



RESTATED UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the Nine Months Ended September 30, 2020

Kuya Silver Corp.

Stated in United States Dollars, unless otherwise noted

INDEX

	PAGE
Notice of No Auditor Review	2
Restated Unaudited Interim Condensed Consolidated Statements of Financial Position	3
Restated Unaudited Interim Condensed Consolidated Statements of Loss and Comprehensive Loss	4
Restated Unaudited Interim Condensed Consolidated Statements of Cash Flows	5
Restated Unaudited Interim Condensed Consolidated Statements of Changes in Shareholders' Equity	6
Notes to the Restated Unaudited Interim Condensed Consolidated Financial Statements	7 - 16

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

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

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

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

KUYA SILVER CORP.
RESTATED UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENTS OF
FINANCIAL POSITION
Stated in United States Dollars
As at

	Note	September 30, 2020 (Restated)	December 31, 2019
Assets			
<i>Current</i>			
Cash		\$ 53,770	\$ 80,078
Cash in trust	13	8,570,392	-
Total assets		\$ 8,624,162	\$ 80,078
Liabilities			
<i>Current</i>			
Accounts payable and accrued liabilities		\$ 292,258	\$ 48,249
Short term credit facility	8	378,644	-
Due to related party	7	218,051	71,075
Total liabilities		888,953	119,324
Shareholders' equity (deficiency)			
Share capital	5	12,174,436	3,046,544
Warrants	6	888,025	862,091
Deficit		(5,327,252)	(3,947,881)
Total equity (deficiency)		7,735,209	(39,246)
Total liabilities and shareholders' equity (deficiency)		\$ 8,624,162	\$ 80,078

Nature of operations and going concern (Note 1)

Subsequent events (Note 12)

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

KUYA SILVER CORP.
RESTATED UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENTS OF
LOSS AND COMPREHENSIVE LOSS
Stated in United States Dollars

	Note	Three months ended September 30,		Nine months ended September 30,	
	13	2020 (Restated)	2019	2020 (Restated)	2019
<i>Income</i>					
Interest income		\$ 56	\$ 348	\$ 419	\$ 976
<i>Expenses</i>					
Exploration and evaluation	4	416,750	175,610	920,437	939,468
Share-based compensation		8,645	79,961	25,934	239,882
General and administrative		363,422	3,679	433,419	45,948
Total expenses		788,817	259,250	1,379,790	1,225,298
Net loss and comprehensive loss for the period		\$ (788,761)	\$ (258,902)	\$ (1,379,371)	\$ (1,224,322)
Loss per share – basic and diluted		\$ (0.11)	\$ (0.04)	\$ (0.20)	\$ (0.22)
Weighted average number of common shares outstanding, basic and diluted		7,161,930	6,398,283	7,063,588	5,685,738

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

KUYA SILVER CORP.
RESTATED UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENTS OF
CASH FLOWS

Stated in United States Dollars

	Note 13	2020 (Restated)	Nine months ended September 30, 2019
Cash flows from operating activities			
Net loss for the period		\$ (1,379,371)	\$ (1,224,322)
Adjustment for non-cash item:			
Share-based compensation		25,934	239,882
Change in non-cash working capital item:			
Increase in accounts payable and accrued liabilities		244,009	45,317
Net cash used in operating activities		(1,109,428)	(939,123)
Cash flow from financing activities			
Proceeds from issuance of share capital		9,807,353	822,500
Payment of share issue costs		(679,461)	-
Proceeds from short term credit facility		378,644	-
Proceeds from related party loan		222,768	353,507
Repayment of related party loan		(75,792)	(205,000)
Net cash provided by financing activities		9,653,512	971,007
Net change of cash		8,544,084	31,884
Cash at beginning of the period		80,078	43,689
Cash at end of the period		\$ 8,624,162	\$ 75,573
Cash consists of:			
Cash		\$ 53,770	\$ 75,573
Cash in trust		8,570,392	-
		\$ 8,624,162	\$ 75,573
Supplemental information			
Shares issued on conversion of related party loan		\$ -	\$ 500,000
Shares issued on settlement of accounts payable and accrued liabilities		\$ -	\$ 59,000

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

KUYA SILVER CORP.

**RESTATED UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENTS OF
CHANGES IN SHAREHOLDERS' EQUITY**

Stated in United States Dollars

	Note	Number of common shares #	Share capital \$	Warrants \$	Deficit \$	Total \$
January 1, 2019		5,065,533	1,430,164	542,250	(2,389,526)	(417,112)
Common shares issued for cash		822,500	822,500	-	-	822,500
Common shares issued on settlement of debts		559,000	559,000	-	-	559,000
Share-based compensation		-	-	239,882	-	239,882
Net loss		-	-	-	(1,224,322)	(1,223,322)
September 30, 2019		6,447,033	2,811,664	782,132	(3,613,848)	(20,052)
January 1, 2020		6,642,766	3,046,544	862,091	(3,947,881)	(39,246)
Common shares issued for cash	5	7,942,203	9,807,353	-	-	9,807,353
Share issue costs	5	-	(679,461)	-	-	(679,461)
Share-based compensation		-	-	25,934	-	25,934
Net loss		-	-	-	(1,379,371)	(1,379,371)
September 30, 2020 (Restated)	13	14,584,969	12,174,436	888,025	(5,327,252)	7,735,209

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

Kuya Silver Corp.

NOTES TO THE RESTATED UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the Nine Months Ended September 30, 2020

Stated in United States Dollars, unless otherwise noted

1. NATURE OF OPERATIONS AND GOING CONCERN

Kuya Silver Corp. (the “Company” or “Kuya”) was incorporated under the laws of the Province of Ontario, Canada on August 9, 2017. The principal address and records office of the Company is located at 217 Queen Street W., Suite 401, Toronto, Ontario, M5V 0R2.

The Company is primarily engaged in the redevelopment and restart of the Bethania Silver Mine in Peru via an option agreement with Peruvian mine owners. To date, the Company has not earned revenues and is considered to be in the exploration stage. Although the Company has taken steps to verify title to mineral properties held by the vendor, these procedures do not guarantee the title. Such properties may be subject to prior agreements or transfers and title may be affected by undetected defects. Property title may be subject to unregistered prior agreements, unregistered claims, aboriginal claims, and non-compliance with regulatory and environmental requirements.

On October 1, 2020, the Company completed a reverse takeover (“RTO”) transaction (“the Transaction”) with Miramont Resources Corp. (“Miramont”), subsequently renamed Kuya Silver Corporation, a publicly traded company listed on the Canadian Securities Exchange (“CSE”). As part of the Transaction, the Company arranged a financing of subscription receipts in the Company (see Note 5).

These interim condensed consolidated financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. Different bases of measurement may be appropriate if the Company is not expected to continue operations for the foreseeable future. These interim condensed consolidated financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue in existence. The Company’s continuation as a going concern is dependent upon the successful results from its business activities, its ability to obtain profitable operations and generate funds, and/or complete financings sufficient to meet current and future obligations. The Company raised capital in prior reporting periods and in the current nine-month reporting period through private placements of common shares in the Company and through additional loans, and, effective October 1, 2020, by completion of the Transaction with Miramont, with the result that the working capital balance is an amount that management estimates is sufficient to further operations for the upcoming twelve months.

The global pandemic outbreak of COVID-19 has had a material adverse effect on the global economy and on the regional economies in which the Company operates. The pandemic could continue to have a negative impact on the ability to raise new capital; on commodity prices and the future outlook for the Company; and on the ability to conduct operations due to lockdown restrictions. Due to timing of the outbreak, the pandemic has had limited impact on the Company’s operations in the period ended September 30, 2020. However, going forward these factors, among others, could have a significant impact on the Company’s operational capability, and on its ability to raise further funding to carry out desired work programmes.

Kuya Silver Corp.

NOTES TO THE RESTATED UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the Nine Months Ended September 30, 2020
Stated in United States Dollars, unless otherwise noted

2. BASIS OF PRESENTATION

These unaudited interim condensed consolidated financial statements include the accounts of the Company and its 98% controlled subsidiary, Aerecura Materiales S.A.C. (“Aerecura Materiales”). Aerecura Materiales is an inactive subsidiary and as such there is no material non-controlling interest.

a. Statement of compliance

The interim condensed consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”).

On November 30, 2020, the Company’s board of directors authorized these financial statements for issuance.

b. Basis of measurement

The Company's interim condensed consolidated financial statements have been prepared on the historical cost basis, except for certain financial instruments that may be measured at fair value.

c. Functional and presentation currency

These interim condensed consolidated financial statements are presented in United States Dollars. The functional currency of the Company is the United States Dollar. The functional currency of Aerecura Materiales is the United States Dollar.

d. Segmented reporting

The Company is organized into business units based on its mineral properties and has one reportable operating segment, being the acquisition and exploration and evaluation of mineral properties in Peru. With virtually all of the Company's assets being devoted to the acquisition and exploration and evaluation of its mineral properties, the assets of the Company form a single cash generating unit (“CGU”).

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies applied in these interim condensed consolidated financial statements are consistent with the policies applied in the audited annual consolidated financial statements for the year ended December 31, 2019. Accordingly, they should be read in conjunction with the audited annual consolidated financial statements for the year ended December 31, 2019.

Kuya Silver Corp.

NOTES TO THE RESTATED UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the Nine Months Ended September 30, 2020
Stated in United States Dollars, unless otherwise noted

a. Critical accounting judgments and estimation uncertainties

The preparation of the interim condensed consolidated financial statements in conformity with IFRS requires the Company's management to make critical judgments, estimates and assumptions about future events that affect the amounts reported in the interim condensed consolidated financial statements and related notes to the interim condensed consolidated financial statements. Actual results may differ from those estimates. Estimates and assumptions are reviewed on an ongoing basis based on historical experience and other factors that are considered to be relevant under the circumstances. Revisions to estimates are accounted for prospectively.

The Company has identified the following critical accounting policies under which significant judgments, estimates and assumptions are made and where actual results may differ from these estimates under different assumptions and conditions and may materially affect financial results or the financial position reported in future periods. Further details of the nature of these assumptions and conditions may be found in the relevant notes to the financial statements.

Critical accounting estimates and judgments relate to the following:

Title to Mineral Properties

Although the Company has taken steps to verify title to mineral properties in which it has an interest, these procedures do not guarantee the title. Such properties may be subject to prior agreements or transfers and title may be affected by undetected defects. If the Company does not have title to its mineral properties, there will be adverse consequences to the Company and its business prospects.

Exploration and Evaluation Expenditures

The Company charges all exploration and evaluation expenditures incurred prior to the establishment of technical feasibility and commercial viability of extracting mineral resources to operations as incurred. Determination of technical feasibility and commercial viability require the use of judgements, estimates and assumptions which may differ under varying conditions.

Share-based Payments

The Company measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determining the best estimate of reaching non-market performance criteria and most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

Bifurcation of Unit Proceeds

The Company employs a relative fair value method with respect to the measurement of common shares and warrants issued as private placement units. The amounts used to estimate fair values of warrants

Kuya Silver Corp.

NOTES TO THE RESTATED UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the Nine Months Ended September 30, 2020

Stated in United States Dollars, unless otherwise noted

issued are based on estimates of future volatility of the Company's share price, expected lives of the warrants, expected dividends to be paid by the Company and other relevant assumptions. By their nature, these estimates are subject to measurement uncertainty and the effect of changes in such estimates on the interim condensed consolidated financial statements of future periods could be significant.

4. MINERAL PROPERTIES AND EXPLORATION EXPENDITURES

The Company is principally engaged in exploration for and evaluation of precious metals on its interest in mineral properties located in Peru.

In October 2017, the Company entered into the original "Share Purchase Agreement" to acquire up to 80% of the shares of S&L Andes Export S.A.C ("S&L Andes"), which owns 100% of the Bethania Mine (as defined below). S&L Andes is a private Peruvian company based in Lima that owns 100% of the Bethania Silver Property (Santa Elena concession) and Chinita I concession (collectively referred to as the "Bethania Mine").

The Share Purchase Agreement was amended in February 2018, July 2018, February 2019 and June 2020. The financial terms from the original Share Purchase Agreement have not materially changed, however the payment terms were amended to be similar to an "earn-in" agreement, whereby each progressive investment or payment over time earns a larger stake in S&L Andes. To earn the 80% interest, the Company must make payments totalling \$8,000,000 and issue 2,000,000 (pre-RTO) common shares of the Company to the owners of S&L Andes. The current Share Purchase Agreement (last amended in June 2020) outlines the following payments to acquire the 80% interest:

- \$4,500,000 investment in the Bethania Mine:
 - \$2,500,000 toward repayment of debt and liabilities of S&L Andes.
 - \$2,000,000 for a work program (e.g. drilling, technical studies, mine expansion), mine care and maintenance, general and administrative expenses, and deal costs.
- \$3,500,000 acquisition payment (cash).
- \$2,000,000 in common shares of the Company at a deemed price of \$1.00 on closing of acquisition of S&L Andes.

The completion time in the Share Purchase Agreement has been extended on each of the four amendments. According to the current amended agreement, the entire investment and other payments must be made by April 30, 2021 ("Closing Date"). If the Company reaches the Closing Date before the entire investment amount and other payments have been completed or the Company terminates the agreement prior to the Closing Date, it would receive the proportional ownership of S&L Andes based on a total valuation of \$12,500,000.

As of September 30, 2020, the Company has paid a total of \$4,132,632, including \$655,000 paid to the vendors. As of April 30, 2020, the Company and the vendor agreed to recognize the Company's investment of \$3,660,000 to date by converting \$3,110,000 into a 27.0% interest in S&L Andes with \$550,000 being retained as a loan from the Company to S&L Andes, subject to the ratification of a new shareholder's agreement.

In addition, as at September 30, 2020, the Company, through its Peruvian subsidiary, have applied for two mining concessions covering an aggregate area of approximately 1,500 hectares, of which title has been granted to one concession (1,000 ha), and the other is in process. The mining concessions have been named Tres Banderas 01 and Tres Banderas 02.

Kuya Silver Corp.

NOTES TO THE RESTATED UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the Nine Months Ended September 30, 2020
Stated in United States Dollars, unless otherwise noted

Property expenditures for the nine months ended September 30, 2020 and 2019 are as follows:

Exploration spend by property

	Nine months ended	
	2020	September 30, 2019
Bethania Mine	\$ 916,876	\$ 937,966
Other properties	3,561	1,502
	\$ 920,437	\$ 939,468

5. SHARE CAPITAL

The Company is authorized to issue an unlimited number of common shares. The holders of common shares are entitled to receive dividends if and when declared, and to one vote per share at meetings of the Company. All shares are ranked equally with regards to the Company's residual assets.

In February 2020, the Company issued 464,583 common shares at \$1.20 per share by way of a private placement for cash proceeds of \$557,500.

In July 2020, as a condition to the completion of the Transaction, the Company completed a private placement financing, consisting of a brokered and a non-brokered private placement of 7,477,620 subscription receipts at a price of CDN\$1.65 ("Subscription Receipts") per Subscription Receipt for aggregate gross proceeds of \$9,249,853 (CDN\$12,338,073). Share issue costs of \$679,461 were incurred in connection with this financing. Following receipt of Miramont shareholder and CSE approvals as required under the Transaction (see Note 12) and confirmation of the pending distribution of the net proceeds held in trust by the transfer agent to the Company, on September 29, 2020, the Company issued the 7,477,620 common shares issuable on exercise of the Subscription Receipts. The Company received the \$8,570,392 of cash in trust on October 2, 2020.

Kuya Silver Corp.

NOTES TO THE RESTATED UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the Nine Months Ended September 30, 2020
Stated in United States Dollars, unless otherwise noted

6. WARRANTS

At September 30, 2020, the following warrants were outstanding:

Expiry date	Exercise price	Number outstanding
April 30, 2021	\$ 0.001	1,040,167
		1,040,167

- Share purchase warrants authorizing the purchase of 5,474 shares at a price of \$1.00 per share expired September 18, 2020 without being exercised.
- Share purchase warrants authorizing the purchase of 1,250 shares at a price of \$1.00 per share expired April 1, 2020 without being exercised.

7. RELATED PARTY DISCLOSURES

	September 30, 2020	December 31, 2019
Due to a director/shareholder	\$ 218,051	\$ 71,075

Of the amounts due to a director/shareholder, \$149,630 are unsecured loans to the Company. In accordance with the Company's Unanimous Shareholders Agreement, shareholder loans may be subject to an annual interest rate of Prime Rate + 2%, however in 2018 and 2019 the lending shareholder agreed to waive any interest charges for nil consideration. The unsecured loans are due on demand.

During the nine months ended September 30, 2020, key management compensation totalled \$60,000 (2019- \$nil).

As at September 30, 2020, an amount of \$56,132 (December 31, 2019 - \$48,249) is recorded in accounts payable and accrued liabilities as reimbursement of Company expenses. These amounts are owed to the director of the Company.

Kuya Silver Corp.

NOTES TO THE RESTATED UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the Nine Months Ended September 30, 2020
Stated in United States Dollars, unless otherwise noted

8. DEBT

Short Term Credit Facility

In August 2020, the Company entered into a letter agreement with Miramont whereby Miramont would provide a short-term credit facility with a principal amount of CDN\$500,000. The Company may only use the proceeds of the facility: (i) to fulfill the terms of its existing share purchase agreement for the Bethania project; (ii) to repay certain shareholder loans; and (iii) for other general corporate purposes. The facility bears interest at a rate of 8% per annum and is to be repaid at the earlier of (i) closing of the Transaction and (ii) January 19, 2021. As at September 30, 2020, the Company had fully drawn upon the credit facility for a total of CDN\$500,000 (\$378,644).

9. FINANCIAL INSTRUMENTS

Fair Values

The carrying amounts for the Company's financial instruments approximate their fair values because of the short-term nature of these items.

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

Credit risk

The Company is not exposed to any significant credit risk as at September 30, 2020. The Company's cash is on deposit with a highly rated banking group in Canada.

Liquidity risk

Liquidity risk is the risk that an entity will not be able to meet its financial obligations as they come due. The Company's approach to managing and mitigating liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due through management's use of financial forecasts and budgets. As at September 30, 2020, the Company has current assets of \$8,624,162 and current liabilities of \$888,953, for net working capital of \$7,735,209. With the exception of the short term credit agreement with Miramont, due on the earlier of closing of the Transaction and January 19, 2021, all of the Company's current financial liabilities have contractual maturities of less than 90 days and are subject to normal trade terms.

Market risk

(i) Interest rate risk

The Company has cash balances and does not have any debt which is subject to a floating interest rate, and therefore is not subject to significant interest rate risk.

Kuya Silver Corp.

NOTES TO THE RESTATED UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the Nine Months Ended September 30, 2020
Stated in United States Dollars, unless otherwise noted

(ii) Foreign currency risk

The Company receives proceeds from certain financing activities and incurs significant purchases denominated in currencies other than the presentation currency, the United States dollar, and is therefore subject to foreign currency risk on assets and liabilities denominated in currencies other than the United States dollar. As at September 30, 2020, the Company had cash of CDN\$70,257 and cash in trust of CDN\$11,431,762. The Company does not hedge its foreign currency balances.

10. CAPITAL DISCLOSURES

The Company's objective when managing capital is to raise sufficient funds to execute its acquisition and exploration plans. At September 30, 2020, the Company's capital consists of shareholders' equity of \$7,735,162 (December 31, 2019 – deficit of \$39,246).

The properties in which the Company currently has an interest are in the exploration and development stage; as such, the Company is dependent on external financing to fund its activities.

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 future development of the business. The Company does not have any externally imposed capital requirements.

There were no material changes in the Company's approach to capital management during the nine months ended September 30, 2020.

11. ENVIRONMENTAL AND CONSTRUCTIVE OBLIGATIONS

The Company's mining and exploration activities are governed by Peruvian Legislative Decree No. 613. The Company is required to present environmental studies on the impact of its exploration and mining operations to the Ministry of Energy and Mines. The Company may also provide financial assistance to local communities to facilitate relationships.

To date, the Company has not incurred any significant environmental or constructive liabilities.

Kuya Silver Corp.

NOTES TO THE RESTATED UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the Nine Months Ended September 30, 2020
Stated in United States Dollars, unless otherwise noted

12. SUBSEQUENT EVENTS

- (a) On October 1, 2020, the various matters contemplated in the previously announced definitive agreement with Miramont, whereby Miramont agreed to acquire all of the issued and outstanding shares of the Company in exchange for shares of Miramont were completed.

Following shareholder approvals for Miramont's 10:1 share consolidation and the Transaction and receipt of the necessary approvals of the CSE, each of the shareholders of Kuya received 1.835 post-consolidation shares of Miramont in exchange for each common share held in the capital of Kuya and holders of convertible securities in Kuya received replacement securities in Miramont (subsequently renamed Kuya Silver Corporation).

The Transaction will be accounted for as a RTO of Miramont by the Company and the comparative financial statements in future consolidated financial statements of the combined company will be those of Kuya, the accounting acquiree. On October 7, 2020, Kuya Silver Corporation began trading on the CSE under the symbol KUYA.

As part of the Transaction, effective October 1, 2020, the Company amalgamated with Miramont's wholly-owned Ontario subsidiary 2757974 Ontario Inc. with the name of the amalgamated company being Kuya Silver Inc.;

- (b) In October 2020, Kuya Silver Corporation agreed to acquire the remaining 20% interest in the Bethania Mine for a total of \$1,750,000 of cash and shares; and
- (c) In December 2020, Kuya Silver Corporation completed the purchase of 100% of S&L Andes, consisting of the 80% interest covered by the Share Purchase Agreement (see Note 4) and the 20% interest referenced above.

13. RESTATEMENT OF FINANCIAL STATEMENTS

Subsequent to the issuance of the Company's unaudited interim condensed consolidated financial statements for the nine months ended September 30, 2020, management of the Company determined that the common shares issuable on exercise of the Subscriptions Receipts described in Note 5 were issued on September 29, 2020, rather than on October 1, 2020, as part of closing of the Transaction, as initially understood when preparing the original financial statements. As a result, the Company has restated its unaudited interim consolidated financial statements as at September 30, 2020 and for the three and nine months ended September 30, 2020, to reflect the issuance of the common shares on September 29, 2020 and the cash held in trust on behalf of the Company as of September 30, 2020.

The effect of this restatement on the Company's unaudited interim condensed consolidated financial statements for the nine months ended September 30, 2020 is summarized as follows:

Kuya Silver Corp.

NOTES TO THE RESTATED UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the Nine Months Ended September 30, 2020
Stated in United States Dollars, unless otherwise noted

	Previously Reported	Adjustment	Restated
Consolidated Statements of Financial Position			
Total assets	\$ 53,770	\$ 8,570,392	\$ 8,624,162
Total liabilities	888,953	-	888,953
Total equity (deficiency)	\$ (835,183)	\$ 8,570,392	\$ 7,735,209
Consolidated Statements of Loss and Comprehensive Loss			
For the three months ended September 30, 2020			
Net loss and comprehensive loss for the period	\$ (788,761)	\$ -	\$ (788,761)
Loss per share - basic and diluted	\$ (0.11)	\$ -	\$ (0.11)
Weighted average number of common shares outstanding, basic and diluted	7,107,349	54,581	7,161,930
For the nine months ended September 30, 2020			
Net loss and comprehensive loss for the period	\$ (1,379,371)	\$ -	\$ (1,379,371)
Loss per share - basic and diluted	\$ (0.20)	\$ -	\$ (0.20)
Weighted average number of common shares outstanding, basic and diluted	7,008,101	55,487	7,063,588
Consolidated Statements of Cash Flows			
Net cash used in operating activities	\$ (1,109,428)	\$ -	\$ (1,109,428)
Net cash provided by financing activities	1,083,120	8,570,392	9,653,512
Cash at end of the period	\$ 53,770	\$ 8,570,392	\$ 8,624,162
Consolidated Statements of Changes in Shareholders' Equity			
Total shareholders equity (deficiency) as at September 30, 2020	\$ (835,183)	\$ 8,570,392	\$ 7,735,209