LOMIKO METALS INC.

(An exploration stage company)

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
(Unaudited - Expressed in Canadian Dollars)

For the six-month periods ended January 31, 2022 and 2021

TO THE SHAREHOLDERS OF LOMIKO METALS INC.

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

The accompanying unaudited condensed consolidated interim financial statements of the Company have been prepared by management and have been reviewed and approved by the Company's Audit Committee and Board of Directors.

The Company's independent auditor has not performed an audit or a review of these unaudited condensed consolidated interim financial statements for the six-month periods ended January 31, 2022 and January 31, 2021.

LOMIKO METALS INC.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION
(Unaudited - Expressed in Canadian Dollars)

	As at January 31, 2022	As at July 31, 2021
ASSETS		
Current		
Cash and cash equivalents (Note 3)	$ 5,986,872	$ 5,039,834
Other receivables (Note 11)	66,271	99,399
Prepaid expenses	70,300	107,428
	6,123,443	5,246,661
Non-current		
Due from associate (Note 4)	152,857	152,857
Investments in associates (Note 4)	4	4
Exploration and evaluation advances	480,370	105,000
Exploration and evaluation assets (Note 5)	6,651,355	6,023,063
	7,284,586	6,280,924
	$ 13,408,029	$ 11,527,585
LIABILITIES		
Current		
Accounts payable and accrued liabilities (Note 7, 9 and 11)	$ 88,894	$ 172,680
Flow-through premium liability (Note 8)	659,742	328,075
	748,636	500,755
EQUITY		
Share capital (Note 6)	37,761,843	35,839,156
Reserves (Note 6)	4,818,936	2,947,824
Deficit	(29,921,386)	(27,760,150)
	12,659,393	1,026,830
	$ 13,408,029	$ 11,527,585

Nature of Operations and Going Concern (Note 1)
Events after reporting period (Note 14)

Approved on behalf of the Board:

"Belinda Labatte"	"Vincent Osbourne"
Belinda Labatte – Chief Executive Officer	Vincent Osbourne- Chief Financial Officer & Corporate Secretary

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

LOMIKO METALS INC.

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF LOSS AND COMPREHENSIVE LOSS

(Unaudited - Expressed in Canadian Dollars)

	Three Months Ended January 31 2022	Three Months Ended January 31 2021	Six Months Ended January 31 2022	Six Months Ended January 31 2021
EXPENSES				
Advertising and promotion	$ 127,397	$ 28,017	$ 277,160	$ 111,131
Management and consulting fees (Note 11)	378,826	46,600	831,337	91,600
Office, general and administration	35,334	7,273	56,654	19,592
Professional fees	120,865	10,938	196,639	14,938
Regulatory and filing fees	51,110	48,544	60,608	56,095
Salaries and benefits	62,623	-	62,623	-
Shareholder communications	41,272	21,318	41,999	23,665
Share based payments (Note 6)		214,522	730,437	467,022
Travel	21,104	1,787	33,134	3,306
Loss from operations	(838,531)	(378,999)	(2,290,591)	(787,349)
Other income/(loss)				
Interest income	-	-	1	-
Amortization of flow-through premium liability (Note 8)	117,509	-	129,354	-
Part XII.6 interest	-	(3,830)	-	(3,830)
Write down of exploration and evaluation assets	-	(972)	-	(972)
	117,509	(4,802)	129,355	(4,802)
Loss before income tax	(721,022)	(383,801)	(2,161,236)	(792,151)
Income tax recovery	-	-	-	80
Net loss and comprehensive loss for the period	$ (721,022)	$ (383,801)	$ (2,161,236)	$ (792,071)
Basic and Diluted Loss Per Share	$ (0.00)	$ (0.00)	(0.01)	$ (0.01)
Basic and Diluted Weighted Average Common Shares	248,951,697	139,489,658	243,513,578	127,142,158

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LOMIKO METALS INC.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS
(Unaudited - Expressed in Canadian Dollars)

	THREE MONTHS ENDED January 31		SIX MONTHS ENDED January 31	
	2022	2021	2022	2021
Cash flows (used in) operating activities				
Net (loss) from continuing operations	$ (721,022)	$(383,801)	$ (2,161,236)	$ (792,071)
Adjustments				
Share based compensation	-	-	730,437	-
Amortization of share-based payments	(117,509)	214,521	(129,354)	467,022
	(838,531)	(169,280)	(1,560,153)	(325,049)
Changes in non-cash working capital items:				
Other receivables	33,397	8,167	33,128	7,178
Share subscriptions receivable	-	182,500	-	(50,000)
Prepaid expenses	(117)	8,099	37,127	5,210
Accounts payable	1,725	(446,244)	(83,786)	(160,816)
	(803,526)	(416,758)	(1,573,684)	(523,477)
Cash flows from financing activities				
Flow through shares	2,120,700	985,000	2,120,700	985,000
Issuance of shares for cash	1,516,000	200,000	1,516,000	697,500
Options exercised	-	67,500	7,500	67,500
Warrants exercised	64,400	88,700	64,400	88,700
Share subscriptions received	-	761,125	-	761,125
Share issue costs	(184,216)	(55,400)	(184,216)	(100,506)
	3,516,884	2,046,925	3,524,384	2,499,319
Cash flows used in investing activities				
Exploration and evaluation expenditures	(195,999)	(149,743)	(628,292)	(149,743)
Exploration and evaluation advance	(367,480)	(1,015,340)	(375,370)	(1,015,340)
	(563,479)	(1,165,083)	(1,003,662)	(1,165,083)
Increase in cash	2,149,879	465,084	947,038	810,759
Cash and cash equivalents, beginning of period	3,836,993	364,637	5,039,834	18,962
Cash and cash equivalents, end of period	$ 5,986,872	$ 829,721	$ 5,986,872	$ 829,721

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

LOMIKO METALS INC.

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(Unaudited - Expressed in Canadian Dollars)

	Common Shares Without Par Value					
	Shares	Amount	Reserves	Share Subscriptions Received	Deficit	Total Equity
Balance, July 31, 2020	**114,566,191**	**$ 28,771,232**	**$ 1,320,194**	**-**	**$ (26,732,827)**	**$ 3,358,599**
Issuance of shares for cash	13,950,000	697,500	-	-	-	697,500
Issuance of flow through shares	19,700,000	985,000	-	-	-	985,000
Flow through share premium	-	(98,500)	-	-	-	(98,500)
Issuance of broker shares	932,000	46,600	-	-	-	46,600
Share issue costs	-	(147,106)	-	-	-	(147,106)
Fair value assigned to warrants	-	(686,626)	686,626	-	-	-
Share based payments to consultants	6,050,000	302,500	-	-	-	302,500
Share based compensation	-	-	164,522	-	-	164,522
Warrants exercised	1,710,000	88,700	-	-	-	88,700
Transfer of reserves on exercise of warrants	-	15,085	(15,085)	-	-	-
Options exercised	1,350,000	67,500	-	-	-	67,500
Transfer of reserves on exercise of options	-	57,421	(57,421)	-	-	-
Warrants expired	-	-	(705,467)	-	705,467	-
Share subscriptions received	-	-	-	761,125	-	761,125
Net loss for the period	-	-	-	-	(792,071)	(792,071)
Balance, January 31, 2021	**158,258,191**	**$ 30,099,306**	**$ 1,393,369**	**761,125**	**$ (26,819,431)**	**$ 5,434,369**
Issuance of shares for cash	31,594,944	3,739,092	-	-	-	3,739,092
Issuance of flow through shares	9,954,411	1,692,250	-	-	-	1,692,250
Flow through share premium	-	(395,147)	-	-	-	(395,147)
Shares issued to acquire resource property	5,000,000	700,000	-	-	-	700,000
Share issue costs	-	(340,264)	-	-	-	(340,264)
Fair value assigned to warrants	-	(1,975,832)	1,975,832	-	-	-
Share based payments to consultants	284,000	42,500	-	-	-	42,500
Share based compensation	-	-	(7,860)	-	-	(7,860)
Warrants exercised	30,860,000	1,766,650	-	-	-	1,766,650
Transfer of reserves on exercise of warrants	-	324,350	(324,350)	-	-	-
Options exercised	2,000,000	100,000	-	-	-	100,000
Transfer of reserves on exercise of options	-	86,251	(86,251)	-	-	-
Share subscriptions utilized	-	-	-	(761,125)	-	(761,125)
Warrants expired	-	-	(2,916)	-	2,916	-
Net loss for the period	-	-	-	-	(943,635)	(943,635)
Balance July 31, 2021	**237,951,546**	**$ 35,839,156**	**$ 2,947,824**	**-**	**$ (27,760,150)**	**$ 11,026,830**

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

LOMIKO METALS INC.

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(Unaudited - Expressed in Canadian Dollars)

	Common Shares Without Par Value						
	Shares	Amount	Reserves	Share Subscriptions Received	Deficit	Total Equity
Balance, July 31, 2021	**237,951,546**	**$ 35,839,156**	**$ 2,947,824**	**-**	**$ (27,760,150)**	**$ 11,026,830**
Issuance of shares for cash	18,440,870	1,516,000	-	-	-	1,516,000
Issuance of flow through shares	18,950,000	2,120,700	-	-	-	2,120,700
Flow through share premium	-	(461,022)	-	-	-	(461,022)
Share issue costs	-	(184,216)	-	-	-	(184,216)
Fair value assigned to warrants	-	(1,159,492)	1,159,492	-	-	-
Warrants exercised	920,000	64,400		-	-	64,400
Transfer of reserves on exercise of warrants	-	12,966	(12,966)	-	-	-
Options exercised	150,000	7,500	-	-	-	7,500
Transfer of reserves on exercise of options	-	5,851	(5,851)	-	-	-
Share based compensation	-	-	730,437	-	-	730,437
Net loss for the period	-	-	-	-	(2,161,236)	(2,161,236)
Balance, January 31, 2022	**276,412,416**	**$ 37,761,843**	**$ 4,818,936**	**-**	**$ (29,921,386)**	**$ 12,659,393**

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

1. NATURE OF OPERATIONS AND GOING CONCERN

Nature of operations

Lomiko Metals Inc., (along with its subsidiaries collectively referred to as the "Company" or "Lomiko"), is engaged in the acquisition, exploration and development of resource properties. The Company was incorporated on July 3, 1987, under the British Columbia Company Act. The Company is listed on the TSX-Venture Exchange ("TSX-V") having the symbol LMR.V as a Tier 2 mining issuer, on the Over-the-Counter Exchange in the United States having the symbol LMRMF and on the Frankfurt Stock Exchange having the symbol DH8C.

The Company's registered office is unit 439-7184 120th Street, Surrey, British Columbia, Canada V3W 0M6.

Going Concern

These condensed consolidated interim financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the discharge of liabilities in the normal course of business for the foreseeable future. The Company has incurred cumulative losses of $29,921,386 and has reported a loss of $2,161,236 for the period ended January 31, 2022. The ability of the Company to continue as a going concern is dependent upon successfully obtaining additional financing, entering into a joint venture, a merger or other business combination transaction involving a third party, a sale of all or a portion of the Company's assets, the outright sale of the Company, the successful development of the Company's mineral property interests, or a combination thereof. There can be no assurance that funding from any of these will be sufficient in the future to continue and develop the Company's mineral properties. These factors indicate the existence of a material uncertainty that may cast significant doubt upon the Company's ability to continue as a going concern. These condensed consolidated interim 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.

Covid-19

Given the ongoing and dynamic nature of the circumstances surrounding the COVID-19 pandemic, it is difficult to predict how significant the impact of COVID-19, including any responses to it, will be on the global economy and the business of the Company or for how long any disruptions are likely to continue. The extent of such impact will depend on future developments, which are highly uncertain, rapidly evolving and difficult to predict, including new information which may emerge about COVID-19 and additional actions which may be taken to contain it. Such developments could have a material adverse effect on the Company's business, financial condition, results of operations and cash flow, and exposure to credit risk.

The Company is constantly evaluating the situation and monitoring any impacts or potential impacts to its business.

2. BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE

(a) Statement of Compliance

These condensed consolidated interim financial statements, including comparatives have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and Interpretations issued by the International Financial Reporting Interpretations Committee ("IFRC").

(Unaudited - Expressed in Canadian Dollars)

2. BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE – continued

These condensed consolidated interim financial statements for the six months ended January 31, 2022 have been prepared in accordance with IAS 34 "Interim Financial Reporting" as issued by the International Accounting Standard Board (IASB). They do not include all the information required in annual financial statements in accordance with IFRS and should be read in conjunction with the audited consolidated financial statements for the year ended July 31, 2021.

These condensed consolidated interim financial statements were approved and authorized for issue by the Board of Directors on March 30, 2022.

(b) Basis of Presentation and Consolidation

The condensed consolidated interim financial statements of the Company incorporate the financial statements of the Company and its wholly owned subsidiaries, The Conac Company Inc., Conac Software (USA) Inc., Lomiko Metals LLC and Lomiko Technologies Inc. from the day the Company gains control over the subsidiaries and ceases when the Company loses control of the subsidiaries. Control is achieved when the Company has power over the investee; is exposed, or has rights, to variable returns from its involvement with the investee; and has the ability to use its power to affect the investee's returns.

The Company reassesses whether or not it controls a subsidiary if facts and circumstances indicate that there are changes to one or more of the three above mentioned elements. All significant intercompany transactions, balances, income and expenses are eliminated on consolidation.

3. CASH AND CASH EQUIVALENTS

Cash and cash equivalents on the Statement of Financial Position are comprised of cash in the bank, held in trust, and on hand, and short-term deposits with an original maturity of three months or less, which are readily convertible into a known amount of cash.

	January 31, 2022	July 31, 2021
Cash and bank balances	$ 5,986,872	$ 5,039,834

4. INVESTMENT IN ASSOCIATES

Graphene ESD Corp.

On December 12, 2014 the Company purchased 1,800 shares of Graphene ESD Corp.'s ("Graphene") Series A Preferred Stock, representing 100% of the authorized preferred shares of Graphene, at a purchase price of US$101.27 per share ("Original Issue Price") for total consideration of US$182,281. Dividends, if declared by Graphene's board, shall accrue at the rate per annum of $4.05 per share, will accrue on each preferred share and shall be cumulative. Each share of Series A Preferred Stock held by the Company shall be convertible to one common stock, at the option of the Company and without the payment of additional consideration by the Company.

(Unaudited - Expressed in Canadian Dollars)

4. INVESTMENT IN ASSOCIATES – continued

Graphene, a Delaware company incorporated November 5, 2014, is a private US company that was formed to commercialize Graphene Supercapacitors. On matters presented to the stockholders of Graphene, the Company will vote together with the holders of Common Stock of Graphene as a single class.

The Company exercises significant influence over Graphene as it owns 40% of the voting shares and through a common director. It accounts for its investment on the equity basis. In fiscal 2019, management assessed that the investment in Graphene was impaired and recorded a write-down of $54,787.

	Number of shares held	
July 31, 2021 and January 31, 2022	1,800	$ 1

Smart Home Devices Ltd. (SHD)

On February 16, 2016 the Company issued SHD (before 10:1 share consolidation) 16,129,743 common shares, at $0.35 per share for a value of $564,541, in exchange for 778,890 common shares of SHD. SHD is developing a series of energy saving, connected building automation and security products.

On March 15, 2017 the Company acquired an additional 867,546 common shares, in exchange for the rights, patents, and website valued at $624,633 pertaining to the license owned by the Company that was acquired from Megahertz Power Systems Ltd., a company associated with SHD.

On November 21, 2017 the Company acquired an additional 111,111 common share for $80,000 in cash.

On January 19, 2018 the Company acquired 34,722 common shares for $25,000 in cash.

The Company accounted for its investment in SHD using the equity method until July 20, 2018, when the Company's shareholding in SHD was diluted to 18.25%, leading to the Company losing significant influence over SHD, at which time the Company discontinued accounting for SHD using the equity method. In fiscal 2018, the Company assessed that the investment in SHD was impaired and recorded a write-down of $1,136,574 to the investment.

At January 31, 2022, the Company owns 18.25% (July 31, 2021 – 18.25%) of the issued and outstanding shares of SHD.

	Number of shares held	
July 31, 2021 and January 31, 2022	1,792,269	$ 1

Promethieus Technologies Inc.

On May 23, 2018, the Company purchased 200 common shares of Promethieus Cryptocurrency Mining Corporation, a private company, incorporated in British Columbia on January 24, 2018. On October 28, 2018, Promethieus Cryptocurrency Mining Corporation changed its name to Promethieus Technologies Inc (PTI). The Company currently holds 20% of the outstanding shares of PCM. On July 31, 2019 the Company signed an agreement with Promethieus Technologies Inc. (PTI) to sell its

(Unaudited - Expressed in Canadian Dollars)

4. INVESTMENT IN ASSOCIATES – continued

Subsidiary, Lomiko Technologies Inc. for $1,236,625 plus expenses incurred by the Company of $152,857 (July 31, 2021 -$152,857). The sale will be subject to PTI successfully completing an equity financing in the amount of $3,670,750. Once PTI secures the equity financing, the Company will transfer to Lomiko Technologies Inc, all of its interests in Smart Home Devices Ltd., Promethieus Cryptocurrency Mining Corporation, and Graphene ESD Corp. As at January 31, 2022, the sale had not been completed.

The amount due from associate of $152,857 (July 31, 2021 – $152,857) is due from PTI for payment of expenses on behalf of PTI. The amount is unsecured and there are no specified terms of repayment.

The Company exercises significant influence over PTI as it owns, along with a common director, 62% of the voting shares. It accounts for its investment on the equity basis.

	Number of shares held	
July 31, 2021 and January 31, 2022	200	$ 2

Summary of investment in associates:

	January 31, 2022	July 31, 2021
Graphene ESD Corp	$ 1	$ 1
Smart Home Devices Ltd.	1	1
Promethieus Technologies Inc.	2	2
	$ 4	$ 4

5. EXPLORATION AND EVALUATION ASSETS

La Loutre Crystalline and Lac-Des-Iles – Quebec

On September 22, 2014 the Company obtained an option from Quebec Precious Metals Corporation (formally Canada Strategic Metals Inc.) (“QPM”), to purchase a 40% interest in the La Loutre Crystalline Flake Graphite Property located in Southern Quebec by paying $12,500, funding $500,000 in exploration expenditures and issuing 125,000 shares at a price of $0.70 per share.

On February 6, 2015 (amended December 30, 2016), the Company signed an agreement with QPM to acquire an additional 40% interest in the La Loutre property for an 80% interest in the Lac-Des-Iles property. The Company paid $10,000 upon signing, issued 300,000 shares valued at $0.70 per share, and agreed to fund an additional $2,750,000 in exploration costs as follows:

- $1,500,000 on the La Loutre property (paid);
- $1,000,000 no later than December 31, 2018, on other mining rights of QPM (paid); and,
- $250,000 on the Lac-Des-Iles property (paid).

Included in the Exploration Expenditures will be a management fee payable to QPM (the “Operator”) equal to 5% of expenditures incurred. “Exploration Expenditures” means all costs and expenses of whatsoever kind or nature, incurred or funded by Lomiko in connection with the exploration and/or development of the La Loutre Property, Bourier property, and any other resource property.

5. EXPLORATION AND EVALUATION ASSETS - continued

The La Loutre property is subject to a 1.5% net smelter royalty (“NSR”) of which 0.5% “NSR” can be purchased by the Company for $500,000.

On May 13, 2016 (amended December 30, 2016 and April 16, 2020) the Company signed an additional option agreement on the La Loutre and Lac-Des-Iles properties, allowing the Company to increase its interest in the property from 80% to 100%. The terms of the acquisition are as follows:

- Issuance of 950,000 common shares - 450,000 have been issued as of July 31, 2021, issuance of the remaining 500,000 shares has been replaced with the 1,000,000-share issuance below;
- Issuance of 1,000,000 common shares (issued June 23, 2020); and,
- Funding exploration expenditures for an additional $1,125,000 due December 31, 2021 (paid).

The terms of the above agreement have been fully met and the Company currently owns 100% of the La Loutre property.

Lac-Des-Iles - During the year ended July 31, 2018, the Company assessed that the Lac-Des-Iles property was impaired and that it no longer intended to pursue the property and as such, an impairment charge of $1,131,992 was recorded at that time.

Bourier – Quebec

On April 27, 2021 the Company entered into an option agreement with Critical Elements Lithium Corporation (“Critical”) to acquire up to a 70% undivided interest in the Bourier property located in Quebec.

The Bourier Property is composed of one block totaling 203 claims located along the east side of the new Rupert hydroelectric complex. It is subject to a 1.4% NSR on 87 claims.

Under the terms of the agreement, the Company will earn its interest in the Bourier property by way of a joint venture arrangement. The keys terms of the agreement are as follows:

FIRST OPTION

The Company may earn, on or before December 31, 2022, a 49% interest in the Bourier Property by:

- making a cash payment to Critical of $25,000 following the execution of the Agreement (paid);
- making a cash payment to Critical of $25,000 following the receipt of the required approvals from the TSX-V (paid);
- issuing to Critical 5,000,000 common shares immediately following the receipt of the required approvals from the TSX-V (issued with a fair value of $700,000); and
- incurring or funding exploration expenditures aggregating not less than $1,300,000 on the Bourier Property (the “Exploration Expenditures”), of which an amount of $550,000 ($330,939 incurred at January 31, 2022, $79,863 at July 31, 2021) must be incurred or funded before December 31, 2021 and an amount of $750,000 before December 31, 2022.

5. EXPLORATION AND EVALUATION ASSETS - continued

On January 20, 2022, Lomiko and Critical Elements (The Parties) agreed to amend the terms of the First Option of the Agreement to the following terms:

- As of December 31, 2021, Lomiko has incurred or funded claims fees, management fees and Exploration Expenditures in the amount of $298,228 (pre-tax), which Critical Elements recognizes as forming part of Lomiko's exploration commitment under the First Option.
- Lomiko has not been in a position to incur or fund additional Exploration Expenditures in the amount of $251,772 (the "Exploration Shortfall") to meet its Exploration Commitment.
- The Parties have agreed that the Exploration Shortfall shall be carried forward and added to the Exploration Expenditures that Lomiko is required to incur or fund under the First Option by no later than December 31, 2022.

In light of the foregoing, the Parties have agreed to amend the First Option Agreement, subject to the terms and conditions set forth herein:

1. The Parties agree that the terms used herein which are defined in the Option Agreement have unless otherwise set forth herein, the respective meanings set forth in the Option Agreement;
2. The Parties agree to amend Section 4.1(d) of the Option Agreement as follows: "(d) incurring or funding Exploration Expenditures aggregating not less than $1,001,772 on the Property on or before December 31, 2022."

SECOND OPTION

Subject to the Company having exercised the First Option, the Company has an option to increase its undivided interest in the Bourier Property from 49% to 70% by:

- making a cash payment to Critical of $250,000 and issuing 2,500,000 common shares, on or before the date of delivery of the First Option Exercise Notice;
- incurring or funding additional exploration expenditures for an amount of $2,000,000 on or before December 31, 2023; and
- delivering the Resource Estimate to Critical on or before December 31, 2023.

MILESTONE PAYMENTS

Subject to the Company's right to withdraw from and terminate the First Option, the Company agrees to pay the following milestone payments, payable at any time following the exercise of the First Option upon the occurrence of the following:

- On the estimation of a drilled defined resource (NI 43-101 compliant) of 5,000,000 tonnes at a cut-off grade of 0.6% Li2O (all categories) a payment of $750,000, payable in cash or in common shares of the Company at the sole discretion the Company;
- On the estimation of a drilled defined resource (NI 43-101 compliant) of 10,000,000 tonnes at a cut-off grade of 0.6% Li2O (all categories) a payment of $1,000,000, payable in cash or in common shares of the Company at the sole discretion the Company;
- On the estimation of a drilled defined resource (NI 43-101 compliant) of 15,000,000 tonnes at a cut-off grade of 0.6% Li2O (all categories) a payment of $1,500,000, payable in cash or in

(Unaudited - Expressed in Canadian Dollars)

5. EXPLORATION AND EVALUATION ASSETS - continued

common shares of the Company at the sole discretion of the Company;

- On the estimation of a drilled defined resource (NI 43-101 compliant) of 20,000,000 tonnes at a cut-off grade of 0.6% Li2O (all categories) a payment of $2,000,000, payable in cash or in common shares Company at the sole discretion the Company.

ROYALTY

Following the exercise of the First Option, and in addition to the amounts paid, common shares issued and Exploration Expenditures incurred or funded by the Company under the First Option and thereafter under the Second Option, as applicable, the Company shall pay a royalty equal to 2% net smelter returns resulting from the extraction and production of any minerals.

The Company has the right to purchase a portion thereof (1%) by paying $2,000,000.

Summary of Exploration and Evaluation Assets

	La Loutre	Bourier	Total
Balance, July 31, 2020	$ 3,562,506		$ 3,562,506
Assays, staking and mapping	$ 24,445	-	$ 24,445
Claim renewal	-	79,863	79,863
Contractors / consultants	471,064	-	471,064
Field storage	10,185	-	10,185
Acquisition of property	1,125,000	750,000	1,875,000
Balance, July 31, 2021	$ 5,193,200	$ 829,863	$ 6,023,063
Assays, staking and mapping	5,820		5,820
Contractors / consultants	371,396	251,076	622,472
Balance, January 31, 2022	$ 5,570,416	$1,080,939	$ 6,651,355

6. SHARE CAPITAL AND RESERVES

a) Share Capital

Issued

The period ended January 31, 2022

On December 22, 2021 the Company completed a private placement, by issuing 18,440,870 flow-through units of the Company at $0.115 per unit for total gross proceeds of $2,120,700. Each unit consists of one flow-through common share and one-half common share purchase warrant. Each full warrant is exercisable into one common share at an exercise price of $0.18 per share for a period of 24 months. The warrants had a fair value of $461,267 calculated using the Black Scholes Option Pricing Model, of which $378,862 was allocated to reserves on a relative fair value basis. The Company recognized a flow-through premium liability of $461,022 in connection with the flow-through private placement based on an estimated premium of approximately $0.025 per flow-through common share issued (Note 8). Finders' fees and brokers commission of $99,785, legal fees of $6,475, and filing fees of $14,788 were paid. In

6. SHARE CAPITAL AND RESERVES – continued

addition, 867,695 purchase warrants exercisable for 24 months at an exercise price of $0.18, with a fair value of $43,408 calculated using the Black Scholes Option Pricing Model was recorded to share issue costs, and issued to brokers.

A director participated in the flow-through placement by purchasing 434,783 units in the amount of $50,000.

On January 19, 2022, the Company completed a private placement by issuing 18,950,000 units of the Company at $0.08 per unit for gross proceeds of $1,516,000. Each unit is comprised of one common share and one common share purchase warrant. Each warrant is exercisable into one common share at a price of $0.11 for a period of 60 months. The warrants had a fair value of $1,352,899 calculated using the Black Scholes Option Pricing Model, of which $714,907 was allocated to reserves on a relative fair value basis. Finders' fees and commissions of $33,100, legal fees of $19,150 and filing fees of $10,918 were paid. In addition, 413,750 share purchase warrants exercisable for 24 months at an exercise price of $0.11, with a fair value of $22,316 measured using the Black Scholes Option Pricing Model was recorded to share issue cost, were issued to brokers

Two officers and one director participated in the placement by purchasing 1,375,000 units in the amount of $110,000.

During the period ended January 31, 2022, a total of 150,000 stock options from December18, 2020 option offering, were exercised at a price of $0.05 per share for gross proceeds of $7,500 and 150,000 common shares of the Company were issued. In addition, the Company transferred a total of $5,851 from equity reserve to share capital for the exercise of these options, which represents the estimated fair value of the options at the grant date.

920,000 share purchase warrants issued under the December 30, 2019, private placement were exercised at a price of $0.07 per share for gross proceeds of $64,400 and 920,000 common shares of the Company were issued during the period. In addition, the Company transferred a total of $12,966 from equity reserve to share capital for the exercise of these warrants, which represent the estimated fair value of the warrants at the grant date.

Issued as of year ended July 31, 2021

On October 28, 2020, the Company completed a private placement by issuing 15,000,000 units of the Company at $0.05 per unit for total gross proceeds of $750,000. Each unit consists of one common share and one common share purchase warrant. Each warrant is exercisable into one common share at an exercise price of $0.10 per share for a period of 24 months. The warrants had a fair value of $379,469 calculated using the Black Scholes Option Pricing Model, of which $251,978 was allocated to reserves on a relative fair value basis. Finders' fees and brokers commission of $29,750, legal fees of $9,550 and filing fees of $5,805 were paid. In addition, 238,000 shares with an aggregate value of $11,900 and 238,000 warrants with a fair value of $6,012 calculated using the Black Scholes Option Pricing Model was recorded to share issue cost, were issued to brokers.

A director participated in the placement by purchasing 3,000,000 units in the amount of $150,000.

On December 23, 2020 the Company completed a private placement by issuing 19,700,000 flow-through units of the Company at $0.05 per unit for total gross proceeds of $985,000. Each unit consists of one flow-through common share and one-half common share purchase warrant. Each full warrant is exercisable into one common share at an exercise price of $0.10 per share for a period of 24 months. The warrants had a fair value of $288,479 calculated using the Black Scholes Option Pricing Model, of which $223,130 was allocated to reserves on a relative fair value basis. The Company recognized a flow-through

6. SHARE CAPITAL AND RESERVES – continued

premium liability of $98,500 in connection with the flow-through private placement based on an estimated premium of approximately $0.005 per flow-through common share issued (Note 9). Finders' fees and brokers commission of $39,150, legal fees of $6,250 and filing fees of $10,231 were paid. In addition, 694,000 shares with an aggregate value of $34,700 and 1,477,000 warrants with a fair value of $43,257 calculated using the Black Scholes Option Pricing Model was recorded to share issue cost, were issued to brokers.

On January 19, 2021, the Company completed a private placement by issuing 5,000,000 units of the Company at $0.05 per unit for gross proceeds of $250,000. Each unit is comprised of one common share and one common share purchase warrant. Each warrant is exercisable into one common share at a price of $0.10 for a period of 24 months. The warrants had a fair value of $425,396 measured using the Black Scholes Option Pricing Model, of which $157,462 was allocated to reserves on a relative fair value basis. Finders' fees and commissions of $4,000, legal fees of $6,000 and filing fees of $500 were paid. In addition, 80,000 share purchase warrants exercisable for 24 months at an exercise price of $0.10, with a fair value of $6,806 measured using the Black Scholes Option Pricing Model was recorded to share issue cost, were issued to brokers.

On February 1, 2021, the Company completed a private placement by issuing 13,336,666 units of the Company at $0.075 per unit for gross proceeds of $1,000,250. Each unit is comprised of one common share and one common share purchase warrant. Each warrant is exercisable into one common share at a price of $0.10 for a period of 24 months. The warrants had a fair value of $1,137,172 measured using the Black Scholes Option Pricing Model, of which $532,163 was allocated to reserves on a relative fair value basis. Finders' fees and commissions of $20,130, legal fees of $18,550 and filing fees of $10,396 were paid. In addition, 268,400 share purchase warrants exercisable for 24 months at an exercise price of $0.10, with a fair value of $22,886 measured using the Black Scholes Option Pricing Model was recorded to share issue cost, were issued to brokers.

On March 15, 2021, the Company completed a private placement by issuing 14,523,278 units of the Company at $0.15 per unit for gross proceeds of $2,178,492. Each unit is comprised of one common share and one common share purchase warrant. Each warrant is exercisable into one common share at a price of $0.25 for a period of 24 months. The warrants had a fair value of $1,951,167 measured using the Black Scholes Option Pricing Model, of which $1,029,286 was allocated to reserves on a relative fair value basis. Finders' fees and commissions of $22,848, legal fees of $21,850 and filing fees of $13,342 were paid. In addition, 152,320 share purchase warrants exercisable for 24 months at an exercise price of $0.25, with a fair value of $20,464 measured using the Black Scholes Option Pricing Model was recorded to share issue cost, were issued to brokers.

A director participated in the flow-through private placement by purchasing 1,000,000 units in the amount of $150,000.

On March 22, 2021, the Company completed a private placement by issuing 4,019,000 units of the Company at $0.15 per unit for gross proceeds of $602,850. Each unit is comprised of one common share and one common share purchase warrant. Each warrant is exercisable into one common share at a price of $0.25 for a period of 24 months. The warrants had a fair value of $571,007 measured using the Black Scholes Option Pricing Model, of which $293,248 was allocated to reserves on a relative fair value basis. Finders' fees and commissions of $38,400, legal fees of $14,000 and filing fees of $4,528 were paid. In addition, 256,000 share purchase warrants exercisable for 24 months at an exercise price of $0.25, with a fair value of $36,372 measured using the Black Scholes Option Pricing Model was recorded to share issue cost, were issued to brokers.

Included in the above private placements, were 6,334,000 units with an aggregate value of $345,000 that were issued to consultants and recorded to share based payments.

6. SHARE CAPITAL AND RESERVES – continued

On May 5, 2021 the Company issued 5,000,000 shares, valued at $0.14 per share for a fair value of $700,000 to Critical Elements Lithium Corporation pursuant to an agreement dated April 27th, 2021 (Note 6). Filing fees of $8,400 were incurred in connection to this issuance.

On May 20, 2021 the Company completed a private placement, by issuing of 6,838,235 flow-through shares for gross proceeds of $1,162,500. The Company recognized a flow-through premium liability of $239,338 in connection with the flow-through private placement based on an estimated premium of approximately $0.035 per flow-through common share issued (Note 9). Finders' fees and commissions of $90,000, legal fees of $2,000 and filing fees of $8,781 were paid. In addition, 76,471 purchase warrants exercisable for 24 months at an exercise price of $0.17, with a fair value of $11,615 measured using the Black Scholes Option Pricing Model was recorded to share issue cost, were issued to brokers.

On June 3, 2021 the Company completed a private placement by issuing 3,116,176 flow-through shares for gross proceeds of $529,750. The Company recognized a flow-through premium liability of $155,809 in connection with the flow-through private placement based on an estimated premium of approximately $0.05 per flow-through common share issued (Note 9). Finders' fees and commissions of $31,250, legal fees of $6,250 and filing fees of $4,817 were paid In addition, 183,824 purchase warrants exercisable for 24 months at an exercise price of $0.17, with a fair value of $27,784 measured using the Black Scholes Option Pricing Model was recorded to share issue cost, were issued to brokers.

25,135,000 share purchase warrants issued under the May 29, 2020 private placement were exercised at a price of $0.05 per share for gross proceeds of $1,256,750, and 25,135,000 common shares of the Company were issued during the year. In addition, the Company transferred $209,401 from equity reserve to share capital for the exercise of these warrants, which represents the estimated fair value of the warrants at the grant date.

3,000,000 share purchase warrants issued under the November 12, 2020 private placement were exercised at a price of $0.07 per share for gross proceeds of $210,000, and 3,000,000 common shares of the Company were issued during the year. In addition, the Company transferred $40,730 from equity reserve to share capital for the exercise of these warrants, which represents the estimated fair value of the warrants at the grant date.

1,830,000 share purchase warrants issued under the December 30, 2020 private placement were exercised at a price of $0.07 per share for gross proceeds of $128,100, and 1,830,000 common shares of the Company were issued during the year. In addition, the Company transferred $38,757 from equity reserve to share capital for the exercise of these warrants, which represents the estimated fair value of the warrants at the grant date.

1,200,000 share purchase warrants issued under the October 28, 2020 private placement were exercised at a price of $0.10 per share for gross proceeds of $120,000, and 1,200,000 common shares of the Company were issued during the year. In addition, the Company transferred $20,158 from equity reserve to share capital for the exercise of these warrants, which represents the estimated fair value of the warrants at the grant date.

405,000 share purchase warrants issued to brokers under the December 23, 2020 private placement were exercised at a price of $0.10 per share for gross proceeds of $40,500, and 405,000 common shares of the Company were issued during the year.

1,000,000 share purchase warrants issued under the January 19, 2021 private placement were exercised at a price of $0.10 per share for gross proceeds of $100,000, and 1,000,000 common shares of the Company were issued during the year. In addition, the Company transferred $30,389 from equity reserve to share capital for the exercise of these warrants, which represents the estimated fair value of the warrants at the grant date.

(Unaudited - Expressed in Canadian Dollars)

6. SHARE CAPITAL AND RESERVES – continued

The Company incurred $13,992 in legal fees in connection with warrant exercises in the year.

During the year ended July 31, 2021, a total of 3,350,000 stock options from various stock option grants were exercised at a price of $0.05 per share for gross proceeds of $167,500 and 3,350,000 common shares of the Company were issued. In addition, the Company transferred a total of $143,673 from equity reserve to share capital for the exercise of these options, which represents the estimated fair value of the options at the grant date.

b) Share purchase warrants

A continuity of the Company's share purchase warrant transactions for the period ended January 31, 2022 as follows:

	Number of Warrants	Weighted Average Exercise Price
Balance, July 31, 2020	**58,096,110**	**$0.11**
Issued for financing	64,460,959	0.17
Exercised	(32,570,000)	0.05
Expired	(27,211,110)	0.15
Balance, July 31, 2021	**62,775,959**	**$0.18**
Issued for financing	29,451,880	0.14
Exercised	(920,000)	0.07
Balance, January 31, 2022	**91,307,839**	**$0.17**

The following table summarizes information relating to share purchase warrants outstanding and exercisable at January 31, 2022 and July 31, 2021.

Number of Warrants	Exercise Price	Expiry Date
14,038,000	$0.10	October 28, 2022
10,922,000	$0.10	December 23, 2022
4,080,000	$0.10	January 19, 2023
13,605,066	$0.10	February 1, 2023
14,675,598	$0.25	March 15, 2023
4,275,000	$0.25	March 22, 2023
76,471	$0.17	May 20,2023
183,824	$0.17	June 2, 2023
10,088,130	$0.18	December 22, 2023
413,750	$0.11	January 19, 2024
18,950,000	$0.11	January 19, 2027
91,307,839		

The weighted average remaining contractual life of the warrants as at January 31, 2022 was 1.90 years (July 31, 2021 – 1.44 years).

(Unaudited - Expressed in Canadian Dollars)

6. SHARE CAPITAL AND RESERVES – continued

The following weighted-average assumptions were used for the Black-Scholes Option Pricing Model for warrants granted:

	January 31, 2022	July 31, 2021
Risk free interest rate	1.44%	0.23%
Expected life of warrants	3.93 years	2 years
Annualized stock price volatility	132.88%	164.20%
Expected dividend yield	0%	0%

c) Share-based payments

On December 6, 2021, the Company adopted an Omnibus Equity Incentive Plan (“Omnibus Plan”) to amend and restate the Company’s stock option plan (“Predecessor Plan”). Under the terms of the plan the Company may grant share-based compensation to Employees, Consultants, Persons performing Investor Relations Activities and Directors.

The maximum aggregate number of Shares issuable under this plan in respect of Options shall not exceed ten (10%) percent of the Corporation’s issued and outstanding Shares at any point in time. The number of common shares reserved for issuance to consultant or persons performing Investor Relations activities will not exceed two (2%) of the issued and common shares in any twelve-month period. All outstanding stock options granted under the predecessor plan shall continue to be outstanding as stock options granted under and subject to the terms of this Omnibus plan.

The maximum aggregate number of Shares issuable under this plan in respect of Deferred Share Units (DSU’s), Restricted Share Units (RSUs) and Performance Share Units (PSUs) shall not exceed 23,810,154 at any point in time, representing 10% of the issued and outstanding shares of the corporation. The total number of DSU’s RSUs, and PSUs issuable to any participant under this plan shall not exceed (1%) of the issued and outstanding shares at the time of the award.

Stock options are summarized as follows:

	Number of Options	Weighted Average Exercise Price
Balance, July 31, 2020	**7,150,000**	**$0.05**
Granted	4,000,000	$0.05
Exercised	(3,350,000)	$0.05
Balance, July 31, 2021	**7,800,000**	**$0.05**
Granted	8,850,000	$0.12
Exercised	(150,000)	$0.05
Balance, January 31, 2022	**16,500,000**	**$0.09**

(Unaudited - Expressed in Canadian Dollars)

6. SHARE CAPITAL AND RESERVES – continued

The following summarizes the stock options outstanding and exercisable as at January 31, 2022

Number of options Outstanding	Exercise price	Expiry date
3,400,000	$0.05	February 28, 2022
300,000	$0.05	April 16, 2022
400,000	$0.05	August 24, 2024
3,550,000	$0.05	December 18, 2025
5,000,000	$0.12	August 4, 2026
3,850,000	$0.12	October 25, 2026
16,500,000		

During the period ended January 31, 2022, the Company granted an aggregate of 8,850,000 (January 31, 2021 – 4,000,000) stock options to management and consultants of the Company. The Company recorded $730,437 (January 31, 2021 - $156,662) in share-based payments based on the vesting provisions of the granted options.

The following weighted average assumptions were used for the Black-Scholes Option Pricing Model of stock options granted:

	January 31, 2022	July 31, 2021
Risk free interest rate	1.03%	0.45%
Expected life of options	5 years	5 years
Annualized stock price volatility	126.85%	137.40%
Expected dividend yield	0%	0%

The weighted average remaining contractual life of options outstanding at January 31, 2022 was 3.52 years (July 31, 2021 - 2.51 years).

Subsequent to January 31, 2022, 3,400,000 options expiring on February 28, 2022 expired unexercised.

Reserves

Equity reserve records items recognized as share-based payments and allocation of the value of warrants until such time that the stock options and warrants are exercised, at which time the corresponding amount will be transferred to share capital.

The values recorded to reserves for stock options and warrants are transferred to deficit on expiration of such stock options and warrants.

7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	January 31, 2022	July 31, 2021
Accounts payables	$ 78,275	$ 134,680
Accrued liabilities	10,620	38,000
	$ 88,894	$ 172,680

(Unaudited - Expressed in Canadian Dollars)

8. FLOW THROUGH PREMIUM LIABILITY

	January 31, 2022	July 31, 2021
Balance, beginning of period	$ 328,075	$ -
Add:		
December 22, 2021, private placement (Note 6)	461,022	-
December 23, 2020 private placement (Note 6)	-	98,500
May 20, 2021 private placement (Note 6)	-	239,338
June 3, 2021 private placement (Note 6)	-	155,809
Amortization of flow through premium liability	(129,354)	(165,572)
Balance, end of period	$ 659,742	$ 328,075

As at January 31, 2022 Company is required to incur further Canadian Exploration Expenditures of $3,534,659 no later than December 31, 2022 pursuant to the terms of the subscription agreements.

The flow-through premium liability is to be amortized to the condensed consolidated interim statement of loss and comprehensive loss pro-rata with the amount of qualifying flow-through expenditures incurred.

Flow through expenditures
The Company is able to continue to incur exploration expenses beyond the deadlines. However, it could 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.

9. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company is exposed through its operations to the following financial risks:

- Market Risk
- Credit Risk
- Liquidity Risk

In common with all other businesses, the Company is exposed to risks that arise from its use of financial instruments. This note describes the Company‘s objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

There have been no substantive changes in the Company‘s exposure to financial instrument risks, except as noted under equity risk. Its objectives, polices and processes for managing those risks or the methods used to measure them from previous year have not changed.

General Objectives, Policies and Processes:
The Board of Directors has overall responsibility for the determination of the Company‘s risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the Company‘s finance function. The Board of Directors receive quarterly reports from the Company‘s Chief Financial Officer through which it reviews the effectiveness of the processes put in place and the appropriateness of the objectives and policies it sets.

(Unaudited - Expressed in Canadian Dollars)

9. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT- continued

a) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices are comprised of four types of risk: foreign currency risk, interest rate risk, commodity price risk and equity price risk.

Foreign Currency Risk:

Foreign currency risk is the risk that a variation in exchange rates between the Canadian dollar and US dollar or other foreign currencies will affect the Company's operations and financial results. The Company does not have significant exposure to foreign exchange rate fluctuation.

Interest Rate Risk:

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. The Company does not have any borrowings. Interest rate risk is limited to potential decreases on the interest rate offered on cash and cash equivalents held with chartered Canadian financial institutions. The Company considers this risk to be low.

Equity Price Risk:

Equity risk is the uncertainty associated with the valuation of assets arising from changes in equity markets.

b) Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Financial instruments which are potentially subject to credit risk for the Company consist primarily of cash and cash equivalents and due from associate. The majority of cash and cash equivalents are maintained with financial institutions of reputable credit and may be redeemed upon demand. The carrying amount of financial assets represents the maximum credit exposure. The Company has gross credit exposure at January 31, 2022 relating to cash of $5,986,872, and other receivables of $66,271. All cash, cash equivalents and short-term deposits are held at the Bank of Montreal.

c) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company ensures that it has sufficient cash on demand to meet short-term business requirements, after taking into account the Company's holdings of cash.

The Company's cash is invested in business accounts and is available on demand. Funding risk is the risk that the Company may not be able to raise equity financing in a timely manner and on terms acceptable to management. There are no assurances that equity financing will be available when, and if, the Company requires additional financing. The Company considers liquidity risk to be high

The following table summarizes the Company's significant remaining contractual maturities for financial liabilities as at January 31, 2022 and July 31, 2021.

	Less than 3 months	3 – 12 months	Total
January 31, 2022			
Trade payables	$ 78,275	$	$ 78,275
July 31, 2021			
Trade payables	$ 134,834	$ -	$ 134,834

9. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT- continued

d) Fair value of financial instruments

The Company classifies its financial instruments measured at fair value at one of three levels according to the relative reliability of the inputs used to estimate fair value:

	Level 1	Level 2	Level 3	Total
January 31, 2022				
Cash and Cash equivalents	$ 5,986,871	$ -	$ -	$ 5,986,871
July 31, 2021				
Cash and Cash equivalents	$ 5,039,834	$ -	$ -	$ 5,039,834

Level 1 - quoted prices (unadjusted) in active markets
Level 2 - inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e., derived from prices); and
Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs)

The carrying value of the Company's financial instruments approximates fair value.

10. CAPITAL RISK MANAGEMENT

It is the Company's objective when managing capital to safeguard its ability to continue as a going concern in order that it may continue to explore and develop its mineral properties and investment in power supply products companies and continue its operations for the benefit of its shareholders.

The Company manages its equity (which includes common shares, share-based payment reserve, and accumulated deficit) as capital. The Company intends to expend existing working capital by carrying out its planned acquisition, exploration and development activities on mineral properties and continuing to pay administrative costs.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristic of the underlying assets. In order to maintain or adjust the capital structure the Company may issue new shares. In order to facilitate analysis and management of its capital requirements, the Company prepares and updates annual budgets (as needed) to ensure that its acquisition and exploration operations can continue to progress. Budgets, once finalized, are approved by the Board of Directors.

The Company's capital consists of cash and share capital. There have not been any changes to the Company's capital management objective, policies and processes compared to the prior year. The Company is not subject to any externally imposed capital requirements.

(Unaudited - Expressed in Canadian Dollars)

11. RELATED PARTY TRANSACTIONS

Key management personnel are the persons responsible for the planning, directing, and controlling the activities of the Company and include both executive and non-executive directors, and entities controlled by such persons. The Company considers all directors and officers of the Company to be key management personnel. The following are related party transactions not disclosed elsewhere in the financial statements.

		January 31, 2022		January 31, 2021
Salaries and benefits paid to officers and directors	$	62,623	$	-
Management Fees paid to companies related to directors or to directors	$	390,245	$	90,000

Management fees were paid to M & M Corporation, a company controlled by Jacqueline Michaels, the Company's CFO (resigned October 25, 2021), AJS Management Corporation, a company controlled by Paul Gill, the Company's Executive Chairman, Belinda Labatte the Company's CEO, Vincent Osbourne, the Company's CFO and Corporate Secretary and Gordana Slepcev, the Company's COO.

Consulting fees of $147,750 (January 31, 2021 - $1,600) were paid to consultants who also act as directors.

Included in accounts payable is $37,801 (July 31, 2021 - $195,653) owing to directors, officers or companies controlled by directors.

Included in other receivables is $0.00 (July 31, 2021 - $50,757) owing to the Company from a director of the Company

12. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

		January 31, 2022		July 31, 2021
Shares issued to acquire resource property	$	-	$	700,000
Transfer from reserves on exercise of stock options	$	5,851	$	143,672
Transfer from reserves on exercise of warrants	$	-	$	339,435
Flow through premium liability	$	461,022	$	493,647
Issuance of common shares for services	$		$	345,000
Exploration and evaluation assets in accounts payable	$	23,440	$	43,365
Reclassification of due from associate to amounts receivable	$	-	$	40,757

13. SEGMENTED REPORTING

The Company's non-current assets for the periods ended January 31, 2022 and July 31, 2021 are as follows:

	January 31, 2022	**July 31, 2021**
Non-Current Assets		
Exploration & Evaluation Assets	**$6,651,355**	**$6,023,063**

14. EVENTS AFTER THE REPORTING PERIOD

The Board has approved the grant of an aggregate of 4,666,667 RSUs, 800,000 PSUs, 3,428,571 DSUs, and 2,000,000 stock options to the directors and management of the Company.

RSUs and PSUs: Each vested RSU/PSU can be redeemed for one fully paid and non-assessable common share of Lomiko issued from treasury. For management, the RSUs and PSUs granted will vest upon the achievement of certain key performance indicators as determined by the Board, vesting not before February 7, 2023. For directors, the RSUs are vested by February 7, 2023. The number of RSUs/PSUs granted was calculated by using the closing market price of Lomiko's common shares on the Exchange as at February 4, 2022.

DSUs: Each vested DSU can be redeemed for one fully paid and non-assessable common share of Lomiko issued from treasury. For directors, the DSUs granted vest on February 7, 2023. The number of DSUs granted was calculated based on the compensation that is to be paid to the director, as determined by the Board, by (ii) the closing market price of Lomiko's common shares on the Exchange as at February 4, 2022.

Stock options: Stock options to management were granted with a 5-year term in accordance with the following vesting schedule: 1/3 of the stock options vesting on the date of grant; 1/3 of the stock options vesting the year following the grant date; and the remaining 1/3 of the options vesting three years following the grant date. The exercise price is $0.07 per common share, which represents the closing market price of Lomiko's common shares on the Exchange as of February 4, 2022.