



INOMIN MINES INC.
(An Exploration Stage Company)
CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited – prepared by management)
DECEMBER 31, 2021
(Expressed in Canadian Dollars)

Reader's Note:

These unaudited condensed interim consolidated financial statements of Inomin Mines Inc. have been prepared by management and have not been reviewed by the Company's auditor

INOMIN MINES INC.**UNAUDITED CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

(Expressed in Canadian Dollars)

	December 31, 2021	March 31, 2021
ASSETS		
Current		
Cash	\$ 371,253	\$ 378,347
Receivables	-	1,561
Temporary investment (Notes 4)	130,000	77,500
	501,253	457,408
Security deposit on mineral properties (Note 4)	55,000	55,000
Exploration and evaluation assets (Note 4)	628,554	261,491
	\$ 1,184,807	\$ 773,899
LIABILITIES		
Current		
Accounts payable and accrued liabilities (Note 6)	\$ 14,392	\$ 43,515
Flow-through premium liability (Note 5)	15,102	-
	29,494	43,515
SHAREHOLDERS' EQUITY		
Share capital (Note 5)	2,079,611	1,707,040
Reserve	285,619	164,973
Deficit	(1,209,917)	(1,141,629)
	1,155,313	730,384
	\$ 1,184,807	\$ 773,899

Nature of operations and going concern (Note 1)**Subsequent event** (Note 8)**On behalf of the Board:**"Evilio Gomez-Garcia" Director"Anil Jiwani" Director

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

INOMIN MINES INC.**UNAUDITED CONDENSED INTERIM CONSOLIDATED STATEMENTS OF LOSS AND
COMPREHENSIVE LOSS**

(Expressed in Canadian Dollars, except number of shares)

	For the three months ended		For the nine months ended	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31 2020
EXPENSES				
Filing fees	\$ 416	\$ 5,156	\$ 14,989	\$ 17,395
Interest and bank charges	481	78	1,070	222
Investor communications	31,677	858	66,442	3,437
Management fees (Note 6)	28,500	18,000	64,500	54,000
Office costs	1,132	1,776	6,564	4,103
Professional fees	6,269	20,553	40,511	46,133
Share-based compensation (Note 5)	108,160	-	108,160	-
LOSS BEFORE OTHER ITEMS	176,635	46,421	302,236	125,290
Loss on temporary investment (Note 4)	12,500	-	12,500	898
Recovery in excess of cost	-	-	(190,000)	(81,663)
Recognition of flow through premium liability	(30,130)	-	(56,448)	-
LOSS AND COMPREHENSIVE LOSS FOR THE PERIOD	159,005	46,421	68,288	44,525
LOSS PER COMMON SHARE				
Basic and diluted	\$ 0.006	\$ 0.003	\$ 0.002	\$ 0.003
WEIGHTED AVERAGE COMMON SHARES OUTSTANDING				
Basic and diluted	28,506,264	16,728,784	26,229,724	16,728,784

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

INOMIN MINES INC.**UNAUDITED CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**
(Expressed in Canadian Dollars)

	Number of Shares	Share Capital	Reserve	Deficit	Total
Balance at March 31, 2020	16,584,264	\$ 1,134,329	\$ 137,184	\$ (1,045,403)	\$ 226,110
Shares issued for cash					
- share purchase Canada Metals Ltd	1,000,000	50,000	-	-	50,000
- exercise of warrants	250,000	25,000	-	-	25,000
- private placement	5,340,000	-	-	-	-
Loss and comprehensive loss for the period	-	-	-	(44,525)	(44,525)
Balance at December 31, 2020	23,174,264	\$ 1,209,329	\$ 137,184	\$ (1,089,928)	\$ 256,585
Balance at March 31, 2021	24,474,264	\$ 1,707,040	\$ 164,973	\$ (1,141,629)	\$ 730,384
Private placement					
- flow-through shares	2,862,000	286,200	-	-	286,200
- non-flow-through shares	1,170,000	117,000	-	-	117,000
Finders fees	-	(18,143)	-	-	(18,143)
Finders warrants	-	(12,486)	12,486	-	-
Share-based compensation	-	-	108,160	-	108,160
Loss and comprehensive loss for the period	-	-	-	(68,288)	(68,288)
Balance at December 31, 2021	28,506,264	\$ 2,079,611	\$ 285,619	\$ (1,209,917)	\$ 1,155,313

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

INOMIN MINES INC.**UNAUDITED CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS**

(Expressed in Canadian Dollars)

	For the nine months ended	
	December 31, 2021	December 31, 2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Net gain for the period	\$ (68,288)	\$ (44,525)
Items not involving cash:		
Recovery in excess of cost	(190,000)	(81,663)
Share based compensation	108,160	-
Loss on temporary investment	12,500	898
Flow-through premium recovery	(56,448)	-
Changes in non-cash working capital items:		
Receivables	1,561	(891)
Accounts payable and accrued liabilities	(29,123)	(5,189)
Net cash used in operating activities	(221,638)	(131,370)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of temporary investment	-	41,602
Exploration costs, net of recovery	(242,063)	84,775
Security deposits on mineral properties	-	(55,000)
Net cash (used in) provided by investing activities	(242,063)	71,377
CASH FLOWS FROM FINANCING ACTIVITIES		
Funds received on private placement, net of finders fees	456,607	400,500
Exercise of warrants	-	25,000
Share purchase-Canada Metals Ltd	-	50,000
Net cash provided by financing activities	456,607	475,500
CHANGE IN CASH FOR THE PERIOD	(7,094)	415,507
CASH AT THE BEGINNING OF THE PERIOD	378,347	18,831
CASH AT THE END OF THE PERIOD	\$ 371,253	\$ 434,338

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

INOMIN MINES INC.**NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

DECEMBER 31, 2021

Unaudited – Prepared by Management

(Expressed in Canadian Dollars)

1. NATURE OF OPERATIONS AND GOING CONCERN

Inomin Mines Inc. (the "Company" or "Inomin") was incorporated under the Business Corporations Act (British Columbia) on August 23, 2012 and is an exploration stage public company whose shares trade on the TSX Venture Exchange ("TSX-V") under the symbol "MINE". The Company's principal purpose is the identification, acquisition, and exploration and evaluation of mineral property interests. The Company's principal place of business is Suite 1130 – 400 Burrard Street, Vancouver, British Columbia, V6C 3A6, Canada.

These unaudited condensed interim consolidated financial statements are prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The Company is in the process of exploring and developing its mineral properties and has not yet determined whether those properties contain ore reserves that are economically recoverable. The recoverability of the amounts shown for exploration and evaluation assets is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain necessary financing to fund property commitments and to complete the exploration and development of the properties and upon achieving future profitable production or proceeds from the disposition thereof.

On March 11, 2020, the World Health Organization categorized COVID-19 as a pandemic. While the pandemic has not yet had a material impact on the Company, the potential economic effects within the Company's environment and in the global markets, possible disruption in supply chains, and measures being introduced at various levels of government to curtail the spread of the virus (such as travel restrictions, closures of non-essential municipal and private operations, imposition of quarantines and social distancing) could have a material impact on the Company's activities. The extent of the impact of this outbreak and related containment measures on the Company's activities cannot be reliably estimated at the date of approval of these unaudited condensed interim financial statements.

There is a material uncertainty related to these events and conditions that may cast significant doubt on the Company's ability to continue as a going concern.

The Company has financed its operations primarily through the issuance of common shares. The Company continues to seek capital through various means including the issuance of equity and/or debt. While the Company has been successful in securing financing in the past, there is no assurance that it will be able to do so in the future or on terms that are favourable to the Company. Accordingly, these financial statements do not give effect to adjustments, if any, that would be necessary should the Company be unable to continue as a going concern. If the going concern assumption was not used then the adjustments required to report the Company's assets and liabilities on a liquidation basis could be material to these unaudited condensed interim consolidated financial statements.

2. BASIS OF PRESENTATION***Statement of Compliance***

These interim condensed consolidated financial statements of the Company were prepared in accordance with International Financial Reporting Standards ("IFRS") applicable to the preparation of interim financial statements. The interim condensed consolidated financial statements should be read in conjunction with the annual financial statements for the year ended March 31, 2021, which were prepared in accordance with IFRS. The accounting policies adopted are consistent with those of the previous financial year

The Company's interim results are not necessarily indicative of its results for a full year.

These condensed interim consolidated financial statements were authorized for issue by the Board of Directors on February 24, 2022.

INOMIN MINES INC.**NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

DECEMBER 31, 2021

Unaudited – Prepared by management

(Expressed in Canadian Dollars)

Basis of Measurement

These unaudited condensed interim consolidated financial statements have been prepared on a historical cost basis, except for certain financial instruments that are measured at fair value. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting except for cash flow information.

These unaudited condensed interim consolidated financial statements are presented in Canadian dollars, unless otherwise noted, which is also the Company's functional currency.

Basis of consolidation

These unaudited condensed interim consolidated financial statements include the financial statements of the Company and its 100% controlled Mexican subsidiary, Minera Rio Dorado S.A. de C.V. The Company's subsidiary has been consolidated since the date of acquisition or incorporation. All intercompany transactions and balances have been eliminated.

Critical estimates and judgements

The preparation of these unaudited condensed interim consolidated financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ significantly from these estimates.

The significant judgments made by management in applying the Company's accounting policies and key sources of estimation uncertainty were the same as those applied to the annual audited consolidated financial statements for the year ended March 31, 2021.

3. FINANCIAL INSTRUMENTS AND RISKS**Classification of financial instruments**

The carrying values of accounts payable, accrued liabilities, and flow-through premium liability as at December 31, 2021 approximate their fair values due to their short term nature. The carrying value of security deposit on mineral properties approximates its fair value, as it is held in a deposit account with a financial institution at a market rate of interest.

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices included within level 1 that are observable for the asset or liability either directly or indirectly; and

Level 3 – Inputs that are not observable for the asset or liability.

As at December 31, 2021, the cash and fair value of the temporary investment were based on level 1 of the fair value hierarchy. The 1,000,000 shares of Maritime Resources Corp. (Note 4) were valued at the closing trading price of Maritime Resources Corp.'s common shares of \$0.13 per share for a total fair value of \$130,000.

The Company's cash is carried at fair value based on level 1 of the fair value hierarchy.

INOMIN MINES INC.**NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

DECEMBER 31, 2021

Unaudited – Prepared by management

(Expressed in Canadian Dollars)

Risk management

The Company has exposure to the following risks from its financial instruments: credit risk, market risk and liquidity risk. Management, the Board of Directors and the Audit Committee monitor risk management activities and review the adequacy of such activities.

Credit risk:

Credit risk is the risk of potential loss to the Company if a customer or counter party to a financial instrument fails to meet its contractual obligations. The Company's credit risk is limited to the carrying values of cash and security deposit on mineral properties shown on the consolidated statement of financial position. The cash and security deposit on mineral properties are held with high credit quality financial institutions, management considers the risk of loss on these financial instruments to be minimal.

Market risk:

Market risk is the risk that the fair values or future cash flows of a financial instrument will fluctuate due to changes in market prices. Market risk consists of currency risk, interest rate risk and other price risk. The Company is exposed to market risk with respect to fluctuations in the fair value of its temporary investment in marketable securities. The Company's exposure to market risk is limited to the carrying value of temporary investment.

Liquidity risk:

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they come due or can only do so at excessive cost. As at December 31, 2021, the Company had cash balance of \$371,253 (March 31, 2021 - \$378,347) and a temporary investment of \$130,000 (March 31, 2021 - \$77,500), to settle liabilities of \$29,494 (March 31, 2021 - \$43,515) which are subject to normal trade terms.

4. EXPLORATION AND EVALUATION ASSETS

Title to exploration and evaluation assets involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for uncertainty arising from the frequently ambiguous conveyancing history characteristic of many mineral claims. The Company has investigated title to all of its exploration and evaluation assets and, to the best of its knowledge, title to all of its interests are in good standing.

Beaver-Lynx Property

During the 2020 fiscal year, the Company acquired the Beaver and Lynx nickel-cobalt properties located in the Cariboo region of south-central British Columbia through staking.

The Company was issued Mines Act permits on the proposed program of mineral exploration on both the Beaver and Lynx properties by posting a reclamation security deposit amounting to \$55,000.

The Company subsequently acquired additional mineral claims to join the Beaver and Lynx properties into a single property (Beaver-Lynx). Mineral claims were also acquired in the Lynx area to cover a strong magnetic target.

La Gitana and Pena Blanca Properties

During the 2020 and 2021 fiscal years, the Company acquired a 100% interest in La Gitana and Pena Blanca properties in Oaxaca State, Mexico from Gunpoint Exploration Ltd. ("Gunpoint") for 1,000,000 common shares of Inomin, \$35,000 cash payment, and the grant of a 1.5% NSR payable to Gunpoint on the Pena Blanca property (with an option for Inomin to purchase 0.5% of the NSR at any time for \$1,000,000). La Gitana is subject to an existing 3% NSR to a third-party which will be assumed by the Company.

INOMIN MINES INC.

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2021

Unaudited – Prepared by management

(Expressed in Canadian Dollars)

Fleetwood Property

On March 28, 2018, the Company acquired 100% interest in the Fleetwood zinc-copper-silver-gold property located in the New Westminster mining division of south-western British Columbia for the aggregate consideration of \$37,000 comprising:

- \$10,000 cash payment:
- 200,000 of the Company's common shares (valued at \$27,000).

King's Point Property

On May 16, 2018, the Company entered into an agreement to option its 100% owned King's Point Property in Newfoundland to Maritime Resources Corp. ("Maritime").

Under the terms of the Option Agreement, Maritime has exercised its option effective September 15, 2021 and has earned a 100% interest in King's Point by spending \$600,000 in exploration, making cash payments of \$300,000 to the Company, and issuing 2,000,000 Maritime common shares to the Company, in accordance with the following schedule.

During the period ended December 31, 2021, the Company received its final cash instalment of \$125,000 and 500,000 common shares of Maritime. As at December 31, 2021, the Company held 1,000,000 common shares of Maritime. The Company disposed of 1,000,000 Maritime shares in previous fiscal year for total proceeds of \$41,602.

The common shares of Maritime are carried at the market value, based on publicly available information. As at December 31, 2021, the 1,000,000 Maritime shares were valued at the quoted value of \$130,000.

Balance, March 31, 2021	\$ 77,500
500,000 common shares received	65,000
Fair Value Adjustment	(12,500)
Balance, December 31, 2021	\$ 130,000

The Company holds a 1% NSR (Net Smelter Royalty) on King's Point, including mineral claims acquired by Maritime within 3 kilometres from the perimeter of the King's Point project.

INOMIN MINES INC.

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2021

Unaudited – Prepared by management

(Expressed in Canadian Dollars)

The table below details the expenditures incurred in each of the projects during the nine-month period ended December 31, 2021.

	Beaver-Lynx Property \$	La Gitana, Pena Blanca and other Mexican activities \$	Fleetwood Property \$	Total \$
Balance, March 31, 2021	49,566	174,925	37,000	261,491
Evaluation and community costs	-	21,721	1,314	23,035
Consulting expenses	-	37,235	-	37,235
Geophysics	24,850	-	-	24,850
Drilling	281,943	-	-	281,943
Balance, December 31, 2021	356,359	233,881	38,314	628,554

5. SHARE CAPITAL

(a) The authorized share capital of the Company consists of an unlimited number of common shares without par value.

(b) Issued and Outstanding – 28,506,264 as at December 31, 2021

Private Placement – Flow-Through and Non-Flow-Through Units.

During August and September 2021, the Company closed a private placement of securities for total gross proceeds of \$474,750 (the “Offering”). The Offering was comprised of a combination of non-flow-through units (the “NFT Units”) sold at a price of \$0.10 per NFT Unit and flow-through units (the “FT Units”) sold at a price of \$0.125 per FT Unit. Total 1,170,000 NFT Units and 2,862,000 FT Units were issued. Each NFT Unit was comprised of one non-flow-through common share and one-half (0.5) of one warrant. Each FT Unit was comprised of one flow-through common share and one-half (0.5) of one warrant. The warrants for all units are subject to the same terms, with each whole warrant entitling the holder thereof to purchase one non-flow-through common share for a period of 2 years from the date of issuance at an exercise price of \$0.15.

In connection with the Offering, the Company paid aggregate finders’ fees of \$18,143 and issued 144,900 finders’ warrants.

The premium received on the issuance of FT Units was recognized as a liability on the Company’s statement of financial position. As qualifying resource expenditures are incurred, this premium is amortized to profit or loss on a pro-rata basis. The continuity of flow-through premium liability was as follows:

Balance, March 31, 2021	\$	-
Flow-through premium liability recognized		71,550
Recognized to profit or loss upon incurring qualifying expenditures		(56,448)
Balance, December 31, 2021	\$	15,102

INOMIN MINES INC.

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2021

Unaudited – Prepared by management

(Expressed in Canadian Dollars)

c) Stock Options

The Board of Directors of the Company may from time to time, at its discretion, and in accordance with TSX-V requirements, grant to Directors, Officers, and technical consultants of the Company, non-transferable options to purchase common shares exercisable for a period of up to 5 years from the date of grant, provided that the number of common shares reserved for issuance will not exceed 10% of the then issued and outstanding common shares.

On October 5, 2021, the Company granted 1,300,000 stock options under the Company's stock option plan to officers, directors, and an advisor to the Company. The options are exercisable until October 5, 2026, at a price of \$0.10 per common share, and vested immediately. The company recognized \$108,160 as share-based compensation expense for the options granted during the nine months period ended December 31, 2021.

The following Black Scholes assumptions were used in the valuation of options granted during the nine months period ended December 31, 2021:

	Assumptions
Share price at grant date	\$0.09
Exercise price	\$0.10
Expected volatility	161%
Expected life	5 years
Expected dividends	Nil
Risk-free interest rate	1.10%

The following table summarizes the continuity of stock options:

	Number of options	Weighted average exercise price (\$)
Outstanding and exercisable, March 31, 2021	1,540,000	0.08
Granted	1,300,000	0.10
Outstanding and exercisable, December 31, 2021	2,840,000	\$ 0.09

As at December 31, 2021, the following stock options were outstanding and exercisable:

Expiry date	Number of options	Exercise price	Remaining contractual life (years)
April 18, 2022	540,000	\$ 0.10	0.30
June 28, 2023	400,000	\$ 0.10	1.49
June 21, 2024	300,000	\$ 0.05	2.47
October 9, 2024	300,000	\$ 0.05	2.78
October 1, 2026	1,300,000	\$ 0.10	4.76
	2,840,000		

d) Warrants

In connection with the Offering described above, the Company issued 144,900 finders' warrants valued at \$12,486. The fair value attributed to the finders' warrants was determined using the Black-Scholes valuation model using the following assumptions: Risk free interest rate of 0.45%, expected life of two years, and volatility rate of 173.00%. Each finders' warrant entitles the holder to purchase

INOMIN MINES INC.

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2021

Unaudited – Prepared by management

(Expressed in Canadian Dollars)

one-half of one common share of the Company at a price of \$0.15 per finders' warrant share for a period of 24 months to August 25, 2023.

The following table summarizes the continuity of the Company's warrants:

	Number of warrants	Weighted average exercise price
Outstanding and exercisable, March 31, 2021	7,220,125	0.10
Issued to finders	144,900	0.15
Granted with units Offering	2,016,000	0.15
Outstanding and exercisable December 31, 2021	9,381,025	\$ 0.11

As at December 31, 2021, the following warrants were outstanding and exercisable:

Expiry date	Number of warrants	Exercise price (\$)	Remaining contractual life (years)
January 30, 2022	6,953,459	0.10	0.08
December 31, 2022	266,666	0.08	1.00
August 25, 2023	1,798,900	0.15	1.65
September 24, 2023	362,000	0.15	1.73
	9,381,025		

6. RELATED PARTY TRANSACTIONS**Key Management Personnel**

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors and Corporate Officers.

Total key management personnel compensation was as follows:

	For the three months ended		For the nine months ended	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
Share-based compensation (a)	\$ 101,920	\$ -	\$ 101,920	\$ -
Management fees (b)	28,500	18,000	64,500	54,000
Total	\$ 130,420	\$ 18,000	\$ 166,420	\$ 54,000

- a) Share-based compensation represents the fair value of options granted to key management personnel.
- b) The Company provides compensation to its Chief Executive Officer ("CEO"), Chief Financial Officer ("CFO") and Corporate Secretary, or companies controlled by each of them, in the amount of monthly fees of \$5,000 for the CEO, \$2,500 for the CFO and \$2,000 for the Corporate Secretary. Prior to

INOMIN MINES INC.**NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

DECEMBER 31, 2021

Unaudited – Prepared by management

(Expressed in Canadian Dollars)

October 2021, management fees paid to the CEO, the CFO, and the Corporate Secretary were \$3,000, \$2,000, and \$1,000 per month, respectively.

The balance due to the Company's current Directors and Officers included in accounts payables and accrued liabilities was \$9,500 as at December 31, 2021 (March 31, 2021 – \$7,078). These amounts are unsecured, non-interest bearing and payable on demand.

7. CAPITAL MANAGEMENT

Capital is comprised of the Company's shareholders' equity. The Company's objectives when managing capital are to maintain financial strength and to protect its ability to meet its on-going liabilities, to continue as a going concern, to maintain creditworthiness and to maximize returns for shareholders over the long term. Protecting the ability to pay current and future liabilities includes maintaining capital above internally determined capital guidelines and calculated risk management levels.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, issue debt, acquire or dispose of assets. The way in which the Company manages capital has not changed for the nine-month period ended December 31, 2021.

The Company is not subject to any externally imposed capital requirements.

8. SUBSEQUENT EVENT

During January 2021, a total of 755,246 common shares were issued pursuant to exercise of warrants for total proceeds of \$75,525. A total of 6,198,213 warrants expired without being exercised.