
KINGSMEN RESOURCES LTD.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED
SEPTEMBER 30, 2025

(Unaudited - Expressed in Canadian Dollars)

**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, 2025 \$	December 31, 2024 \$
ASSETS			
Current assets			
Cash		871,864	1,253,296
GST receivable		16,996	11,323
Prepaid expenses and other		<u>79,411</u>	<u>69,926</u>
Total current assets		<u>968,271</u>	<u>1,334,545</u>
Non-current assets			
Exploration and evaluation assets	4	<u>1,636,136</u>	<u>450,286</u>
TOTAL ASSETS		<u>2,604,407</u>	<u>1,784,831</u>
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities		<u>231,171</u>	<u>80,114</u>
TOTAL LIABILITIES		<u>231,171</u>	<u>80,114</u>
SHAREHOLDERS' EQUITY			
Share capital	5	3,777,298	2,553,286
Share-based payment reserve		2,462,218	2,463,838
Deficit		<u>(3,866,280)</u>	<u>(3,312,407)</u>
TOTAL SHAREHOLDERS' EQUITY		<u>2,373,236</u>	<u>1,704,717</u>
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		<u>2,604,407</u>	<u>1,784,831</u>

Nature of Operations - see Note 1

Events after the Reporting Period - See Note 10

These condensed consolidated interim financial statements were approved for issue by the Board of Directors on December 1, 2025 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
(Unaudited - Expressed in Canadian Dollars)

	Note	Three Months Ended September 30		Nine Months Ended September 30	
		2025 \$	2024 \$	2025 \$	2024 \$
Expenses					
Accounting and administration	6(b)	7,300	3,750	32,900	23,124
Audit		-	-	22,000	18,500
Corporate development		23,533	13,711	74,869	45,546
Director and officer compensation	6(a)	55,500	45,750	166,500	135,750
General exploration		1,731	1,121	6,629	3,409
Investment conferences		3,422	-	45,393	-
Legal		5,000	467	8,948	867
Office		7,320	2,444	17,073	11,286
Professional fees		29,977	26,229	94,943	82,883
Regulatory		8,831	6,809	27,087	23,054
Shareholder costs		4,558	1,171	8,688	7,075
Transfer agent		4,964	1,509	10,200	6,069
Travel		16,365	7,515	49,070	13,983
		<u>168,501</u>	<u>110,476</u>	<u>564,300</u>	<u>371,546</u>
Loss before other items		<u>(168,501)</u>	<u>(110,476)</u>	<u>(564,300)</u>	<u>(371,546)</u>
Other items					
Interest income		9,623	6,946	30,896	27,486
Foreign exchange		<u>3,645</u>	<u>(1,461)</u>	<u>(20,469)</u>	<u>(3,492)</u>
		<u>13,268</u>	<u>5,485</u>	<u>10,427</u>	<u>23,994</u>
Net loss and comprehensive loss		<u>(155,233)</u>	<u>(104,991)</u>	<u>(553,873)</u>	<u>(347,552)</u>
Basic and diluted loss per common share		<u>\$(0.01)</u>	<u>\$(0.01)</u>	<u>\$(0.02)</u>	<u>\$(0.02)</u>
Basic and diluted weighted average number of common shares outstanding		<u>25,339,308</u>	<u>19,349,919</u>	<u>24,342,007</u>	<u>19,349,919</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 SHAREHOLDERS' EQUITY
(Unaudited - Expressed in Canadian Dollars)

Nine Months Ended September 30, 2025					
	Share Capital		Share-Based Payment Reserve \$	Deficit \$	Total Shareholders' Equity \$
	Number of Shares	Amount \$			
Balance at December 31, 2024	23,349,919	2,553,286	2,463,838	(3,312,407)	1,704,717
Common shares issued for:					
- private placement	1,436,389	1,034,200	-	-	1,034,200
- share options exercised	25,000	9,000	-	-	9,000
- warrants exercised	528,000	211,200	-	-	211,200
Share issue costs	-	(32,008)	-	-	(32,008)
Transfer on exercise of share options	-	1,620	(1,620)	-	-
Net loss for the period	-	-	-	(553,873)	(553,873)
Balance at September 30, 2025	25,339,308	3,777,298	2,462,218	(3,866,280)	2,373,236

Nine Months Ended September 30, 2024					
	Share Capital		Share-Based Payment Reserve \$	Deficit \$	Total Shareholders' Equity \$
	Number of Shares	Amount \$			
Balance at December 31, 2023	19,349,919	1,568,522	2,159,638	(2,522,294)	1,205,866
Net loss for the period	-	-	-	(347,552)	(347,552)
Balance at September 30, 2024	19,349,919	1,568,522	2,159,638	(2,869,846)	858,314

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.	
	2025	2024
	\$	\$
Operating activities		
Net loss for the period	(553,873)	(347,552)
Changes in non-cash working capital items:		
GST receivable	(5,673)	3,872
Prepaid expenses	(9,485)	(1,214)
Accounts payable and accrued liabilities	<u>132,807</u>	<u>23,292</u>
Net cash used in operating activities	<u>(436,224)</u>	<u>(321,602)</u>
Investing activity		
Exploration and evaluation asset expenditures	<u>(1,167,600)</u>	<u>(55,125)</u>
Net cash used in investing activity	<u>(1,167,600)</u>	<u>(55,125)</u>
Financing activities		
Issuance of common shares	1,254,400	-
Share issue costs	<u>(32,008)</u>	<u>-</u>
Net cash provided by financing activities	<u>1,222,392</u>	<u>-</u>
Net change in cash during the period	(381,432)	(376,727)
Cash at beginning of period	<u>1,253,296</u>	<u>908,857</u>
Cash at end of period	<u>871,864</u>	<u>532,130</u>

Supplemental cash flow information - Note 7

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, 2025
(Unaudited - Expressed in Canadian Dollars)

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 "KNGRF". The Company's principal office is located at #1305 - 1090 West Georgia Street, Vancouver, British Columbia V6E 3V7.

The Company is a junior mineral exploration company engaged in the acquisition and exploration of mineral properties in Mexico. As at September 30, 2025 the Company has not earned any production revenue, nor has it determined whether these properties contain economically recoverable ore reserves. The underlying value of the mineral resource interests is entirely dependent on the existence of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete exploration and development and upon future profitable production. Mineral resource interests represent costs incurred to date, less amounts amortized and/or written off, and do not necessarily represent present or future values. As a mineral Company in the exploration stage the ability of the Company to complete the exploration and development of its mineral property interests will be affected primarily by its ability to raise adequate amounts of capital through equity financings, debt financings, joint venturing of projects and other means.

The Company has a history of losses with no operating revenues and, as at September 30, 2025, the Company had working capital in the amount of \$737,100. These condensed consolidated interim financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business operations for the foreseeable future. Although management considers that the Company has adequate resources to maintain its core operations, make option or property payments as required, conduct planned exploration programs on its existing exploration and evaluation assets and discharge its obligations as they become due in the next twelve months, the Company recognizes that exploration expenditures may change with ongoing results and, as a result, it may be required 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.

See also Note 10.

2. Basis of Preparation

Statement of Compliance

These condensed consolidated interim financial statements have been presented in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB"), applicable to the preparation of interim financial statements, including IAS 34, *Interim Financial Reporting*. The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

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. The condensed consolidated interim financial statements are presented in Canadian dollars unless otherwise stated.

Details of the Group

In addition to the Company, the consolidated financial statements include all subsidiaries. Subsidiaries are all corporations over which the Company is able, directly or indirectly, to control financial and operating policies, which is the authority usually connected with holding majority voting rights. Subsidiaries are fully consolidated from the date on which control is acquired by the Company. Inter-company transactions and balances are eliminated upon consolidation. They are de-consolidated from the date that control by the Company ceases.

KINGSMEN RESOURCES LTD.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
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2. Basis of Preparation (continued)

As of September 30, 2025 the subsidiaries of the Company are as follows:

<u>Company</u>	<u>Location of Incorporation</u>	<u>Ownership Interest</u>
Kingsmen Holdings Ltd.	Canada	100%
Leona Silver Exploraciones S.A. de C.V.	Mexico	100%

3. Material Accounting Policy Information

These condensed consolidated interim financial statements have been prepared on a basis consistent with the material accounting policies disclosed in the annual financial statements for the year ended December 31, 2024. Accordingly, they should be read in conjunction with the annual financial statements for the year ended December 31, 2024.

Accounting Pronouncements Not Yet Adopted

IFRS 18, *Presentation and Disclosure in Financial Statements*, which will replace IAS 1, *Presentation of Financial Statements* aims to improve how companies communicate in their financial statements, with a focus on information about financial performance in the statement of profit or loss, in particular additional defined subtotals, disclosures about management-defined performance measures and new principles for aggregation and disaggregation of information. IFRS 18 is accompanied by limited amendments to the requirements in IAS 7 *Statement of Cash Flows*. IFRS 18 is effective from January 1, 2027. Companies are permitted to apply IFRS 18 before that date.

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

4. Exploration and Evaluation Assets

	<u>September 30, 2025</u>			<u>December 31, 2024</u>		
	<u>Acquisition Costs \$</u>	<u>Deferred Exploration Costs \$</u>	<u>Total \$</u>	<u>Acquisition Costs \$</u>	<u>Deferred Exploration Costs \$</u>	<u>Total \$</u>
Las Coloradas Project	<u>329,386</u>	<u>1,306,750</u>	<u>1,636,136</u>	<u>229,748</u>	<u>220,538</u>	<u>450,286</u>

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4. Exploration and Evaluation Assets (continued)

	Los Coloradas Project \$
Balance at December 31, 2023	328,274
Exploration costs:	
Assays	5,118
Geology	32,008
Legal	630
VAT tax	12,126
	<u>49,882</u>
Acquisition costs:	
Option payments and renewal fees	72,130
	<u>122,012</u>
Balance at December 31, 2024	<u>450,286</u>
Exploration costs:	
Assays	67,697
Drilling and other	482,499
Exploration site	106,582
Geology	168,553
Geophysics	105,827
Legal	523
VAT tax	154,531
	<u>1,086,212</u>
Acquisition costs:	
Option payments and renewal fees	99,638
	<u>1,185,850</u>
Balance at September 30, 2025	<u>1,636,136</u>

(a) *Las Coloradas Project, Mexico*

During fiscal 2022 the Company, entered into agreements to assemble a group of claims (the “Las Coloradas Project”) located in the Parral Mining District, State of Chihuahua, Mexico. As at September 30, 2025 the Las Coloradas Project comprise the following agreements:

- (i) Promise contract (the “Ramos Agreement”) executed November 25, 2022, as amended February 9, 2024, to which the Company has the right to acquire an assignment of rights to 12 mineral claims in consideration of making US \$1,143,500 in option payments as follows:

	Amount US \$
On signing	14,500 (paid)
February 9, 2026	14,000
February 9, 2027	21,000
February 9, 2028	42,000
February 9, 2029	84,000
February 9, 2030	168,000
February 9, 2031	300,000
February 9, 2032	500,000
	<u>1,143,500</u>

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4. Exploration and Evaluation Assets (continued)

As at September 30, 2025 the Company has made payments totalling \$19,344 (US \$14,133) (December 31, 2024 - \$15,464 (US \$11,368)) for past mineral taxes in arrears which have been applied towards the option payment amounts.

- (ii) Mining exploration contract (the “MSA Agreement”) executed November 25, 2022, as amended November 27, 2023 and December 12, 2024, to which the Company has the right to acquire an assignment of rights to one mineral claim in consideration of making US \$1,000,000 in option payments as follows:

	Amount US \$
On signing	20,000 (paid)
November 25, 2023	5,000 (paid)
November 25, 2024	15,000 (paid)
November 25, 2025	45,000
November 25, 2026	35,000
November 25, 2027	80,000
November 25, 2028	200,000
November 25, 2029	<u>600,000</u>
	<u>1,000,000</u>

- (iii) Mining exploration contract (the “Loya Agreement”) executed November 8, 2022, as amended November 27, 2023, to which the Company has the right to acquire an assignment of rights to one mineral claim in consideration of making payments totalling US \$150,000 by November 8, 2025.

As at September 30, 2025 the Company has paid US \$80,000 (December 31, 2024 - US \$80,000) towards the Loya Agreement.

- (iv) Promise agreement (the “Salazar Agreement”) executed November 3, 2022, to which the Company paid \$10,424 (US \$7,500) to the vendor and expensed to general exploration. Upon completion and delivery to the Company of the final assignment of the right to the one mineral claim, the vendor and the Company have agreed to enter into an assignment agreement to the Company with payment of US \$42,500. The mineral claim will be subject to a 1% net smelter return royalty (“NSR”).

- (v) On January 22, 2025 the Company executed a promise agreement to which the Company has the right to acquire an assignment of right to one mineral claim (the “EL AS Claim”) in Mexico in consideration of making US \$250,000 in option payments as follows:

	Amount US \$
On signing	37,000 (paid)
July 22, 2025	15,000 (paid)
January 22, 2026	20,000
January 22, 2027	50,000
January 22, 2028	55,000
January 22, 2029	<u>73,000</u>
	<u>250,000</u>

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4. Exploration and Evaluation Assets (continued)

(b) *La Trini, Mexico*

The La Trini Property consists of mineral claims located in the Jalisco silver belt approximately 100 kilometres northwest of Guadalajara, Jalisco State, Mexico. In fiscal 2020 the Company sold an initial 49% interest in the La Trini Property to GoGold Resources Inc. (“GoGold”) for \$316,305 (US \$225,000). On February 1, 2022 the Company completed the disposition of its remaining 51% interest in the La Trini Property to GoGold and received US \$210,000 recognizing a gain of \$270,064.

The Company retains a 1% NSR on the La Trini Property, which may then be purchased by GoGold for 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*

Nine Months Ended September 30, 2025

On May 21, 2025 the Company completed a non-brokered private placement of 1,436,389 units at \$0.72 per unit, for total proceeds of \$1,034,200. Each unit comprises one common share and one-half of a share purchase warrant. Each whole warrant entitles the holder to purchase an additional common share at a price of \$1.05 per share on or before May 21, 2027. Directors and officers of the Company purchased a total of 25,214 units of the private placement.

The Company incurred \$32,008 for finder’s fees and other costs associated with this private placement.

See also Note 10(i).

Fiscal 2024

In November 2024 the Company completed a non-brokered private placement totalling 4,000,000 units for proceeds of \$1,000,000. Each unit consists of one common share and one common share purchase warrant. Each warrant entitles the holder to purchase an additional common share at a price of \$0.40 per share for a period of two years from closing. A director of the Company and a close family member of a director purchased a total of 78,000 units for \$19,500.

The Company incurred \$15,236 for filing costs associated with this private placement.

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5. Share Capital (continued)

(c) **Warrants**

A summary of the number of common shares reserved pursuant to the Company's outstanding warrants at September 30, 2025 and 2024 and the changes for the nine months ended on those dates, is as follows:

	2025		2024	
	Number	Weighted Average Exercise Price \$	Number	Weighted Average Exercise Price \$
Balance, beginning of period	4,000,000	0.40	-	-
Issued	788,195	1.05	-	-
Exercised	<u>(528,000)</u>	0.40	<u>-</u>	<u>-</u>
Balance, end of period	<u>4,260,195</u>	0.52	<u>-</u>	<u>-</u>

The following table summarizes information about the number of common shares reserved pursuant to the Company's warrants outstanding and exercisable at September 30, 2025:

Number	Exercise Price \$	Expiry Date
202,000	0.40	November 13, 2026
3,214,000	0.40	November 15, 2026
56,000	0.40	November 19, 2026
<u>788,195</u>	1.05	May 21, 2027
<u>4,260,195</u>		

See also Note 10(ii).

(d) **Equity Incentive Plan**

On September 10, 2025 the Company established a new 10% rolling omnibus equity incentive plan (the "Equity Incentive Plan"). The Equity Incentive Plan allows for the issuance of incentive stock options, deferred share units, performance share units, restricted share units, stock appreciation rights and stock purchase rights (collectively the "Awards"). The maximum number of shares reserved for issuance on exercise of all the Awards granted under the Equity Incentive Plan shall not exceed 10% of the issued and outstanding common shares as at the date of grant of any Award.

The Company did not grant any share options during the nine months ended September 30, 2025 or 2024.

A summary of the Company's share options at September 30, 2025 and 2024 and the changes for the nine months ended on those dates, is as follows:

	2025		2024	
	Number of Options Outstanding	Weighted Average Exercise Price \$	Number of Options Outstanding	Weighted Average Exercise Price \$
Balance, beginning of period	1,690,000	0.36	-	-
Exercised	<u>(25,000)</u>	0.36	<u>-</u>	<u>-</u>
Balance, end of period	<u>1,665,000</u>	0.36	<u>-</u>	<u>-</u>

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5. Share Capital (continued)

As at September 30, 2025 there were share options outstanding and exercisable to purchase 1,665,000 common shares of the Company at a price of \$0.36 per share expiring November 11, 2026.

6. Related Party Disclosures

Transactions made with related parties are made in the normal course of business and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties. 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 members of the Company's Board of Directors and executive officers.

- (a) During the nine months ended September 30, 2025 the Company incurred total compensation of \$273,900 (2024 - \$145,800) to key management personnel of which \$166,500 (2024 - \$135,750) was expensed to director and officer compensation and \$107,400 (2024 - \$10,050) was capitalized to exploration and evaluation assets. As at September 30, 2025 \$24,000 (December 31, 2024 - \$9,066) remained unpaid and has been included in accounts payable and accrued liabilities.
- (b) During the nine months ended September 30, 2025 the Company incurred a total of \$32,900 (2024 - \$23,124) 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, 2025 \$4,700 (December 31, 2024 - \$950) remained unpaid and has been included in accounts payable and accrued liabilities.
- (c) See Note 5(b).

7. Supplemental Cash Flow Information

During the nine months ended September 30, 2025 and 2024 non-cash activities were conducted by the Company as follows:

	2025 \$	2024 \$
Operating activity		
Accounts payable and accrued liabilities	<u>19,450</u>	<u>1,700</u>
Investing activity		
Exploration and evaluation assets	<u>(19,450)</u>	<u>(1,700)</u>
Financing activities		
Issuance of common shares	1,620	-
Share-based payments reserve	<u>(1,620)</u>	<u>-</u>
	<u>-</u>	<u>-</u>

KINGSMEN RESOURCES LTD.
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8. Segmented Information

As at September 30, 2025 and December 31, 2024 the Company has no reportable segment revenues or operating results. The Company's total assets are segmented geographically as follows:

	<u>As at September 30, 2025</u>		
	<u>Canada</u> \$	<u>Mexico</u> \$	<u>Total</u> \$
Current assets	859,488	108,783	968,271
Exploration and evaluation assets	-	<u>1,636,136</u>	<u>1,636,136</u>
	<u>859,488</u>	<u>1,744,919</u>	<u>2,604,407</u>
	<u>As at December 31, 2024</u>		
	<u>Canada</u> \$	<u>Mexico</u> \$	<u>Total</u> \$
Current assets	1,265,616	68,929	1,334,545
Exploration and evaluation assets	-	<u>450,286</u>	<u>450,286</u>
	<u>1,265,616</u>	<u>519,215</u>	<u>1,784,831</u>

9. 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:

Financial Instrument	Category	September 30, 2025 \$	December 31, 2024 \$
Cash	FVTPL	871,864	1,253,296
Accounts payable and accrued liabilities	Amortized cost	(231,171)	(80,114)

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 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.

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

KINGSMEN RESOURCES LTD.
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9. Financial Instruments and Risk Management (continued)

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.

	Contractual Maturity Analysis at September 30, 2025				
	Less than 3 Months \$	3 - 12 Months \$	1 - 5 Years \$	Over 5 Years \$	Total \$
Cash	871,864	-	-	-	871,864
Accounts payable and accrued liabilities	(231,171)	-	-	-	(231,171)

	Contractual Maturity Analysis at December 31, 2024				
	Less than 3 Months \$	3 - 12 Months \$	1 - 5 Years \$	Over 5 Years \$	Total \$
Cash	1,253,296	-	-	-	1,253,296
Accounts payable and accrued liabilities	(80,114)	-	-	-	(80,114)

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's functional currency is the Canadian dollar. The Company maintains foreign currency bank accounts to support the cash needs of its foreign operations. The Company also maintains a bank account in US Dollars with its Canadian bank. Management believes the foreign exchange risk related to currency conversions is minimal and therefore does not hedge its foreign exchange risk. At September 30, 2025, 1 Canadian Dollar was equal to 13.17 Mexican Peso and 0.72 US Dollar.

Balances are as follows:

	Mexican Pesos	US \$	CDN \$ Equivalent
Cash	1,431,254	5,070	115,717
Accounts payable and accrued liabilities	<u>(2,379,689)</u>	<u>-</u>	<u>(180,690)</u>
	<u>(948,435)</u>	<u>5,070</u>	<u>(64,973)</u>

KINGSMEN RESOURCES LTD.
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FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025
(Unaudited - Expressed in Canadian Dollars)

9. Financial Instruments and Risk Management (continued)

Based on the net exposures as of September 30, 2025 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 comprehensive loss being approximately \$6,500 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.

10. Events after the Reporting Period

Subsequent to September 30, 2025 the Company:

- (i) completed a non-brokered private placement and issued a total of 3,075,000 units at a price of \$1.35 per unit for gross proceeds of \$4,151,250. Each unit comprised one common share and one-half of one common share purchase warrant of the Company. Each whole warrant entitles the holder to purchase an additional common share of the Company at an exercise price of \$1.90 per share on or before November 19, 2027.

A total of \$191,179 cash and 141,614 non-transferable finder's warrants (the "Finder's Warrants") were paid on a portion of the private placement. Each Finder's Warrants entitles the holder to purchase an additional common share of the Company at an exercise price of \$1.90 per share on or before November 19, 2027;

- (ii) issued 166,000 common shares for cash proceeds of \$66,400 on the exercise of warrants; and
- (iii) was granted the option to acquire a 100% interest in the Almoloya gold-silver project located in the Parral Mining District in Chihuahua, Mexico pursuant to an option agreement dated October 23, 2025 among the Company, Minera Sierra Amoloya S.A. de C.V. and Grupo Industrial Gamo, S. de R.L. MI. The terms of the agreement require the Company to make staged cash payments totalling US \$8,625,000 over an eight year period, with the amount to be paid in the first two years being a total of US \$325,000 (including US \$75,000 in the first year).