LOMIKO METALS INC.
Form 51-102
Management Discussion and analysis
Fourth Quarter ended July 31, 2011

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The following discussion and analysis of Lomiko Metals Inc. (the "*Issuer*" or the *"Company*"), is prepared as of November 23, 2011, and should be read together with the annual consolidated financial statements and the corresponding notes thereto for the year ended July 31st, 2011. The financial statements have been prepared in accordance with Canadian generally accepted accounting principles.

The reader should also refer to the interim financial statements for the period ended July 31st, 2010 and the Management Discussion and Analysis for that year.

All amounts are stated in Canadian dollars unless otherwise indicated.

Forward Looking Statements

Statements in this report that are not historical facts and are forward-looking statements involving known and unknown risks and uncertainties, which could cause actual results to vary considerably from these statements. Readers are cautioned not to put undue reliance on forward-looking statements.

Some of the information contained in this discussion may constitute forward-looking statements. Forward-looking information can often be identified by forward-looking words such as "anticipate", "believe", "expect", "goal", plan", "intend", "estimate" "may" and "will" or similar words suggesting future outcomes, or other expectations, objectives or statements about future events or performance. These risks and uncertainties could cause or contribute to actual results that are materially different than those expressed or implied.

Overview

Lomiko Metals Inc, (formerly Lomiko Resources Inc.) ("Lomiko" or "the Company') was incorporated under the Company Act of the Province of British Columbia on July 3rd, 1987. These consolidated financial statements of the Company have been prepared on the basis of accounting principles applicable to a going concern, which assume the realization of assets and discharge of liabilities in the normal course of business.

The Company is a reporting issuer in British Columbia and Alberta and is listed on the TSX Ventures Exchange under the symbol "LMR".

The Company is engaged in the acquisition, exploration and development of natural resource properties.

The Company has two main mineral properties, the Vines Lake property in the Cassiar region of BC Canada and the Salar de Aguas Calientes (Karolina) property in Chile.

Board of Directors

Lomiko Metals Inc. depends on the business and technical expertise of its management. The current Board of Directors is comprised of A. Paul Gill, Jacqueline Michael, Garth Kirkham, Julius Galik and Mark T. Nesbitt. The directors that compose the audit committee are Jacqueline Michael, Julius Galik and Mark T. Nesbitt.

A. Paul Gill – President and Chief Executive Officer

Mr. Gill is the President of AJS Management Inc., a company providing management consulting to private and public companies. He has also been involved in the strategy, planning and implementation phases of re-structuring organizations. Until October 2006, Mr. Gill was heavily involved in the dynamic growth stage of Norsemont Mining where the company grew from a market capitalization of $1 million to $50 million. During his tenure with Norsemont Mining, Mr. Gill was the VP of Business Development and Director as well as the President & CEO, Chief Financial Officer and Corporate Secretary. Mr. Gill previously provided advice on health and safety issues and Workers' Compensation matters to individuals and businesses.

Jacqueline Michael – Chief Financial Officer

Ms. Michael has over 20 years of financial and administration experience. In 1988, Ms. Michael co-founded The Conac Group, a software development company for construction management, where she acted as President and CEO. In 1997, Ms. Michael was successful in taking the company public on the CDNX Exchange and helped raise over $5 million in private placement financings for the company. Ms. Michael has acted as the President and Chief Executive Officer for pubic companies for over 10 years.

Mark T. Nesbitt - Director

Mr. Nesbitt is a natural resources attorney in Denver, Colorado specializing in domestic and international mining transactions, agreements, negotiations, title, due diligence, corporate and general business counsel. He received a B.S. degree in Geology from Washington State University and was a member of Sigma Gamma Epsilon. He received his J.D. from Gonzaga University following service in the U.S. Army and working as a field exploration geologist for Cominco and Kennecott. Before entering private practice in 1988, Mr. Nesbitt worked for Homestake Mining Company, Amoco Minerals Company, Cyprus Minerals Company and Minatome Corporation, a subsidiary of Total Petroleum.

Mr. Nesbitt was an Adjunct Professor at the University of Denver School of Law's Masters of Law Program from 2001 through 2007, is an active member of the Rocky Mountain Mineral Law Foundation, having served as a Trustee from 1987 to 1993, and from 2003 to the 2006, co-chairman of the Foundation's Mining Session at its International Mining, Oil & Gas conference in Buenos Aires in 2007 (held in conjunction with the International Bar Association), co-chairman of the Foundation's conference on Mining Law and Investment in Latin America held in April, 2005 in Lima, Peru (also in conjunction with the International Bar Association), and Chairman of the same institute in 2003, also in Lima, Chairman of the Landman's Section of the Foundation's 35th Annual Institute, speaker at the 37th, 39th and 43rd Rocky Mountain Mineral Law Annual Institutes, and Chairman of the Foundation's first Land and Permitting Special Institute in 1994. He has also served continuously over the years on the Foundation's Special Institutes Committee, Long Range Planning Committee, and numerous other committees. He has an "AV

Preeminent" Martindale-Hubble peer review rating, is listed in The International Who's Who Legal of mining attorneys, is currently writing a new mining act for a developing African country, and is recognized by the World Bank as qualified to draft such laws.

Mr. Nesbitt is a member of the International, American, Colorado and Denver Bar Associations, Rocky Mountain Mineral Law Foundation, Mining & Metallurgical Society of America, International Mining Professionals Society and Colorado Mining Association. He is also a former Director of the Colorado Mining Association and past President of the Rocky Mountain Association of Mineral Landmen.

Julius Galik - Director

A business man and a financial advisor with PFSL, Mr. Galik has been Mutual Fund Licensed since 2001. He has been involved in start-up situations within the mining exploration industry in Western Canada since 2002, and during the past 8 years has been instrumental in the development and financing of various small capitalized companies, both private and public. Between 2006-2007 Mr. Galik served as director of Dorex Minerals Inc. (TSX-V: DOX), and in September 2009 was elected Dorex President and CEO. Mr. Galik brings to the board many years of financial experience, as well as strong leadership, mediation and negotiation skills.

Garth Kirkham, P.Geo – Director (resigned from Board - November 7, 2011)

With 26 years of experience, Mr. Kirkham is the principal of Kirkham Geosystems that specializes in 3D computer modeling and resource/reserve estimations at the preliminary assessment, pre-feasibility and feasibility study stages of mining projects.

Mr. Kirkham obtained a Bachelor's degree in Science from the University of Alberta in 1983. He became a Professional Geoscientist with the Association of Professional Geologists, Geophysicists and Engineers of Alberta (APEGGA – P.Geoph.) in 1987, the Northwest Territories and Nunavut Association of Professional Engineers, Geologist and Geophysicists (NAPEGG – P.Geoph.) and the Association of Engineers and Geoscientists of BC (APEGBC – P.Geo.) in 2005. He is also a member of SEG (Society of Economic Geologists), GAC (Geological Association of Canada), CIM (Canadian Institute of Mining), AMEBC (Association of Mineral Exploration of BC) and PDAC (Prospectors and Developers Association of Canada).

Mr. Kirkham is a member of the board of directors for Romios Gold Corp., Kivalliq Energy Corp. and Duncastle Gold Corp., and a member of the advisory board for North American Tungsten Corp. In addition, Mr. Kirkham is audit committee chair and national council member for the GAC, is In-coming VP for the Geological Society, CIM and is Publication Chair and Past President for Mineral Deposits Division of the GAC. He was also awarded the Barlow Memorial Metal by the Canadian Institute of Mining and the Award of Merit by the Northwest Territories and Nunavut Association of Engineers Geologists and Geophysicists.

MINERAL PROPERTIES

The Company is engaged in the acquisition, exploration and development of the following mineral properties:

Vines Lake

On April, 10th, 2006, the Company purchased 100% interest in the Vines Lake property, consisting of three contiguous claim units totaling 1,196.4 in the Cassiar region of B.C. The property is located approximately 10 kilometers southeast of the town of Cassiar, B.C. The claims cover rocks of the Sylvester group which are known to contain productive zones of gold mineralization in the area. The claim group is located approximately 2 kilometers north-east of the former Erickson Gold Mine. Highway 37 intersects the property and there are excellent service facilities nearby. The area is on the Arctic slope with elevations ranging from 1,000 to 2,150 meters. There are no extraordinary environmental problems known as of this date.

The Company paid the vendor, a director in the Company, $10,000 in cash and issued 480,000 common shares (post 1:4 share split basis, Oct. 7, 2008) at a deemed value of $60,000 for a total acquisition cost of $70,000 and a 2% NSR.

The nearby Table Mountain Gold Property operated by Hawthorne Gold (HGC) comprises a number of past-producing, high-grade underground gold mines and placer workings in the Cassiar District of British Columbia. Total gold production to date from the Cassiar District is about 423,500 oz (13,172 kg) of gold.

The Company retained Canadian Mining Geophysics (“CMG”) to complete an airborne survey of its Vines Lake Property located near Cassiar, B.C. which was mobilized on June 30th, 2008. The aerial survey was conducted with a magnetic gradiometer with VLF-EM on 100 metre line spacing, fly 302 line km and will assist in defining exploration targets. The CMG airborne survey contract was completed in October 2008 and cost $50,000.

The Company has completed a NI 43-101 technical report compiled by Kirkham Geosystems Ltd.

On June 27th, 2011, the Company announced that it has staked an additional 414 Ha directly west of its Vines Lake claims in the Cassiar District of British Columbia and on August 3rd, 2011, the Company added another 3,684 Ha claims directly south of the Vines Lake, BC property. Lomiko currently holds the rights to mineral tenures totaling 5,267 Ha located in the southwestern corner of the Cassiar District of BC.

Subsequent to this reporting period, on August 3rd, 2011, the Company staked a further 3,684 Ha directly south of the Vines Lake, BC claims. Lomiko now holds the rights to mineral tenures totaling 5,267 Ha located in the southwestern corner of the Cassiar District of BC.

On July 21st 2011, the Company reported that it has completed Phase 1 of the 2011 exploration program at Vines Lake, BC. The exploration team completed soil geochemistry survey at 50m spaced sample sites on 200m spaced lines. The soil grid covers a total of 74.7 line kilometers including the claim lines. A total of 1,358 soil samples were taken, bagged and sent to Stewart Group – Eco Tech Division, in Kamloops, BC for analysis and further assaying. The exploration program is designed to target both potentially high-grade gold vein systems, as seen at the adjacent Table Mountain Mine, in addition to the prospect of intrusion related mineralization. Phase 2 of the 2011 exploration program includes geological mapping and diamond drilling. Currently, geologists are mapping known airborne geophysical anomalies and pending results will target geochemical and geological mapping anomalies in the priority.

Karolina Chile Lithium Claims (Salar de Aguas Calientes)

The Salar de Aguas Clientes is located in the northern part of the “Altiplano” in the second region of Chile, close to the border of Argentian and Bolivia. The international road to Salta using the “Paso Jama” passes next to it. Three other salars are located nearby, Salar de Tara, Salar de Pujsa and Salar de Quisquiro. The salar is a beach type Salar with superficial lagoons of variable size and the brine can be found on decimetres depth of the salt crust.

The Company entered into an acquisition agreement to purchase 100% ownership in 8 of 9 claims that make up the Chilean Salar (“Karolina Claims”) encompassing 1900 Ha. The Company approved the purchase of the said property based on certain criteria:

- The Karolina Claims are in an excellent location adjacent to the main sealed highway
- The Salar has significant surface brines known to contain Lithium
- The claims purchased surround a mining concession held by Sociedad Quimica y Minera de Chile S.A. (NYSE:SQM) at Salar de Aguas Calientes
- The demand for Lithium is anticipated to grow 25% per year to meet or increase global production requirements

The purchase of the Karolina Claims was done through two separate transactions:

The Company completed the purchase of 50 % ownership in the Karolina Claims with Jeff Adams for which it paid Mr. Adams a total of CAD $30,000 in cash, on June 15th, 2009.

The Company completed the purchase of the remaining 50% ownership in the Karolina Claims with Brian Gusko. Upon Exchange approval, Mr. Gusko received a total of $50,000 in cash (from which $10,000 was credited towards legal fees) and was issued 1 million of the Company’s common shares at a deemed value of $0.065 per share equalling $65,000 on November 11th, 2009.

The total acquisition cost for the Karolina Lithium Claims in Chile was CAD $145,000 and $30,647.19 in initial exploration analysis and claim renewal fees.

Alkali Lake (KAR Claims) Esmerelda county, Nevada USA

Montezuma Valley (also known as Alkali Flat) is a formation of a structural basin, downfaulted and rotated crustal block caused by tensional spreading forces common to the basin and range from Nevada to the nearby states. It is these volcanic rocks ejected from a nearby eruption during the Tetiary that are considered to be a prospective source of economic grades of lithium and other materials found in the subsurface brines in Clayton Valley. Montezuma Valley and the KAR claims are located immediately east of Clayton Valley.

On November 9, 2009, the Company announced that its US subsidiary, Lomiko Metals USA LLC, had located and staked 552 lode claims comprising 4,615.4 Hectares or 11,404.9 acres, in Esmerelda County, Nevada which covers a large portion of Alkali flat in Montezuma Valley. The Company paid US $180,248.00 (CAD $187,322.55) to Esmerelda County NV for the rights to explore this property.

On August 23, 2010, the Company settled a dispute with a prospective vendor group, Paymaster Associates LLC, Colorado Associates by paying a sum of US $50,000 and abandoning 552 lode claims staked by the Company’s US subsidiary, Lomiko Metals USA LLC (“Lomiko USA”) in November 2009 for which it paid US $180,248. Lomiko USA retains no interest in the Alkali Valley or the Paymaster Project and has written off this property. Total losses for acquisition and settlement costs for this property was CAD $240,360.87.

Rose Lake Soda Ash Claims, 70 Mile House, BC

On May 7, 2010 The Company signed a property purchase agreement with Paul Dickson for 100% interest in the EVA and PLAYA claims which comprise 222.04 hectares and 222.09 hectares respectively of semi-evaporitic lakes known as Rose Lake and Cunningham Lake ("the Lakes"). The claims are located near 70 Mile House, B.C.

The Lakes are located in the Green Timber Plateau area, a semi-arid plateau averaging 1130 metres elevation and are part of the Cariboo Plateau. The area is underlain by alkaline plateau basalt flows of the Miocene to Pleistocene Chilocotin Group, mantled by a thin cover of glacial till and glaciofluvial sediments.

Upon Exchange approval, the Company paid the vendor, Paul Dickson, $10,000 in cash and 200,000 of the Company's common shares deemed at a value of $0.07 per share equaling $14,000 for a total sum of $24,000.

Subsequent to this reporting period, in October and November 2011, the Rose Lake and the eVA mineral titles were not renewed and therefore were automatically forfeited.

MINERAL PROPERTIES ACQUISITIONS AND DEFFERED EXPENDITURES

The Company defers the cost of acquiring, maintaining its interest, exploring and developing mineral properties until such time as the properties are placed into production, abandoned, sold or considered to be impaired in value. As at July 31st, 2011 a total of $511,029.35 was recorded for acquisition and exploration expenses on its mineral properties. All of these costs were deferred.

A summary of capitalized acquisition and exploration expenditures on the Company's properties is as follows:

Vines Lake – Cassiar District, BC					
Date	**Description**	**Cash**	**Shares**	**Price**	**Amount**
05/15/2006	Acquisition Cost	10,000.00			10,000.00
05/15/2006	Acquisition Cost		120,000	0.50	60,000.00
02/20/2007	Property claim renewal	5,323.28			5,323.28
01/28/2008	Property claim renewal	5,324.61			5,324.61
06/23/2008	Geophysical aerial survey	25,000.00			25,000.00
07/29/2008	Geophysical aerial survey	20,000.00			20,000.00
10/23/2008	Geophysical aerial survey	5,000.00			5,000.00
01/16/2009	Property claim renewal	5,323.28			5,323.28
5/31/2011	Initial exploration costs	5,850.00			5,850.00
06/30/2011	Exploration costs	83,719.25			83,719.25
07/30/2011	Exploration costs	85,841.74			85,841.74
	Total Vines Lake	**251,382.16**	**120,000**		**311,382.16**
Karolina Chile Lithium Property (Salar de Aquas Calientes)					

Date	**Description**	**Cash**	**Shares**	**Price**	**Amount**
06/11/2009	Acquisition cost	30,000.00			30,000.00
06/19/2009	Acquisition cost	10,000.00			10,000.00
08/02/2009	Acquisition cost	10,000.00			10,000.00
11/11/2009	Acquisition cost	30,000.00			30,000.00
11/11/2009	Acquisition cost		1,000,000	0.065	65,000.00
03/19/2010	Mining concession fee	3,165.70			3,165.70
04/09/2010	Baseline project exploration cost	24,481.49			24,481.49
04/05/2011	Property claim renewal	3,000.00			3,000.00
	Total Karolina	**110,647.19**	**1,000,000**		**175,647.19**
Alkali Lake – KAR claims, Nevada USA					
11/09/2009	Staking fee				
08/23/2010	Property abandoned				
	Total Alkali Lake	187,322.55			187,322.55
		-187,322.55			-187,322.55
		0.00			**0.00**
Rose Lake – 70 Mile House, BC					
06/21/2010	Acquisition cost	10,000.00			10,000.00
06/16/2010	Acquisition cost		200,000	0.07	14,000.00
	Total Rose Lake	**10,000.00**	**200,000**		**24,000.00**
	Total Acquisition costs				**229,000.00**
	Total Deferred expenses				**272,029.35**
	Grand Total	**372,029.35**	**1,320,000**		**511,029.35**

Fourth Quarter 2011 Financial Activities

The following events took place in the Company during the fourth financial quarter of 2011.

The Company completed a private placement financing on May 11th, 2012, through the sale of 2,900,000 units ("Units") at a price of $0.08 per Unit. Each Unit consists of one common share of the Company and one half of one common share purchase warrant, ach full warrant being exercisable at a price of $0.12 until May 11th, 2013. The Company raised a gross amount of $232,000 and paid a cash commission of $16,400 for the said financing.

On May 1st, 2011, the Company engaged Bay Street Connect ("Bay Street"), an owner-managed firm based in Toronto, ONT, for Investor Relations services for a minimum of one year and thereafter, continues its services to the Company on a month-to-month basis. The Company will pay Bay Street $5,000 per month plus disbursements.

The Company completed a second private placement financing on June 28th, 2012, through the sale of 850,000 units ("Units") at a price of $0.08 per Unit. Each Unit consists of one common share of the Company and one half of one common share purchase warrant, each full warrant being exercisable at a price of $0.12 until June 28th, 2013. The Company raised a gross amount of $68,000 for the said financing.

On June 27th, 2011, the Company announced that it has staked an additional 414 Ha directly west of its Vines Lake claims in the Cassiar District of British Columbia.

On July 21st 2011, the Company reported that it has completed Phase 1 of the 2011 exploration program at Vines Lake, BC. The exploration team completed soil geochemistry survey at 50m spaced sample sites on 200m spaced lines. The soil grid covers a total of 74.7 line kilometers including the claim lines. A total of 1,358 soil samples were taken, bagged and sent to Stewart Group – Eco Tech Division, in Kamloops, BC for analysis and further assaying. The exploration program is designed to target both potentially high-grade gold vein systems, as seen at the adjacent Table Mountain Mine, in addition to the prospect of intrusion related mineralization. Phase 2 of the 2011 exploration program includes geological mapping and diamond drilling. Currently, geologists are mapping known airborne geophysical anomalies and pending results will target geochemical and geological mapping anomalies in the priority.

Subsequent events

On August 3rd, 2011, The Company announced that it has staked an additional 3,684 Ha directly south of the Vines Lake, BC claims. Lomiko now holds the rights to mineral tenures totaling 5,267 Ha located in the southwestern corner of the Cassiar District of BC.

On October 4th, 2011, the Company announced that it decided not to continue its alliance with Mobile Power Corp. through the Letter of Agreement that was announced on September 27th, 2010.

On October 5th, 2011 the Company announced a new discovery of Zinc during its Vines Lake, BC, 2011 soil geochemistry survey. The anomalous zone covers a large 108 Hectare area in the southwestern corner of Lomiko's 2011 claim block in the Cassiar District or 'Cassiar Camp'. Rock samples and drill results are pending.

A geochemical soil survey and geological mapping survey was completed over the initial Lomiko Metals' claim block covering a total area of 1,209 Ha. The Vines Lake Property has since been increased to 5,403 Ha. The survey grid covered 75 line kilometers. Soil samples were taken at 50 meter intervals on north-south orientated lines spaced 200 meters apart. Claim boundaries were also sampled.

A total of 1,366 B-horizon soil samples and 74 rock samples were collected and sent in for multi-element ICP analysis to the Stewart Group - Eco Tech Laboratory in Kamloops BC which is now owned by the ALS Minerals based out of Vancouver, BC.

Soil analyses results have outlined numerous anomalous gold values up to 0.279 g/t mostly on the eastern side of the property adjacent to China Minerals Mining's Table Mountain Gold property. Silver anomalies, also seen on the eastern portion of the property and not always coincident with gold anomalies included results up to 19.50 g/t.

Numerous Barium and Bismuth anomalies are outlined, with results returning values up to 1413 ppm and 3.48 ppm respectively.

Zinc values in soil, on the western side of Vines Lake were by far the most anomalous on the property with values reported up to 2,429 ppm. One anomalous zone on the west side of the property measures 108 Ha with an average Zn value of 430 ppm.

The company focused efforts on a large data collection program that would identify new high-grade gold vein systems and other intrusion related mineralization in proximity to the Cassiar Batholith and its associated boundary contacts, over which Lomiko's Vines Lake property claims are located.

On September 23rd, 2011 the Company held its Annual General Meeting (the "Meeting") at Computershare Investor Services Inc., 510 Burrard Street, Vancouver BC, V6C 3B9. At the Meeting, the shareholders re-elected to the Board of Directors, A. Paul Gill, Jacqueline Michael, Garth Kirkham, Julius Galik and Mark T. Nesbitt. In addition, the shareholders approved the other matters put before the Meeting, including the re-appointment of Galloway, Botteselle & Company, CGA, as the Company's auditor and the re-approval of the Company's Stock Option Plan

At the first meeting of the newly constituted Board of Directors held immediately after the Meeting, A. Paul Gill was elected to serve as President and Chief Executive Officer and Jacqueline Michael as Chief Financial Officer until the next annual general meeting of the Company. The Board also elected Julius Galik, Mark T. Nesbitt and Jacqueline Michael to serve as the Company's Audit Committee.

On October 19th, 2011, the Company announced that it has put on hold the equity line financing with Dutchess Opportunity Fund, previously announced on April 26th, 2011. The Company is currently focused on completing its exploration project on its fully owned Vines Lake property in the Cassiar region of BC and requires putting its resources towards this program.

Subsequent to this reporting period, in October and November 2011, the Rose Lake and the eVA mineral titles were not renewed and therefore were automatically forfeited.

On November 7th, Mr. Garth Kirkham resigned from the Board of Directors but will continue to serve as the Qualified Person for the Vines Lake Project. The Exploration Program has been completed and assay results for rock and drill results are pending.

On November 2nd, 1,500,000 warrants expired without being exercised

On November 16th, 2011, 640,000 stock options expired without being exercised.

Nature of Business and Going Concern

Lomiko Metals Inc. (the "Company") is 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 is in the exploration stage and has not yet determined whether its properties contain enough mineral reserves such that their recovery would be economically viable. Its exploration and development operations are subject to government legislation, policies and controls relating to prospecting, development, production, environmental protection, mining taxes and labour standards. In order to carry out exploration and mining activities, the Company is required to hold certain permits. There is no assurance that the Company's existing permits will be renewed or that new permits that have been applied for will be granted.

The recoverability of valuations assigned to resource properties is dependent upon discovery of economically recoverable reserves, the ability to obtain necessary financing to complete development and future profitable production or proceeds from disposition. Management reviews the carrying value of the Company's interest in each property and where necessary, properties are written down to their estimated recoverable amount. Although management has made its best estimate of these factors, it is reasonably possible that certain events could adversely affect management's estimates of recoverable amounts and the amount of provision for impairment in the carrying value of its resource property interests and related assets. Although the Company has taken steps to verity title to properties in which it has an interest in accordance with industry standards for the current stage of development of such properties, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements, unregistered claims, aboriginal claims and regulatory and environmental claims.

The Company's forth quarter financial statements 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. The consolidated financial statements do not reflect any adjustments to the amounts and classification of assets and liabilities that might be necessary should the Company be unable to continue in business.

Adoption of IFRS

Statement of compliance
These consolidated financial statements have been prepared in accordance with IFRS as issued by the International Accounting Standards Board.

These are the Company's first IFRS annual financial statements for the year ending July 31, 2011. The Company's transition date for converting to IFRS was August 1, 2009 (the "Transition Date"). The comparative statements of financial position as at July 31, 2010, comparative statements of comprehensive loss for the year ended July 31, 2010, comparative statements of changes in equity and comparative statements of cash flows for the year ended July 31, 2010 have been restated in accordance with IFRS. The guidance for the first time adoption of IFRS is set out in IFRS 1, First-Time Adoption of IFRS, and has been applied. The impact of the transition from Canadian Generally Accepted Accounting Principles ("Canadian GAAP") to IFRS is explained in Note 15.

The accounting policies set out below have been applied consistently to all periods presented in preparing the opening balance sheet at August 1, 2009 (Note 15) for purposes of transition to IFRS. The accounting policies have been applied consistently by the Company.

Basis of measurement
The consolidated financial statements have been prepared on a historical cost basis as set out in the accounting policies below. Certain items, including derivative financial instruments, are stated at fair value.

Use of estimates and judgments
The preparation of financial statements in accordance with IFRS requires management to make judgments, estimates and assumptions that affect the application of policies and reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Information about critical judgments in applying accounting policies that have the most significant effect on the amount recognized in the consolidated financial statements is included in the notes to the financial statements where applicable.

Basis of consolidation
The consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries, The Conac Group Inc., incorporated in British Columbia, and Conac Software (USA) Inc., incorporated in Washington, USA., and Lomiko Metals LLC, which was incorporated on October 1, 2009 in Colorado, USA. All inter-company accounts and transactions have been eliminated.

Cash and cash equivalents
Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions and other short-term, highly liquid investments that are readily convertible to known amounts of cash and subject to an insignificant risk of change in value.

Mineral property interests
The Company capitalizes all costs related to investments in mineral property interests on a property-by-property basis. Such costs include mineral property acquisition or staking costs and exploration and development expenditures, net of any recoveries. Costs are deferred until such time as the extent of mineralization has been determined and mineral property interests are either developed or the Company's mineral rights are allowed to lapse.

All deferred mineral property expenditures are reviewed, on a property-by-property basis, to consider whether there are any conditions that may indicate impairment. When the carrying value of a property exceeds its net recoverable amount that may be estimated by quantifiable evidence of an economic geological resource or reserve, joint venture expenditure commitments or the Company's assessment of its ability to sell the property for an amount exceeding the deferred costs, provision is made for the impairment in value.

The amounts shown for acquisition costs and deferred exploration expenditures represent costs incurred to date and do not necessarily reflect present or future values. These costs will be depleted over the useful lives of the properties upon commencement of commercial production or written off if the property interests are abandoned or the claims are allowed to lapse.

Asset retirement obligations
The Company will record a liability for the estimated future costs associated with legal obligations relating to the reclamation and closure of its resource properties. This amount is recorded at its discounted present value with subsequent annual recognition of an accretion expense on the

discounted liability. An equivalent amount is recorded as an increase to mineral property interests and amortized over the useful life of the properties. Management is currently not aware of any existing significant asset retirement obligations and the Company currently does not have any legal obligations relating to the reclamation of its interest in resource properties.

Financial instruments

The Company classifies its financial assets into one of the following categories depending on the purpose for which the instruments were acquired:

Financial assets and liabilities at fair value through profit or loss

A financial asset or liability is classified in this category if acquired principally for the purpose of selling or repurchasing in the short term. Cash and cash equivalents, and marketable securities are included in this category. Financial instruments in this category are recognized initially and subsequently at fair value. Transaction costs are expensed in the statement of operations. Gains and losses arising from changes in fair value are presented in the statement of operations in the period in which they arise.

Available-for-sale

Available-for-sale investments are non-derivatives that are either designated in this category or not classified in any of the other categories. The Company does not have any instruments classified in this category. Available-for-sale investments are recognized initially at fair value plus transactions costs and are subsequently carried at fair value. Gains or losses arising from changes in fair value are recognized in other comprehensive income. When an available-for-sale investment is sold or impaired, the accumulated gains or losses are moved from accumulated other comprehensive income to the statement of operations and are included in other gains and losses.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. The Company's loans and receivables comprise amounts receivable due to their short-term nature. Loans and receivables are initially recognized at the amount expected to be received, less when material, a discount to reduce the loans and receivables to fair value. Subsequently, loans and receivables are measured at amortized cost using the effective interest method less a provision for impairment.

Financial liabilities at amortized cost

Financial liabilities at amortized cost include accounts payable and accrued liabilities. Accounts payable and accrued liabilities are initially recognized at the amount required to be paid, less, when material, a discount to reduce the payables to fair value. Subsequently, accounts payable are measured at amortized cost using the effective interest method. Financial liabilities are classified as current liabilities if payment is due within twelve months. Otherwise they are presented as non-current liabilities.

Functional and presentation currencies

The functional and reporting currency of the Company is the Canadian dollar. Transactions in foreign currencies are translated into the currency of measurement at the exchange rates in effect on the transaction date. Monetary balance sheet items expressed in foreign currencies are translated into Canadian dollars at the exchange rates in effect at the balance sheet date. The resulting exchange gains and losses are recognized in operations.

Flow-through shares

The Company will from time to time, issue flow-through common shares to finance a significant portion of its exploration program. Pursuant to the terms of the flow-through share agreements, these shares transfer the tax deductibility of qualifying resource expenditures to investors. On issuance, the Company bifurcates the flow-through shares into i) a flow-through share premium, equal to the estimated premium, if any, investors pay for the flow-through feature, which is recognized as a liability, and ii) share capital. Upon expenses being incurred, the Company derecognizes the liability and recognizes a deferred tax liability for the amount of tax reduction renounced to the shareholders. The premium is recognized as other income and the related deferred tax is recognized as a tax provision.

The Company may also be subject to a Part XII.6 on flow-through proceeds renounced under the look-back rule, in accordance with Government of Canada flow-through regulations. When applicable, this tax is accrued as a financial expense until paid.

Stock based compensation
Equity-based payments to employees and others providing similar services are measured at fair value of the equity instruments at the grant date. The Company records compensation cost based on the fair value method of accounting for share-based payments. The fair value of stock options is determined using the Black-Scholes option pricing model and is recognized over the vesting period as compensation expense and share-based payment reserve. When options are exercised, the proceeds received, together with any related amount in share-based payment reserve, will be credited to capital stock.

Where a grant of options is cancelled or settled during the vesting period, excluding forfeitures when vesting conditions are not satisfied, the Company immediately accounts for the cancellation as an acceleration of vesting and recognizes the amount that otherwise would have been recognized for services received over the remainder of the vesting period. Any payment made to the employee on the cancellation is accounted for as the repurchase of an equity interest except to the extent the payments exceeds the fair value of the equity instruments granted, measured at the repurchase date. Any such excess is recognized as an expense.

Operating loss
Operating loss is comprised of general administrative costs incurred by the Company, which are not specific to evaluation and exploration projects and all impairment charges relating to intangible assets and financial assets during the year. Operating loss is stated before finance income, finance costs and other gains and losses.

Comprehensive income or loss
Comprehensive income or loss is the change in the Company's net assets that results from transactions, events and circumstances from sources other than the Company's shareholders and includes items that are not included in net profit such as unrealised gains or losses on available-for-sale investments, gains or losses on certain derivative instruments and foreign currency gains or losses related to self-sustaining operations. The Company's comprehensive income or loss, components of other comprehensive income, and cumulative translation adjustments are presented in the consolidated statements of comprehensive income or loss and the consolidated statements of changes in equity.

Earnings or loss per share
Basic and fully diluted earnings or loss per share is calculated on the weighted average number of shares outstanding during the year.

The treasury stock method is used to determine the dilutive effect of stock options and warrants. In order to determine diluted earnings or loss per share, the treasury stock method assumes that any proceeds from the exercise of dilutive stock options and warrants would be used to repurchase common shares at the average market price during the period, with the incremental number of shares being included in the denominator of the diluted earnings or loss per share calculation. In the Company's case, diluted loss per share presented is the same as basic loss per share as the effect of outstanding share options and warrants in the loss per share calculation would be anti-dilutive.

Income taxes

The Company uses the balance sheet method of accounting for income taxes. Under the balance sheet method, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. Deferred income tax assets also result from unused tax losses, tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probably that the related tax benefit will be realized.

New standards and interpretations not yet adopted

IFRS 9, Financial Instruments ("IFRS 9")

IFRS 9 addresses classification and measurement of financial assets and replaces the multiple category and measurement models in IAS 39 for debt instruments with a new mixed measurement model having only two categories: amortized cost and fair value through profit or loss. IFRS 9 also replaces the models for measuring equity instruments, and such instruments are either recognized at fair value through profit or loss or at fair value through other comprehensive income. This standard is effective for annual periods beginning on or after January 1, 2013. The Company is in the process of evaluating the impact of the new standard.

IFRS 10, Consolidated Financial Statements ("IFRS 10")

IFRS 10 builds on existing principles and standards and identifies the concept of control as the determining factor in which an entity should be included within the consolidated financial statements of the parent company. In addition, the consolidated procedures are carried forward substantially unmodified from IAS 27 Consolidated and Separate Financial Statements. This standard is effective for annual periods beginning on or after January 1, 2013. The Company is in the process of evaluating the impact of the new standard.

IFRS 11, Joint Ventures ("IFRS 11")

IFRS 11 establishes principles for financial reporting by parties to a joint arrangement. The IFRS supersedes IAS 31 Interest in Joint Ventures and SIC-13 Jointly Controlled Entities - Non-monetary Contributions by Ventures and is effective for annual periods beginning on or after January 1, 2013.

IFRS 12, Disclosure of Interest in Other Entities ("IFRS 12")

IFRS 12 applies to entities that have an interest in a subsidiary, a joint arrangement, an association or an unconsolidated structured entity. This standard is effective for annual periods beginning on or after January 1, 2013. Early adoption is permitted. The Company is currently evaluating the impacts of this standard on its financial statements.

IFRS 13, Fair Value Measurements ("IFRS 13")

IFRS 13 defines fair value, sets out in a single IFRS framework for measuring fair value and requires disclosures about fair value measurements. This IFRS applies when another IFRS requires or permits fair value measurements or disclosures about fair value measurements, except in specified circumstances. IFRS 13 is to be applied for annual periods beginning on or after January 1, 2013. Early adoption is permitted. The Company is currently assessing the impact of the standard on its financial statements.

IAS 27, Separate Financial Statements has been amended for the issuance of IFRS 10 but retains the current guidance for separate financial statements; and

IAS 28, Investments in Associates and Joint Ventures has been amended for conforming changes based on the issuance of IFRS 10 and IFRS 11.

The preparation of the 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.

The effect of a change in an accounting estimate is recognized prospectively by including it in total comprehensive loss/income in the period of change, if the change affects that period only, or in the period of the change and future periods, if the change affect both.

Information about significant areas of estimation uncertainty considered by management in preparing the consolidated financial statements is described below:

Title to mineral property interest
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 prior agreements or transfers and title may be affected by undetected defects.

Asset retirement obligations
The Company recognizes the liability for an asset retirement obligation. The relevant costs associated with the asset retirement obligations are estimated based on the Company's interpretation of current regulatory requirements. Based on the assessment, the Company did not have any significant asset retirement obligations at the reporting dates.

Contingencies
By their nature, contingencies will only be resolved when one or more future events occur or fail to occur. The assessment of contingencies inherently involves the exercise of significant judgment and estimates of the outcome of future events.

Share-based payments
The fair value of the employee share 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 behaviour), 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.

Income Taxes

The Company has incurred losses for Canadian income tax purposes that may be carried forward to reduce income of future years that would otherwise be subject to income tax. The aggregate amount of the losses is $2,967,614.

The losses expire as follows:

2014	$ 802,097
2015	12,827
2027	110,806
2028	130,858
2029	462,824
2030	679,076
2031	769,126
	$ 2,967,614

The potential tax benefits of the losses have not been recognized in the financial statements as it is considered to be more likely than not that future tax assets will not be realized.

Other Requirements

Additional disclosure relating to the Company's material change reports, news releases and other information is available on SEDAR at www.sedar.com. The Company's website can be found on: www.lomiko.com.

Quantitative and Qualitative Risks

Credit

The Company has no long-term debt, with accounts payable and accrued liabilities being short-term and non-interest bearing. The Company's credit risk is limited to exploration advances and other receivables. The Company is not exposed to short-term interest rates through the interest earned on cash advances.

Business risk

The gold and iron-ore industries are highly competitive, particularly with respect to searching for and developing new sources of gold and iron-ore reserves, constructing and operating mines, and transporting and marketing gold and iron-ore products.

In Chile, the Company is pursuing a pure exploration program, and there is no assurance that feasible iron-ore reserves will be discovered and economically produced. Financial risks in the commodity industry include fluctuations in commodity prices, and interest and currency exchange rates. Operational risks, if a discovery were made, include reserve performance uncertainties, reliance on partners, competition, environmental and safety issues, and a complex regulatory environment. In Canada, the Company's Vine's Lake project is in production. Operational risks include, but are not limited to, reserve uncertainties, mine and mill performance uncertainties, environmental, governmental and regulatory uncertainties and safety issues.

Lomiko is exploring its lithium property in Chile and has not yet determined whether it contain any reserves. The recovery of both the costs of acquiring the lithium and the related deferred exploration costs depends on the existence of economically recoverable reserves, its ability to obtain the financing necessary to complete the exploration and development of the any property, and the future profitable production or, alternatively, on the sufficiency of proceeds from disposition. Operating a foreign registered subsidiary presents risks associated with differences in business regulations and practices compared with operating a Canadian corporation.

Commodity risk

There are risks of volatility in world gold and lithium prices and other risks that the Company cannot control. Lomiko has no current plans to hedge its production to eliminate pricing risk.

Hedging, Sales Contracts, Commodity and Derivative instruments

The Company is not engaged in any commodity price hedging and has no sales contracts, commodity or derivative instruments in place.

Business Risk

The Company‘s financial results may be significantly influenced by its business environment. Business risks include, but are not limited to:

- Cost to find, develop, produce and deliver commodities;
- Relationships with any current or potential joint venture partners;
- Satisfactory title to property it has agreed to develop;
- Government regulations; and
- Cost of capital.

Exploration, development and production risks

A portion Lomiko's current and future working capital will be expended on its exploration, exploitation and development activities, which are high-risk ventures with uncertain prospects for success. Lithium and gold exploration involves a high degree of risk and there is no assurance that expenditures made on future exploration activities by the Company will result in new discoveries of commodities that are commercially viable or economically producible. Holders of securities of the Company must rely on the ability, expertise, judgment, discretion, integrity and good faith of management of the Company. It is difficult to project the costs of implementing any exploratory or developmental drilling program due to the inherent uncertainties of drilling in unknown formations, the costs associated with encountering various drilling conditions such as over-pressured zones and tools lost in the hole and changes in drilling. Few properties that are explored are ultimately developed into new reserves. In certain instances, the Company may be precluded from pursuing an exploration program or decide not to continue with an exploration program and such an occurrence may have a negative effect on the value of the securities of the Company.

Future exploration may involve unprofitable efforts, not only from lack of commodity reserves, but from commodity reserves that are productive but do not produce sufficient net revenues to return a profit after drilling, operating and other costs. Completion of a mine does not assure a profit on the investment or recovery of drilling, completion and operating costs. In addition, drilling hazards or environmental damage could greatly increase the cost of operations, and various field operating conditions may adversely affect the production from successful mine sites. These conditions include: delays in obtaining governmental approvals or consents, insufficient storage or transportation capacity or other geological and mechanical conditions.

Gold and lithium reserves

All evaluations of future net revenues are before consideration of indirect costs such as administrative overhead, other miscellaneous expenses and income taxes. The future net revenues may not be representative of the fair market value of the reserves. There are numerous uncertainties inherent in estimating quantities of proved and probable reserves, including many factors beyond the control of the Company.

In general, estimates of economically recoverable reserves and the future net revenues there-from are based upon a number of variable factors and assumptions, such as historical production from the properties, commodity prices, the assumed effects of regulation by governmental agencies and future operating costs, each of which may vary considerably from actual results. Estimates of the economically recoverable reserves attributable to any particular group of properties, classification of such reserves based on risk of recovery and estimates of future net revenues expected there-from, prepared by different engineers and geologists or by the same engineers and geologists at different times, may vary substantially.

Foreign Exchange Currency Risk
Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Financial Instruments that impact the Company's net earnings due to currency fluctuations include: U.S. dollar denominated cash, exploration advances and other receivables and accounts payable and accrued liabilities. The Company holds certain financial instruments in Chile. However, due to the insignificant balances, the Company is exposed to minimal risk in that currency.

The Company currently only maintains one bank account in Canada denominated in Canadian dollars. U.S. dollar transactions are converted to Canadian dollars on the date of the transaction.

Foreign currency exchange rates
The Company's functional currency is the Canadian dollar. The Company transacts business using the Canadian dollar, the United States dollar and the Chilean peso.

The Company may sell its future reserve production pursuant to marketing agreements that are denominated in the Chilean Peso that first must be denominated into US dollars or in Canadian dollars when producing in Canada. Many of the operational and other expenses incurred by the Company are paid in US dollars or in local currency of the country where operations are performed. The assets and liabilities of the Company (including reserve information) are recorded in Canadian dollars. As a result, fluctuations in the US dollar or Chilean Peso against the Canadian dollar and each of these currencies against local currencies in jurisdictions where properties of the Company are located could result in unanticipated and material fluctuations in the financial results of the Company. The Company does not hedge its foreign currency transactions.

Political risk
The Company operates in Chile, which is an immature and emerging economy with associated risk factors. Lomiko's operations and related assets are subject to the risks of actions by governmental authorities, insurgent groups or terrorists. The Company conducts its business and financial affairs to protect against political, legal, regulatory and economic risks applicable to our operations. However, there can be no assurance that the Company will be successful in protecting itself from the impact of these risks.

Conflict of interest risk

Certain of the directors and officers of the Company are engaged in, and will continue to engage in, other business activities on their own behalf and on behalf of other companies and, as a result of these and other activities, such directors and officers of the Company may become subject to conflicts of interest. The Business Corporations Act provides that in the event that a director has an interest in a contract or proposed contract or agreement, the director shall disclose his interest in such contract or agreement and shall refrain from voting on any matter in respect of such contract or agreement unless otherwise provided under the BCA – British Columbia. To the extent that conflicts of interest arise, such conflicts will be resolved in accordance with the provisions of the BCA – British Columbia.

Competition

A number of other gold and lithium companies operate and are allowed to bid for exploration and production licenses and other services in Chile and Canada which are the focus of the business and operations of the Company, thereby providing competition to the Company. Larger companies may have access to greater resources than the Company, may be more successful in the recruitment and retention of qualified employees and may conduct their own commodity marketing operations, which may give such companies a competitive advantage over the Company. Some of these companies have been conducting operations in Chile and Canada for considerably longer periods of time than has the Company and thus these companies may be more familiar with the political and business landscape in Chile and Canada than the Company. In addition, actual or potential competitors may be strengthened through the acquisition of additional assets and interests.

Environmental regulations

The current and future operations of the Company that are conducted in Chile and Canada are subject to environmental regulations promulgated by the Governments of Chile and Canada. Current environmental legislation in Canada and Chile provides for restoration of mine sites and safe disposal of any chemicals extracted or used in the mine development. In addition, certain types of operations may require the submission and approval of environmental impact assessments. The existing operations of the Company are subject to such environmental policies and legislation. Environmental legislation and policy is periodically amended. Such amendments may result in stricter standards and enforcement and in more stringent fines and penalties for non-compliance. Environmental assessments of existing and proposed projects carry a heightened degree of responsibility for companies and their directors, officers and employees. The costs of compliance associated with changes in environmental regulations could require significant expenditures, and breaches of such regulations may result in the imposition of material fines and penalties. In an extreme case, such regulations may result in temporary or permanent suspension of production operations. There can be no assurance that these environmental costs or effects will not have a material adverse effect on the future financial condition or results of the operations of the Company.

The Company is subject to a number of risk factors due to the nature of the mining business in which it is engaged. The risks and uncertainties not presently known to the Company may impact the Company's financial results in the future. The current economic and market conditions represent circumstances that may affect the carrying amount of the Company's assets.

Regulatory Risk

The operations of all mineral explorers and producers, are subject to extensive controls and regulations imposed by various levels of government. The Company monitors and adheres to all regulations which could affect its operations and has established standards of operating practice which are designed to minimize risk to our employees, the community and the environment. Changes to regulations could have an adverse effect on the Company's results of operations and financial condition.

Officers & Directors
Directors and officers have a duty to exercise due diligence in overseeing the activities of the Company. They are required to act in “good faith” and in the best interest of the Company.

Expenses

The Company incurred $744,728 in total operational expenses for the twelve-month period ended July 31st 2011, as compared to $833,491 for the same period last year.

Fourth Quarter Results
The period ended July 31st, 2011 shows a net loss of $580,615 and working capital of $449,802.

During the twelve-month period ended July 31st, 2011, accounting and audit fees increased by $13,675.12 due to IFRS change over and quarterly financial statement reviews.

Stock based compensation of $74,847 was expensed for this reporting period.

On August 23, 2010, the Company settled a dispute with a prospective vendor group, Paymaster Associates LLC, Colorado Associates by paying them a sum of $53,038.32 and subsequently abandoning 552 lode claims in Nevada, USA, staked by the Company’s US subsidiary, Lomiko Metals USA LLC. To that end, the Company wrote down $187,322.75 for its mineral property in Nevada.

All other expenses were incurred in the normal course of business operations.

Twelve-month operational expenses	**2011**	**2010**
Office and sundry expenses	17,772.40	22,090.78
Telephone/Fax	2,379.10	665.89
Travel	19,166.61	45,043.79
Advertising & Promotion	92,234.00	130,303.92
Management & Subcontract Fees	120,000.00	117,500.00
Legal	62,019.68	128,402.00
Investor Relations	15,000.00	30,000.00
Consulting/Professional	29,100.00	79,749.21
Accounting/Audit	23,173.12	9,498.00
Exchange & Transfer Agent Fees	44,557.92	48,185.20
Shareholder Communications	4,117.89	10,684.69
Bonus	-	10,000.00
Legal Settlement on KAR claims NV	53,038.32	-
Write down on mineral properties	187,322.55	-
Stock based compensation	74,847.00	201,367.00
		-
Total	**744,728.59**	**833,490.48**

Revenue

The Company had no producing properties, and consequently no sales or revenues to report.

Net Income/Loss

The Company recorded a net loss of ($580,615) and (0.016) loss per share for the twelve-month period ended July 31st, 2011, as compared to a net loss of ($691,195) and (0.021) loss per share for the same period last year.

Summary of Quarterly Results
(expressed in thousands of Canadian dollars, except per share amounts)

	July 11 IFRS	Apr 11 CGAAP	Jan 11 CGAAP	Oct 10 CGAAP	July 10 IFRS	Apr 10 CGAAP	Jan 10 CGAAP	Oct 09 CGAAP
Revenue	0	0	0	0	0	0	0	0
Net Loss	(581)	(529)	(406)	(328)	(691)	(565)	(385)	(287)
Loss per Share	(0.016)	(0.01)	(0.01)	(0.008)	(0.021)	(0.01)	(0.01)	(0.009)

Selected Annual Information

Revenue, net loss, diluted loss per common share, total assets and total long-term liabilities for the year ended July 31, 2011, with the year ended July 31, 2010 and with the year ended July 31, 2009 were as follows (in thousands of Canadian dollars except for shares):

	IFRS 2011 $	**IFRS 2010 $**	**CGAAP 2009 $**
Total Revenue	0	0	0
Total Assets	1,036	755	260
Total Long Term Liabilities	0	0	0
Net Income and comprehensive (loss)	(581)	(691)	(1,185)
Net Income (loss) per share basis	(0.016)	(0.021)	(0.039)
Net Income (loss) per share diluted	(0.016)	(0.021)	(0.039)

The Company had no producing properties, and consequently no sales or revenues to report.

The Company incurred a total net loss of $580,615 for this reporting period. The loss per share, basic and diluted was (0.016). The Company had assets of $1,035,718 of which $524,689 came from cash, receivables, prepaid expenses. The Company's mineral property acquisition assets comprise of $70,000 for the 100% acquisition of the Vines Lake Mineral Property in the Cassiar district of British Columbia; $145,000 for the 100% acquisition of the 8 Salar de Aguas Calientes (Karolina) Lithium Claims in Chile and $24,000 for 100% acquisition of the Rose Lake Soda Ash property in 70 Mile House, BC. There was also a total of $272,029.35 in deferred explorations costs relating to work done on the Vines Lake property and mining concession fees and baseline project exploration costs for the Karolina lithium claims in Chile.

SHARE CAPITAL

Disclosure of outstanding shares data

During the current fiscal year, the Company completed the following issuances:

a) Authorized - Unlimited number of common shares without par value
b) Issued and outstanding:

Share Capital

On July 31st, 2011, the Company had 55,518,445 common shares outstanding and 67,033,445 on a fully diluted basis.

Category	Shares
Common shares without par value	55,518,445
Share Options	4,390,000
Share Warrants	7,125,000
Balance, July 31, 2011	**67,033,445**

Description		July 31, 2011
	Number of Shares	**Amount $**
Issued shares		
Balance, beginning of period	**41,268,445**	**16,140,217.00**
Shares issued for cash	14,250,000	1,000,000.00
Share issue costs - legal		(21,491.00)
Share issue costs – legal & commission fees		(36,300.00)
Value of warrants attached		(295,753.00)
Balance, July 31st, 2011	**55,518,445**	**16,786,673.00**

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.

Date Issued	Number Issued	Exercise Price	Weighted Average	Grant date Fair Value	Expiry Date
Bal. Fwd. 07-31-2010	**5,416,667**		**$0.200**	**$142,375**	
Nov. 02, 2010	1,500,000	$0.10		$ 50,630	Nov. 02, 2011
Jan. 21, 2011	1,250,000	$0.10		$ 36,296	Jan. 21, 2012
Mar. 04, 2011	2,500,000	$0.12		$101,306	Mar. 05, 2012
May 11, 2011	1,450,000	$0.12		$ 93,988	May 11, 2013
June 28, 2011	425,000	$0.12		$ 13,533	Jun. 28, 2013
Issued	**7,125,000**		**$0110**	**$295,753**	
Expired	**(5,416,667)**		**($0.200)**	**($142,375)**	
Balance, July 31, 2011	**7,125,000**		**$0.110**	**$295,753**	

Liquidity and Capital Resources

As at July 31st, 2011, the Company's cash and accounts receivable position was $497,880 compared to $210,578 for the same period last year. The Company's working capital surplus is $453,801.

During the twelve-month period ended July 31st, 2011, the Company raised gross funds of $1 million through the completion of five private placement financings. The proceeds from those offerings are being used for working capital purposes as well as continued exploration of the Company's Vines Lake property in the Cassiar District of British Columbia.

Financing Activities

The following financings took place during the current year.

On November 2nd, 2010, the Company completed a non-brokered private placement financing and raised $150,000 through the sale of 3,000,000 units ("Units") at a price of $0.05 per Unit. Each Unit consists of one common share of the Company and one half of one common share purchase warrant, each full warrant being exercisable at a price of $0.10 until November 2nd, 2011.

On January 21st, 2011, the Company completed a non-brokered private placement financing and raised $150,000 through the sale of 2,500,000 units ("Units") at a price of $0.06 per Unit. Each Unit consists of one common share of the Company and one half of one common share purchase warrant, each full warrant being exercisable at a price of $0.10 until January 21st, 2012. The Company paid a cash commission of $2,400 for the financing.

On March 4th, 2011, the Company completed a brokered private placement and raised $400,000 through the sale of 5,000,000 flow-through units ("Units") of the Company priced at $0.08 per unit. Each flow-through Unit consists of one flow-through common share and one half of one transferable non-flow-through share purchase warrant, each full warrant being exercisable at a price of $0.12 until March 5th, 2012. The Company paid a total of $33,341.50 in commissions and legal costs related to the financing and issued 350,000 broker Units to Limited Market Dealers Inc. at a $0.08 per Unit, valid until March 5th, 2012. Each broker Unit consists of a common share and a half warrant on the same terms as the Unit half warrant stated above. The proceeds of the flow-through offering is being used for exploration purposes on the Company's wholly owned Vines Lake property in the Cassiar region of British Columbia, which started in June 2011

On May 11th, 2011, the Company completed a private placement financing and raised $232,000 through the sale of 2,900,000 shares of the Company at $0.08 per unit ("Unit"). Each Unit consists of a common share and one half of one common share purchase warrant, each full warrant being exercisable at a price of $0.12 until May 11th, 2013. The Company paid a cash commission of $16,400 for the financing.

On June 28th, 2011, the Company completed a non-brokered private placement financing and raised $68,000 through the sale of 850,000 units ("Units") of the Company priced at $0.08 per Unit. Each Unit consists of one common share of the Company and one half of one common share purchase warrant, each full warrant being exercisable at a price of $0.12 until June 28th, 2013.

The Company currently has a total of 4,390,000 options and a total of 7,125,000 warrants outstanding as of July 31st, 2011.

Stock Options

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 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 stock 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.

The following table summarizes the stock options outstanding and exercisable as at July 31, 2011 During the current year, the Company granted 950,000 incentive stock options priced at $0.10 each to directors and a consultant on February 8th, 2011. The options are exercisable until February 8th, 2016.

The Company granted 400,000 incentive stock options to its Investor Relations firm, Bay Street Connect, Toronto, Ontario, on May 1st, 2011 priced at $0.10 each and exercisable until May 1st 2012.

The Options were granted under the Company's Stock Option Plan.

Number	Exercise Price	Expiry Date
640,000	$0.125	November 16, 2011
200,000	0.10	July 2, 2013
1,300,000	0.12	September 3, 2014
200,000	0.12	February 17, 2015
700,000	0.10	November 30, 2014
950,000	0.10	February 8, 2016
400,000	0.10	May 1, 2012
4,390,000		**Balance, July 31, 2011**

	Number of Options	Weighted Average Exercise Price
Options outstanding,		
Beginning of period	3,340,000	$ 0.116
Options granted 2011	1,700,000	$ 0.100
Options exercised	NIL	
Options expired	NIL	
Options cancelled	(300,000)	$0.120
Balance, July 31, 2011	**4,390,000**	**$ 0.110**

Other MD&A Requirements

As at July 31st, 2011, the Company had a total of 67,033,445 shares on a fully diluted basis. If the Company were to issue 11,515,000 shares upon the conversion of all of its outstanding warrants and options, it would raise a total of $1,285,000.

At the current time, the Company has sufficient funds to pay for 4 months of operating expenses. The Company will need to raise further capital in the near future to fund phase 2 of its Vines Lake exploration project for 2012 and for its on-going operational expenses.

Off Balance Sheet Arrangements

The Company is not a party to any off balance sheet arrangements or transactions.

Related Party Transactions

During the twelve-month period ended July 31st, 2011, the Company entered into the following transactions with related parties:

The Company paid $60,000 in management fees to a company controlled by Paul Gill, President and CEO.

The Company paid $60,000 in management fees to a company controlled by Jacqueline Michael, CFO.

The Company paid $8,000 in consulting fees to a company controlled by Garth Kirkham, Director.

The above fees were in the normal course of operations and measured at the exchange amount which is the amount of consideration established and agreed to by the related parties.

Commitments and Contigencies

The Company entered into flow-through share subscription agreements in March 2011 whereby it is committed to incur on or before January 31, 2012, a total of $400,000 of qualifying Canadian Exploration Expenses as described in the Income Tax Act. As at July 31, 2011, $175,411 of the expenditures had been incurred, leaving a balance of $224,589 to be incurred on or before January 31, 2012. The Company is able to continue to incur exploration expenses beyond February 2012. 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.

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.

Outlook

The Company completed phase 1 of its 2011 summer exploration program and has started on phase 2 exploration work on its 100% fully owned Vines Lake property in the Cassiar district of BC. As such, the Company has established an exploration camp to coordinate activities related to the summer exploration program at Vines Lake. Lomiko holds the rights to three contiguous mineral tenures, totaling 1,169 Ha (2,888 Acres) located in the southwestern corner of the Cassiar Gold District or 'Cassiar Gold Camp'. Exploration activities commenced in June, 2011 and continue until September 2011.

This program is designed to target both potentially high-grade gold vein systems, as seen at the adjacent Table Mountain Mine, in addition to the prospect of intrusion related mineralization. Phase I of the program is targeted to begin as soon as weather and snow conditions permit. Phase II will explore follow-up targets resulting from the geological mapping, geochemical and ground geophysical surveys resulting from Phase I.

Due to the property's close proximity to formerly producing mines with a proven history in the Cassiar Mining Camp, it is the opinion of the company that potential exists on the Vines Lake Property for discovering new high-grade gold vein systems. Also, there is a potential for other intrusion related mineralization in proximity to the Cassiar Batholith and its associated boundary contacts, over which Lomiko's Vines Lake property claims are located.

The Company is continually involved in the ongoing process of identification and evaluation of new properties that can achieve the corporate objectives for near to long term growth. The Company plans to make additional acquisitions, if suitable properties become available to the Company, together with further financings in the future.

Internal disclosure controls and procedures

Management is responsible for establishing and maintaining disclosure controls and procedures for the Company. Due to its small size of operations, there is lack of segregation of duties within the Company's internal control systems. It is unlikely that segregation of duties can be properly addressed until the Company grows to a significant size. In order to compensate for the weaknesses in its internal control systems, the management has hired experienced consultants in assisting with the financial reporting and disclosures process. With the implementation of these compensating controls, the management has evaluated and believed that its disclosure controls and procedures are effective in providing reasonable assurance that material items requiring disclosure are identified and reported in a timely manner.

On behalf of the Board,

"Paul Gill"
Paul Gill, President & CEO