

INOMIN MINES INC.
(formerly INOVENT CAPITAL INC.)
(an Exploration Stage Company)

CONDENSED INTERIM FINANCIAL STATEMENTS
(unaudited – prepared by management)

SIX MONTHS ENDED SEPTEMBER 30, 2017 AND SEPTEMBER 30, 2016
(Expressed in Canadian Dollars)

INOMIN MINES INC.
(formerly INOVENT CAPITAL INC.)

NOTICE OF NO AUDITOR REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS

The accompanying unaudited condensed interim financial statements of Inomin Mines Inc. (formerly Inovent Capital Inc.) (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 Professional Accountants for a review of interim financial statements by a Company's auditor.

Vancouver, Canada

November 17, 2017

INOMIN MINES INC.
(formerly INOVENT CAPITAL INC.)
(An Exploration Stage Company)

Unaudited Condensed Interim Statement of Financial Position
(Expressed in Canadian Dollars)

	September 30, 2017	March 31, 2017
ASSETS		
Current		
Cash and term deposit	\$ 313,889	\$ 436,205
Temporary Investment (Note 10(b))	-	22,500
Goods and services tax receivable	2,262	-
	316,151	458,705
Exploration and evaluation assets (Note 6)	224,062	220,562
	\$ 540,213	\$ 679,267
LIABILITIES		
Current		
Accounts payable and accrued liabilities (Note 11)	\$ 62,740	\$ 119,359
SHAREHOLDERS' EQUITY		
Share capital (Note 7)	1,013,846	1,013,846
Reserve (Note 7)	85,448	52,459
Deficit	(621,821)	(506,397)
	477,473	559,908
	\$ 540,213	\$ 679,267

Nature of operations and going concern (Note 1)
Significant events (Note 10)

Approved by the Board

Signed: "Evilio Gomez-Garcia"

Director

Signed: "George Pietrobon"

Director

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

INOMIN MINES INC.
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Unaudited Condensed Interim Statement of Loss and Comprehensive Loss
(Expressed in Canadian Dollars)

	For the three months ended		For the six months ended	
	September 30, 2016	September 30, 2017	September 30, 2016	September 30, 2017
EXPENSES				
Filing fees	\$ 639	\$ 4,565	\$ 5,071	\$ 9,836
Interest and bank charges	76	46	91	121
Professional fees	5,577	1,624	9,902	4,998
Listing fees	-	1,065	-	1,065
Office	1,243	121	1,243	522
Investor communications	806	-	806	2,393
Technical report	15,718	-	15,718	-
Property evaluation	-	5,000	-	5,000
Management fees (Note 8(ii))	-	18,000	-	36,000
Share-based compensation (Note 7(b)(ii))	-	-	-	32,989
	24,059	30,421	32,831	92,924
Loss from transaction (Note 10(b))	-	22,500	-	22,500
LOSS AND COMPREHENSIVE LOSS FOR THE PERIOD	(24,059)	(52,921)	(32,831)	(115,424)
DEFICIT AT BEGINNING OF PERIOD	(393,638)	(568,900)	(384,866)	(506,397)
DEFICIT AT END OF PERIOD	\$ (417,697)	\$ (621,821)	\$ (417,697)	\$ (621,821)
LOSS PER COMMON SHARE				
Basic and diluted	\$ (0.005)	\$ (0.005)	\$ (0.007)	\$ (0.010)
WEIGHTED AVERAGE COMMON SHARES OUTSTANDING				
Basic and diluted	4,864,800	11,565,596	4,864,800	11,565,596

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

INOMIN MINES INC.
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Unaudited Condensed Interim Statement of Changes in Shareholders' Equity
(Expressed in Canadian Dollars)

	Number Of Shares	Share Capital	Reserve	Deficit	Total
Balance at March 31, 2016	4,864,800	\$ 275,046	\$ 49,420	\$ (384,866)	\$ (60,400)
Shares issued for cash	-	-	-	-	-
Loss and comprehensive loss for the period	-	-	-	(32,831)	(32,831)
Balance at September 30, 2016	4,864,800	\$ 275,046	\$ 49,420	\$ (417,697)	\$ (93,231)
Property acquisition	2,750,000	192,500	-	-	192,500
Private placement	7,903,459	553,242	-	-	553,242
Share issue costs – cash	-	(3,903)	-	-	(3,903)
Share issue costs – warrants	-	(3,039)	3,039	-	-
Loss and comprehensive loss for the period	-	-	-	(88,700)	(88,700)
Balance at March 31, 2017	15,518,259	\$ 1,013,846	\$ 52,459	\$ (506,397)	\$ 559,908
Shares issued for cash	-	-	-	-	-
Share-based compensation	-	-	32,989	-	32,989
Loss and comprehensive loss for the period	-	-	-	(115,424)	(115,424)
Balance at September 30, 2017	15,518,259	\$ 1,013,846	\$ 85,448	\$ (621,821)	\$ 477,473

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

INOMIN MINES INC.
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Unaudited Condensed Interim Statement of Cash Flows
(Expressed in Canadian Dollars)

	For the six months ended	
	September 30, 2017	September 30, 2016
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss and comprehensive loss for the period	\$ (115,424)	\$ (32,831)
Items not affecting cash		
Share-based compensation	32,989	-
Loss from transaction	22,500	-
Changes in non-cash working capital items:		
Increase (decrease) in accounts payable and accrued liabilities	(56,619)	12,697
Increase in goods and services tax receivable	(2,262)	-
Net cash used in operating activities	(118,816)	(20,134)
CASH FLOWS FROM INVESTING ACTIVITIES		
Exploration costs	(3,500)	-
Net cash used in investing activities	(3,500)	-
CASH FLOWS FROM FINANCING ACTIVITIES		
Net cash provided by financing activities	-	-
CHANGE IN CASH FOR THE PERIOD	(122,316)	(20,134)
CASH AND TERM DEPOSIT AT BEGINNING OF PERIOD	436,205	79,478
CASH AND TERM DEPOSIT AT END OF PERIOD	\$ 313,889	\$ 59,344

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

Notes to Financial Statements
For the Six Month Period Ended September 30, 2017 and 2016

1. NATURE OF OPERATIONS

Inomin Mines Inc. (formerly Inovent Capital Inc.) (the "Company") was incorporated under the Business Corporations Act (British Columbia) on August 23, 2012. The Company's principal purpose is the identification, evaluation and acquisition of assets, properties or businesses or participation therein.

At the date of these unaudited condensed interim financial statements, the Company has not been able to identify a known body of commercial grade ore on its exploration and evaluation asset. The ability of the Company to realize the costs it has incurred to date on these exploration and evaluation assets is dependent upon the Company being able to identify a commercial ore body, to finance its exploration costs and to resolve any environmental, regulatory or other constraints which may hinder the successful development of the exploration and evaluation asset. To date, the Company has not earned revenues and is considered to be in the exploration stage.

These unaudited condensed interim financial statements have been prepared assuming the Company will continue on a going-concern basis. The Company has incurred losses since inception and the ability of the Company to continue as a going-concern depends upon its ability to develop profitable operations and to continue to raise adequate financing. Management is actively targeting sources of additional financing through business and financial transactions which would assure continuation of the Company's operations and exploration programs. In order for the Company to meet its liabilities as they come due and to continue its operations, the Company is solely dependent upon its ability to generate such financing. The Company is pursuing such additional sources of financing estimated to be required to sufficiently support its operations until such time that its operations become self-sustaining. These material uncertainties may cast significant doubt on the Company's ability to continue as a going concern.

The Company's registered office is Suite 1800 - 510 West Georgia Street, Vancouver, British Columbia, Canada.

2. BASIS OF PRESENTATION

Statement of Compliance

These unaudited condensed interim financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and Interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

This interim financial report does not include all of the information required of a full annual financial report and is intended to provide users with an update in relation to events and transactions that are significant to an understanding of the changes in financial position and performance of the Company since the end of the last annual reporting period. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Company for the year ended March 31, 2017.

The accounting policies applied in preparation of these unaudited condensed interim financial statements are consistent with those applied and disclosed in the Company's audited financial statements for the year ended March 31, 2017.

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

Notes to Financial Statements
For the Six Month Period Ended September 30, 2017 and 2016

2. BASIS OF PRESENTATION (cont'd)

Basis of Measurement

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

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

Critical estimates and judgements

The preparation of these unaudited condensed interim 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.

Critical judgements

Significant judgements made by management affecting the unaudited condensed interim financial statements include:

Going concern

The preparation of these unaudited condensed interim financial statements requires management to make judgements regarding the ability of the Company to continue as a going concern as previously discussed in Note 1.

Recovery of deferred tax assets

Judgement is required in determining whether deferred tax assets are recognized in the statement of financial position. Deferred tax assets, including those arising from unutilized tax losses, require management to assess the likelihood that the Company will generate taxable earnings in future periods, in order to utilize recognized deferred tax assets.

Exploration and evaluation assets

The application of the Company's accounting policy for exploration and evaluation expenditures requires judgement in determining whether it is likely that future economic benefits will flow to the Company, which may be based on assumptions about future events or circumstances. Estimates and assumptions made may change if new information becomes available. If, after expenditures are capitalized, information becomes available suggesting that the recovery of expenditures is unlikely, the amount capitalized is written off in the profit or loss in the period the new information becomes available.

Notes to Financial Statements
For the Six Month Period Ended September 30, 2017 and 2016

2. BASIS OF PRESENTATION (cont'd)

Key sources of estimation uncertainty

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.

Significant estimates made by management affecting the financial statements include:

Share-based payments and share issue costs

Estimating fair value for granted stock options and warrants requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model, including the expected life of the option or warrant, volatility, dividend yield, and rate of forfeitures and making assumptions about them.

3. SIGNIFICANT ACCOUNTING POLICIES

Refer to the audited financial statements for the year ended March 31, 2017 for a summary of significant accounting policies.

4. RECENT ACCOUNTING PRONOUNCEMENTS

The following are new and revised accounting pronouncements that have been issued but are not yet effective and which are expected to be applicable to the Company. The Company has not early adopted any of these standards and is currently evaluating the impact, if any, that these standards might have on its financial statements:

IFRS 9 Financial Instruments (effective for years beginning on or after January 1, 2018)

In November 2009, the IASB issued, and subsequently revised in October 2010, IFRS 9 - Financial Instruments as a first phase in its ongoing project to replace IAS 39.

IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. The standard also adds guidance on the classification and measurement of financial liabilities.

Notes to Financial Statements
For the Six Month Period Ended September 30, 2017 and 2016

5. FINANCIAL INSTRUMENTS AND RISKS

Classification of financial instruments

The Company's financial instruments consist of cash and term deposit, goods and services tax receivable and accounts payable and accrued liabilities. The Company designated its cash as loans and receivables, which are measured at amortized cost. The Company's temporary investment is classified as fair value through profit and loss. The accounts payable and accrued liabilities are designated as other financial liabilities, which are measured at amortized cost.

The carrying values of cash and term deposit, goods and services tax receivable and accounts payable and accrued liabilities as at September 30, 2017 approximate their fair value due to their short term nature.

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;

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

Risk management

The Company has exposure to the following risks from its use of 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 value of its financial instruments shown on the statement of financial position and arises from the Company's cash, which is held with high credit quality financial institutions.

Market risk:

Market risk is the risk that fair value of 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 not exposed to any significant market risk.

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 at excessive cost. As at September 30, 2017, the Company has cash and term deposit of \$313,889 to settle liabilities of \$62,740 which are subject to normal trade terms. The Company has sufficient working capital to meet its ongoing financial obligations for the coming year.

Notes to Financial Statements
For the Six Month Period Ended September 30, 2017 and 2016

6. 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 problems 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.

Acquisition of King's Point Property

On August 12, 2016, Inomin Mines Inc. signed a definitive agreement to acquire 100% of the King's Point Property in the Green Bay area of Newfoundland (the "Property") for a one-time payment of 2,750,000 escrowed common shares of Inomin at \$0.07 per share and a 2.5% NSR in favour of the vendor, of which 1.5% of the NSR is purchasable by Inomin for \$1 million.

Comprising 129 claims covering 3,225 hectares within two separate blocks, the Property hosts numerous priority mesothermal gold and "Buchans Type" VMS exploration targets in an established precious and base metal mineral belt.

The acquisition of the King's Point Property received final Exchange acceptance and closed effective January 20, 2017. On January 31, 2017 the Company also entered into an Operator Agreement with the vendor to operate exploration and mining programs under the Company's direction and at its discretion on the King's Point Property for a period of 2 years. Pursuant to the Operator Agreement, the Company will pay a management fee to the operator equal to 10% of all exploration expenditures defined under the terms of the agreement except for contracts in excess of \$100,000, for which a management fee of 5% will be paid.

Balance, June 30, 2016	\$	-
Acquisition costs (Note 7(b))		192,500
Exploration costs – to March 31, 2017		28,062
Balance, March 31, 2017		220,562
Exploration costs – April 1 to June 30, 2017		1,500
– July 1 to September 30, 2017		2,000
Balance, September 30, 2017	\$	224,062

Notes to Financial Statements
For the Six Month Period Ended September 30, 2017 and 2016

7. 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

During the three month period ended September 30, 2016, the Company acquired the King's Point Property by issuing 2,750,000 escrowed common shares at \$0.07 per share (See Note 6).

During the twelve month period ended September 30, 2017

- (i) *Private Placement Financing*

On January 20, 2017, in accordance with the policies of the TSX Venture Exchange (the "Exchange"), the Company arranged a Non-brokered Private Placement Financing consisting of 7,903,459 Units of the Company at a price of \$0.07 per unit, for gross proceeds of \$553,242 (the "Financing"). The Financing closed concurrent with and to provide funding for the Company's acquisition of a 100% interest in the King's Point property in Newfoundland (the "Property"), which constituted the Company's Qualifying Transaction ("QT") under the rules of the Exchange respecting Capital Pool Companies.

Each Unit of the financing consists of one common share and one non-transferable warrant. Each warrant entitles the holder to purchase one additional share at a price of \$0.10 for a period of 2 years ending January 30, 2019. Finder's fees paid under the financing consist of \$3,903 in cash and the issuance of 55,760 warrants exercisable at \$0.10 for two years, which were valued at \$3,039 using the Black-Sholes model.

- (ii) *Share-Based Compensation*

During the three month period ended June 30, 2017, the Company granted 700,000 stock options to Directors and Officers of the Company. Each option entitles the holder to acquire one common share at an exercise price of \$0.10 per common share for a period of 5 years, expiring on April 18, 2022. Total compensation was valued at \$32,989 using the Black Scholes model.

- (iii) *Escrow Shares*

Total shares held in escrow as at September 30, 2017 are 3,787,500 shares (September 30, 2016 – 5,050,000). Escrow shares are to be released as follows:

- 10% with completion of the Company's QT on January 20, 2017 (completed); and
- 15% on each of the 6th, 12th, 18th, 24th, 30th and 36th months following the closing date of the QT.

Notes to Financial Statements
For the Six Month Period Ended September 30, 2017 and 2016

7. SHARE CAPITAL (cont'd)

(c) Stock Options

The Board of Directors of the Company may from time to time, in its discretion, and in accordance with the Exchange 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 issued and outstanding common shares.

- (i) In connection with the IPO, the Company granted 480,000 options to certain directors and officers of the Company. Each option entitles the holder to acquire one common share at an exercise price of \$0.10 per common share for a period of 5 years, expiring December 18, 2018.

The following table summarizes the continuity of these stock options:

	Number of options	Weighted average exercise price	Remaining contractual life (years)
Outstanding and exercisable, September 30, 2016	480,000	\$ 0.10	2.22
Cancelled (See note 10(c))	-	-	-
Outstanding and exercisable, September 30, 2017	480,000	\$ 0.10	1.22

- (ii) In connection with the share-based compensation, as described in (b)(ii) the Company granted 700,000 options to Directors and Officers of Company, expiring on April 18, 2022.

The following table summarizes the continuity of these stock options:

	Number of options	Weighted average exercise price	Remaining contractual life (years)
Outstanding and exercisable, September 30, 2016	-	-	-
Issued – April 18, 2017	700,000	\$ 0.10	5.00
Cancelled (See note 10(c))	-	-	-
Outstanding and exercisable, September 30, 2017	700,000	\$ 0.10	4.55

(d) Warrants

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

	Number of warrants	Weighted average exercise price	Remaining contractual life (years)
Outstanding and exercisable, September 30, 2016	-	\$ -	-
Issued – January 30, 2017	7,959,219	0.10	2.00
Outstanding and exercisable, September 30, 2017	7,959,219	\$ 0.10	1.31

Notes to Financial Statements
For the Six Month Period Ended September 30, 2017 and 2016

7. SHARE CAPITAL (cont'd)

(e) Reserve

The reserve of \$85,448 comprises the grant date fair value of options initially issued to Directors of \$35,915 when company started, the grant date fair value issued in this quarter to Directors as share based compensation of \$32,989, the grant date fair value of options issued to agents of \$13,505, and the grant date fair value of warrants issued as finders' fees of \$3,039.

8. 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.

There were no related party transactions during the six month period ended September 30, 2016.

During the six month period ended September 30, 2017

- (i) Share-based compensation described in Note 7(b)(ii) of \$32,989.
- (ii) The Company provides compensation to its Chief Executive Officer, Chief Financial Officer and Secretary, or companies controlled by each of them, monthly fees of \$3,000 for the CEO, \$2,000 for the CFO and \$1,000 for the Corporate Secretary commencing April 1, 2017.

9. CAPITAL MANAGEMENT

Capital is comprised of the Company's shareholders' equity and any debt that it may issue. 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 or adjust the amount of cash.

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

Notes to Financial Statements
For the Six Month Period Ended September 30, 2017 and 2016

10. SIGNIFICANT EVENTS

(a) Change of Name and Trading

The Company changed its name to Inomin Mines Inc. and its trading symbol to MINE to reflect the change in the Company's business as a result of completion of its Qualifying Transaction.

The Company recommenced trading at the open on February 2, 2017 under its new name and new trading symbol, and is no longer considered a Capital Pool Company.

(b) Settlement of Litigation

On September 30, 2015, the Company and Jetlines completed their litigation settlement agreement whereby Jetlines settled the refundable deposit in full by paying the Company \$105,000 and issuing 300,000 warrants entitling the Company to purchase 300,000 Jetlines common shares at price of \$0.333 per share for a period of two years ending September 30, 2017. As at March 31, 2017, the warrants were assessed a fair value of \$22,500. As the value of the Jetlines shares did not exceed \$0.33 per share, the warrants expired unexercised on September 30, 2017.

(c) Director Resignation

On August 2, 2017, Mr. David Brett resigned as Director of Company due to demands of his other work commitments.

The options granted to him in connection with the IPO to purchase 96,000 common shares at \$0.10 per share as well as those granted to him under the Incentive Share Option Plan of Company to purchase 80,000 common shares at \$0.10 per share were cancelled on October 31, 2017.

11. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities comprise the following:

	September 30, 2017	March 31, 2017
Legal counsel	\$ 42,877	\$ 106,676
Management fees	6,250	-
Audit	10,000	10,000
Others	3,613	2,683
	<u>\$ 62,740</u>	<u>\$ 119,359</u>