

KINGMAN MINERALS LTD.
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED
SEPTEMBER 30, 2021 AND 2020



DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Kingman Minerals Ltd.:

Opinion

We have audited the consolidated financial statements of Kingman Minerals Ltd. (the "Company"), which comprise the consolidated statements of financial position as at September 30, 2021 and 2020, and the consolidated statements of comprehensive loss, cash flows and changes in shareholders' equity (deficiency) for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at September 30, 2021 and 2020, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 2 to the financial statements which describes events or conditions that indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. The other information comprises the information included in Management's Discussion and Analysis.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained Management's Discussion and Analysis prior to the date of this audit's report. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance

is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is Cherry Ho.

DMCL

DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS
Vancouver, BC

January 28, 2022

KINGMAN MINERALS LTD.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2021 AND 2020

	2021	2020
ASSETS		
Current assets		
Cash	\$ 166,214	\$ 93,229
GST recoverable	7,896	8,747
Prepaid expenses	12,489	-
	186,599	101,976
Mineral properties (note 4)	1,227,306	473,427
	\$ 1,413,905	\$ 575,403
LIABILITIES		
Current liabilities		
Accounts payable (note 6)	\$ 141,321	\$ 122,763
Accrued liabilities (note 6)	15,000	233,500
	156,321	356,263
SHAREHOLDERS' EQUITY		
Share capital (note 5)	7,467,840	4,977,875
Share-based payment reserve (note 5)	1,313,114	574,535
Deficit	(7,523,370)	(5,333,270)
	1,257,584	219,140
	\$ 1,413,905	\$ 575,403

Nature and continuance of operations (note 1)

Going concern (note 2(b))

Subsequent events (note 11)

Approved on behalf of the Board:

Director "Arthur Brown"
 Arthur Brown, Director

Director "Peter Born"
 Peter Born, Director

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

KINGMAN MINERALS LTD.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS
FOR THE YEARS ENDED SEPTEMBER 30, 2021 AND 2020

	2021	2020
EXPENSES		
Claims maintenance and property costs	\$ 30,468	\$ -
Corporate communications	395,551	90,840
Filing and transfer agent fees	54,239	28,835
Management and consulting fees (note 6)	818,488	396,440
Office and general	60,881	50,691
Professional fees	30,469	21,353
Rent	28,186	34,625
Share-based compensation (note 5)	738,579	52,444
Travel	1,834	9,160
Loss before other items	(2,158,695)	(684,388)
Other items		
Write-down of mineral properties (note 4)	(60,000)	(50,001)
Gain on debt settlement (note 6)	28,595	-
Interest and finance expense	-	(2,913)
	(31,405)	(52,914)
Net loss and comprehensive loss	(2,190,100)	(737,302)
Basic and diluted loss per share	\$ (0.05)	\$ (0.04)
Weighted average number of common shares outstanding	44,792,332	16,806,924

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

KINGMAN MINERALS LTD.
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED SEPTEMBER 30, 2021 AND 2020

	2021	2020
Cash provided by (used in):		
Operating activities		
Net loss for the period	\$ (2,190,100)	\$ (737,302)
Add items not involving cash:		
Share-based compensation	738,579	52,444
Gain on debt settlement	(28,595)	-
Write-down of mineral properties	60,000	50,001
Non-cash working capital items		
GST recoverable	851	(8,715)
Prepaid expenses	(12,489)	-
Accounts payable and accrued liabilities	(171,347)	(61,945)
Net cash used in operating activities	(1,603,101)	(705,517)
Investing activities		
Exploration expenditures	(813,879)	(212,478)
Cash received on acquisition of Mohave	-	1,551
Net cash used in investing activities	(813,879)	(210,927)
Financing activities		
Proceeds from issuance of common shares	2,022,875	1,045,230
Proceeds from share purchase warrants exercised	572,050	-
Share issue costs	(104,960)	(47,708)
Net cash provided by financing activities	2,489,965	997,522
Change in cash during the year	72,985	81,078
Cash, beginning of the year	93,229	12,151
Cash, end of the year	\$ 166,214	\$ 93,229
Non-cash Investing and Financing Information:		
Issuance of shares for property interest	\$ -	\$ 262,500

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

KINGMAN MINERALS LTD.
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (DEFICIENCY)
FOR THE YEARS ENDED SEPTEMBER 30, 2021 AND 2020

	Number of Shares	Share Capital	Share-based Payment Reserve	Deficit	Total
Balance at October 1, 2019	5,326,229	\$ 3,717,853	\$ 522,091	\$ (4,595,968)	\$ (356,024)
Private placement of shares (note 5)	15,484,889	1,045,230	-	-	1,045,230
Share issuance costs (note 5)	-	(47,708)	-	-	(47,708)
Issue of shares for property interest (notes 4 and 5)	2,500,000	262,500	-	-	262,500
Share based compensation (note 5)	-	-	52,444	-	52,444
Net and comprehensive loss	-	-	-	(737,302)	(737,302)
Balance at September 30, 2020	23,311,118	4,977,875	574,535	(5,333,270)	219,140
Private placement of shares (note 5)	25,840,784	2,022,875	-	-	2,022,875
Share issuance costs (note 5)	-	(104,960)	-	-	(104,960)
Exercise of warrants (note 5)	6,356,111	572,050	-	-	572,050
Share based compensation (note 5)	-	-	738,579	-	738,579
Net and comprehensive loss	-	-	-	(2,190,100)	(2,190,100)
Balance at September 30, 2021	55,508,013	\$ 7,467,840	\$ 1,313,114	\$ (7,523,370)	\$ 1,257,584

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

KINGMAN MINERALS LTD.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED SEPTEMBER 30, 2021 AND 2020
(Expressed in Canadian Dollars)

1. NATURE AND CONTINUANCE OF OPERATIONS

Kingman Minerals 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”). In April 2020 the Company changed its name from “Astorius Resources Ltd.” to “Kingman Minerals Ltd.” and commenced trading under the symbol KGS. The address of the Company’s corporate office and its principal place of business is 2150 – 555 West Hastings St., 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 in North America. 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.

These consolidated 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. Such adjustments could be material.

The outbreak of the Coronavirus Disease 2019, or COVID-19, has spread across the globe and is impacting worldwide economic activity. This global pandemic poses the risk that the Company or its clients, employees, contractors, suppliers, and other partners may be unable to conduct regular business activities for an indefinite period of time. At this point, the impact on the Company has been minimal. The Company continues to monitor the situation and is taking all necessary precautions in order to follow rules and best practices as set out by the federal and provincial governments.

These financial statements were authorized for issue on January 28, 2022 by the directors of the Company.

2. BASIS OF PREPARATION

a) Statement of compliance

These consolidated financial statements are prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board.

b) Going Concern

These consolidated 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 \$ 7,523,370 at September 30, 2021; these factors indicate 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 no certainty that it will

KINGMAN MINERALS LTD.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED SEPTEMBER 30, 2021 AND 2020
(Expressed in Canadian Dollars)

2. BASIS OF PREPARATION (continued)

be successful in the future. Further discussion of liquidity risk is included in notes 7 and 8.

c) Measurement basis

These consolidated 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. All amounts are expressed in Canadian dollars unless otherwise stated.

d) Basis of consolidation

These consolidated financial statements include the accounts of the Company and Mohave Ventures Ltd., (“Mohave”) 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
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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Share capital

The Company records proceeds from share issuances net of issue costs and any tax effects. Common shares issued for consideration other than cash are valued based on their market value at the date that the agreement to issue shares was concluded. Proceeds from unit placements are allocated between share and warrants using the residual method.

Significant accounting judgments, estimates and assumptions

The preparation of the Company’s 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 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.

KINGMAN MINERALS LTD.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED SEPTEMBER 30, 2021 AND 2020
(Expressed in Canadian Dollars)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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 financial statements:

- the determination that the Company will continue as a going concern for the foreseeable future;
- 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; and
- the determination that the Company has control over another entity.

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.

Exploration and evaluation expenditures

Exploration and evaluation expenditures incurred before the Company has obtained legal rights to explore an area of interest are expensed as incurred. All costs related to the acquisition, exploration and development of exploration and evaluation assets incurred subsequent to the acquisition of legal rights to explore are capitalized on a property by property basis.

Cash and cash equivalents

Cash and cash equivalents include cash on hand and deposits held on call with banks.

KINGMAN MINERALS LTD.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED SEPTEMBER 30, 2021 AND 2020
(Expressed in Canadian Dollars)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income taxes

Current income tax:

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date, in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognized directly in other comprehensive loss or equity is recognized in other comprehensive loss or equity and not in profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred income tax:

Deferred income tax is provided using the balance sheet method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

The carrying amount of deferred income tax assets is reviewed at the end of each reporting period and recognized only to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred income tax assets and deferred income tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority.

Share-based payments

Share-based payments to employees are measured at the fair value of the instruments issued and amortized over the vesting periods. Share-based payments to non-employees are measured at the fair value of the goods or services received or the fair value of the equity instruments issued if it is determined the fair value of the goods or services cannot be reliably measured and are recorded at the date the goods or services are received. The fair value of the share-based payments is measured using the Black-Scholes Option Pricing Model. The fair value of the share-based payment is recognized as an expense or capitalized to share capital with a corresponding increase in the share-based payments reserve. Consideration received on the exercise of stock options is recorded as share capital and the related reserve amount is transferred to share capital.

KINGMAN MINERALS LTD.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED SEPTEMBER 30, 2021 AND 2020
(Expressed in Canadian Dollars)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income (Loss) per share

Basic income (loss) per share is calculated by dividing the income (loss) attributable to common shareholders by the weighted average number of common shares outstanding in the period. Diluted income (loss) per share is calculated by the treasury stock method. Under the treasury stock method, the weighted average number of common shares outstanding for the calculation of diluted income (loss) per share assumes that the proceeds to be received on the exercise of dilutive share options and warrants are used to repurchase common shares at the average market price during the period. Where the effects of including all outstanding options and warrants would be anti-dilutive, no dilution is calculated and the diluted income (loss) per share is presented as the same as basic income (loss) per share.

Financial instruments

(i) Classification

The Company classifies its financial instruments in the following categories: at fair value through profit and loss ("FVTPL"), at fair value through other comprehensive income (loss) ("FVTOCI") or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or if the Company has opted to measure them at FVTPL.

(ii) Measurement

Financial assets and liabilities at amortized cost

Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment.

Financial assets and liabilities at FVTPL

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the consolidated statements of comprehensive loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the consolidated statements of comprehensive loss in the period in which they arise.

KINGMAN MINERALS LTD.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED SEPTEMBER 30, 2021 AND 2020
(Expressed in Canadian Dollars)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Debt investments at FVTOCI

These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in Other Comprehensive Income (“OCI”). On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

(iii) Impairment of financial assets at amortized cost

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the credit risk of the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Company shall recognize in the consolidated statements of comprehensive loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

(iv) Derecognition

Financial assets

The Company 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 to another entity.

Financial liabilities

The Company derecognizes a financial liability when its contractual obligations are discharged, cancelled, or expire. The Company 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 or loss.

KINGMAN MINERALS LTD.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED SEPTEMBER 30, 2021 AND 2020
(Expressed in Canadian Dollars)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Leases

At the inception of a lease contract, the Company assesses whether the contract is or contains a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assess whether: (i) the contract involves the use of an identified asset; (ii) the Company has the right to obtain substantially all the economic benefits from the use of the asset throughout the period, and; (iii) the Company has the right to direct the use of the asset. The Company did not have any leases as at or for the year ended September 30, 2021 and 2020.

Payments associated with short-term leases and leases of low-value assets are recognized as an expense on a straight-line basis in general and administration expense in the consolidated statement of loss and comprehensive loss. Short term leases are defined as leases with a lease term of 12 months or less.

KINGMAN MINERALS LTD.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED SEPTEMBER 30, 2021 AND 2020
(Expressed in Canadian Dollars)

4. MINERAL PROPERTIES

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

September 30, 2021	Covette	Other	Cadillac East	Mohave	Total
Acquisition Costs					
<i>Balance, September 30, 2020</i>	\$ -	\$ -	\$ 60,000	\$ 313,953	\$ 373,953
Additions	-	-	-	13,387	13,387
Impairment	-	-	(60,000)	-	(60,000)
<i>Acquisition costs, September 30, 2021</i>	-	-	-	327,340	327,340
Exploration Costs					
<i>Balance, September 30, 2020</i>	-	-	-	99,474	99,474
Additions	-	-	-	800,492	800,492
<i>Exploration costs, September 30, 2021</i>	-	-	-	899,966	899,966
Balance, September 30, 2021	\$ -	\$ -	\$ -	\$ 1,227,306	\$ 1,227,306
September 30, 2020					
Acquisition Costs					
<i>Balance, September 30, 2019</i>	\$ 50,000	\$ 1	\$ -	\$ -	\$ 50,001
Additions	-	-	60,000	313,953	\$ 373,953
Impairment	(50,000)	(1)	-	-	(50,001)
<i>Acquisition costs, September 30, 2020</i>	-	-	60,000	313,953	373,953
Exploration Costs					
<i>Balance, September 30, 2019</i>	-	-	-	-	-
Additions	-	-	-	99,474	99,474
Impairment	-	-	-	-	-
<i>Exploration costs, September 30, 2020</i>	-	-	-	99,474	99,474
Balance, September 30, 2020	\$ -	\$ -	\$ 60,000	\$ 413,427	\$ 473,427

KINGMAN MINERALS LTD.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED SEPTEMBER 30, 2021 AND 2020
(Expressed in Canadian Dollars)

4. MINERAL PROPERTIES (continued)

a) Covette Property

On February 20, 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 Company must spend a minimum of \$300,000 qualified exploration and development expenditures by February 5, 2021.

Management did not have further exploration plans on this property, as such the Company recorded an impairment write-down of mineral property acquisition costs of \$50,000 during the year ended September 30, 2020.

b) 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.

Management terminated the option agreement in January 2021, as such the Company recorded an impairment write-down of mineral property acquisition costs of \$60,000 during the year ended September 30, 2021.

KINGMAN MINERALS LTD.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED SEPTEMBER 30, 2021 AND 2020
(Expressed in Canadian Dollars)

4. MINERAL PROPERTIES (continued)

c) Mohave Project

On February 24, 2020, the Company entered into a share exchange agreement (“Share Exchange Agreement”) with Mohave, to acquire all the issued and outstanding share capital of 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.

As Mojave did not meet the definition of a business, the Company treated this acquisition as an asset acquisition. The purchase price was allocated according to the assts acquired:

Cash	\$	1,551
Exploration and evaluation asset acquired		260,949
Total consideration	\$	262,500

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 County, 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.

- USD \$10,000 upon signing of the Underlying Agreement (CAD \$13,411 paid prior to acquisition);
- USD \$29,000 on or before November 29, 2019 (CAD \$38,892 paid prior to acquisition);
- USD \$40,000 12 months after the effective date (CAD \$53,004 paid in FY2020);
- USD \$60,000 24 months after the effective date (CAD \$76,257 paid subsequent to year-end);
- USD \$75,000 36 months after the effective date;
- USD \$75,000 48 months after the effective date.

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.

KINGMAN MINERALS LTD.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED SEPTEMBER 30, 2021 AND 2020
(Expressed in Canadian Dollars)

5. SHARE CAPITAL

Authorized

Unlimited common shares without par value.

Issued

2021

During the year ended September 30, 2021, the Company issued 6,356,111 common shares pursuant to the exercise of warrants at a price of \$0.09 per share for gross proceeds of \$572,050.

On January 28, 2021, the Company closed a private placement for total gross proceeds of \$963,090. The Company issued a total of 10,700,999 units at a price of \$0.09 per unit. Each unit contains one common share and one transferrable share purchase warrant. Each warrant is exercisable at a price of \$0.12 for a period of 2 years from the date of issuance. There is no value attributed to the warrants using the residual method. In connection with the private placement, the Company incurred \$49,415 share issuance costs in cash.

On January 15, 2021, the Company closed a private placement for total gross proceeds of \$1,059,785. The Company issued a total of 15,139,785 units at a price of \$0.07 per unit. Each unit contains one common share and one transferrable share purchase warrant. Each warrant is exercisable at a price of \$0.10 for a period of 1 year from the date of issuance. There is no value attributed to the warrants using the residual method. In connection with the private placement, the Company incurred \$55,545 share issuance costs in cash.

2020

On February 24, 2020, the Company entered into a share exchange agreement with 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 a fair value of \$0.105 per common share for a total value of \$262,500.

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. There is no value attributed to the warrants using the residual method. In connection with the private placement, the Company incurred \$47,708 share issuance costs in cash.

KINGMAN MINERALS LTD.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED SEPTEMBER 30, 2021 AND 2020
(Expressed in Canadian Dollars)

5. 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 Company.

On March 5, 2021, the Company granted 920,000 share purchase options to directors and consultants with an exercise price of \$0.185 per share for a period of 10 years, expiry date of March 5, 2031. The Company recorded \$166,517 as share-based compensation.

On February 22, 2021, the Company granted 1,250,000 share purchase options to consultants with an exercise price of \$0.22 per share for a period of 2 years, expiry date of February 22, 2023. The Company recorded \$196,139 as share-based compensation.

On January 15, 2021, the Company granted 3,200,000 share purchase options to directors, officers, and consultants with an exercise price of \$0.12 per share for a period of 10 years, expiry date of January 15, 2031. The Company recorded \$375,923 as share-based compensation.

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 \$52,444 as share-based compensation. These options expired unexercised.

The fair value of the options granted above were determined using the Black-Scholes Option Pricing Model, using the following assumptions:

	2021	2020
Risk-free interest rate	0.22%-1.33%	0.30%
Expected dividend yield	0%	0%
Share price volatility	144%-150%	175%
Expected life of options	2-10 years	1 year

The weighted average fair value of stock option per share granted in the year ended September 30, 2021 was \$0.14.

KINGMAN MINERALS LTD.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED SEPTEMBER 30, 2021 AND 2020
(Expressed in Canadian Dollars)

5. SHARE CAPITAL (continued)

Stock Options (continued)

Continuity of stock options for the years ended September 30, 2021 and 2020 is as follows:

	2021		2020	
	Number of Options	Weighted Average Exercise Price	Number of Options	Weighted Average Exercise Price
Outstanding - beginning of year	466,200	\$ 0.135	-	\$ -
Expired	(466,200)	\$ 0.135	-	\$ -
Granted	-	-	466,200	\$ 0.135
Granted	3,200,000	\$ 0.12	-	\$ -
Granted	1,250,000	\$ 0.22	-	\$ -
Granted	920,000	\$ 0.185	-	\$ -
Outstanding - end of year	5,370,000	\$ 0.15	466,200	\$ 0.135

As at September 30, 2021, the following options were outstanding and exercisable:

Expiry Date	Number of Options Outstanding	Number of Options Vested	Weighted Average Exercise Price	Remaining Life (years)
February 22, 2023	1,250,000	1,250,000	\$ 0.22	1.40
January 15, 2031	3,200,000	3,200,000	\$ 0.12	9.30
March 5, 2031	920,000	920,000	\$ 0.185	9.43
	5,370,000	5,370,000	\$ 0.15	7.48

Warrants

Warrant activity for the years ended September 30, 2021 and 2020 are presented below:

	2021		2020	
	Number of Warrants	Weighted average exercise price	Number of Warrants	Weighted average exercise price
Outstanding - beginning of year	15,979,489	\$ 0.13	2,161,267	\$ 1.08
Expired	(80,000)	0.50	(1,666,667)	1.00
Expired	(414,600)	1.50	-	-
Exercised	(6,356,111)	0.09	-	-
Issued pursuant to private placement	-	-	15,484,889	0.09
Issued pursuant to private placement	15,139,785	0.10	-	-
Issued pursuant to private placement	10,700,999	0.12	-	-
Outstanding - end of year	34,969,562	\$ 0.12	15,979,489	\$ 0.13

KINGMAN MINERALS LTD.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED SEPTEMBER 30, 2021 AND 2020
(Expressed in Canadian Dollars)

5. SHARE CAPITAL (continued)

Warrants (continued)

As at September 30, 2021, the following warrants were outstanding:

Number of Warrants	Weighted Average Exercise Price	Expiry date	Remaining Life (years)
15,139,785	\$ 0.10	January 15, 2022	0.29
9,128,778	\$ 0.09	February 7, 2022	0.36
10,700,999	\$ 0.12	January 28, 2023	1.33
34,969,562	\$ 0.10		0.63

The weighted average remaining contractual life of the issued and outstanding warrants at September 30, 2021 was 0.63 years.

Subsequent to year end, 15,139,785 warrants expired unexercised (Note 11).

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.

6. RELATED PARTY TRANSACTIONS

During the years ended September 30, 2021 and 2020, the Company entered into the following related party transactions:

- a) The Company incurred management fees of \$180,000 (2020 - \$150,000) paid to a company controlled by the Chairman and interim CFO of the Company;
- b) The Company incurred management fees of \$204,500 (2020 - \$75,000) paid to a company controlled by the former Chairman of the Company;
- c) The Company incurred geological consulting fees of \$14,860 (2020 - \$19,440) paid to a company controlled by the CEO and director of the Company;
- d) The Company incurred consulting fees of \$Nil (2020 - \$13,500) to a director of the Company.
- e) The Company incurred consulting fees of \$Nil (2020 - \$13,500) to a relative of a director of the Company.
- f) 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:

	September 30, 2021	September 30, 2020
Consulting fees	\$ 18,460	\$ 46,440
Management fees	\$ 384,500	\$ 225,000
Share-based compensation	\$ 132,007	\$ Nil

KINGMAN MINERALS LTD.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED SEPTEMBER 30, 2021 AND 2020
(Expressed in Canadian Dollars)

6. RELATED PARTY TRANSACTIONS (continued)

At September 30, 2021, amounts owed to related parties totalled \$13,325 (2020: \$267,460) for amounts due to companies controlled by the CEO and a former director. All amounts payable are non-interest bearing, unsecured and due on demand.

In January 2021, debt in the amount of \$28,595 due to a company controlled by the CEO was forgiven resulting in a gain of \$28,595.

7. 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 September 30, 2021 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.

The Company's investment policy is to invest its cash in investment instruments in high credit quality financial institutions with terms to maturity selected with regards to the expected time of expenditures from continuing operations.

8. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Classification

The Company has classified its cash as fair value through profit or loss. Accounts payable is classified at amortized cost.

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

	September 30, 2021	September 30, 2020
Fair value through profit or loss (i)	\$ 166,214	\$ 93,229
Amortized cost (ii)	141,321	122,763

(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.

KINGMAN MINERALS LTD.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED SEPTEMBER 30, 2021 AND 2020
(Expressed in Canadian Dollars)

8. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

Liquidity Risk

To manage liquidity risk, the Company plans to hold cash sufficient to meet its financial obligations as they fall due. 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 September 30, 2021, the Company has working capital of \$30,278 and requires additional cash to fund operating and exploration activities. 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.

9. 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 (Quebec and Arizona).

10. INCOME TAXES

The following table reconciles the amount of income tax recoverable on application of the combined statutory Canadian federal and provincial income tax rates:

	2021	2020
	\$	\$
Statutory tax rate	27%	27%
Expected income tax recovery at the statutory rate	(591,327)	(199,072)
Adjustments resulting from:		
Non-deductible expenses and other	203,317	(94,290)
Change in unrecognized deferred income tax assets	(388,010)	293,361
Income tax recovery	-	-

KINGMAN MINERALS LTD.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED SEPTEMBER 30, 2021 AND 2020
(Expressed in Canadian Dollars)

10. INCOME TAXES (continued)

Significant components of the Company's potential deferred income tax assets are shown below:

	2021	2020
	\$	\$
Non-capital losses carried-forward	1,255,341	876,734
Mineral properties	421,954	429,314
Share investments	32,028	32,028
Share issuance costs	33,732	16,969
Net potential deferred income tax asset	1,743,055	1,355,045
Unrecognized deferred income tax assets	(1,743,055)	(1,355,045)
Net deferred income tax asset	-	-

The Company has non-capital losses for income tax purposes of approximately \$4,649,000 which may be carried forward and offset against future taxable income. The non-capital losses expire as follows:

2029	\$ 76,000
2030	176,000
2031	165,000
2032	172,000
2033	155,000
2034	31,000
2035	72,000
2036	254,000
2037	382,000
2038	763,000
2039	283,000
2040	657,000
2041	1,463,000
	<u>\$ 4,649,000</u>

In assessing the realizability of deferred income tax assets, management considers whether it is probable that some portion of the deferred income tax assets will be realized.

The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences become deductible. Management considers the scheduled reversal of deferred income tax liabilities, projected future taxable income and tax planning strategies in making this assessment. The amount of deferred income tax assets considered realizable could change materially in the near term based on future taxable income during the carry forward period.

KINGMAN MINERALS LTD.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED SEPTEMBER 30, 2021 AND 2020
(Expressed in Canadian Dollars)

11. SUBSEQUENT EVENTS

On December 21, 2021, the Company closed a private placement issuing 13,845,000 units at a price of \$0.05 per unit for gross proceeds of \$692,250. Each unit consists of one common share and one transferrable share purchase warrant exercisable at a price of \$0.075 for four years from the date of issuance.

On January 15, 2022, 15,139,785 warrants expired unexercised.