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**KINGSMEN RESOURCES LTD.**

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS  
FOR THE NINE MONTHS ENDED  
SEPTEMBER 30, 2021

*(Unaudited - Expressed in Canadian Dollars)*

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**NOTICE OF NO AUDITOR REVIEW OF  
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

In accordance with National Instrument 51-102 Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of these condensed consolidated interim financial statements they must be accompanied by a notice indicating that the condensed consolidated interim financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed consolidated interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The Company's auditors have not performed a review of these condensed consolidated interim financial statements in accordance with the standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

**KINGSMEN RESOURCES LTD.**  
**CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION**  
*(Unaudited - Expressed in Canadian Dollars)*

	Note	September 30, 2021 \$	December 31, 2020 \$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash		883,090	806,371
GST receivable		3,471	2,064
Amount receivable		18,109	-
Prepaid expenses		<u>15,610</u>	<u>9,537</u>
<b>Total current assets</b>		<u>920,280</u>	<u>817,972</u>
<b>Non-current assets</b>			
Exploration and evaluation assets	4	<u>1</u>	<u>1</u>
<b>Total non-current assets</b>		<u>1</u>	<u>1</u>
<b>TOTAL ASSETS</b>		<u>920,281</u>	<u>817,973</u>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Accounts payable and accrued liabilities	6	<u>19,844</u>	<u>13,883</u>
<b>TOTAL LIABILITIES</b>		<u>19,844</u>	<u>13,883</u>
<b>SHAREHOLDERS' EQUITY</b>			
Share capital	5	18,849,049	18,615,138
Share-based payment reserve		2,159,638	2,159,638
Deficit		<u>(20,108,250)</u>	<u>(19,970,686)</u>
<b>TOTAL SHAREHOLDERS' EQUITY</b>		<u>900,437</u>	<u>804,090</u>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<u>920,281</u>	<u>817,973</u>

**Nature of Operations** - see Note 1

**Event after the Reporting Period** - Note 9

These condensed consolidated interim financial statements were approved for issue by the Board of Directors on November 22, 2021 and are signed on its behalf by:

/s/ Scott Emerson  
 Scott Emerson  
 Director

/s/ Nick DeMare  
 Nick DeMare  
 Director

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

**KINGSMEN RESOURCES LTD.**  
**CONDENSED CONSOLIDATED INTERIM STATEMENTS OF COMPREHENSIVE (LOSS) INCOME**  
*(Unaudited - Expressed in Canadian Dollars)*

	Note	Three Months Ended September 30		Nine Months Ended September 30	
		2021 \$	2020 \$	2022 \$	2020 \$
<b>Expenses</b>					
Accounting and administration	6(b)(ii)	1,800	3,600	12,500	13,400
Audit		-	-	10,000	10,250
General exploration		-	-	-	5,132
Legal		2,654	4,807	4,062	13,706
Management fees	6(a)	24,000	24,000	72,000	72,000
Office		2,916	2,224	7,188	7,318
Professional fees	6(b)(i)	6,000	6,000	18,000	18,000
Regulatory		8,215	5,363	18,013	18,858
Rent		-	-	-	10,965
Shareholder costs		-	337	1,146	690
Transfer agent		1,655	707	3,884	2,823
Travel		-	697	-	6,734
		<u>47,240</u>	<u>47,735</u>	<u>146,793</u>	<u>179,876</u>
<b>Loss before other items</b>		<u>(47,240)</u>	<u>(47,735)</u>	<u>(146,793)</u>	<u>(179,876)</u>
<b>Other items</b>					
Interest income		1,197	1,522	3,769	6,316
Foreign exchange		8,650	(1,989)	5,460	(486)
Gain on disposition	4	-	-	-	316,305
		<u>9,847</u>	<u>(467)</u>	<u>9,229</u>	<u>322,135</u>
<b>Net (loss) income and comprehensive (loss) income</b>		<u>(37,393)</u>	<u>(48,202)</u>	<u>(137,564)</u>	<u>142,259</u>
<b>Basic and diluted (loss) income per common share</b>		<u>\$(0.00)</u>	<u>\$(0.00)</u>	<u>\$(0.00)</u>	<u>\$0.01</u>
<b>Basic and diluted weighted average number of common shares outstanding</b>		<u>24,747,955</u>	<u>24,668,490</u>	<u>24,694,978</u>	<u>24,668,490</u>

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

**KINGSMEN RESOURCES LTD.**  
**CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN EQUITY**  
*(Unaudited - Expressed in Canadian Dollars)*

	<b>Nine Months Ended September 30, 2021</b>				
	<b>Share Capital</b>		<b>Share-Based Payment Reserve</b>	<b>Deficit</b>	<b>Total Equity</b>
	<b>Number of Shares</b>	<b>Amount \$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Balance at December 31, 2020</b>	24,668,490	18,615,138	2,159,638	(19,970,686)	804,090
Common shares issued for warrants	2,751,893	233,911	-	-	233,911
Net loss for the period	-	-	-	(137,564)	(137,564)
<b>Balance at September 30, 2021</b>	<b>27,420,383</b>	<b>18,849,049</b>	<b>2,159,638</b>	<b>(20,108,250)</b>	<b>900,437</b>

	<b>Nine Months Ended September 30, 2020</b>				
	<b>Share Capital</b>		<b>Share-Based Payment Reserve</b>	<b>Deficit</b>	<b>Total Equity</b>
	<b>Number of Shares</b>	<b>Amount \$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Balance at December 31, 2019</b>	24,668,490	18,615,138	2,159,638	(20,059,076)	715,700
Net income for the period	-	-	-	142,259	142,259
<b>Balance at September 30, 2020</b>	<b>24,668,490</b>	<b>18,615,138</b>	<b>2,159,638</b>	<b>(19,916,817)</b>	<b>857,959</b>

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

**KINGSMEN RESOURCES LTD.**  
**CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS**  
*(Unaudited - Expressed in Canadian Dollars)*

	Nine Months Ended September 30.	
	2021 \$	2020 \$
<b>Operating activities</b>		
Net (loss) income for the period	(137,564)	142,259
Adjustment for:		
Gain on disposition	-	(316,305)
Changes in non-cash working capital items:		
GST receivable	(1,407)	3,513
Amounts receivable	(18,109)	(5,862)
Prepaid expenses	(6,073)	(808)
Accounts payable and accrued liabilities	5,961	3,367
<b>Net cash used in operating activities</b>	<u>(157,192)</u>	<u>(173,836)</u>
<b>Investing activity</b>		
Proceeds on disposition	-	316,305
<b>Net cash provided by investing activity</b>	<u>-</u>	<u>316,305</u>
<b>Financing activity</b>		
Issuance of share capital	233,911	-
<b>Net cash provided by financing activity</b>	<u>233,911</u>	<u>-</u>
<b>Net change in cash during the period</b>	76,719	142,469
<b>Cash at beginning of period</b>	<u>806,371</u>	<u>705,215</u>
<b>Cash at end of period</b>	<u>883,090</u>	<u>847,684</u>

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

**KINGSMEN RESOURCES LTD.**  
**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2021**  
*(Unaudited - Expressed in Canadian Dollars)*

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**1. Nature of Operations**

The Company was incorporated on January 11, 2000 under the provisions of the Company Act (British Columbia). The Company's common shares are listed and trade on the TSX Venture Exchange ("TSXV") under the symbol "KNG" and on the OTCQB under the symbol ("TUMIF"). The Company's principal office is located at #1305 - 1090 West Georgia Street, Vancouver, British Columbia V6E 3V7.

The Company is engaged in the acquisition and exploration of precious metals on mineral properties. On the basis of information to date, the Company has not yet determined whether these properties contain economically recoverable ore reserves. On February 18, 2020 the Company entered into an agreement to sell an interest in the La Trini Property, as described in Note 4. The underlying value of the exploration and evaluation assets is entirely dependent on the existence of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete development and upon future profitable production. Exploration and evaluation assets represent costs incurred to date, less amounts amortized and/or written off, and do not necessarily represent present or future values.

As at September 30, 2021 the Company had working capital in the amount of \$900,436. To date the Company has not earned any revenues and is considered to be in the exploration stage. These consolidated financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business operations for the foreseeable future. The Company's ability to continue as a going concern is dependent upon the ability of the Company to obtain the necessary financing to develop properties and to establish future profitable production. The Company's operations are funded from equity financings which are dependent upon many external factors and may be difficult to impossible to secure or raise when required. The Company currently does not anticipate incurring significant exploration activities on its existing exploration and evaluation assets and management considers that the Company has adequate resources to maintain its core operations for the next twelve months. The Company continues to conduct reviews and due diligence on prospective acquisitions and business opportunities. Completion of any acquisition may require the Company to obtain additional financing. While the Company has been successful in securing financings in the past, there can be no assurance that it will be able to do so in the future.

In March 2020 the World Health Organization declared the outbreak of a novel coronavirus, identified as "COVID-19", as a global pandemic. In order to combat the spread of COVID-19 governments worldwide have enacted emergency measures including travel bans, legally enforced or self-imposed quarantine periods, social distancing and business and organization closures. These measures have caused material disruptions to businesses, governments and other organizations resulting in an economic slowdown and increased volatility in national and global equity and commodity markets. The Company will continue to monitor the impact of the COVID-19 outbreak, the duration and impact which is unknown at this time, as is the efficacy of any intervention. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Company and its operations in future periods.

**2. Basis of Preparation**

*Statement of Compliance*

These unaudited condensed consolidated interim financial statements have been prepared using accounting policies consistent with International Financial Reporting Standards ("IFRS"), and in accordance with International Accounting Standards ("IAS") 34, "Interim Financial Reporting", as issued by the International Accounting Standards Board ("IASB"). These condensed consolidated interim financial statements should be read in conjunction with the audited consolidated financial statements for the year ended December 31, 2020, which have been prepared in accordance with IFRS as issued by the IASB. The accounting policies followed in these condensed consolidated interim financial statements are consistent with those applied in the Company's audited financial statements for the year ended December 31, 2020.

*Basis of Measurement*

The Company's condensed consolidated interim financial statements have been prepared on the historical cost basis except for the revaluation of certain financial assets and financial liabilities to fair value.

**KINGSMEN RESOURCES LTD.**  
**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2021**  
*(Unaudited - Expressed in Canadian Dollars)*

**3. Subsidiary**

The Company holds a 51% ownership interest in TMXI Resources S.A. de C.V. (“TMXI”), a company incorporated in Mexico. See also Note 4.

**4. Exploration and Evaluation Assets**

*La Trini, Mexico*

The La Trini Property consists of five mineral claims located in the Jalisco silver belt approximately 100 kilometres northwest of Guadalajara, Jalisco State, Mexico.

On April 21, 2020 the Company completed a purchase option agreement, dated April 7, 2020, with GoGold Resources Inc. (“GoGold”), an arm’s length purchaser, whereby the Company sold an initial 49% interest (the “Initial Interest”) in the La Trini Property to GoGold for \$316,305 (US \$225,000). GoGold has the option (the “Option”) to acquire the Company’s remaining 51% interest in the La Trini Property by paying the Company US \$210,000 on or before February 18, 2022, subject to acceleration provisions (the “Option Period”). If GoGold does not exercise the Option within the Option Period then the Company may re-purchase GoGold’s Initial Interest for \$1. Upon the exercise of the Option the Company will retain a 1% net smelter return royalty (“NSR”) on the La Trini Property, which may then be purchased by GoGold for US \$1,000,000. GoGold has agreed to directly fund all expenditures incurred on the La Trini Property and all future costs incurred in TMXI for the duration of the Option Period.

The La Trini Property is also subject to a 1% NSR to the original vendor which may be reduced a 0.5% NSR through a cash payment of US \$1,000,000.

**5. Share Capital**

(a) *Authorized Share Capital*

The Company’s authorized share capital consists of an unlimited number of common shares without par value. All issued common shares are fully paid.

(b) *Equity Financings*

No equity financings were conducted by the Company during the nine months ended September 30, 2021 or fiscal 2020.

(c) *Warrants*

A summary of the number of common shares reserved pursuant to the Company’s outstanding warrants at September 30, 2021 and 2020 and the changes for the nine months ended on those dates is as follows:

	2021		2020	
	Number	Weighted Average Exercise Price \$	Number	Weighted Average Exercise Price \$
Balance, beginning of period	7,774,114	0.085	11,774,114	0.09
Exercised	(2,751,893)	0.085	-	-
Expired	<u>(3,640,549)</u>	0.085	<u>(4,000,000)</u>	0.10
Balance, end of period	<u>1,381,672</u>	0.085	<u>7,774,114</u>	0.085

**KINGSMEN RESOURCES LTD.**  
**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2021**  
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**5. Share Capital (continued)**

As at September 30, 2021 warrants to purchase 1,381,672 common shares were outstanding and exercisable at an exercise price of \$0.085 per share expiring October 15, 2021. See also Note 9.

(d) *Share Option Plan*

The Company has established a rolling share option plan (the "Plan"), in which the maximum number of common shares which can be reserved for issuance under the Plan is 10% of the issued and outstanding shares of the Company. The exercise price of the options is set at the Company's closing share price on the day before the grant date, less allowable discounts in accordance with the policies of the TSXV. Options granted may be subject to vesting provisions as determined by the Board of Directors and have a maximum term of ten years.

The Company did not grant any share options during the nine months ended September 30, 2021 and 2020 and, as of September 30, 2021, the Company had no share options outstanding.

**6. Related Party Disclosures**

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consists of the Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO") of the Company.

(a) *Key Management Personnel Disclosures*

During the nine months ended September 30, 2021 and 2020 the following amounts were incurred with respect to the CEO and CFO of the Company:

	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
Management fees - CEO	72,000	72,000
Professional fees - CFO	<u>4,500</u>	<u>4,500</u>
	<u>76,500</u>	<u>76,500</u>

As at September 30, 2021, \$8,500 (December 31, 2020 - \$8,000) remained unpaid and has been included in accounts payable and accrued liabilities.

(b) *Other Related Party Disclosures*

(i) During the nine months ended June 30, 2021 and 2020 the following amounts were incurred with respect to non-management directors and the corporate secretary of the Company:

	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
Professional fees	<u>13,500</u>	<u>13,500</u>

As at September 30, 2021, \$1,500 (December 31, 2020 - \$nil) remained unpaid and has been included in accounts payable and accrued liabilities.

(ii) During the nine months ended September 30, 2021 the Company incurred a total of \$12,500 (2020 - \$13,400) to Chase Management Ltd. ("Chase"), a private corporation owned by the CFO of the Company, for accounting and administration services provided by Chase personnel, excluding the CFO. As at September 30, 2021 \$1,800 (December 31, 2020 - \$2,500) remained unpaid and has been included in accounts payable and accrued liabilities.

**KINGSMEN RESOURCES LTD.**  
**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2021**  
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**7. Segmented Information**

The Company is in the exploration stage and, accordingly, has no reportable segment revenues or operating results. The Company's total assets are segmented geographically as follows:

	<u>As at September 30, 2021</u>		
	<u>Canada</u>	<u>Mexico</u>	<u>Total</u>
	<u>\$</u>	<u>\$</u>	<u>\$</u>
Current assets	918,750	1,530	920,280
Exploration and evaluation assets	-	1	1
	<u>918,750</u>	<u>1,531</u>	<u>920,281</u>

  

	<u>As at December 31, 2020</u>		
	<u>Canada</u>	<u>Mexico</u>	<u>Total</u>
	<u>\$</u>	<u>\$</u>	<u>\$</u>
Current assets	815,985	1,987	817,972
Exploration and evaluation assets	-	1	1
	<u>815,985</u>	<u>1,988</u>	<u>817,973</u>

**8. Financial Instruments and Risk Management**

*Categories of Financial Assets and Financial Liabilities*

Financial instruments are classified into one of the following categories: fair value through profit or loss ("FVTPL"); amortized cost; and fair value through other comprehensive (loss) income. The carrying values of the Company's financial instruments are classified into the following categories:

<b>Financial Instrument</b>	<b>Category</b>	<b>September 30, 2021</b>	<b>December 31, 2020</b>
		<b>\$</b>	<b>\$</b>
Cash	FVTPL	883,090	806,371
Amount receivable	Amortized cost	18,109	-
Accounts payable and accrued liabilities	Amortized cost	(19,844)	(13,883)

The Company's financial instruments recorded at fair value require disclosure about how the fair value was determined based on significant levels of inputs described in the following hierarchy:

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 value to provide pricing information on an ongoing basis.

Level 2 - Pricing inputs are other than quoted prices in active markets included in Level 1. Prices in Level 2 are either directly or indirectly observable as of the reporting date. Level 2 valuations are based on inputs including quoted forward prices for commodities, time value and volatility factors, which can be substantially observed or corroborated in the market place.

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

The recorded amount for amount receivable, accounts payable and accrued liabilities approximate its fair value due to the short-term nature. The Company's fair value of cash under the fair value hierarchy are measured using Level 1 inputs.

**KINGSMEN RESOURCES LTD.**  
**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2021**  
*(Unaudited - Expressed in Canadian Dollars)*

**8. Financial Instruments and Risk Management (continued)**

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

*Credit Risk*

Credit risk is the risk of loss associated with a counter-party's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash. Management believes that the credit risk concentration with respect to financial instruments included in cash is remote.

*Liquidity Risk*

Liquidity risk is the risk that the Company will not have the resources to meet its obligations as they fall due. The Company manages this risk by closely monitoring cash forecasts and managing resources to ensure that it will have sufficient liquidity to meet its obligations. All of the Company's financial liabilities are classified as current and are anticipated to mature within the next fiscal period. The following table is based on the contractual maturity dates of financial assets and the earliest date on which the Company can be required to settle financial liabilities.

	<b>Contractual Maturity Analysis at September 30, 2021</b>				
	<b>Less than 3 Months</b>	<b>3 - 12 Months</b>	<b>1 - 5 Years</b>	<b>Over 5 Years</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Cash	883,090	-	-	-	883,090
Amount receivable	18,109	-	-	-	18,109
Accounts payable and accrued liabilities	(19,844)	-	-	-	(19,844)

  

	<b>Contractual Maturity Analysis at December 31, 2020</b>				
	<b>Less than 3 Months</b>	<b>3 - 12 Months</b>	<b>1 - 5 Years</b>	<b>Over 5 Years</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Cash	806,371	-	-	-	806,371
Accounts payable and accrued liabilities	(13,883)	-	-	-	(13,883)

*Market Risk*

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices. These fluctuations may be significant.

*Interest Rate Risk*

The Company is exposed to interest rate risk to the extent that the cash bears floating rates of interest. The interest rate risk on cash and on the Company's obligations are not considered significant.

*Foreign Currency Risk*

The Company has operations in Mexico subject to foreign currency fluctuations. The Company's operating expenses are incurred in Canadian Dollars and Mexican Pesos. The fluctuation of the Canadian Dollar in relation to the Mexican Peso will have an impact upon the profitability of the Company and may also affect the value of the Company's assets and the amount of shareholders' equity. The Company also maintains a US Dollar bank account with its Canadian bank. The Company has not entered into any agreements or purchased any instruments to hedge possible currency risks. At September 30, 2021, 1 Canadian Dollar was equal to 16.16 Mexican Pesos and 0.78 US Dollar.

**KINGSMEN RESOURCES LTD.**  
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**FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2021**  
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**8. Financial Instruments and Risk Management (continued)**

Balances are as follows:

	<b>Mexican Pesos</b>	<b>US Dollars</b>	<b>CDN \$ Equivalent</b>
Cash	24,722	41,392	54,596
Amounts receivable	292,626	-	18,109
Accounts payable and accrued liabilities	<u>(5,965)</u>	<u>-</u>	<u>(369)</u>
	<u>311,383</u>	<u>41,392</u>	<u>72,336</u>

Based on the net exposures as of September 30, 2021 and assuming that all other variables remain constant, a 10% fluctuation on the Canadian Dollar against the Mexican Peso and the US Dollar would result in the Company's net income or loss being approximately \$7,000 higher (or lower).

*Capital Management*

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition and exploration of exploration and evaluation assets. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain development of the business. The Company defines capital that it manages as share capital. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

**9. Event after the Reporting Period**

Subsequent to September 30, 2021 the Company issued 612,442 common shares for \$52,058 on the exercise of warrants and the remaining warrants to purchase 769,230 common shares expired on October 15, 2021 without exercise.