LOMIKO METALS INC.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

April 30, 2014

LOMIKO METALS INC.

(An exploration stage company)
CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED APRIL 30, 2014
(unaudited)

Responsibility for financial statements

The accompanying condensed interim consolidated financial statements for Lomiko Metals Inc. have been prepared by management in accordance with International Financial Reporting Standards consistently applied. These interim statements have been presented on the accrual basis of accounting. Therefore estimated and approximations have been made using careful judgment. Recognizing that the Company is responsible for both the integrity and objectivity of the interim financial statements, management is satisfied that these condensed interim consolidated financial statements have been fairly presented.

Auditor involvement

The Company's auditors have not performed a review of the condensed interim consolidated financial statements for the nine month period ended April 30, 2014.

Notice from Management
LOMIKO METALS INC.

In accordance with National Instrument 52-102, Part 4, subsection 4.3(3) (a), I report that the accompanying unaudited interim financial statements of the Company have been prepared by and are the responsibility of the Company's s management. The Company's independent auditor has not performed a review of these interim consolidated financial statements in accordance with the standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by the Entity's auditor.

LOMIKO METALS INC.
(An exploration stage company)
CONDENSED INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION
(unaudited)

		April 30, 2014 (unaudited)		July 31, 2013 (audited)
ASSETS				
Current				
Cash	**$**	**1,959,326**	$	94,022
Guaranteed investment certificates		**2,903,000**		300,000
Other receivables (Note 6)		**43,259**		18,853
Advance (Note 7)		**195,500**		-
Prepaid expenses		**118,691**		37,232
		5,219,776		450,107
Non-current assets				
Investment (Note 8)		**50,000**		-
Interests in Mineral Properties (Note 9)		**1,292,294**		1,086,002
	$	**6,562,070**	$	1,536,109
LIABILITIES				
Current				
Accounts payable and accrued liabilities	$	4,051	$	293,515
Deposit for share issue		**-**		-
		4,051		293,515
SHAREHOLDERS' EQUITY				
Share capital (Note 10)		**22,018,902**		17,825,194
Warrants (Note 10)		**1,801,862**		173,690
Share based payment reserve (Note 10)		**392,641**		360,970
Deficit		**(17,655,386)**		(17,117,260)
		6,558,019		1,242,594
	$	**6,562,070**	$	1,536,109

Nature of Operations and Ability to Continue as a Going concern (Note 1)

Subsequent Events (Note 18)

Approved on behalf of the Board:

"Paul Gill"	"Jacqueline Michael"
Paul Gill - President and Chief Executive Officer	Jacqueline Michael - Chief Financial Officer

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

LOMIKO METALS INC.

(An exploration stage company)
CONDENSED INTERIM CONSOLIDATED STATEMENT OF OPERATIONS AND COMPREHENSIVE LOSS
(unaudited)

	Three Months Ended April 30 **2014**	Three Months Ended April 30 2013	Nine Months Ended April 30 **2014**	Nine Months Ended April 30 2013
Expenses				
Accounting and audit	$ **7,343**	$ 1,765	$ **21,161**	$ 8,594
Advertising and promotion	**94,094**	37,483	**135,538**	161,934
Legal and consulting fees	**21,751**	23,706	**44,264**	39,753
Management fees (Note 11)	**30,000**	30,000	**90,000**	90,000
Office and miscellaneous	**10,871**	6,406	**18,027**	16,107
Regulatory and filing fees	**58,616**	6,819	**87,981**	21,376
Research and development	**5,168**		**13,167**	
Shareholder communications	**5,711**	3,814	**16,462**	17,518
Share-based compensation	**-**	75,884	**139,885**	75,884
Telephone	**1,108**	757	**4,038**	2,201
Travel	**7,139**	5,671	**12,881**	17,872
Total expenses	**241,801**	192,305	**583,404**	451,239
Other				
Interest income	**4,233**	7	**4,247**	24
Net operating loss and comprehensive loss for the period	$ **(237,568)**	$ (192,298)	$ **(579,157)**	$ (451,215)
Basic And Diluted Loss Per Share	$ **(0.00)**	$ (0.00)	$ **(0.01)**	$ (0.01)
Basic And Diluted Weighted Average Common Shares	**109,899,040**	67,332,403	**90,942,058**	66,964,880

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

LOMIKO METALS INC.

(An exploration stage company)
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (DEFICIENCY)
For the nine month period April 30, 2014 and 2013
(unaudited)

	Common Shares Without Par Value		Warrants Reserve	Share-based Payment Reserve	Accumulated Deficit	Total Equity (Deficiency)
	Shares	Amount				
Balance, July 31, 2012	66,439,145	$ 17,352,740	$ 515,536	$ 322,002	$ (17,053,346)	$ 1,136,932
Shares issued for resource property	1,500,000	52,500	-	-	-	52,500
Share-based compensation	-		-	75,884		75,884
Stock options cancelled	-	-	-	(17,286)	17,286	-
Warrants expired	-	-	(412,877)	-	412,877	-
Comprehensive loss for the period	-	-	-	-	(451,215)	(451,215)
Balance, April 30, 2013	67,939,145	$ 17405,240	$ 102,659	$ 380,600	$ (17,074,398)	$ 814,101

	Common Shares Without Par Value		Warrants Reserve	Share-based Payment Reserve	Accumulated Deficit	Total Equity (Deficiency)
	Shares	Amount				
Balance, July 31, 2013	77,577,001	$ 17,825,194	$ 173,690	$ 360,970	$ (17,117.260)	$ 1,242,594
Shares issued in settlement of debt, net of issue costs	4,431,750	264,055	-	-	-	264,055
Warrants issued in settlement of debt		(109,665)	109,665	-	-	-
Shares issued for resource property	3,300,000	232,500	-	-	-	232,500
Private placement, net of issue costs	17,013,231	2,092,030	-	-	-	2,092,030
Warrants issued on private placement		(526,727)	526,727	-	-	-
Public offering, net of issue costs	31,211,18	2,864,123	-	-	-	2,864,123
Warrants issued on prospectus		(1,053,099)	1,053,099	-	-	-
Warrants exercised	2,020,000	202,000	-	-	-	202,000
Valuation allocation on exercise of warrants	-	61,319	(61,319)	-	-	-
Options exercised	1,000,000	100,000	-	-	-	100,000
Valuation allocation on exercise of options	-	67,172	-	(67,172)	-	-
Share based compensation	-	-	-	139,874	-	139,874
Options expired	-	-	-	(41,031)	41,031	-
Comprehensive loss for the period	-	-	-	-	(579,157)	(579,157)
Balance, April 30, 2014	**136,553,162**	**$ 22,018,902**	**$ 1,801,862**	**$392,641**	**$ (17,655,386)**	**$ 6,558,019**

The accompanying notes form an integral part of these consolidated financial statemeNTS

LOMIKO METALS INC.

(An exploration stage company)

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOW

(unaudit

		Three Months Ended April 30		Nine Months Ended April 30		
		2014	2013	**2014**		2013
Cash flows from (used in) operating activities						
Net loss for the period	**$**	**(237,568)**	$(192,298)	**$ (579,157)**	$	(451,215)
Items not involving cash:						
Share-based compensation		**-**	75,884	**139,874**		75,884
		(237,568)	(116,414)	**(439,283)**		(375,331)
Changes in non-cash working capital items:						
Other receivables		**105,788**	3,637	**(24,406)**		8,941
Advances		**(10,500)**		**(195,500)**		-
Prepaid expenses		**(105,287)**	13,379	**(81,459)**		95,989
Accounts payable		**(257,894)**	36,166	**(289,464)**		187,313
Deposit for share issue		**-**	-	**-**		-
		(505,461)	(63,232)	**(1,030,112)**		(83,088)
Cash flows from (used in) financing activities						
Common shares and warrants		**5,338,633**	35,000	**5,754,7078**		52,500
			-			-
		5,338,633	35,000	**5,754,708**		52,500
Cash flows from (used in) investing activities						
Investment in mineral properties		**(258,909)**	(42,450)	**(206,292)**		(375,090)
Investment		**-**	-	**(50,000)**		-
		(258,909)	(42,450)	**(256,292)**		(375,090)
Increase (decrease) in cash		**4,574,263**	(70,682)	**4,468,304**		(405,678)
Cash, beginning of period		**288,063**	78,800	**394,022**		413,796
Cash, end of period	$	**4,862,326**	$ 8,118	**4,862,326**	$	8,118
Cash and cash equivalents consists of:						
Cash		**1,959,326**	5,092	**1,959,326**		5,062
Guaranteed investment certificates		**2,903,000**	3,026	**2,903,000**		3,026
		4,862,326	$ 8,118	**4,862,326**	$	8,118
Supplemental information:						
Resource property acquired by issuance of shares	**$**	**232,500**	$ 35,000	**$ 232,500**	$	52,500
Shares issued in settlement of debt	**$**	**-**	-	**$ 264,055**		-

The accompanying notes form an integral part of these consolidated financial statement

1 Nature of business and going concern

Lomiko Metals Inc. (the "Company") was incorporated under the laws of the Province of British Columbia and is engaged in the acquisition, exploration and development of resource properties. It is located at Unit 439 - 7184 120th Street, Surrey, BC.

The Company has not generated revenue from operations. The Company had an operating loss of $579,156 for the nine months ended April 30, 2014, a history of prior year losses and, as of that date the Company's accumulated deficit was $17,655,386. The Company is considered to be in the exploration stage as it has not placed any of its mineral properties into production. These consolidated financial statements have been prepared on a going concern basis, which assumes the realization of asset and liquidation of liabilities in the normal course of business. While these consolidated financial statements have been prepared on the assumption that the Company is a going concern and will be able to realize its assets and meet its obligations in the normal course of operations, there are conditions and events that cast significant doubt on the validity of that assumption. The Company's ability to continue as a going concern is dependent on the ability of the Company to raise debt or equity financings and the attainment of profitable operations. Management has taken steps to reduce cash expenditures to a level that will enable operations to continue and meeting its minimum mineral property commitments for a minimum of twelve months from the March 13, 2014, closing date of the private and public placement noted in Note 17. There can be no assurance that management's plans will be successful. These consolidated financial statements do not include any adjustments to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

These condensed interim consolidated financial statements of the Company have been prepared in accordance with International Accounting Reporting Standards ("IFRS") applicable to a going concern which contemplates the realization of assets and discharge of liabilities in the normal course of operations as they become due. These consolidated financial statements do not reflect any adjustments to the amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue business.

2 Basis of preparation

Statement of compliance
These condensed interim consolidated financial statements of the Company for the nine months ending April 30, 2014 have been prepared in accordance with International Financial Reporting Standard 34 interim Financial Reporting ("IAS 34") as issued by the International Accounting Standards Board ("IASB"). These condensed interim consolidated financial statements should be read in conjunction with the Company's annual consolidated financial statements for the year ended July 31, 2013.

The condensed interim consolidated financial statements of the Company as at April 30, 2014 were approved and authorized for issue by the Board of Directors on June 23, 2014.

2 Basis of preparation - continued

Basis of measurement
These condensed interim consolidated financial statements have been prepared on a historical cost basis.

The preparation of financial statements in compliance with IFRS requires management to make certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies. The areas involving a higher degree of judgment of complexity, or areas where assumptions and estimates are significant to the financial statement are disclosed in Note 4.

3 Summary of accounting policies

The condensed interim consolidated financial statements have been prepared using accounting policies specified by those IFRSs that are in effect at the end of the annual reporting period, July 31, 2013. The standards that will be effective in the financial statements for the year ending July 31, 2014 are subject to change and may be affected by additional interpretations.

These interim condensed consolidated financial statements do not include all of the information required for full annual financial statements, and should be read in conjunction with the annual consolidated financial statements of the Company as at and for the year ended July 31, 2013.

Newly Adopted Standards

International Financial Reporting Standard 11 - Joint Arrangements ("IFRS 11")
IFRS 11 requires a venturer to classify its interest in a joint arrangement as a joint venture or joint operation. Joint ventures will be accounted for using the equity method of accounting whereas for a joint operation the venturer will recognize its share of the assets, liabilities, revenue and expenses of the joint operation. Under existing IFRS, entities have the choice to proportionately consolidate or equity account for interests in joint ventures. IFRS 11 supersedes IAS 31, Interests in Joint Ventures, and SIC-13, Jointly Controlled Entities—Non-monetary Contributions by Venturers. The Company adopted the standard, effective August 1, 2013, and determined adoption required no changes to the existing Company practices.

International Financial Reporting Standard 12 - Disclosure of Interests in Other Entities ("IFRS 12")
IFRS 12 establishes disclosure requirements for interests in other entities, such as joint arrangements, associates, special purpose vehicles and off balance sheet vehicles. The standard carries forward existing disclosures and also introduces significant additional disclosure requirements that address the nature of, and risks associated with, an entity's interests in other entities. The Company adopted the standard, effective August 1, 2013, and determined adoption required no changes to the existing Company practices.

3 Summary of accounting policies - continued

International Financial Reporting Standard 13 - Fair Value Measurement ("IFRS 13")
IFRS 13 is a comprehensive standard for fair value measurement and disclosure requirements for use across all IFRS standards. The new standard clarifies that fair value is the price that would be received to sell an asset, or paid to transfer a liability in an orderly transaction between market participants, at the measurement date. It also establishes disclosures about fair value measurement. Under existing IFRS, guidance on measuring and disclosing fair value is dispersed among the specific standards requiring fair value measurements and in many cases does not reflect a clear measurement basis or consistent disclosures. The Company adopted the standard, effective August 1, 2013, and determined adoption required no changes to the existing Company practices.

Standards, Amendments and Interpretations Not Yet Effective

IFRS 9 Financial Instruments("IFRS 9")
On November 12, 2009, the IASB issued IFRS 9 Financial Instruments as the first step in its project to replace International Accounting Standard ("IAS") 39 Financial Instruments: Recognition and Measurement. IFRS 9 retains but simplifies the mixed measurement model and establishes two primary measurement categories for financial assets: amortized cost and fair value. The basis of classification is made at the time the financial asset is initially recognized, namely when the entity becomes a party to the contractual provisions of the instrument. IFRS 9 amends some of the requirements of IFRS 7 Financial Instruments: Disclosures including additional disclosures about investments in equity instruments measured at fair value in other comprehensive income, and guidance on financial liabilities and de-recognition of financial 16 instruments. Although early adoption is permitted, in December 2011, the IASB issued an amendment that adjusted the mandatory effective date of IFRS 9 from January 1, 2013 to January 1, 2015. The Company is currently determining the impact of adopting IFRS 9.

4 Critical accounting estimates and judgments

The preparation of these condensed interim consolidated financial statements in accordance with IFRS requires management to make judgments, estimates and assumptions that affect 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. Actual outcomes may differ from these estimates.

Information about critical judgments in applying accounting policies that have the most significant risk of causing material adjustments to the carry amounts of assets and liabilities recognized in the financial statements within the next financial year are discussed below:

4 Critical accounting estimates and judgments - continued

Title to mineral property interests
The Company has taken steps to verify title to mineral properties in which it has an interest; these procedures do not guarantee the Company's title. Such properties may be subject to aboriginal interests arising from treaty rights. Title may also be affected by undetected prior agreements, transfers and other defects.

Exploration and evaluation expenditure
The application of the Company's accounting policy for exploration and evaluation expenditure requires judgment in determining whether it is likely that future economic benefits will flow to the Company.

If, after exploration and evaluation expenditure is capitalized, information becomes available suggesting that the carrying amount of an exploration and evaluation assets may exceed its recoverable amount the Company carries out an impairment test. The company has determined there are currently no indicators of impairment.

Income taxes
The company does not recognize a deferred tax asset as management believes that it is not probable that taxable income will be available against which a deductible temporary difference can be utilized.

Share based payments
The fair value of the stock options is measured using the Black-Scholes option pricing model. The Company has made estimates as to the expected volatility (based on weighted average historical volatility adjusted for changes expected due to publicly available information), expected life of the instruments (based on historical experience and general option holder behavior), expected dividends and the risk free interest rate (based on government bonds).

Warrants
The fair value of the warrants is estimated at the issue date using the Black-Scholes option pricing model with estimates of the volatility based on the Company's historical common share trading prices, expected dividend yield and risk free interest rates (based on government bonds).

5 Cash and cash equivalents

	April 30, 2014	July 31, 2013
Cash	$ 1,959,326	$ 391,018
Guaranteed Investment Certificates	2,903,000	3,004
	$ 4,862,326	$ 394,022

As of April 30, 2014 the company had pledged $3,000 of cash held in a Guaranteed Investment Certificates as a bond to the Ministry of Mining for the Vines Lake exploration site.

6 Other receivables

	April 30, 2014	July 31, 2013
Goods and services tax recoverable	$ 24,319	$ 10,816
Accrued interest receivable	4,190	
BC Mining exploration tax credit receivable	-	8,037
Quebec Mining exploration mining tax credit receivable	14,750	-
	$ 43,259	$ 18,853

7 Advances

On August 1, 2013, the Company made a total of $185,000 in advance payments to contractors for exploration work on the Quatre-Milles property.

On April 24, 2014 a director was advanced $10,500.

8 Investment

On November 22, 2013 the Company acquired 250,000 preferred shares of Graphene 3D Lab Inc., a private company, for $50,000. On March 25, 2014 the Company converted all of its preferred shares into 250,000 common shares with a par value of $0.0001 per share.

9 Exploration and evaluation assets

The following table shows the exploration and evaluation assets:

	Vines Lake	Quatre-Miles	Quatre-Miles West	Total
Balance, July 31, 2012	**$ 536,444**	**$ 133,137**	**$ -**	**$ 669,581**
Exploration costs	50,658	285,220	11,080	346,958
Acquisition of property	-	77,500	-	77,500
Less: Mining tax credits	(8,037)	-	-	(8,037)
Balance, July 31, 2013	**$ 579,065**	**$ 495,857**	**11,080**	**$ 1,086,002**
Exploration costs	18,460	77,933	-	96,393
Acquisition of property		57,449	183,000	240,449
Less: Mining tax credits	-	(130,550)	-	(130,550)
Balance, April 30, 2014	**$ 597,525**	**$ 500,690**	**$ 194,080**	**$ 1,292,294**

9 Exploration and evaluation assets – continued

Vines Lake Property - Liard Mining District, BC
In March 2006, the Company acquired 100% interest in 3 claims comprising approximately 1,169 hectares ("Ha") in Liard Mining District of British Columbia, subject to a 2% net smelter return ("NSR") in favor of Mr. Amrit P.S. Gill, a director of the Company.

Quatre-Milles – Quebec
On December 28, 2011, the Company signed a property acquisition agreement with Zimtu Capital Corp. and one of their prospecting partners (the "Vendors") to acquire 100% interest in the Quatre-Milles Property in Quebec. The Vendors will retain a 2% net smelter royalty on the property, of which the Company can purchase 1% for CAD$1 million. The terms of the agreement are outlined below and have been fully satisfied:

- Pay $25,000 in cash upon signing the Agreement (paid)
- Issue 1 million common shares at $0.035 per share (issued). Pay $25,000 in cash and issue 500,000 common shares at $0.035 per share (paid and issued)
- Issue 1,000,000 common shares at $0.035 to the Vendors, due March 26, 2013 (issued)
- Issue 1,500,000 common shares at $0.035 to the Vendors, due March 26, 2014. (issued)
- Retain Consul-Teck Mineral Exploration Consultants, of Val d'Or, Quebec as consultants with respect to exploration on the property due, March 26, 2013.(completed)
- Complete a minimum of $200,000 of exploration on the Property (paid)

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Quatre-Milles West – Quebec
On May 25, 2012, the Company signed a letter agreement with three vendors to acquire a 100% interest in the 2,180 hectares Quatre-Milles West Property in Quebec. The acquisition was approved by the TSX Venture Exchange on March 25th, 2014. The Company has paid $3,000 in cash and issued 1,800,000 shares to the Vendors for the property.

10 Share capital and reserves

(a) Share capital

Authorized

The company's authorized share capital consists of unlimited common shares without par value.

10 Share capital and reserves - continued

The following is a summary of changes in common share capital from July 31, 2012 to April 30, 2013 and July 31, 2013 to April 30, 2014

	Number of Shares	Issue price	Amount
Balance at July 31, 2012	**66,439,145**		**$ 17,352,740**
Issuance of shares on resource property acquisition	1,500,000	$.035	52,500
Balance as at April 30, 2013	**66,939,145**		**$17,405,240**
Balance at July 31, 2013	**77,577,001**		**$ 17,825,194**
Shares issued, on settlement of debt	4,431,750	$.06	154,390
Shares issued, on private placements	17,013,231	$.12	1,565,303
Shares issued, on public offering	31,211,180	$.09	1,811,024
Shares issued on resource property acquisition	3,300,000	$.07	232,500
Issuance of shares on exercise of warrants	2,020,000	$.10	263,319
Issuance of shares on exercise of options	1,000,000	$.10	167,172
Balance at April 30, 2014	**136,553,162**		**$ 18,108,110**

Period ended April 30, 2014

On October 10, 2013 the company completed a non-brokered private placement of 4,431,750 units of the Company (the "units") at $.06 per unit to settle debt of $265,905. Each unit is comprised of one common share and one-half non-transferable share purchase warrant. Each warrant is exercisable into one common share for a period of 24 months from the date of issuance at an exercise price of $0.10 per share. Share issue costs of $1,850 were paid. The warrants were valued using the Black-Scholes pricing model using the following assumptions: risk free interest rate – 1.10%; a volatility factor of 151.0% and an expected life of 2 years. The value allocated to the warrants was $105,992 or $.04 per share.

On December 18, 2013 the company completed a non-brokered private placement of 1,667,000 units of the Company (the" units") at $.06 per unit. Each unit is comprised of one common share and one share purchase warrant for a period of one year from the date of issuance at an exercise price of $010 per share. Share issue costs of $3,000 were paid. In consideration for services rendered, the Company paid cash commission of 8% of the gross proceeds and granted 1,871,671 broker warrants. The warrants were valued using the Black-Scholes pricing model using the following assumptions: risk free interest rate – .98%; a volatility factor of 141.6% and an expected life of 1 year. The value allocated to the warrants was $45,478 or $.03 per share.

On March 13, 2014 the company completed a public offering of 26,584,180 units of the Company (the "units") at a price of $ 0.11 per unit for gross proceeds of $2,924,260. Each unit

10 Share capital and reserves - continued

is comprised of one common share and one-half of one common share purchase warrant. Each warrant is exercisable into one common share at an exercise price of $0.15 per share for a period of 18 months. The warrants were valued using the Black-Scholes pricing model using the following assumptions: risk free interest
rate – .98%; a volatility factor of 141.6% and an expected life of 18 months. The value attributed to the warrants was $802,378 or $06 per share.

On March 13, 2014 the company completed a public offering of 4,627,000 of "flow-through units" of the Company (the "units") at a price of $ 0.13 per unit for gross proceeds of $601,510. Each unit is comprised of one common share, issued on a flow-through basis, and one-half of one common share flow-through warrant. Each warrant is exercisable into one flow-through common share at an exercise price of $0.20 per share for a period of 18 months. The value attributed to the warrants was $127,645 or $0.055 per share.

In respect to the above noted public offerings, commission and settlement fees of $381,781 were paid. Legal fees of $35,000 were also incurred. Broker warrants of 1,872,671 were issued. Each broker warrant is exercisable into one common share at a price of $0.11 per share. The warrants were valued using the Black-Scholes pricing model using the following assumptions: risk free interest rate – .98%; a volatility factor of 141.6% and an expected life of 18 months. The value allocated to the broker warrants was $123,075 or $.066 per share.

On March 13, 2014 the company completed a non-brokered private placement of 15,346,231 "flow though units" of the Company (the "units") at a price of $0.13 per unit for gross proceeds of $1,995,010. Each unit is comprised of one common share, issued on a flow-through basis, and one-half of one flow-through common share warrant. Each warrant is exercisable into one flow-through common share at an exercise price of $0.20 per share for a period of 18 months. Commissions and settlement fees of $194,601 were paid.

In respect to the above noted private placement, commission fees of $194,601 were paid and Agent warrants of 920,774 were issued. Each agent warrant is exercisable at $0.13 per share. The warrants were valued using the Black-Scholes pricing model using the following assumptions: risk free interest rate – .98%; a volatility factor of 141.6% and an expected life of 18 months. The value allocated to the warrants was $423,358 or $0.055 per share. The value attributed to the agent warrants was $57,892 or $0.06 per share.

Period ended April 30, 2013

There were no private placement or public offerings for the period ended April 30, 2013.

10 Share capital and reserves - continued

(b) Share purchase warrants

A summary of the Company's outstanding share purchase warrants at April 30, 2013 and April 30, 2014

	Number of Warrants	Weighted Average Exercise Price
Balance as at July 31, 2012	10,833,200	$ 0.17
Expired	(9,033,200)	-
Balance, April 30, 2013	1,800,000	$ 0.12
Balance at July 31, 2013	6,352,142	$ 0.13
Issued	30,498,202	0.16
Exercised	(2,020,000)	0.10
Balance at April 30, 2014	34,830,344	$ 0.16

The following table summarizes information relating to share purchase warrants outstanding and exercisable at April 30, 2014.

Number of Warrants	Grant Date Fair Value	Exercise Price	Expiry Date
475,000	105,992	.10	June 12.2014
3,857,142	97,951	.14	June 27, 2014
2,759,052	109,665	.10	October 10, 2015
1,667,000	45,478	.10	December 31, 2014
13,292,090	802,378	.15	September 13, 2015
9,986,615	551,003	.20	September 13, 2015
1,872,671	123,075	.11	September 13, 2015
920,774	57,892	.13	September 13, 2015

The weighted average remaining contractual life of the warrants as at April 30, 2014 was 1.19 years.

(c) Share-based payments

Plan Details

The Company has established a stock option plan for directors, senior officers, employees, management, company employees and consultants (collectively "Eligible Persons") for the Company and its subsidiaries. The purpose of the plan is to give to Eligible Persons, as

10 Share capital and reserves - continued

additional compensation, the opportunity to participate in the success of the Company by granting to such individuals Options to buy shares of the Company at a price not less than the market price prevailing on the grant date less applicable discount, if any, permitted by TSX Policies and approved by the Board.

The option price under each option shall not be less than the discounted market price on the grant date. The expiry date for each option shall be set by the board at the time of issuance and shall not be more than ten years after grant date. Options shall not be assignable (or transferable) by the optionee. The maximum number of shares reserved for issuance under the share option plan in aggregate shall not exceed 10% of the total number of the Company's issued and outstanding common shares on a non-diluted basis prior to the issuance. The number of shares which may be issuable under the plan within a twelve month period to one optionee shall not exceed five percent of the total number of issued and outstanding shares on a non-diluted basis. Options may be exercised no later than 90 days following cessation of the optionee's position with the Company or 30 days following cessation of an optionee conducting investor relations activities' position. Pursuant to the stock option plan, options granted in respect of investor relations activities are subject to vesting in stages over a twelve month period with 20% vesting on the date of grant and 20% each three months thereafter. Vesting restrictions may also be applied to other options grants, at the discretion of the Board of Directors.

Fair value of Options Issued

On January 31, 2014 the Company recorded stock based compensation expense totaling $139,885 in the consolidated statement of operations. The options were valued using the Black-Scholes pricing model using the following assumptions: risk free interest rate – 1.31%; a volatility factor of 196.9% and an expected life of 5 years. There is a 4 month hold period on these options.

10 Share capital and reserves - continued

The following table summarizes the stock options outstanding and exercisable as at April 30, 2014.

Number of options outstanding	Exercise price	Expiry date
1,300,000	.12	September 3, 2014
400,000	.10	November 30, 2014
50,000	.12	February 17, 2015
425,000	.10	February 8, 2016
350,000	.10	August 8,2016
100,000	.10	June 1, 2017
675,000	.10	February 1, 2018
400,000	.10	April 30, 2018
1,825,000	.10	January 31, 2019

The weighted average remaining contractual life of options outstanding at April 30, 2014 is 2.79 years.

11 Related party transactions

During the period, the Company paid management fees of $45,000 (2013 - $45,000) in management fees to M&M Corporate Services, a company controlled by Jacqueline Michael, a director of the Company. All services were incurred in the normal course of operations on terms equivalent to those that prevail with arm's length transactions.

During the period, the Company paid management fees of $45,000 (2013 - $45,000) in management fees to M&M Corporate Services, a company controlled by Paul Gill, a director of the Company. All services were incurred in the normal course of operations on terms equivalent to those that prevail with arm's length transactions.

In addition, on January 31, 2014, directors were awarded 1,150,000 stock options exercisable at $0.10 per share for a period of 5 years. The value of the share based compensation attributed to directors was $88,147.

12 Contractual obligations

On June 27, 2013, the Company entered into flow-through share subscription agreements whereby it is committed to incur on or before January 31, 2015, a total of $500,000 of qualifying Canadian Exploration Expenses as described in the Canadian Income Tax Act. As at April 30, 2014, the Company incurred $77,934 in qualifying expenditures.

The Company is able to continue to incur exploration expenses beyond February 2015. However it will be subject to a penalty of 4-5% per annum on the balance required to be spent on its exploration work. The Company intends to fulfill its flow-through commitments within the given time constraints

On March 13, 2014, the Company entered into flow-through share subscription agreements whereby it is committed to incur on or before January 30, 2016, a total of $2,596,520 of qualifying Canadian Exploration Expenses as described in the Canadian Income Tax Act. As at April 30, 2014, the Company has incurred no qualifying expenditures towards this commitment.

On February 13, 2013 the company entered into consulting agreements with two directors of Graphene Laboratories Inc. The terms are for one year. Either party can terminate the contract upon 30 days notice. Each contract pays $4,000 per month. On December 18, 2013, it was agreed by all parties, to cancel the contract effective August 1, 2013.

13 Contingencies

The Company's mining and exploration activities are subject to various federal and provincial laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company believes its operations are materially in compliance with all applicable laws and regulations.

14 Financial instruments

As at April 30, 2014, the Company's financial instruments consist of cash and cash equivalents, accounts receivable, and accounts payable and accrued liabilities. The carrying value of these financial instruments approximates their fair values.

Fair Value
The Company classifies its fair value measurements in accordance with an established hierarchy that priorities the inputs in valuation techniques used to measure fair value as follows:

Level 1 - Unadjusted quoted prices in active markets for identical assets or liabilities
Level 2 - Inputs other than quoted prices that are observable for the assets or liabilities

either directly or indirectly, and

14 Financial instruments - continued

Level 3 - Inputs that are not based on observable market date

The following table sets for the Company's financial assets measured at fair value by level within the fair value hierarchy:

	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	$ 4,862,326	$ -	$ -	$4,862,326
Accounts Receivable	$ -	$ 43,249	$ -	$ 43,249

Credit Risk
Financial instruments that potentially subject the Company to credit risk consist of cash and cash equivalents and amounts receivable. Cash deposits and term deposits are maintained with a financial institution of reputable credit and are redeemable on demand. Amounts receivable consists primarily of Good and Services Taxes, BC Mining Tax Credits, and Quebec Mining Exploration Mining tax credits. Accordingly, the Company's opinion is that credit risk is minimal.

Liquidity Risk
Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. At April 30, 2014, the Company had cash and cash equivalents of $4,862,326 to settle accounts payable and accrued liabilities of $4,051.

Market Risk
Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, commodity prices and/or stock market movements (price risk).

Interest rate risk
Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in market interest rates. Cash and cash equivalents bear interest at market rates. Other current financial assets and liabilities are not exposed to interest rate risk because of their short-term nature or being non-interest bearing.

Foreign currency risk
The Company's functional currency is the Canadian dollar and major purchases are transacted in Canadian dollars. The Company conducted property examinations in other countries outside of Canada in prior years, and is now focused on explorations in Canada. Management believes

14 Financial instruments - continued

conversions for property examinations incurred in other countries outside of Canada is not significant and therefore does not hedge its foreign exchange risk.

Price risk
The Company is exposed to price risk with respect to commodity prices. Commodity price risk is the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices as it relates to minerals to determine the appropriate course of action to be taken by the Company.

15 Capital Management

The Company monitors its cash, common shares, and warrants as capital. The Company's objectives when maintaining capital are to maintain a sufficient capital base in order to meet its short-term obligations and at the same time preserve investors' confidence in the Company's ability required to sustain future development and operation of the business.

The company is not exposed to any externally imposed capital requirements.

16 Segmental reporting

The Company is organized into business units based on mineral properties and has one reportable operating segment, being that of mineral property acquisition and exploration and evaluation activities.

17 Loss per share

Loss per share

Basic losses per share amounts are calculated by dividing the net loss for the period by the weighted average number of ordinary shares outstanding during the period.

		April 30, 2014		April 30, 2013
Loss attributed to ordinary shareholders	$	(579,157)		(451,215)
Weighted average number of common shares		90,942,058		66,964,880
Basic and diluted loss per share	$	(0.01)	$	(0.01)
Fully diluted number of common shares		177,758,506		75,264,145
Fully diluted income (loss) per share		(0.003)		(0.006)
Weighted average number of common shares				
Issued common shares , beginning of period		77,577,001		66,439,145
Outstanding vested stock options		5,525,000		5,525,000
Outstanding share purchase warrants		34,830,344		1,800,000
Effect of shares issued		58,976,161		1,500,000
		177,758,506		75,264,145

18 Subsequent events

On May 16, 2014 the Company created a new 100% wholly owned subsidiary, Lomiko Technologies Inc.

The company has received conditional approval from the TSX Venture Exchange to invest, through its wholly owned subsidiary, Lomiko Technologies Inc., $300,000 for 1,200,000 shares of Matnic Resources Inc.