091</b>	<b>(3,975,354)</b>	<b>264,590</b>
<b>Balance at October 1, 2019</b>	5,326,229	3,717,853	522,091	(4,595,968)	(356,024)
Private placement of shares (note 4)	15,484,889	1,045,230	-	-	1,045,230
Share issuance costs (note 4)	-	(47,708)	-	-	(47,708)
Issue of shares for property interest (notes 3 and 4)	2,500,000	375,000	-	-	375,000
Share-based compensation	-	-	25,258	-	25,258
Net and comprehensive loss for the period	-	-	-	(576,640)	(576,640)
<b>Balance at June 30, 2020</b>	<b>23,311,118</b>	<b>\$ 5,090,375</b>	<b>\$ 547,349</b>	<b>\$ (5,172,608)</b>	<b>\$ 465,116</b>

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

## **KINGMAN MINERALS LTD.**

**(Formerly Astorius Resources Ltd.)**

### **NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

As at and for the nine months ended June 30, 2020 and 2019

(Unaudited - Expressed in Canadian Dollars)

#### **1. NATURE AND CONTINUANCE OF OPERATIONS**

Kingman Minerals Ltd., formerly Astorius Resources Ltd., (the “Company”) was incorporated under the Business Corporation Act of British Columbia on May 4, 2007 and is listed on the TSX Venture Exchange (“TSX-V”), trading under the symbol KGS. The address of the Company’s corporate office and its principal place of business is Suite 2150 - 555 West Hastings Street, Vancouver, British Columbia, V6B 4N6, Canada.

The Company is in the exploration stage and its principal business activity is the sourcing and exploration of mineral properties. The Company is in the process of exploring and evaluating its mineral properties and has not yet determined whether these properties contain ore reserves that are economically recoverable. The recoverability of amounts shown for mineral properties and related capitalized exploration expenditures is dependent upon the discovery of economically recoverable reserves, confirmation of the Company’s interest in the underlying mineral claims, the ability of the Company to obtain necessary financing to complete the development, and upon future profitable production or proceeds from the disposition thereof.

On May 29, 2019, the Company consolidated all its issued and outstanding share capital on a one-new-for-ten-old basis. All share and per share information has been restated to reflect this consolidation. At June 30, 2020, there were 23,311,118 issued and fully paid common shares post consolidation.

These consolidated interim financial statements do not give effect to adjustments that would be necessary to the carrying amounts and classifications of assets and liabilities should the Company be unable to continue as a going concern.

In March 2020 the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. The impact on the Company is not currently determinable but management continues to monitor the situation.

These financial statements were authorized for issue on August 31, 2020 by the directors of the Company.

#### **2. BASIS OF PREPARATION**

##### **a) Statement of compliance**

These consolidated interim financial statements are prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) applicable to the preparation of interim financial statements, including International Accounting Standard (“IAS”) 34, Interim Financial Reporting, and the International Financial Reporting Interpretations Committee (“IFRIC”).

**KINGMAN MINERALS LTD.****(Formerly Astorius Resources Ltd.)****NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

As at and for the nine months ended June 30, 2020 and 2019

(Unaudited - Expressed in Canadian Dollars)

**2. BASIS OF PREPARATION (continued)****a) Statement of compliance (continued)**

The Company has consistently applied the same accounting policies in its interim financial statements and throughout all periods presented. These consolidated interim financial statements do not contain all of the information required for full annual financial statements. These consolidated interim financial statements for the nine months ended June 30, 2020 should be read in conjunction with the annual September 30, 2019 financial statements, which were prepared in accordance with IFRS as issued by the IASB.

**b) Going Concern**

These consolidated interim financial statements are prepared on a going concern basis, which assumes that the Company will continue its operations for a reasonable period. The Company has incurred losses since its inception and has an accumulated deficit of \$5,172,608 at June 30, 2020; these factors form a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. The Company's ability to continue its operations and to realize assets at their carrying values is dependent upon obtaining additional financing or maintaining continued support from its shareholders and creditors and generating profitable operations in the future. The Company has been successful in the past in raising funds for operations by issuing shares but there is 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 6 and 7.

**b) Measurement basis**

These consolidated interim financial statements are prepared on the historical cost basis except for certain financial instruments, which are measured at fair value as explained in the accounting policies within Note 3 of the September 30, 2019 financial statements. All amounts are expressed in Canadian dollars unless otherwise stated.

**c) Basis of consolidation**

These consolidated interim financial statements include the accounts of the Company and Mohave Ventures Ltd., 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:

<b>Name</b>	<b>Place of incorporation</b>	<b>Interest %</b>	<b>Principal activity</b>
Mohave Ventures Ltd. including its Arizona based subsidiary Mohave Ventures Ltd. (USA)	British Columbia, Canada; Arizona, USA	100%	Holding company for the option of the Mohave Project

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As at and for the nine months ended June 30, 2020 and 2019  
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**2. BASIS OF PREPARATION (continued)**

**d) New Accounting Standards**

IFRS 16 – Leases - On January 13, 2016 the IASB issued IFRS 16, “Leases”. This standard introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. A lessee is required to recognize a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. This standard substantially carries forward the lessor accounting requirements of IAS 17, while requiring enhanced disclosures to be provided by lessors. Other areas of the lease accounting model have been impacted, including the definition of a lease.

The new standard is effective for annual periods beginning on or after January 1, 2019.

The Company does not have any leases and has determined that the adoption of the above standard has no impact on the financial statements.

**3. MINERAL PROPERTIES**

Expenditures on interests in mineral properties are considered exploration and evaluation assets.

<b>June 30, 2020</b>	<b>Condor</b>	<b>Covette</b>	<b>Taca Taca</b>	<b>Other</b>	<b>Cadillac</b>		<b>Total</b>
					<b>East</b>	<b>Mohave</b>	
<b>Acquisition Costs</b>							
<i>Balance, September 30, 2019</i>	\$ -	\$ 50,000	\$ -	\$ 1	\$ -	\$ -	\$ 50,001
Additions	-	-	-	-	60,000	372,262	432,262
Impairment	-	(50,000)	-	(1)	-	-	(50,001)
<b>Acquisition costs, June 30, 2020</b>	-	-	-	-	60,000	372,262	432,262
<b>Exploration Costs</b>							
<i>Balance, September 30, 2019</i>	-	-	-	-	-	-	-
Additions	-	-	-	-	-	89,639	89,639
Impairment	-	-	-	-	-	-	-
<b>Exploration costs, June 30, 2020</b>	-	-	-	-	-	89,639	89,639
<b>Balance, June 30, 2020</b>	\$ -	\$ -	\$ -	\$ -	\$ 60,000	\$ 461,901	\$ 521,901

<b>September 30, 2019</b>	<b>Condor</b>	<b>Covette</b>	<b>Taca Taca</b>	<b>Other</b>	<b>Cadillac</b>		<b>Total</b>
					<b>East</b>	<b>Mohave</b>	
<b>Acquisition Costs</b>							
<i>Balance, September 30, 2018</i>	\$ -	\$ -	\$ -	\$ 1	\$ -	\$ -	\$ 1
Additions	-	50,000	868,950	-	-	-	918,950
Impairment	-	-	(868,950)	-	-	-	(868,950)
<b>Acquisition costs, Sept 30, 2019</b>	-	50,000	-	1	-	-	50,001
<b>Exploration Costs</b>							
<i>Balance, September 30, 2018</i>	-	-	-	-	-	-	-
Additions	38,700	-	-	-	-	-	38,700
Impairment	(38,700)	-	-	-	-	-	(38,700)
<b>Exploration costs, Sept 30, 2019</b>	-	-	-	-	-	-	-
<b>Balance, September 30, 2019</b>	\$ -	\$ 50,000	\$ -	\$ 1	\$ -	\$ -	\$ 50,001

## **KINGMAN MINERALS LTD.**

**(Formerly Astorius Resources Ltd.)**

### **NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

As at and for the nine months ended June 30, 2020 and 2019

(Unaudited - Expressed in Canadian Dollars)

#### **3. MINERAL PROPERTIES (continued)**

##### **a) The Condor Gold Property**

On October 25, 2016, the Company entered into an option agreement to acquire 100% of the issued and outstanding shares of Lateegra Ecuador SA, title holder of the Condor gold property in southeast Ecuador, from Condor Mines SA. As consideration, the Company agreed to make periodic payments of cash totaling \$1,200,000 and issue 550,000 common shares of the Company by September 15, 2017. These terms were subsequently amended.

On November 28, 2017, the Company announced that it renegotiated the option terms for the Condor gold property with Lateegra Ecuador (the optionor) and has initiated an exploration program in Eduardo aiming to explore the recently optioned Condor properties.

The terms of the option agreement are total cash payments of \$75,000 USD on or before March 30, 2018 and incur \$50,000 USD in exploration expenditures on or before March 31, 2018.

The Company is also required to pay the annual patent tax and to comply with the filing and audit requirements applicable to mineral properties in Ecuador on March 15, 2018.

The renegotiated Condor option has the following payment terms:

- Periodic cash payments totalling USD \$1,200,000 dollars; and
- Issuance of 450,000 shares.

During the year ended September 30, 2018, the Company made option payments of \$31,700 (USD \$25,000) in cash, and incurred consulting fees of \$30,000. The Company recorded an impairment write-down of mineral property acquisition costs and exploration costs in the amount of \$96,261 during the year ended September 30, 2018 and \$30,000 during the year ended September 30, 2019 as a result of the termination of this option agreement.

##### **b) The Osos 1 Gold Property**

On December 1, 2016, the Company entered into an option agreement to acquire 100% of the Osos 1 gold property in El Oro province, southwest Ecuador, comprising an area totaling 229 hectares. As consideration, the Company agreed to make periodic payments of cash totalling \$600,000 USD and issue 100,000 common shares of the Company by November 15, 2017. These terms were subsequently amended.

On December 5, 2017, the Company announced that it has renegotiated the option for the Osos 1 gold property with Mr. Francisco Soria (the Optionor).

## **KINGMAN MINERALS LTD.**

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### **NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

As at and for the nine months ended June 30, 2020 and 2019

(Unaudited - Expressed in Canadian Dollars)

### **3. MINERAL PROPERTIES (continued)**

#### **b) The Osos 1 Gold Property (continued)**

The terms of the option agreement are total cash payments of \$625,000 USD, an issuance of 100,000 common shares and must incur \$150,000 USD in exploration expenditures on or before September 30, 2019.

The Company is also required to pay the annual patent taxes and to comply with the filing and audit requirements applicable to mineral properties in Ecuador on March 15, 2018. Additionally, the Company will grant the optionor a 1.5% NSR on or before September 30, 2019.

During the year ended September 30, 2018, the Company made option payments of \$47,911 (USD \$37,000) in cash. The Company recorded an impairment write-down of mineral property acquisition costs and exploration costs in the amount of \$93,399 as a result of the termination of this agreement during the year ended September 30, 2018.

#### **c) Rainbow Canyon Gold Property**

On February 8, 2017, the Company entered into an option agreement with Caelan Capital Inc. (formerly Alba Minerals Ltd.) to acquire 100% interest in the Rainbow Canyon gold property in Nevada, comprising 55 unpatented lode mining claims in the Olinghouse Mining District about 40 km east of Reno in Washoe County.

On September 25, 2017, the Company finalized the agreement. The Company can earn 100% interest in the Rainbow Canyon Property by paying an aggregate of \$80,000 cash over various periods extending over the period to June 15, 2018. The payment terms are:

- i. A cash payment of \$15,000 upon the signing of the agreement (PAID);
- ii. A further cash payment of \$20,000 on or before March 1, 2017 (PAID);
- iii. A further cash payment of \$5,000 on or before June 1, 2017 (PAID);
- iv. A further cash payment of \$10,000 on or before September 1, 2017 (PAID);
- v. A further cash payment of \$10,000 on or before December 1, 2017 (PAID);
- vi. A further cash payment of \$10,000 on or before March 1, 2018 (defaulted); and
- vii. A further cash payment of \$10,000 on or before June 15, 2018.

\$60,000 cash was paid on November 10, 2017, which satisfied the cash payment required of the terms (i) to (v).

On April 16, 2018, the Company recorded an impairment of \$193,840 as the option agreement was terminated.

On November 24, 2017, the Company received TSX-V approval to acquire 100% of two mineral concessions in the Taca Taca District, in Salta, Argentina. The Taca Taca District is located in the western Puna of Salta, close to the Chilean border.

The Company paid \$193,950 (\$150,000 USD) and issued 450,000 common shares with a fair value of \$675,000 (note 4). The Company is additionally required to incur \$275,000 USD in exploration expenditures and to pay \$300,000 USD upon acceptance of a NI 43-101 Report by the TSX-V.

## **KINGMAN MINERALS LTD.**

**(Formerly Astorius Resources Ltd.)**

### **NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

As at and for the nine months ended June 30, 2020 and 2019

(Unaudited - Expressed in Canadian Dollars)

#### **3. MINERAL PROPERTIES (continued)**

##### **b) Taca Taca District**

As of September 30, 2019, the Company does not have further exploration plans on the Taca Taca District and has recorded an impairment write-down of the mineral property acquisition costs of \$868,950.

##### **c) Covette Property**

On February 5, 2019, the Company entered into an option agreement to acquire the Covette Property, located in the James Bay Region, Province of Quebec, comprising 12 contiguous claims. The Company can acquire a 100% interest by paying an aggregate of \$1,250,000 cash over various periods extending over a thirty-six month period. The payment terms are:

- i. A cash payment of \$25,000 upon the signing of the agreement (PAID);
- ii. A further cash payment of \$25,000 on the 3 month anniversary of signing (PAID);
- iii. A further cash payment of \$100,000 on the 12 month anniversary of signing;
- iv. A further cash payment of \$100,000 on the 24 month anniversary of signing;
- v. A further cash payment of \$1,000,000 on the 36 month anniversary of signing;

A 2% Net Smelter Return (NSR) is included in the agreement payable to the Vendor. The Issuer must spend a minimum of \$300,000 qualified exploration and development expenditures by February 5, 2021.

On January 21, 2020, the Company terminated its property option agreement on the Covette Property and recorded an impairment write-down of the mineral property acquisition costs of \$50,000.

##### **d) Cadillac East**

On February 10, 2020, the Company entered into an option agreement to acquire the Cadillac East Property, located in Val d'Or, Province of Quebec. The Company can acquire a 100% interest by paying an aggregate of \$220,000 cash over various periods extending over a 24-month period. The payment terms are:

- i. A cash payment of \$60,000 within five days following the signing of the agreement (PAID);
- ii. A further cash payment of \$60,000 within 12 months of the signing of the agreement;
- iii. A further cash payment of \$100,000 within 24 months of the signing of the agreement; and
- iv. The company must incur \$500,000 in exploration expenditures within 24 months of the signing of the agreement.

A 1% Net Smelter Return (NSR) is included in the agreement payable to the Vendor, which may be purchased at any time by the Company paying to the Vendor \$1,000,000.

## **KINGMAN MINERALS LTD.**

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### **NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

As at and for the nine months ended June 30, 2020 and 2019

(Unaudited - Expressed in Canadian Dollars)

#### **3. MINERAL PROPERTIES (continued)**

##### **e) Mohave Project**

On February 24, 2020, the Company entered into a share exchange agreement ("Share Exchange Agreement") with Mohave Ventures Ltd. ("Mohave"), to acquire all the issued and outstanding share capital of Mohave. Mohave has an underlying purchase option agreement ("Underlying Agreement") dated December 18, 2019, to acquire a 100% interest in the Mohave Project, 20 mineral claims situated in Mohave Country, Arizona, USA. Under the terms of the underlying agreement, Mohave can acquire a 100% interest by paying aggregate cash payments totalling \$289,000 at various periods over 48 months. Mohave will also pay all government fees applying to the Mohave Project and in the event of termination of the option, Mohave will ensure that all claims that comprise the Mohave Project have a minimum of one year of good standing at the time of termination. A 2% Net Smelter Return (NSR) is included in the agreement which may be re-purchased by Mohave.

Pursuant to the Share Exchange Agreement, the Company acquired all the issued and outstanding shares of Mohave (9,000,000 common shares), and in consideration for which, the Company issued 2,500,000 common shares to the shareholders of Mohave. As a result of this transaction, Mohave became a wholly-owned subsidiary of the Company. This transaction was approved by the TSX Venture Exchange on March 17, 2020.

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**4. SHARE CAPITAL**

**Authorized**

Unlimited common shares without par value.

**Issued**

At June 30, 2020, there were 23,311,118 (September 30, 2019 – 5,326,229) issued and fully paid common shares outstanding.

**2020**

On February 24, 2020, the Company entered into a share exchange agreement with Mohave Ventures Ltd. ("Mohave"), a private, arms' length company to acquire all of the issued and outstanding share capital of Mohave. The Company issued 2,500,000 common shares to the shareholders of Mohave at \$0.15 per common share for a total value of \$375,000.

On February 7, 2020, the Company closed a private placement for total gross proceeds of \$1,045,230. The Company issued a total of 15,484,889 units at a price of \$0.0675 per unit. Each unit contains one common share and one transferrable share purchase warrant. Each warrant is exercisable at a price of \$0.09 for a period of 2 years from the date of issuance. In connection with the private placement, the Company incurred \$47,708 share issuance costs in cash. All shares issued in connection with this financing will be subject to a statutory hold period of four months plus a day from the date of closing.

**2019**

In January 2019, the Company entered into a debt settlement agreement with a creditor and settled \$39,891 (USD 30,000) in debt with the issuance of 60,000 common shares of the Company at \$0.35 per common share, resulting in a fair value of \$21,000. A gain on settlement of debt in the amount of \$18,891 was recorded as a result of this settlement.

In January 2019, the Company entered into a debt settlement agreement and settled \$104,482 loan from a related party with the issuance of 208,962 common shares of the Company at \$0.20 per common share, resulting in a fair value of \$41,793. A gain on settlement of debt in the amount of \$62,689 was recorded as a result of this settlement.

The debt settlement agreements were approved by the TSX Venture Exchange on May 13, 2019.

On May 29, 2019, the Company consolidated all its issued and outstanding share capital on a one-new-for-ten-old basis. All share and per share information has been restated to reflect this consolidation.

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**4. SHARE CAPITAL (continued)**

**Stock Options**

The Company has established a stock option plan for directors, employees, and consultants. Under the Company's stock option plan, the exercise price of each option is determined by the Board, subject to the pricing policies of the TSX-V. Options vest immediately when granted and expire five years from the date of the grant, unless the Board establishes more restrictive terms.

The aggregate number of shares issuable pursuant to options granted under the plan is limited to 10% of the Company's issued shares at the time the options are granted. The aggregate number of options the Company's issued shares at the time the options are granted. The aggregate number of options granted to any one optionee in a 12-month period is limited to 5% of the issued shares of the corporation.

On April 29, 2020, the Company granted 466,200 share purchase options to a consultant with an exercise price of \$0.135 per share for a period of one year, expiry date of April 29, 2021. The Company recorded \$25,258 as share-based compensation. The fair values of the options granted were determined using the Black-Scholes pricing model, using the following weighted average assumptions:

Risk-free interest rate	0.30%
Expected dividend yield	0%
Share price volatility	105%
Expected life of options	1 year

Continuity of stock options for the nine months ended June 30, 2020 and year ended September 30, 2019 is as follows:

	Nine months ended June 30 2020		Year ended September 30 2019	
	Number of Options	Weighted Average Exercise Price	Number of Options	Weighted Average Exercise Price
Outstanding - beginning of period	-	\$ -	165,000	\$ 1.00
Granted	466,200	\$ 0.135	-	\$ -
Cancelled	-	-	(165,000)	1.00
Outstanding - end of period	466,200	\$ 0.135	-	\$ -

On May 28, 2019, the Company cancelled the 165,000 stock options outstanding at that date.

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**4. SHARE CAPITAL (continued)**

**Warrants**

Warrant activity for the nine months ended June 30, 2020 and year ended September 30, 2019 are presented below:

	Nine months ended June 30 2020		Year ended September 30 2019	
	Number of Warrants	Weighted average exercise price	Number of Warrants	Weighted average exercise price
Outstanding - beginning of period	2,161,267	\$ 1.08	2,250,707	\$ 1.07
Exercised	-	-	-	-
Expired	(1,666,667)	1.00	(89,440)	1.00
Granted	15,484,889	0.09	-	-
Outstanding - end of period	15,979,489	\$ 1.34	2,161,267	\$ 1.08

As at June 30, 2020, the following warrants were outstanding:

Number of Warrants	Weighted Average Exercise Price	Expiry date	Remaining Life (years)
80,000	\$ 0.50	May 13, 2021	0.87
414,600	\$ 1.50	August 16, 2021	1.13
15,484,889	\$ 0.09	February 7, 2022	1.61
15,979,489	\$ 0.13		1.59

The weighted average remaining contractual life of the issued and outstanding warrants at June 30, 2020 was 1.59 years.

**Share-based Payment 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.

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#### **5. RELATED PARTY TRANSACTIONS**

During the nine months ended June 30, 2020 and 2019, the Company entered into the following related party transactions:

- a) The Company incurred management fees of \$105,000 (2019 - \$90,000) to the CEO of the Company.
- b) The Company incurred management fees of \$60,000 (2019 - \$90,000) to the CFO of the Company.
- c) The Company incurred consulting fees of \$13,500 (2019 - \$Nil) to a director of the Company.
- d) The Company incurred management fees of \$14,580 (2019 - \$14,580) to a company controlled by a common director who provides geological services.
- e) The Company has identified its directors and certain senior officers as its key management personnel and the compensation costs for key management personnel and companies related to them were recorded at their exchange amounts as agreed upon by transacting parties as follows:

	June 30, 2020	June 30, 2019
Management fees	\$ 179,580	\$ 198,130

At June 30, 2020, accounts payable and accrued liabilities included \$232,375 (September 30, 2019: \$264,878) for amounts due to companies controlled by the CEO, the CFO and a Director. All amounts payable are non-interest bearing, unsecured and due on demand.

By loan agreement dated January 1, 2017, the Company received a loan of \$50,000 from the Company's President which bears interest at 10% per annum with a financing fee of \$1,500 that was to be repaid by June 30, 2017. During the period ended December 31, 2017, the Company received an additional loan of \$39,000 from the Company's President under the same terms. On January 30, 2019, an agreement was reached whereby this loan plus interest was exchanged for 208,962 common shares of the Company. This debt settlement was approved by the TSX Venture Exchange on May 13, 2019.

On September 30, 2019, debt in the amount of \$90,000 due to companies controlled by the CEO and Chairman was forgiven resulting in a gain of \$90,000.

#### **6. CAPITAL MANAGEMENT**

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the sourcing and exploration of mineral properties. The Company does not have any externally imposed capital requirements to which it is subject.

As at June 30, 2020 the Company had capital resources consisting of cash. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares or adjust the amount of cash and cash equivalents.

**KINGMAN MINERALS LTD.****(Formerly Astorius Resources Ltd.)****NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

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**7. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT****Classification**

The Company has classified its cash as fair value through profit or loss. Accounts payable is classified as other financial liabilities.

The following table summarizes information regarding the carrying values and classification of the Company's financial instruments:

	<b>June 30, 2020</b>	<b>September 30, 2019</b>
Fair value through profit or loss (i)	\$ 252,707	\$ 12,151
Other financial liabilities (ii)	124,416	168,692

(i) Cash

(ii) Accounts payable

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

**Credit Risk**

Financial instruments that potentially subject the Company to concentrations of credit risks consist principally of cash. To minimize the credit risk the Company places these instruments with a high credit quality financial institution. Credit risk is assessed as low.

**Liquidity Risk**

The Company plans its holding of cash is sufficient to meet its financial obligations as they fall due. The Company currently settles its financial obligations with cash. The ability to do this relies on the Company raising equity financing in a timely manner and by maintaining sufficient cash in excess of anticipated needs. As at June 30, 2020, the Company had a balance in cash of \$252,707 to settle current liabilities of \$314,416. The Company's financial liabilities include accounts payable which have contractual maturities of 30 days or are due on demand. Liquidity risk is assessed as high.

**Foreign Exchange Risk**

The Company does not have foreign currency denominated financial instruments and is not exposed to significant foreign exchange risk.

**Market risk**

Market risk is the risk that the fair value of, or future cash flows from, the Company's financial instruments will significantly fluctuate due to changes in market prices. The sale of the financial instruments can be affected by changes in interest rates, foreign exchange rates, and equity prices. The Company's ability to raise capital is subject to risks associated with fluctuations in the stock market. Management closely monitors individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

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**8. OPERATING SEGMENT INFORMATION**

The Company's operations are limited to a single industry segment being the acquisition, exploration and development of mineral properties. The Company has mineral properties located in North America (British Columbia, Quebec, Arizona and Nevada) and in South America (Ecuador and Argentina).