



UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

THREE MONTHS ENDED MARCH 31, 2022

Scandium International Mining Corp.
CONDENSED CONSOLIDATED BALANCE SHEETS
(Expressed in US Dollars) (Unaudited)

As at:	March 31, 2022	December 31, 2021
ASSETS		
Current		
Cash	\$ 46,870	\$ 93,894
Prepaid expenses and receivables	27,556	35,042
Total Current Assets	74,426	128,936
Reclamation bond (Note 4)	11,444	11,444
Equipment (Note 3)	2,513	2,932
Mineral property interests (Note 4)	704,053	704,053
Total Assets	\$ 792,436	\$ 847,365
LIABILITIES AND SHAREHOLDERS' DEFICIENCY		
Current		
Accounts payable and accrued liabilities	\$ 318,634	\$ 568,001
Accounts payable with related parties (Note 5)	413,072	1,159,713
Total Current Liabilities	731,706	1,727,714
Long-term liabilities due to related parties (Note 5)	418,133	-
Total Liabilities	1,149,839	1,727,714
Shareholders' deficiency		
Capital stock (Note 6) (Authorized: Unlimited number of common shares; Issued and outstanding: 317,157,595 (2021 – 317,157,595))	110,149,177	110,149,177
Treasury stock (Note 7) (1,033,333 common shares) (2021 – 1,033,333)	(1,264,194)	(1,264,194)
Additional paid in capital (Note 6)	6,891,510	6,891,510
Accumulated other comprehensive loss	(853,400)	(853,400)
Deficit	(115,280,496)	(115,803,442)
Total Shareholders' Deficiency	(357,403)	(880,349)
Total Liabilities and Shareholders' Deficiency	\$ 792,436	\$ 847,365

Nature and continuance of operations (Note 1)
Subsequent Events (Note 10)

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

Scandium International Mining Corp.
CONDENSED CONSOLIDATED STATEMENTS OF
OPERATIONS AND COMPREHENSIVE INCOME (LOSS)
(Expressed in US Dollars) (Unaudited)

3-month period ended	March 31, 2022	March 31, 2021
EXPENSES		
Amortization (Note 3)	\$ 419	\$ 471
Consulting	17,000	25,096
Exploration	19,187	15,252
General and administrative	80,296	124,282
Insurance	7,909	8,959
Professional fees	34,784	29,497
Salaries and benefits	91,223	116,936
	(250,818)	(320,492)
Accruals reversal (Note 9)	780,444	-
Foreign exchange gain (loss)	(6,680)	8,355
Income (loss) and comprehensive income (loss) for the period	\$522,946	\$ (312,137)
Basic and diluted income (loss) per common share	\$ 0.00	\$ 0.00
Weighted average number of common shares outstanding – basic and diluted	317,157,595	314,431,061

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

Scandium International Mining Corp.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in US Dollars) (Unaudited)

3-month period ended	March 31, 2022	March 31, 2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Income (loss) for the period	\$ 522,946	\$ (312,137)
Items not affecting cash:		
Amortization	419	471
Accruals reversal	(780,444)	-
Changes in non-cash working capital items:		
Decrease in prepaid expenses and receivables	7,486	6,338
Increase in accounts payable, accrued liabilities and accounts payable with related parties	202,569	157,881
	<u>(47,024)</u>	<u>(147,447)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Options exercised for common shares	-	227,064
	<u>-</u>	<u>227,064</u>
Change in cash during the period	(47,024)	79,617
Cash, beginning of period	<u>93,894</u>	<u>170,284</u>
Cash, end of period	<u>\$ 46,870</u>	<u>\$ 249,901</u>
	2022	2021
Cash paid during the 3-month period for interest	\$ -	\$ -
Cash paid during the 3-month period for taxes	\$ -	\$ -

There were no significant non-cash investing and financing activities during the periods ended March 31, 2022, and 2021.

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

Scandium International Mining Corp.
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN
SHAREHOLDERS' DEFICIENCY
(Expressed in US Dollars) (Unaudited)

	Number of Shares	Capital Stock	Additional Paid in Capital	Treasury Stock	Accumulated Other Comprehensive Loss	Deficit	Total Stockholders' Equity
Balance, December 31, 2020	314,032,595	\$ 109,627,071	\$ 6,505,416	\$ (1,264,194)	\$ (853,400)	\$ (114,236,410)	\$ (221,517)
Stock-based compensation	2,240,000	406,003	(178,939)	-	-	-	227,064
Loss for the three months	-	-	-	-	-	(312,137)	(312,137)
Balance, March 31, 2021	316,272,595	\$ 110,033,074	\$ 6,326,477	\$ (1,264,194)	\$ (853,400)	\$ (114,548,547)	\$ (306,590)
Stock-based compensation	-	-	610,385	-	-	-	610,385
Loss for the three months	-	-	-	-	-	(761,080)	(761,080)
Balance, June 30, 2021	316,272,595	\$ 110,033,074	\$ 6,936,862	\$ (1,264,194)	\$ (853,400)	\$ (115,309,627)	\$ (457,285)
Loss for the three months	-	-	-	-	-	(278,704)	(278,704)
Balance, September 30, 2021	316,272,595	\$ 110,033,074	\$ 6,936,862	\$ (1,264,194)	\$ (853,400)	\$ (115,588,331)	\$ (735,989)
Options exercised	885,000	116,103	(45,352)	-	-	-	70,751
Loss for the three months	-	-	-	-	-	(215,111)	(215,111)
Balance, December 31, 2021	317,157,595	\$ 110,149,177	\$ 6,891,510	\$ (1,264,194)	\$ (853,400)	\$ (115,803,442)	\$ (880,349)
Profit for the three months	-	-	-	-	-	522,946	522,946
Balance, March 31, 2022	317,157,595	\$ 110,149,177	\$ 6,891,510	\$ (1,264,194)	\$ (853,400)	\$ (115,280,496)	\$ (357,403)

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

1. NATURE AND CONTINUANCE OF OPERATIONS

Scandium International Mining Corp. (the "Company") is a specialty metals and alloys company focusing on scandium and other specialty metals.

The Company was incorporated under the laws of the Province of British Columbia, Canada in 2006. The Company currently trades on the Toronto Stock Exchange under the symbol "SCY."

The Company's focus is on the exploration and evaluation of its specialty metals assets, specifically the Nyngan scandium deposit located in New South Wales, Australia. The Company is an exploration stage company and anticipates incurring significant additional expenditures prior to production at any and all of its properties.

These condensed consolidated financial statements have been prepared on a going concern basis that contemplates the realization of assets and discharge of liabilities at their carrying values in the normal course of business for the foreseeable future. These financial statements do not reflect any adjustments that may be necessary if the Company is unable to continue as a going concern.

The Company currently earns no operating revenues and will require additional capital in order to advance the Nyngan property. The Company's ability to continue as a going concern is uncertain and is dependent upon the generation of profits from mineral properties, obtaining additional financing and maintaining continued support from its shareholders and creditors. These are material uncertainties that raise substantial doubt about the Company's ability to continue as a going concern. In the event that additional financial support is not received, or operating profits are not generated, the carrying values of the Company's assets may be adversely affected.

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company's business or ability to raise funds.

2. BASIS OF PRESENTATION

Basis of presentation

The accompanying unaudited interim condensed consolidated financial statements have been prepared in accordance with the rules and regulations of the Securities and Exchange Commission ("SEC"). The interim condensed consolidated financial statements include the consolidated accounts of the Company and its wholly owned subsidiaries with all significant intercompany transactions eliminated. In the opinion of management, all adjustments necessary for a fair statement of the consolidated financial position, results of operations and cash flows for the interim periods have been made. Certain information and footnote disclosures normally included in the consolidated financial statements prepared in accordance with generally accepted accounting principles of the United States of America ("US GAAP") have been condensed or omitted pursuant to such SEC rules and regulations. These interim condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements for the year ended December 31, 2021 and with our Annual Report on Form 10-K filed with the SEC on March 11, 2022. Operating results for the three-month period ended March 31, 2022 may not necessarily be indicative of the results for the year ending December 31, 2022.

These unaudited interim condensed consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries, EMC Metals USA Inc., Scandium International Mining Corp., Norway AS, SCY Exploration Finland Oy, and EMC Metals Australia Pty Ltd. ("EMC-A").

Use of estimates

The preparation of unaudited interim condensed consolidated financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of expenses during the reporting period. The Company regularly evaluates estimates and assumptions related to the deferred income tax asset valuations, asset impairment, stock-based compensation and loss contingencies. The Company bases its estimates and assumptions on current facts, historical experience, and various other factors that it believes to be reasonable under the circumstances. The actual results experienced by the Company may differ materially and adversely from the Company's estimates. To the extent there are material differences between estimates and the actual results, future results of operations will be affected.

The Company considers itself to be an exploration stage company and will consider the transition to development stage after it receives funding to begin mine construction, and board approval.

Fair value of financial assets and liabilities

The Company measures the fair value of financial assets and liabilities based on US GAAP guidance which defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements.

2. BASIS OF PRESENTATION (cont'd...)

The Company classifies financial assets and liabilities as held-for-trading, available-for-sale, held-to-maturity, loans and receivables or other financial liabilities depending on their nature. Financial assets and financial liabilities are recognized at fair value on their initial recognition, except for those arising from certain related party transactions which are accounted for at the transferor's carrying amount or exchange amount.

Financial assets and liabilities classified as held-for-trading are measured at fair value, with gains and losses recognized in net income. Financial assets classified as held-to-maturity, loans and receivables, and financial liabilities other than those classified as held-for-trading are measured at amortized cost, using the effective interest method of amortization. Financial assets classified as available-for-sale are measured at fair value, with unrealized gains and losses being recognized as other comprehensive income until realized, or if an unrealized loss is considered other than temporary, the unrealized loss is recorded in income.

Financial instruments, including receivables, accounts payable and accrued liabilities, and accounts payable with related parties, are carried at amortized cost, which management believes approximates fair value due to the short-term nature of these instruments.

The Company has no leases with a term of greater than 12 months. Short term lease expenses totaled \$7,383 during the quarter ended March 31, 2022, and \$7,383 during the quarter ended March 31, 2021.

The following table presents information about the assets that are measured at fair value on a recurring basis as at March 31, 2022 and indicates the fair value hierarchy of the valuation techniques the Company utilized to determine such fair value. In general, fair values determined by Level 1 inputs utilize quoted prices (unadjusted) in active markets for identical assets. Fair values determined by Level 2 inputs utilize data points that are observable such as quoted prices, interest rates and yield curves. Fair values determined by Level 3 inputs are unobservable data points for the asset or liability, and include situations where there is little, if any, market activity for the asset:

	March 31, 2022	Quoted Prices in Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets:				
Cash	\$ 46,870	\$ 46,870	\$ —	\$ —
Total	\$ 46,870	\$ 46,870	\$ —	\$ —

Recently Adopted and Recently Issued Accounting Standards

Accounting Standards Update 2021-04 - Earnings Per Share (Topic 260), Debt Modifications and Extinguishments (Subtopic 470-50), Compensation—Stock Compensation (Topic 718), and Derivatives and Hedging Contracts in Entity's Own Equity (Subtopic 815-40). This update is to provide clarity around earnings per share calculations and is effective for fiscal years beginning after December 15, 2021, including interim periods within those fiscal years. The Company has reviewed this standard and concluded that there is no impact on its financial statements.

3. EQUIPMENT

	December 31, 2021 Net Book Value	Additions (disposals) (write-offs)	Amortization	March 31, 2022 Net Book Value
Computer equipment	\$ 2,932	\$ -	\$ (419)	\$ 2,513
	December 31, 2020 Net Book Value	Additions (disposals) (write-offs)	Amortization	March 31, 2021 Net Book Value
Computer equipment	\$ 4,660	\$ -	\$ (1,728)	\$ 2,932

4. MINERAL PROPERTY INTERESTS

March 31, 2022	Scandium and other
Balance, March 31, 2022, December 31, 2021	\$ 704,053

Title to mineral property interests 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 property interests. The Company has investigated title to all of its mineral property interests and, to the best of its knowledge, title to all of its properties is in good standing.

SCANDIUM PROPERTIES

Nyngan, New South Wales Property

The Company holds a 100% interest in the Nyngan property in New South Wales, Australia ("NSW").

Royalties attached to the Nyngan property include a 0.7% royalty on gross mineral sales on the property, a 1.5% Net Profits Interest royalty to private parties involved with the early exploration on the property, and a 1.7% Net Smelter Returns royalty payable for 12 years after production commences. Another revenue royalty is payable to private interests of 0.2%, subject to a \$370,000 cap. A NSW minerals royalty will also be levied on the project, subject to negotiation, currently 4% on revenue.

Honeybugle property, Australia

The Company holds a 100% interest in the Honeybugle property.

Kiviniemi Scandium Property Finland

In August 2018, the Company was granted an Exploration License for the Kiviniemi Scandium Property in central Finland from the Finnish regulatory body governing mineral exploration and mining in Finland. As at March 31, 2022 the Company has a reclamation bond of \$11,444 (€10,000)..(December 31, 2021 - \$11,444 (€10,000)).

5. RELATED PARTY TRANSACTIONS

During the 3-month period, the Company reclassified \$418,133 owed to related parties to long-term liabilities. These Long-term liabilities are unsecured, non-interest bearing, and due in instalments – 33% in one year, 33% in two years, and 33% in three years. Also, the Company wrote off \$418,133 of accruals to related parties. No such transactions occurred in Q1 2021.

During the 3-month period ended March 31, 2022, the Company expensed a consulting fee of \$17,000 to one of its directors. During the 3-month period ended March 31, 2021, the Company expensed a consulting fee of \$25,500 to one of its directors.

As at March 31, 2022, the Company owed \$831,205 to various directors and officers of the Company. (December 31, 2021 - \$1,159,713)

6. CAPITAL STOCK AND ADDITIONAL PAID IN CAPITAL

Stock Options

The Company established a stock option plan (the "Plan") under which it is authorized to grant options to executive officers and directors, employees and consultants. The number of options granted under the Plan shall not exceed 15% of the shares outstanding. Under the Plan, the exercise period of the options may not exceed ten years from the date of grant and vesting is determined by the Board of Directors.

6. CAPITAL STOCK AND ADDITIONAL PAID IN CAPITAL (cont'd...)

Stock option transactions are summarized as follows:

	Stock Options	
	Number	Weighted average exercise price in Canadian \$
Outstanding, December 31, 2020	35,100,000	\$ 0.17
Granted	6,175,000	0.18
Exercised	(3,125,000)	0.12
Expired	(3,535,000)	0.16
Outstanding, December 31, 2021	34,615,000	0.18
Expired	(4,400,000)	0.37
Outstanding, March 31, 2022	30,215,000	\$ 0.15
Number currently exercisable	30,215,000	\$ 0.15

As at March 31, 2022, incentive stock options were outstanding as follows:

	Number of Options Outstanding	Number of Options Exercisable	Exercise Price in Canadian \$	Expiry Date
Options				
	250,000	250,000	0.300	October 6, 2022
	5,700,000	5,700,000	0.225	January 19, 2023
	350,000	350,000	0.185	August 30, 2023
	4,240,000	4,240,000	0.150	May 9, 2024
	50,000	50,000	0.130	June 24, 2024
	7,450,000	7,450,000	0.065	March 19, 2025
	100,000	100,000	0.075	May 22, 2025
	5,900,000	5,900,000	0.140	November 13, 2025
	6,175,000	6,175,000	0.180	May 23, 2026
	30,215,000	30,215,000		

As at March 31, 2022 the Company's outstanding and exercisable stock options have an aggregate intrinsic value of \$421,961 (December 31, 2021 - \$445,466).

7. TREASURY STOCK

	Number	Amount
Treasury shares, March 31, 2022, and December 31, 2021	1,033,333	\$ 1,264,194
	1,033,333	\$ 1,264,194

Treasury shares comprise shares of the Company which cannot be sold without the prior approval of the TSX.

8. SEGMENTED INFORMATION

The Company's mineral properties are located in Australia. The Company's capital assets' geographic information is as follows:

March 31, 2022	<u>Australia</u>	<u>United States</u>	<u>Total</u>
Equipment	\$ -	\$ 2,513	\$ 2,513
Mineral property interests	<u>704,053</u>	<u>-</u>	<u>704,053</u>
	<u>\$ 704,053</u>	<u>\$ 2,513</u>	<u>\$ 706,566</u>
December 31, 2021	<u>Australia</u>	<u>United States</u>	<u>Total</u>
Equipment	\$ -	\$ 2,932	\$ 2,932
Mineral property interests	<u>704,053</u>	<u>-</u>	<u>704,053</u>
	<u>\$ 704,053</u>	<u>\$ 2,932</u>	<u>\$ 706,958</u>

9. ACCRUALS REVERSAL

During the period ended March 31, 2022, the Company wrote down a portion of the contract fees it had recorded over the last two and half years. A total of \$418,133 to related parties (Note 5) and \$362,311 to former contractors and consultants.

10. SUBSEQUENT EVENTS

Subsequent to March 31, 2022, the Company;

- a) will issue 900,000 common shares upon the exercise of 900,000 options at C\$0.15 for proceeds of C\$135,000 (US\$106,990).
- b) announced a non-brokered private placement of up to 33,333,333 units (each unit consists of one share and one purchase warrant valid for five years at C\$0.1075 from date of closing) at a price of C\$0.09 per unit for gross proceeds of up to C\$3,000,000. The Company has received C\$1,685,150 as of date of filing these financial statements.
- c) received a refund of AUD\$85,940 from the province of New South Wales in Australia related to the Company's mining lease applications.