LOMIKO METALS INC.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

January 31, 2012

LOMIKO METALS INC.

(An exploration stage company)
CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED JANUARY 31, 2012
(unaudited)

Responsibility for financial statements

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

Auditor involvement

The Company’s auditors have not performed a review of the unaudited condensed interim consolidated financial statements for the six month period ended January 31, 2012.

LOMIKO METALS INC.

(An exploration stage company)
CONDENSED INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION
(unaudited)

		January 31, 2012 (unaudited)		July 31, 2011 (audited)
ASSETS				
Current				
Cash and cash equivalents (Note 5)	**$**	**75,857**	$	476,531
Accounts receivable and advances (Note 8)		**20,213**		21,349
Prepaid expenses		**22,819**		26,809
		118,889		524,689
Interests in Mineral Properties (Note 6)		**686,716**		511,029
	$	**805,605**	$	1,035,718
LIABILITIES				
Current				
Accounts payable and accrued liabilities	$	**30,154**	$	48,078
		30,154		48,078
SHAREHOLDERS' EQUITY				
Share capital (Note 7a)		**16,786,673**		16,786,673
Warrants (Note 7b)		**208,827**		295,753
Share based payment reserve (Note 7)		**275,073**		254,936
Deficit		**(16,495,122)**		(16,349,722)
		775,451		987,640
	$	**805,605**	$	1,035,718

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

Subsequent Events (Note 11)

Approved on behalf of the Board:

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

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

LOMIKO METALS INC.

(An exploration stage company)

CONDENSED INTERIM CONSOLIDATED STATEMENT OF OPERATIONS AND COMPREHENSIVE LOSS

(unaudited)

	Three Months Ended January 31 **2012**	Three Months Ended January 31 2011	Six Months Ended January 31 **2012**	Six Months Ended January 31 2011
Expenses				
Accounting and audit	**$ 2,753**	$ 1,500	$ **5,108**	**$** 1,500
Advertising and promotion	**26,900**	17,741	**41,526**	37,202
Investor relations	**15,000**	-	**30,000**	-
Legal and consulting fees	**-**	9,655	**8,059**	32,325
Legal settlement	**-**	-	**-**	52,876
Management fees (Note 8)	**30,000**	30,000	**60,000**	60,000
Office and miscellaneous	**4,962**	3,730	**8,596**	7,828
Regulatory and filing fees	**2,492**	11,195	**14,338**	19,415
Shareholder communications	**6,712**	1,198	**11,619**	1,232
Share-based compensation	**-**	-	**20,137**	-
Telephone	**551**	855	**1,436**	1,947
Travel	**3,534**	1,962	**7,540**	4,319
Write down of mineral property acquisition exploration expenses (Note 6)	**-**	-	**24,000**	187,323
	92,904	77,836	**232,359**	405,967
Operating Loss	**(92,904)**	(77,836)	**(232,359)**	(405,967)
Other				
Interest income	**26**	-	**33**	455
Net operating loss and comprehensive loss for the period	**$ (92,878)**	$ (77,836)	$ **(232,326)**	$ (405,512)
Basic And Diluted Loss Per Share	$ **(0.00)**	$ (0.00)	**$ (0.00)**	**$** (0.01)
Basic And Diluted Weighted Average Common Shares	**55,518,455**	44,518,445	**55,518,455**	42,866,606

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

LOMIKO METALS INC.

(An exploration stage company)
CONDENSED INTERIM CONSOLIDATED STATEMENT OF EQUITY
For the six months ended January 31
(unaudited)

	Number of Shares	Share capital	Warrants Reserve	Share-based Payment Reserve	Accumulated Deficit	TOTAL
Balance, July 31, 2010	41,268,445	$ 16,140,217	$ 142,375	$ 201,367	$ (15,769,107)	$ 714,852
Private placement, net of issue costs	5,500,000	294,450	86,926	-	-	381,376
Comprehensive loss for the period	-	-	-	-	(405,512)	(405,512)
Balance, January 31, 2011	46,768,445	$ 16,434,667	$ 229,301	$ 201,367	$ (16,174,519)	$ 690,716

	Number of Shares	Share capital	Warrants Reserve	Share-based Payment Reserve	Accumulated Deficit	TOTAL
Balance, July 31, 2011	55,518,445	$ 16,786,673	$ 295,753	$ 254,936	$ (16,349,722)	$ 987,640
Share options issued	-	-	-	20,137	-	20,137
Warrants expired	-	-	(86,926)	-	86,926	-
Comprehensive loss for the period	-	-	-	-	(232,326)	(232,326)
Balance, January 31, 2012	55,518,445	$ 16,786,673	$ 208,827	$ 275,073	$ (16,495,122)	$ 775,451

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

LOMIKO METALS INC.

(An exploration stage company)

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOW

(unaudited)

		THREE MONTHS ENDED January 31		SIX MONTHS ENDED January 31	
		2012	2011	**2012**	2011
Cash flows from (used in) operating activities					
Net loss for the period	**$**	**(92,878)**	(77,836)	**(232,326)**	(405,512)
Items not involving cash:					
Share-based compensation		**-**		**20,137**	
Mineral property costs written off		**-**	-	**24,000**	187,323
		(92,878)	(77,836)	**(188,189)**	(218,189)
Changes in non-cash working capital items:					
Accounts receivable and advances		**5,825**	(1,794)	**1,136**	1,267
Prepaid expenses		**(1,588)**	(19,245)	**3,991**	(924)
Accounts payable		**8,445**	(8,628)	**(17,926)**	(33,433)
		(80,196)	(107,503)	**(200,988)**	(251,279)
Cash flows from (used in) financing activities					
Common shares and warrants		**-**	300,000	**-**	300,000
Share issue costs		**-**	(5,550)	**-**	(5,550)
		-	294,450	**-**	294,450
Cash flows from (used in) investing activities					
Investment in mineral properties		**(42,339)**	-	**(199,686)**	-
		(42,339)	-	**(199,686)**	-
Increase (decrease) in cash		**(122,535)**	186,947	**(400,674)**	43,171
Cash, beginning of period		**198,392**	50,420	**476,531**	194,196
Cash, end of period	$	**75,857**	237,367	**75,857**	237,367

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

1 Nature of business and going concern

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

The Company 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.

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

2 Basis of preparation and adoption of IFRS

Statement of compliance
These condensed interim consolidated financial statements are unaudited and have been prepared in accordance with Canadian generally accepted accounting principles applicable to publicly accountable enterprises and with International Accounting Reporting Standard 34 - Interim Financial Reporting.

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.

2 Basis of preparation and adoption of IFRS - continued

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.

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, USA., and Lomiko Metals LLC, which was incorporated 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.

Functional and presentation currencies

The functional and presentation currency of the Company is the Canadian dollar.

3 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.

3 New standards and interpretations not yet adopted - continued

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.

4 Critical accounting estimates and judgments

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

4 Critical accounting estimates and judgments - continued

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 compensation
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 behavior), expected dividends and the risk free interest rate (based on government bonds).

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

5 Cash and cash equivalents

	January 31, 2012	July 31, 2011
Cash	$ 72,837	$ 473,527
Cash equivalents	3,020	3,004
	$ 78,857	$ 476,531
Restricted cash	$ 67,693	$ 224,589

As at January 31, 2012, the Company held a total of $78,856 in cash and cash equivalents, including $67,693 in restricted cash committed to qualifying exploration expenditures under flow through share agreements.

6 Interests in mineral properties

The following table shows the exploration and evaluation assets

	Vines Lake	Alkali Lake	Karolina	Rose Lake	Quatre Milles	Total
Balance July 31, 2010	$ 135,971	$ 187,323	$172,647	$ 24,000	-	$519,941
Additions	-	-	3,000	-	-	3,000
Write down	-	(187,323)	-	-	-	(187,323)
Balance, January 31, 2011	$ 135,971	$ -	$ 175,647	$ 24,000	$	$ 335,618
Balance July 31, 2011	$ 311,382	$ -	$ 175,647	$ 24,000	-	$ 511,029
Additions	174,687	-	-	-	25,000	199,687
Write down	-	-	-	(24,000)	-	(24,000)
Balance, January 31, 2012	$ 486,068	$ -	$ 175,647	$ -	$ 25,000	$ 686,716

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

Karolina Property - Chile
The Company has acquired exclusive rights to develop 100% of 1,900 hectares of Chilean mineral claims located in the Aguas Calientes Salar, II Region, Chile.

Alkali Lake Nevada Property - US
The company, in conjunction with its subsidiary Lomiko USA LLC, located and staked 552 lode claims in the Alkali Valley of Nevada in October 2009. The property was abandoned in August 2010.

Rose Lake 70 Mile House, BC - Canada
The Company acquired 100% interest in EVA and PLAYA claims making up 222 Ha and 222 Ha respectively of semi-evaporitic lakes know as Rose Lake and Cunningham Lake near 70 Mile House, B.C. As the company did not renew the titles to these claims in November 2011, the value of the property has been written off.

Quatre Milles Graphite Property, QB – Canada
The Quatre Milles Property is road accessible and is located approximately 175 km northwest of Montreal and 17 km due north of the village of Sainte-Veronique, Quebec. The property consists of 28 contiguous claims totaling approximately 1,600 hectares. (Note 11).

On November 12th, 2011, the Company signed an Option Agreement (the "Agreement") with Zimtu Capital Corp. and one of their prospecting partners (the "Vendors") to acquire 100% interest in the Quatre Milles (Graphite) Property in Quebec (the "Property") according to the following terms:

- Pay $25,000 in cash upon signing the Agreement (this has been paid)
- Issue 1 million common shares on receipt of the TSX Venture Exchange (TSX-V) acceptance of the Agreement
- Pay $25,000 in cash and issue 500,000 common shares six months from TSX-V acceptance
- Issue 1 million common shares twelve months from TSX-V acceptance
- Issue 1.5 million common shares twenty-four months from TSX-V acceptance
- The Company will complete a minimum of CAD $200,000 in exploration work on the Property
- The Vendors will retain a 2% net smelter royalty on the Property, of which the Company can purchase 1% for CAD$1 million.
- The Agreement is subject to Exchange acceptance.

7 Share capital and reserves

(a) Share capital

Authorized

Unlimited common shares without par value.

(b) Share purchase warrants

As of January 31, 2012 the following share purchase warrants issued in connection with private placements were outstanding:

Number of warrants	Grant Date Fair value	Exercise price	Expiry Date
2,500,000	101,306	0.12	March 5, 2012
1,450,000	93,988	0.12	May 11, 2013
425,000	13,533	0.12	June 28, 2013
4,375,000	$ 208,827	$ 0.12	

A summary of the changes in warrants for the six months ended January 31, 2012 is presented below:

	Number of warrants	Weighted average exercise price
Balance at July 31, 2011	7,125,000	$ 0.11
Expired	(2,750,000)	0.10
Balance at January 31, 2012	4,375,000	**$ 0.11**

(c) Share options

The Company has established a share 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.

7 Share capital and reserves - continued

The option price under each option shall not be less than the discounted market price on the grant date. The expiry date for each option shall be set by the board at the time of issuance and shall not be more than ten years after grant date. Options shall not be assignable (or transferable) by the optionee. The maximum number of shares reserved for issuance under the share option plan in aggregate shall not exceed 10% of the total number of the Company's issued and outstanding common shares on a non-diluted basis prior to the issuance. The number of shares which may be issuable under the plan within a twelve month period to one optionee shall not exceed five percent of the total number of issued and outstanding shares on a non-diluted basis.

The following table summarizes the share options outstanding and exercisable as at January 31, 2012

Number of options outstanding	Exercise price	Expiry Date
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
350,000	0.10	August 8, 2016
4,100,000	$ 0.12	

The weighted average remaining contractual life of options outstanding at January 31, 2012 is 2.87 years.

Share option transactions for the period ended January 31, 2012 were as follows:

	Number of options	Weighted average exercise price
Balance at July 31, 2011	4,390,000	$ 0.110
Expired	(640,000)	0.125
Issued	350,000	0.100
Balance at January 31, 2012	4,100,000	$ 0.110

On August 8, 2011, 350,000 incentive share options were granted to the Vines Lakes exploration crew at an exercise price of $0.10. They are fully vested and expire on August 7, 2016.

During the six month period ended January 31, 2012, share-based compensation expense of $20,137 (2011 - $0) was recorded. The weighted average fair value of the share-based compensation expense has been determined using the Black-Scholes option pricing model with the following assumptions:

Risk free interest rate	2.06%
Dividend yield	0
Expected volatility	190.03%
Expected option life	5 years

8 Related party transactions

During the period, in the normal course of operations, the company paid $60,000 (2011 - $60,000) in management fees and $2,800 (2011 - $8,000) in consulting fees to a company controlled by a former director, who resigned on November 7, 2011.

Included in accounts receivable and advances is a $5,600 advance to a director.

9 Commitments and contingencies

The Company entered into flow-through share subscription agreements in March 2011 whereby it is committed to incur on or before January 31, 2013, a total of $400,000 of qualifying Canadian Exploration Expenses as described in the Income Tax Act. As at January 31, 2012, $332,307 of the expenditures had been incurred, leaving a balance of $67,692 to be incurred on or before January 31, 2013. The Company is able to continue to incur exploration expenses beyond February 2013. 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'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.

10 Financial instruments

Fair Value
The carrying value of cash and cash equivalents, 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. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. At January 31, 2012, the Company had cash and cash equivalents of $75,857 to settle accounts payable and accrued liabilities of $30,154 and $67,692 remaining qualifying Canadian Exploration Expenses to be incurred from the flow-through share subscription agreement.

11 Subsequent events

Private placement

On March 2, 2012, the Company announced that it was successful in raising $903,320 through the sale of 9,033,200 million units (“Units”) at a price of $0.10 per Unit. Each Unit consists of 1 common share and one share purchase warrant, each full warrant being exercisable at a price of $0.15 for a period of twelve months from the closing date. The securities have now been issued, having a hold period expiring July 2nd, 2012. The Company shall pay a cash commission of $75,000 in regards to the above financing. The proceeds of the offering will be used for exploration purposes and for general operational expenses.