
SOKOMAN MINERALS CORP.
CONDENSED INTERIM CONSOLIDATED FINANCIAL
STATEMENTS
THREE MONTHS ENDED SEPTEMBER 30, 2021
(EXPRESSED IN CANADIAN DOLLARS)
(UNAUDITED)

Notice To Reader

The accompanying unaudited condensed interim consolidated financial statements of Sokoman Minerals Corp. ("Sokoman" or the "Company") have been prepared by and are the responsibility of management. The unaudited condensed interim consolidated financial statements have not been reviewed by the Company's auditors.

Sokoman Minerals Corp.

Condensed Interim Consolidated Statements of Financial Position

(Expressed in Canadian Dollars)

Unaudited

	As at September 30, 2021	As at June 30, 2021
ASSETS		
Current assets		
Cash and cash equivalents	\$ 13,017,473	\$ 15,395,505
Amounts receivable (note 3)	356,360	186,029
Prepaid expenses (note 3)	103,861	54,728
Security deposit (note 3)	800	400
Marketable securities (note 4)	238,375	291,500
Total current assets	13,716,869	15,928,162
Non-current assets		
Property and equipment (note 5)	169,805	182,284
Exploration and evaluation assets (note 6)	1,000,799	891,622
Total assets	\$ 14,887,473	\$ 17,002,068
EQUITY AND LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities (note 9)	\$ 1,180,909	\$ 646,151
Total liabilities	1,180,909	646,151
Equity		
Share capital (note 8)	31,989,297	31,867,413
Warrants (note 8)	1,012,988	1,014,984
Contributed surplus	5,398,974	4,960,785
Deficit	(24,694,695)	(21,487,265)
Total equity	13,706,564	16,355,917
Total equity and liabilities	\$ 14,887,473	\$ 17,002,068

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

Nature of operations and going concern (note 1)
Commitments (note 10)

Sokoman Minerals Corp.

Condensed Interim Consolidated Statements of Loss and Comprehensive Loss

(Expressed in Canadian Dollars)

Unaudited

	Three Months Ended September 30, 2021	Three Months Ended September 30, 2020
Expenses		
Mineral exploration expenses (notes 7 and 9)	\$ 2,548,040	\$ 345,972
Office and general	35,283	7,941
Filing fees	7,888	8,823
Business development and promotion (note 9)	86,318	54,307
Management fees (note 9)	9,000	7,200
Professional fees (note 9)	18,616	20,364
Salaries and benefits (note 9)	12,778	17,500
Share-based payments (note 9)	438,189	979
Amortization (note 5)	244	92
Net loss before other items	(3,156,356)	(463,178)
Other items		
Interest income	2,051	4,817
Unrealized loss on marketable securities (note 4)	(53,125)	-
	(51,074)	4,817
Net loss before taxes	(3,207,430)	(458,361)
Flow through share premium renunciation	-	14,300
Net and comprehensive loss for the period	\$ (3,207,430)	\$ (444,061)
Basic and diluted net loss per share	\$ (0.02)	\$ (0.00)
Weighted average number of common shares outstanding	199,602,785	123,152,802

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

Sokoman Minerals Corp.
Condensed Interim Consolidated Statements of Cash Flows
(Expressed in Canadian Dollars)
Unaudited

	Three Months Ended September 30, 2021	Three Months Ended September 30, 2020
Operating activities		
Net loss for the period	\$ (3,207,430)	\$ (444,061)
Adjustments for:		
Amortization	244	92
Amortization in exploration expenses	12,235	6,942
Share-based compensation	438,189	979
Shares issued for non-cash considerations	116,000	-
Flow through share premium renunciation	-	(14,300)
Unrealized loss on marketable securities	53,125	-
Changes in non-cash working capital items:		
Amounts receivable	(170,331)	39,305
Prepaid expenses	(49,133)	6,486
Security deposit	(400)	-
Accounts payable and accrued liabilities	534,758	65,265
Net cash used in operating activities	(2,272,743)	(339,292)
Investing activities		
Exploration and evaluation assets expenditures	(109,177)	-
Purchase of property and equipment	-	(78,323)
Net cash used in investing activities	(109,177)	(78,323)
Financing activities		
Warrants exercised	3,888	70,000
Net cash provided by financing activities	3,888	70,000
Net change in cash and cash equivalents	(2,378,032)	(347,615)
Cash and cash equivalents, beginning of period	15,395,505	2,706,173
Cash and cash equivalents, end of period	\$ 13,017,473	\$ 2,358,558

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

Sokoman Minerals Corp.

Condensed Interim Consolidated Statements of Changes in Equity

(Expressed in Canadian Dollars)

Unaudited

	Share capital					Total
	Number of shares	Share capital	Warrants	Contributed surplus	Deficit	
Balance, June 30, 2020	122,228,889	\$ 14,576,162	\$ 1,929,927	\$ 4,619,716	\$ (17,712,865)	\$ 3,412,940
Warrants exercised	1,000,000	86,962	(16,962)	-	-	70,000
Share-based payments	-	-	-	979	-	979
Net loss and comprehensive loss for the period	-	-	-	-	(444,061)	(444,061)
Balance, September 30, 2020	123,228,889	\$ 14,663,124	\$ 1,912,965	\$ 4,620,695	\$ (18,156,926)	\$ 3,039,858
Balance, June 30, 2021	199,426,397	\$ 31,867,413	\$ 1,014,984	\$ 4,960,785	\$ (21,487,265)	\$ 16,355,917
Warrants exercised	19,440	5,884	(1,996)	-	-	3,888
Shares issued to acquire exploration properties	200,000	116,000	-	-	-	116,000
Share-based payments	-	-	-	438,189	-	438,189
Net loss and comprehensive loss for the period	-	-	-	-	(3,207,430)	(3,207,430)
Balance, September 30, 2021	199,645,837	\$ 31,989,297	\$ 1,012,988	\$ 5,398,974	\$ (24,694,695)	\$ 13,706,564

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

Sokoman Minerals Corp.

Notes to Condensed Interim Consolidated Financial Statements

Three Months Ended September 30, 2021

(Expressed in Canadian Dollars)

Unaudited

1. Nature of operations and going concern

Sokoman Minerals Corp. ("Sokoman" or "Company") is a public company listed on the TSX Venture Exchange (TSXV-SIC) and operating under the laws of the Province of British Columbia. The Company is an exploration-stage company that is in the process of exploring its mineral properties located in Canada and has not yet determined whether these properties contain reserves that are economically recoverable. The Company's registered office is 82 Richmond Street East, Toronto, Ontario M5C 1P1.

These unaudited condensed interim consolidated financial statements have been prepared using International Financial Reporting Standards ("IFRS") applicable to a going concern which assumes continuity of operations and realization of assets and settlement of liabilities in the normal course of business for the foreseeable future, which is at least, but not limited to, one year from September 30, 2021. At September 30, 2021, the Company has an accumulated deficit of \$24,694,695 (June 30, 2021 - deficit of \$21,487,265) and has working capital of \$12,535,960 (June 30, 2021 - \$15,282,011). The Company's ability to continue as a going concern is dependent upon its ability to generate sufficient funds and continue to obtain sufficient capital from investors to meet its current and future obligations. The Company is subject to risks and challenges similar to other exploration stage companies. As a result of these risks, a material uncertainty exists that casts significant doubt as to the appropriateness of the going concern assumption. There is no assurance that the Company's funding initiatives will continue to be successful and these unaudited condensed interim consolidated financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and consolidated statements of financial position classifications that would be necessary if the going concern assumption was inappropriate. These adjustments could be material. The Company will have to raise additional funds to advance its exploration and development efforts and, while it has been successful in doing so in the past, there can be no assurance that it will be able to do so in the future.

In March 2020, the COVID-19 outbreak was declared a global pandemic by the World Health Organization. The situation is dynamic and the ultimate duration and magnitude of the impact on the economy, capital markets and the Company's financial position cannot be reasonably estimated at this time. The Company is monitoring developments and will adapt its business plans accordingly. The actual and threatened spread of COVID-19 globally could adversely impact the Company's ability to carry out its plans and raise capital.

2. Summary of significant accounting policies

Statement of compliance

These unaudited condensed interim consolidated financial statements have been prepared in accordance with IFRS as issued by the International Accounting Standards Board ("IASB") applicable to the preparation of interim financial statements, including IAS 34 - Interim Financial Reporting. The accounting policies followed in these unaudited condensed interim consolidated financial statements are the same as those applied in the audited annual financial statements of the Company for the year ended June 30, 2021.

The policies applied in these unaudited condensed interim consolidated financial statements are based on IFRS issued and outstanding as of November 24, 2021, the date the Audit Committee approved the statements.

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities and disclosures of contingent assets and contingent 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 those estimates. Significant accounts that require estimates as the basis for determining the stated amounts include exploration and evaluation assets, share-based payments, allocation of financing proceeds, and income taxes. Differences may be material.

The Company operates in one segment defined as the cash generating unit ("CGU") which is North America. These financial statements were authorized for issue by the Board of Directors on November 24, 2021.

Sokoman Minerals Corp.

Notes to Condensed Interim Consolidated Financial Statements

Three Months Ended September 30, 2021

(Expressed in Canadian Dollars)

Unaudited

3. Amounts receivable, prepaid expenses and security deposit

	As at September 30, 2021	As at June 30, 2021
Prepaid expenses	\$ 104,261	\$ 54,728
Security deposit	400	400
HST receivable	356,360	186,029
	\$ 461,021	\$ 241,157

4. Marketable securities

All of the marketable securities held by the Company were acquired through current and prior year's property option and sales transactions with the below listed companies. As at September 30, 2021, the following securities were included in marketable securities:

	Number of shares	Acquisition cost	Fair value adjustment	Fair value
White Metal Resources Corp. (i)	1,750,000	\$ 102,500	\$ 28,750	\$ 131,250
Newfoundland Fluorspar Exploration Ltd. (ii)	1,000,000	-	-	-
Puddle Pond Resources Inc. (ii)	150,000	-	-	-
Trans Canada Gold Corp. (iii)	225,000	48,375	(22,500)	25,875
Canterra Minerals Corp. (iv)	250,000	60,000	21,250	81,250
		\$ 210,875	\$ 27,500	\$ 238,375

(i) The Company received a total of 1,750,000 shares as option payments valued at \$102,500 at the time of receipt for its Startrek property (see note 6).

(ii) See note 6.

(iii) The Company received 225,000 shares as an option payment valued at \$48,375 at the time of receipt for its Crippleback property (see note 6).

(iv) The Company received 250,000 shares as an option payment valued at \$60,000 at the time of receipt for its East Alder property (see note 6).

Sokoman Minerals Corp.

Notes to Condensed Interim Consolidated Financial Statements

Three Months Ended September 30, 2021

(Expressed in Canadian Dollars)

Unaudited

5. Property and equipment

Cost	Office equipment	Trucks	Prospecting equipment	Total
Balance, June 30, 2020	\$ 9,049	\$ 21,494	\$ 32,968	\$ 63,511
Additions	3,600	154,955	45,512	204,067
Balance, June 30, 2021 and September 30, 2021	\$ 12,649	\$ 176,449	\$ 78,480	\$ 267,578

Accumulated Amortization	Office equipment	Trucks	Prospecting equipment	Total
Balance, June 30, 2020	\$ 7,212	\$ 8,795	\$ 30,674	\$ 46,681
Depreciation for the year	548	33,055	5,010	38,613
Balance, June 30, 2021	7,760	41,850	35,684	85,294
Depreciation for the period	244	10,095	2,140	12,479
Balance, September 30, 2021	\$ 8,004	\$ 51,945	\$ 37,824	\$ 97,773

Carrying value	Office equipment	Trucks	Prospecting equipment	Total
Balance, June 30, 2021	\$ 4,889	\$ 134,599	\$ 42,796	\$ 182,284
Balance, September 30, 2021	\$ 4,645	\$ 124,504	\$ 40,656	\$ 169,805

6. Exploration and evaluation assets

	June 30, 2020	Additions (Disposals)	June 30, 2021	Additions (Disposals)	September 30, 2021
Moosehead	\$ 368,689	\$ -	\$ 368,689	\$ -	\$ 368,689
Crippleback	92,900	(48,375)	44,525	(9,000)	35,525
East Alder	166,500	(60,000)	106,500	-	106,500
Unity Resource	82,500	-	82,500	-	82,500
Burin Property	1	-	1	-	1
Lamaline	1	-	1	-	1
Iron Horse	1	-	1	-	1
Fleur de Lys	-	139,600	139,600	70,000	209,600
Benton Joint Venture	-	149,805	149,805	48,177	197,982
Total	\$ 710,592	\$ 181,030	\$ 891,622	\$ 109,177	\$ 1,000,799

Sokoman Minerals Corp.

Notes to Condensed Interim Consolidated Financial Statements

Three Months Ended September 30, 2021

(Expressed in Canadian Dollars)

Unaudited

6. Exploration and evaluation assets (continued)

Moosehead

The Company acquired 100% of the property during the year ended June 30, 2018. The Company issued 7,754,371 common shares and issued 1,428,571 share purchase warrants. The purchase warrants have a strike price of \$0.05 per share and expire in three years, March 17, 2021. The property is subject to a 0.5% NSR royalty. The Company had a requirement to incur \$500,000 in exploration expenditures on the property, which was incurred during the year ended June 30, 2019. Hence this spending requirement has been met.

Central Newfoundland Gold Project

During the year ended June 30, 2017, the Company acquired, through a combination of staking and option, the central Newfoundland Gold Project which consists of three separate properties: 1. Crippleback Lake; 2. Princess Lake; and, 3. East Alder properties in central Newfoundland.

Crippleback Lake

The property was acquired during the year ended June 30, 2017. To obtain a 100% interest, the Company is committed to the following payments: total cash of \$34,500 (paid) and, share payments totaling 600,000 (issued) over a three-year option agreement. The vendors will retain a 2% NSR with a buyback of 1% for \$1 million, as well as, a 1% NSR on Sokoman's contiguous claims with a \$500,000 cash buyback of 0.5%. The vendors will also receive 10% of the value of any third party transaction Sokoman completes on the property, as well as first consideration for any eligible field work.

In June 2021, the Company entered into an option agreement with Trans Canada Gold Corp ("Trans Canada"), whereby Trans Canada can earn a 100% interest in the Crippleback property, subject to a 1% NSR, by issuing a total of 1,250,000 shares of Trans Canada (225,000 shares received) to the Company as well as cash and work commitments totaling \$600,000 over a 4-year period.

Princess Lake

The property was acquired during the year ended June 30, 2017. To obtain a 100% interest, the Company is committed to total share payments of 1.2 million shares, payable in three tranches of 400,000, as follows: on signing (issued) and 400,000 on each of the first (issued) and second anniversary dates of the agreement. The vendors retain a 2% NSR with a buyback of 1% for \$1 million. The property has been returned to the vendors.

Sokoman Minerals Corp.

Notes to Condensed Interim Consolidated Financial Statements

Three Months Ended September 30, 2021

(Expressed in Canadian Dollars)

Unaudited

6. Exploration and evaluation assets (continued)

Central Newfoundland Gold Project (continued)

East Alder

The property was acquired during the year ended June 30, 2017 and consists of two licenses and two separate agreements with:

a) Benton Resources Inc.

To obtain a 100% interest in this property, the Company is committed to the following payments:

- (i) 1 million common shares, due on signing of the agreement (issued);
- (ii) \$1,500 in cash, due on signing of the agreement (paid);
- (iii) 500,000 common shares, due on first anniversary of agreement date (issued);
- (iv) 500,000 common shares, due on second anniversary of agreement date (issued);

Sokoman is also committed to \$600,000 in payments, contingent on its reaching the following milestones:

- (i) \$100,000 payment in cash/shares/or mix, upon completion of a NI 43-101 compliant resource;
- (ii) \$200,000 payment in cash/shares/or mix upon completion of a pre-feasibility;
- (iii) \$300,000 cash payment upon completion of a final/full/bankable feasibility;

Benton Resources Inc. also retains a 2% NSR of which 1% can be purchased for \$1 million.

b) Unity Resources – a private consortium;

To obtain a 100% interest in this property, the Company is committed to the following payments:

- (i) 750,000 common shares, due on signing of the agreement (issued);
- (ii) \$5,000 in cash, due on signing of the agreement (\$1,500 paid);
- (iii) 650,000 common shares, due on first anniversary of agreement date (issued);

Sokoman is also committed to \$600,000 in payments, contingent on its reaching the following milestones:

- (i) \$100,000 payment in cash/shares/or mix, upon completion of a NI 43-101 compliant resource;
- (ii) \$200,000 payment in cash/shares/or mix upon completion of a pre-feasibility;
- (iii) \$300,000 cash payment upon completion of a final/full/bankable feasibility;
- (iv) The vendors retain a 2% NSR of which half (1%) can be purchased for \$1 million cash.

In April 2021, the Company entered into an option agreement with Canterra Minerals Corporation ("Canterra") whereby Canterra can acquire 100% of the East Alder property. Pursuant to the terms of the option agreement, Canterra can acquire 100% of the property by issuing to the Company a total of 750,000 common shares of Canterra and work commitments totaling \$600,000 over a 4-year period. The Company will retain a 1.0% NSR on the property, with Canterra having the right to buy down 0.5% of the NSR for \$1,000,000.

Sokoman Minerals Corp.

Notes to Condensed Interim Consolidated Financial Statements

Three Months Ended September 30, 2021

(Expressed in Canadian Dollars)

Unaudited

6. Exploration and evaluation assets (continued)

Startrek

The Company acquired 100% interest in two antimony/gold properties in northeastern Newfoundland, the Startrek and Antimony Ridge properties. The Company has issued two million common shares of Sokoman Iron Corp. The property is subject to a 2% NSR royalty to the vendors. This acquisition agreement is with parties related to a Director at the time. The Antimony Ridge property has since been dropped leaving only the Startrek property.

On December 17, 2018, the Company entered into an option agreement to grant White Metal Resources Corp ("White Metal") a 100% interest in the Startrek property. On August 17, 2020, the Company amended the terms of the option agreement. Pursuant to the terms of the amended option agreement, White Metal is to issue to the Company the following as consideration:

- (i) 500,000 common shares of White Metal upon regulatory approval (received);
- (ii) 500,000 common shares on or before December 18, 2019 (received); and
- (iii) 750,000 common shares on August 17, 2020 (received).

As a result, the Company recognized an option income of \$52,500 during the year ended June 30, 2021.

Iron Horse

The Iron Horse project is located approximately 120 kilometers Northeast of Labrador City, Labrador. A 50:50 joint venture agreement was formed with Metals Creek Resources Corp who was at that point the project operator. On May 16, 2012, Sokoman and Metals Creek announced a new agreement announcing that Sokoman would be increasing its interest in the joint venture to a maximum of 70% by meeting the following criteria; an additional 10% (aggregate 60%) by issuing on signing of the agreement a total of 1.5 million common shares (issued) of Sokoman to Metals Creek and by assuming responsibility for all expenditures related to the 2012 exploration program with a minimum exploration expenditure of \$500,000 (\$330,791 in expenditures, as at June 30, 2017); an additional 10% (aggregate of 70%) by issuing an additional 2.5 million common shares (issued) of Sokoman within 18 months of the new agreement and producing a NI 43-101 compliant resource of at least 50 million tonnes by the fourth anniversary of the new agreement.

The Company has amended the agreement whereby Sokoman can earn a 100% interest in Iron Horse by issuing 15 million additional shares (issued) to Metals Creek and by paying a lump sum of \$1 million upon delivery of a feasibility study. Metals Creek retains a 1.9% NSR on the Iron Horse Property. The amended agreement was subsequently approved by the TSX Venture and the amended agreement supersedes all earlier agreements. Through a 2012 financing arrangement with Callinan Royalties, (now Altius Minerals Corp through a takeover), Sokoman is required to maintain the property in good standing through December 31, 2020 with no financial commitments required. As part of the financing arrangement, Callinan (now Altius) holds a 1% NSR on the Iron Horse Property.

During the year ended June 30, 2020, management determined it has no intention to spend further on this property, and as a result, it has been written down.

Sokoman Minerals Corp.

Notes to Condensed Interim Consolidated Financial Statements

Three Months Ended September 30, 2021

(Expressed in Canadian Dollars)

Unaudited

6. Exploration and evaluation assets (continued)

Burin/Lamaline

The Burin property was acquired by staking and option agreements and consists of three projects; Lamaline (formerly Salmonier Hill), Lawn and Little St. Lawrence. The property lies at Tidewater immediately adjacent to the towns of Lawn, St. Lawrence and Lamaline on the southern portion of the Burin Peninsula, on Newfoundland's south coast. The Company has completed acquiring all previously optioned claims and now controls 100% interest (subject to certain Net Smelter Royalty ("NSR") requirements). Management has determined at the present time it has no intention to spend further on this property as result it has been written down.

On October 12, 2010 the Company optioned a portion of its Burin uranium claim holdings (Little St. Lawrence) to Newfoundland Fluorspar Exploration Ltd. ("Newfluorex"), a privately held corporation. The Company has received a total of \$25,000 cash during the year ended June 30, 2016 and 1,000,000 Newfluorex shares which were received in prior years, representing payment in full. The Newfluorex shares have been valued at \$nil as Newfluorex is not quoted on an active market. Discussions with potential joint venture partners is ongoing.

In July 2012, the Company optioned the Lamaline portion of its Burin claim holdings to Puddle Pond Resources Inc. ("Puddle Pond") which is a privately held corporation. Puddle Pond can earn up to a 75% interest in the Lamaline gold project, by issuing 150,000 shares (issued) of Puddle Pond and by producing a bankable feasibility study by completing sufficient exploration on the property to keep the claims in good standing. Puddle Pond can earn a further 10 interest by incurring the costs of a bankable feasibility study. At completion of a bankable feasibility study, a joint venture will be formed between Puddle Pond and Sokoman. Should Sokoman choose not to fund the joint venture, Sokoman's share in the joint venture will be diluted down. Should Sokoman's share be diluted to less than 15%, Sokoman's interest reverts to a 2% NSR. The total NSR payable to Sokoman is capped at CAD \$3,000,000. The Puddle Pond shares have been valued at \$nil as Puddle Pond is not quoted on an active market.

Fleur de Lys

In March 2021, the Company acquired the Fleur de Lys Project on the Baie Verte Peninsula of northwestern Newfoundland, through staking and option agreements.

In June 2021, the Company entered into 2 property option agreements:

- The Company can acquire a 100% interest in a property (the "Duffitt Property") subject to a 2% NSR in favour of the optionors. 1% of the NSR may be purchased by the Company for \$1,000,000. Pursuant to the option agreement, the Company can acquire 100% interest in the Duffitt Property for the following considerations:
 - Cash payment of \$20,000 (paid);
 - Issuance of 75,000 Sokoman shares (issued) upon TSX Venture Exchange approval;
 - Cash payment of \$20,000 and issuance of 100,000 Sokoman shares on or before the first anniversary;
 - Cash payment of \$25,000 and issuance of 100,000 Sokoman shares on or before the second anniversary; and
 - Cash payment of \$35,000 and issuance of 175,000 Sokoman shares on or before the third anniversary.
- The Company can acquire a 100% interest in a property (the "Squires/McGuire Property") subject to a 2% NSR in favour of the optionors. 1% of the NSR may be purchased by the Company for \$1,000,000. Pursuant to the option agreement, the Company can acquire 100% interest in the Squires/McGuire Property for the following considerations:

Sokoman Minerals Corp.

Notes to Condensed Interim Consolidated Financial Statements

Three Months Ended September 30, 2021

(Expressed in Canadian Dollars)

Unaudited

6. Exploration and evaluation assets (continued)

Fleur de Lys (continued)

- Cash payment of \$5,000 (paid);
- Issuance of 25,000 Sokoman shares (issued) upon TSX Venture Exchange approval;
- Cash payment of \$10,000 and issuance of 50,000 Sokoman shares on or before the first anniversary;
- Cash payment of \$15,000 and issuance of 75,000 Sokoman shares on or before the second anniversary; and
- Cash payment of \$20,000 and issuance of 100,000 Sokoman shares on or before the third anniversary.

Benton Joint Venture

Golden Hope and Kepenkeck

In May 2021, the Company entered into a strategic alliance with Benton Resources Inc. ("Benton") to jointly acquire and explore gold opportunities in Newfoundland. The Company and Benton acquired, by staking, a new property named the Golden Hope Joint Venture. The joint venture also includes 50-50 joint venture on Benton's Kepenkeck Gold property.

Grey River

In May 2021, the Company and Benton jointly acquired the Grey River Project optioned from local interests under letter agreements.

In July 2021, the Company entered into 2 property option agreements on behalf of the strategic alliance with Benton:

- The Company can acquire a 100% interest in a property (the "Lewis Property") subject to a 1.5% NSR in favour of the optionors. 1% of the NSR may be purchased by the Company for \$1,000,000. Pursuant to the option agreement, the Company can acquire 100% interest in the Lewis Property for the following considerations:
 - Cash payment of \$10,000;
 - Issuance of 50,000 Sokoman shares (issued) upon TSX Venture Exchange approval;
 - Cash payment of \$10,000 and issuance of 50,000 Sokoman shares on or before the first anniversary;
 - Cash payment of \$10,000 and issuance of 50,000 Sokoman shares on or before the second anniversary; and
 - Cash payment of \$10,000 and issuance of 500,000 Sokoman shares on or before the third anniversary.
- The Company can acquire a 100% interest in a property (the "G2B Property") subject to a 1.5% NSR in favour of the optionors. 1% of the NSR may be purchased by the Company for \$1,000,000. Pursuant to the option agreement, the Company can acquire 100% interest in the G2B Property for the following considerations:
 - Cash payment of \$10,000;
 - Issuance of 50,000 Sokoman shares (issued) upon TSX Venture Exchange approval;
 - Cash payment of \$10,000 and issuance of 50,000 Sokoman shares on or before the first anniversary; and
 - Cash payment of \$10,000 and issuance of 50,000 Sokoman shares on or before the second anniversary.

Larry's Pond

Sokoman and Benton jointly entered into an option agreement to acquire the Larry's Pond Project. Under the terms of the joint venture, the Company will reimburse Benton for 50% of the option payments made by Benton.

Sokoman Minerals Corp.**Notes to Condensed Interim Consolidated Financial Statements****Three Months Ended September 30, 2021****(Expressed in Canadian Dollars)****Unaudited**

7. Mineral exploration expenses

A summary of exploration expenditures incurred for the periods ended September 30, 2021 and 2020 is as follows:

For three months ended September 30, 2021	Moosehead	Fleur de Lys	Benton Joint Venture	Total
Field office expenses	\$ 179,280	\$ 92,856	\$ 269,434	\$ 541,570
Geo services	72,049	259,125	4,140	335,314
Drilling	1,352,943	-	-	1,352,943
Wages and salaries	190,611	9,450	15,750	215,811
Amortization	12,235	-	-	12,235
Travel and accommodations	16,755	41,813	31,599	90,167
Total	\$ 1,823,873	\$ 403,244	\$ 320,923	\$ 2,548,040

For three months ended September 30, 2020	Moosehead	Fleur de Lys	Crippleback	Total
Field office expenses	\$ 44,482	\$ 612	\$ 6,755	\$ 51,849
Geo services	38,638	2,434	3,095	44,167
Drilling	89,085	-	-	89,085
Assays	7,403	-	-	7,403
Wages and salaries	142,512	-	-	142,512
Amortization	6,942	-	-	6,942
Travel and accommodations	4,014	-	-	4,014
Total	\$ 333,076	\$ 3,046	\$ 9,850	\$ 345,972

Sokoman Minerals Corp.

Notes to Condensed Interim Consolidated Financial Statements

Three Months Ended September 30, 2021

(Expressed in Canadian Dollars)

Unaudited

8. Share capital

(a) Authorized share capital

- (i) an unlimited number of common shares
- (ii) an unlimited number of preferred shares issued in series

(b) Issued

	Number of shares	Share capital
Balance, June 30, 2020	122,228,889	\$ 14,576,162
Warrants exercised	1,000,000	86,962
Balance, September 30, 2020	123,228,889	\$ 14,663,124
Balance, June 30, 2021	199,426,397	\$ 31,867,413
Warrants exercised	19,440	5,884
Shares issued to acquire exploration properties	200,000	116,000
Balance, September 30, 2021	199,645,837	\$ 31,989,297

(c) Stock options

The Company has adopted an incentive stock option plan in accordance with the policies of the TSX Venture (the "Stock Option Plan") which provides that the Board of Directors of the Company may from time to time, in its discretion, grant to directors, officers, employees and consultants of the Company non-transferable options to purchase common shares, provided that the number of common shares reserved for issuance under the Stock Option Plan shall not exceed ten percent (10%) of the issued and outstanding Common Shares exercisable for a period of up to five (5) years.

Stock option transactions and the number of stock options outstanding are summarized as follows:

	Number of stock options	Weighted average exercise price
Balance, June 30, 2020 and September 30, 2020	6,412,500	\$ 0.13
Balance, June 30, 2021	9,112,500	\$ 0.17
Granted (i)	4,450,000	0.44
Cancelled	(125,000)	0.08
Balance, September 30, 2021	13,437,500	\$ 0.17

(i) On September 29, 2021, the Company granted 4,450,000 stock options to officers, directors, employees and consultants of the Company exercisable at a price of \$0.44 per common share. The options vest 1/4 each on grant date and every six months thereafter and expire in five years. The grant date fair value of \$1,423,100 was assigned to the stock options as estimated by using the Black-Scholes valuation model with the following assumptions: share price of \$0.35, expected dividend yield of 0%, expected volatility of 157% which is based on historical volatility of the Company's share price, risk-free rate of return of 1.11% and an expected maturity of 5 years. For the three months ended September 30, 2021, \$359,367 (three months ended September 30, 2020 - \$nil) was expensed to share-based compensation.

Sokoman Minerals Corp.

Notes to Condensed Interim Consolidated Financial Statements

Three Months Ended September 30, 2021

(Expressed in Canadian Dollars)

Unaudited

8. Share capital (continued)

(c) Stock options (continued)

The following table reflects the actual stock options issued and outstanding as of September 30, 2021:

Expiry date	Exercise price (\$)	Weighted average remaining contractual life (years)	Number of options outstanding
March 12, 2022	0.08	0.45	1,187,500
September 12, 2023	0.16	1.95	3,950,000
February 5, 2024	0.12	2.35	500,000
November 27, 2025	0.22	4.16	2,950,000
March 14, 2026	0.295	4.45	250,000
May 13, 2026	0.46	4.62	150,000
September 28, 2026	0.44	5.00	4,450,000
	0.17	3.40	13,437,500

(d) Warrants

Warrant transactions and the number of warrants outstanding are summarized as follows:

	Number of warrants	Weighted average exercise price
Balance, June 30, 2020	35,493,573	\$ 0.20
Exercised	(1,000,000)	0.07
Balance, September 30, 2020	34,493,573	\$ 0.21
Balance, June 30, 2021	12,798,650	\$ 0.39
Exercised	(19,440)	0.20
Balance, September 30, 2021	12,779,210	\$ 0.39

The following table reflects the warrants outstanding as of September 30, 2021:

Expiry date	Exercise price (\$)	Grant date value (\$)	Number of warrants outstanding
April 6, 2023	0.40	950,000	10,614,704
May 28, 2023	0.40	154,000	1,885,296
December 16, 2021	0.20	10,227	99,610
December 30, 2021	0.08	4,500	100,000
June 24, 2022	0.12	5,814	79,600
	0.39	\$ 1,124,541	12,779,210

Sokoman Minerals Corp.

Notes to Condensed Interim Consolidated Financial Statements

Three Months Ended September 30, 2021

(Expressed in Canadian Dollars)

Unaudited

9. Related party transactions

(a) The Company entered into the following transactions with related parties:

(i) Included in business development and promotion is \$18,750 for the three months ended September 30, 2021 (three months ended September 30, 2020 - \$18,750) paid to a company related to a director.

(ii) Included in business development and promotion is \$9,000 for the three months ended September 30, 2021 (three months ended September 30, 2020 - \$9,000) paid to a director. As at September 30, 2021, \$2,250 (June 30, 2021 - \$3,545) was owed to this director and this amount was included in accounts payable and accrued liabilities.

(iii) Included in professional fees is \$12,366 (three months ended September 30, 2020 - \$13,634) paid to Marrelli Support Services Inc. ("MSSI") for Eric Myung, an employee of MSSI, to act as the Chief Financial Officer ("CFO") of the Company and bookkeeping services. As at September 30, 2021, \$2,991 (June 30, 2021 - \$2,914) was owed to this company and this amount was included in accounts payable and accrued liabilities.

(b) Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly, including any directors (executive and non-executive) of the Company. Remuneration of directors and key management personnel of the Company, except as noted in (a) above, was as follows:

	Three Months Ended September 30, 2021	Three Months Ended September 30, 2020
Salaries and benefits	\$ 7,000	\$ 17,500
Wages and salaries included in mineral exploration expenses	28,000	17,500
Directors' fees	9,000	7,200
Share-based payments	220,374	979
	\$ 264,374	\$ 43,179

As at September 30, 2021, \$9,000 (June 30, 2021 - \$14,542) was owed to key management personnel and this amount was included in accounts payable and accrued liabilities.

10. Commitments

In connection with the flow-through share financings in December 2020, the Company is committed to incur qualifying Canadian Exploration Expenditures (as such term is defined in the Income Tax Act (Canada)) of a total of \$3,000,000 by December 31, 2021. If the Company does not incur the required qualifying expenditures, it will be required to indemnify the holders of the flow-through shares for any tax and other costs payable by them as a result of the Company not making the required expenditures.

As at September 30, 2021, the Company has incurred all required qualifying exploration expenditures.