

LOMIKO METALS INC.
CONSOLIDATED FINANCIAL STATEMENTS

April 30, 2010
(Unaudited – Prepared by Management)

NOTICE OF NO AUDITOR REVIEW

Under National Instrument 51-102, Part 4, subsection 4.3(3) (a), if an auditor has not performed a review of the 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 interim financial statements of the Company have been prepared by and are the responsibility of the Company's management. The Company's independent auditor has not performed a review of these financial statements in accordance with the standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditor.

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LOMIKO METALS INC.

CONSOLIDATED BALANCE SHEET

April 30, 2010

(unaudited)

	April 30, 2010 (unaudited)	July 31, 2009 (audited)
ASSETS		
Current		
Cash	\$ 349,238	72,119
Accounts receivable	13,544	6,976
Prepaid expenses	55,731	5,250
	<u>418,513</u>	<u>84,345</u>
Mineral Properties (Note 3)	471,459	175,971
	<u>\$ 889,972</u>	<u>260,316</u>
LIABILITIES		
Current		
Accounts payable and accrued liabilities	\$ 7,327	11,189
	<u>7,327</u>	<u>11,189</u>
	<u>7,327</u>	<u>11,189</u>
SHAREHOLDERS' DEFICIENCY		
Capital Stock (Note 4)	16,429,144	15,210,269
Contributed Surplus	36,000	36,000
Deficit	(15,582,499)	(14,997,142)
	<u>882,645</u>	<u>249,127</u>
	<u>\$ 889,972</u>	<u>260,316</u>

Nature of Operations (Note 1)

Approved on behalf of the Board:

"Paul Gill"

Paul Gill - President

"Jacqueline Michael"

Jacqueline Michael – Chief Financial Officer

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

LOMIKO METALS INC.

CONSOLIDATED STATEMENTS OF OPERATIONS AND DEFICIT

For the nine months ended April 30, 2010

(unaudited)

	Three Months ended April 30,		Nine Months ended April 30,	
	2010	2009	2010	2009
Revenue	\$ -	-	-	-
Revenue	-	-	-	-
Expenses				
Audit and Accounting	-	-	-	2,500
Development Costs Expensed	-	-	-	13,200
Advertising and promotion	69,925	925	115,081	29,304
Filing & Transfer Agent Fees	25,681	6,256	43,487	30,860
Finders Fees	-	-	80,000	17,960
Legal Fees	979	8,662	76,677	38,350
Consulting Fees	13,284	5,546	73,449	69,326
Management Fees	30,000	37,500	87,500	112,500
Bonuses	-	-	10,000	-
Office and sundry	6,875	8,630	16,847	12,159
Professional Fees	-	(1,215)	-	(1,215)
Investor Relations	15,000	-	15,000	22,500
Shareholder communications	-	3,895	3,062	15,982
Telephone	181	145	471	464
Travel	17,573	-	42,948	-
Currency conversion	860	-	1,587	-
Operating Loss	180,358	70,344	566,109	363,890
Other Income – Interest earned	560	-	1,395	-
Net Loss	(179,798)	(70,344)	(564,714)	(363,890)
Deficit, Beginning of Period	(15,017,785)	(14,086,315)	(15,017,785)	(14,086,315)
Deficit, End of Period	\$ (15,197,583)	(14,156,659)	(15,582,499)	(14,450,205)

Basic and Diluted Income (Loss) Per Common Share \$ (0.01) \$ (0.01)

Weighted Average Number of Shares Outstanding 37,334,993 28,722,063
On a 4 for 1 share split basis

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

LOMIKO METALS INC.

CONSOLIDATED STATEMENTS OF CASH FLOWS

For the nine months ended April 30, 2010

(expressed in Canadian dollars – unaudited)

	Three months Ended April 30,		Nine months ended April 30,	
	2010	2009	2010	2009
Cash Flows from Operating Activities				
Income (loss) for the period	<u>\$(179,798)</u>	<u>(71,559)</u>	<u>(564,714)</u>	<u>(363,890)</u>
	(179,798)	(71,559)	(564,714)	(363,390)
Changes in non-cash working capital items:				
Accounts receivable & prepaid expenses	(49,995)	12,595	(57,049)	350,888
Accounts payable	1,192	1,236	(3,862)	(11,456)
	(228,601)	(57,728)	(625,625)	(24,458)
Cash Flows from Financing Activities				
Share Subscriptions	-	-	1,218,874	463,200
	-	-	1,218,875	463,200
Cash Flows from Investing Activities				
Investment in mineral properties	(23,817)	-	(316,130)	(574,970)
	(23,817)	-	(316,130)	(111,770)
Increase (Decrease) in Cash	(252,417)	(57,728)	277,119	(136,228)
Cash Beginning of Period	601,655	283,903	72,119	362,403
Cash End of Period	\$ 349,238	226,175	349,238	226,175

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

LOMIKO METALS INC.

NOTES TO FINANCIAL STATEMENTS

April 30, 2010

1. Nature of Operations

The Company is incorporated under the laws of the Province of British Columbia. 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's ability to continue at a going concern is dependent upon successful completion of additional financing, continuing support of credits and upon its ability to attain profitable operations.

2 Significant Accounting Policies

Principles 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, Conac Software (USA) Inc., incorporated in Washington, U.S.A. and Lomiko Metals USA LLC incorporated in Colorado, U.S.A.

Use of Estimates

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from management's best estimate as additional information becomes available in the future.

Financial Instruments

The Company's cash is classified as held-for trading. Accounts receivables are classified as loans and receivables. Accounts payable are classified as other financial liabilities.

Resource Properties

Resource property acquisition costs are capitalized until the viability of the mineral interest is determined. Exploration costs are capitalized and tested annually for impairment.

Stock Based Compensation

Stock options granted to non-employees are accounted for using the fair value-based method of accounting. In respect of stock options granted to employees and directors, the Company has elected to adopt the intrinsic value based method of accounting, which recognizes compensation expense only when the market price exceeds the exercise price at the date of grant, but which requires pro-forma disclosure of net loss as if these grants were accounted for using the fair value method. Consideration paid on the exercise of stock options is credited to share capital. Stock based compensation is credited to contributed surplus.

LOMIKO METALS INC.

NOTES TO FINANCIAL STATEMENTS

April 30, 2010

2. Significant Accounting Policies (Continued)

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. Under the treasury stock method, only instruments with exercise amounts less than market prices impact the diluted calculations. In computing diluted loss per share, no shares were added to the weighted average number of common shares outstanding during the period ended October 31, 2009 and year ended July 31, 2009 for dilutive effect of stock options and warrants as they were all anti-dilutive. No adjustments were required to report loss from operations in computing diluted per share amounts.

Translation of Foreign Currencies

Foreign currency denominated monetary assets and liabilities are translated at year-end exchange rates. Income and expense transactions denominated in foreign currencies are translated at exchange rates prevailing at the transaction dates. Gains or losses arising on foreign currency translation are recorded in the statement of loss and deficit.

Income Taxes

Future income tax assets and liabilities are determined based upon differences between financial reporting and tax bases of assets and liabilities, measured using substantively enacted tax rates and laws expected to apply in the years in which those temporary differences are expected to be recovered or settled. The effect of a change in tax rates is recognized in operations in the period that includes the substantive enactment date. A valuation allowance is recognized to the extent that, it is more likely than not, that future income tax assets will not be realized.

3. Mineral Properties

	<u>2010</u>	<u>2009</u>
The carrying values of the company's resource properties are as follows:		
<u>Vines Lake Property – Cassiar Mining District</u>	\$ 135,971	135,971
The Company purchased 100% interest in the Vines Lake property on April 4, 2006 consisting of three contiguous claim units totaling 1,196.4 hectares in the Cassiar region of B.C for which the Company paid the vendor \$10,000 in cash and issued 480,000 common shares (post 1:4 share split) at a deemed value of \$60,000 for a total acquisition cost of \$70,000.		
The Company has spent a total of \$65,971.17 in deferred costs on the Vines Lake property.		
<u>Karolina Property – Chile (Salar de Aguas Clientes)</u>	148,165	40,000
On June 15, 2009, 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.		

LOMIKO METALS INC.

NOTES TO FINANCIAL STATEMENTS

April 30, 2010

The Company completed the purchase of the remaining 50% ownership in the Karolina Claims with Brian Gusko on November 11th, 2009, upon Exchange approval. Mr. Gusko received a gross total of \$50,000 in cash and was issued 1 million common shares at a deemed value of \$0.065 per share.

The Company has paid a total of \$145,000 in cash and shares for 100% interest in the Karolina Lithium Claims in Chile.

The Company has paid \$3,165 in annual mining concession fees for the property

Alkali Lake Property – Nevada, USA

187,323

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Montezuma Valley (also known as Alkali Flat) and the KAR claims are located immediately east of Clayton Valley..

On November 9, 2009, the Company's US subsidiary, Lomiko Metals USA LLC, 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 CAD \$189,322.55 to Esmerelda County NV, for the rights to explore this property.

\$ 471,459

175,971

4. Capital Stock

Common Shares

The maximum number of common shares that the company is authorized to issue is unlimited.

Description	2010		2009		2008	
	# of Shares	\$ Amount	# of Shares	\$ Amount	# of Share	\$ Amount
ISSUED AND FULLY PAID						
Balance Forward	30,480,112	\$15,210,269	6,362,028	14,747,069	3,085,028	13,824,469
Issued for cash						
On exercise of warrants	1,135,000	\$ 141,875.00	500,000	160,000	1,077,000	323,100
Private Placements	8,333,333	\$ 999,999.96	758,000	303,200	2,000,000	500,000
Options Exercised	120,000	\$ 12,000.00				
Issued for options on Properties					200,000	99,500
Issued for Property acquisition	1,000,000	\$ 65,000.00				
Sub Total	41,068,445	\$16,429,143.96	7,620,028	\$15,210,269	6,362,028	\$14,747,069
4 for 1 share split 10-07-2008			30,480,112	\$15,210,269		
Balance 04-30-2010	41,068,445	\$16,429,143.96	30,480,112	\$15,210,269	6,362,028	\$14,747,069

LOMIKO METALS INC.

NOTES TO FINANCIAL STATEMENTS

April 30, 2010

Description	Date Issued	# of Shares	Price	\$ Amount	Expiry Date
SHARES OUTSTANDING					
Options – Directors/Consultant	11-16-2006	640,000	\$0.125	\$ 80,000.00	11-16-2011
Options – Directors	07-02-2008	200,000	\$0.10	\$ 20,000.00	07-02-2013
Options – Directors/Consultant	09-03-2009	1,300,000	\$0.12	\$156,000.00	09-03-2014
Options – Directors	11-30-2009	700,000	\$0.10	\$ 70,000.00	11/30/2014
Warrants	08-31-2009	4,166,667	\$0.20	\$833,333.40	03-01-2011
Byron Capital Units from financing	08-31-2009	833,333	\$0.12	\$ 99,999.96	03-01-2011
Byron Capital Warrants	08-31-2009	416,667	\$0.20	\$ 83,333.40	03-01-2011
Options – Investor Relations	02-17-2010	200,000	\$0.12	\$ 24,000.00	02-17-2015
Options – Consultant	02-17-2010	100,000	\$0.12	\$ 12,000.00	02-17-2015
Options – Director	02-17-2010	200,000	\$0.12	\$ 24,000.00	02-17-2015
Total Outstanding		8,756,667		\$1,402,666.76	
Fully Diluted Shares As at 04-30-2010		49,825,112		\$17,831,810.72	

Shares Outstanding

The Company granted stock options to its directors and consultants on October 16th, 2006 to purchase up to an aggregate of 1,040,000 common shares (post 4 for 1 share split), exercisable at the price of \$0.12 per share until November 16, 2011.

The Company granted stock options to its directors and consultants on July 2nd, 2008 to purchase up to an aggregate of 200,000 common shares (post 4 for 1 share split), exercisable at the price of \$0.10 per share until July 2, 2013.

The Company granted stock options to its directors and consultants on September 3rd, 2009 to purchase up to an aggregate of 1,300,000 common shares, exercisable at the price of \$0.12 per share until September 3rd, 2014.

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

The Company granted 833,333 share purchase options exercisable at \$0.12 each and 416,667 share purchase warrants, exercisable at \$.20 each to Byron Capital Markets as part of the share commissions earned for raising \$999,999.96 (gross) through a private placement financing on August 31st, 2009.

The Company granted stock options to a director, investor relations and a consultant on February 17, 2010 to purchase up to an aggregate of 500,000 common shares exercisable at the price of \$0.12 per share until February 17, 2015.

As at this reporting period, there are 4,166,667 warrants outstanding at \$0.20 each, exercisable until March 1st, 2011.

LOMIKO METALS INC.

NOTES TO FINANCIAL STATEMENTS

April 30, 2010

5. Contingent Liabilities

A legal claim has been made against the Company for breach of contract, misrepresentation and negligence for \$78,624 plus general damages of \$100,000, punitive damages of \$50,000 plus interest and costs. The Company has filed a counter claim of \$78,195 plus interest and costs. The outcome of these claims is not determinable and no provision has been made in the financial statements.

6. 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 \$2,099,572.

The losses expire as follows:

2010	580,160
2014	802,097
2015	12,827
2027	110,806
2028	130,856
2029	<u>462,824</u>
	<u>\$ 2,099,572</u>

The potential tax benefits of the losses items 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.

7. Related Party Transactions

For the nine-month period ended April 30th, 2010, the Company paid a total sum of \$87,500 in management fees to 2 Directors. The Company also paid a net total of \$13,652.67 to Kirkham Geosystems Ltd., a company owned by Garth Kirkham (P.Geo), Director, for consulting services on the Company's mineral properties. The Company paid a bonus of \$10,000 to one of its Directors.

8. Financial Instruments

Fair Value

The carrying value of cash, accounts receivable and accounts payable and accruals approximates their fair value because of the short-term nature of these instruments.

Risk

The Company is not subject to significant credit, interest rate or foreign currency exchange risk from its financial instruments.

LOMIKO METALS INC.

NOTES TO FINANCIAL STATEMENTS

April 30, 2010

9. Subsequent Events

Further to the news release of February 16, 2010, the Company announced on May 7, 2010, that its wholly-owned subsidiary, Lomiko Metals USA LLC (“Lomiko”), had been notified that the Alkali Lake, Memorandum of Agreement with JOGMEC would not be proceeding as the terms and conditions had not been met. Upon termination, the 552 lode claims comprising of 4,615.4 Ha or 11,404.9 acres in Esmeralda County, Nevada reverts to 100% ownership by Lomiko. The staking covers a large portion of Alkali Flat Salt Lake in Montezuma Valley which is prospective for economic grades of lithium and other materials.

On May 7th, the Company signed a Sale/Purchase Agreement for acquisition of 100% of the EVA and PLAYA claims which comprise of 222.04 hectares and 222.09 respectively of semi-evaporitic lakes known as Rose Lake and Cunningham Lake located near 70 mile House, B.C. The lakes are located in the Green Timber Plateau area, a semi-arid plateau averaging 1130 meters elevation and are part of the Cariboo Plateau. The area is underlain by alkaline plateau basalt flows of the Miocene to Pleistocene Chilcotin Group, mantled by a thin cover of glacial till and glaciofluvial sediments.

The Company has given notice of its Annual General Meeting scheduled for July 30th, 2010 at 10:30 am to be held at Computershare Investor Services Inc., 510 Burrard Street, 3rd Floor, Vancouver BC, V6C 3B9.