NICO MINING LIMITED

(formerly Sudbury Capital Corporation)

UNAUDITED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDING MARCH 31, 2008

NICO MINING LIMITED

(formerly Sudbury Capital Corporation)

INTERIM FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED MARCH 31, 2008

**NOTICE OF NO AUDITOR REVIEW OF
INTERIM FINANCIAL STATEMENTS**

Under National Instrument 51-102, if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited interim financial statements of the Company have been prepared by, and are the responsibility of, the Company's management.

The Company's independent auditors have not performed a review of these financial statements in accordance with standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an auditor.

NICO MINING LIMITED

(formerly Sudbury Capital Corporation)

MARCH 31, 2008

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NICO MINING LIMITED

(formerly Sudbury Capital Corporation)
CONSOLIDATED BALANCE SHEET
(All Amounts are in Canadian Dollars)

As at	March 31, 2008 (Unaudited)	December 31, 2007
A S S E T S		
CURRENT		
Cash	$ 10,987,249	$ 11,439,973
Other Receivables	190,534	294,675
Prepaid Expenses	32,316	–
Due from Related Party (Note 6)	–	7,700
	11,210,099	11,742,348
PROPERTY AND EQUIPMENT (Note 4)	27,523	54,513
MINING PROPERTIES (Note 5)	1,430,143	1,053,306
	$ 12,667,765	$ 12,850,167
L I A B I L I T I E S		
CURRENT		
Accounts payable and accrued liabilities	$ 227,215	$ 265,221
COMMITMENTS AND CONTINGENCIES (Note 9)		
S H A R E H O L D E R S' E Q U I T Y		
CAPITAL STOCK (Note 7)		
Common Stock - Issued and Outstanding 20,898,100	11,823,436	12,949,825
CONTRIBUTED SURPLUS (Note 7)	1,659,814	189,465
ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)	159,454	(48,773)
DEFICIT	(1,202,154)	(505,571)
	12,440,550	12,584,946
	$ 12,667,765	$ 12,850,167

Approved on behalf of the Board

(signed) *"Laurie Mutch"*
Director

(Signed) *"R. A. Bondy"*
Director

NICO MINING LIMITED

(formerly Sudbury Capital Corporation)

INTERIM CONSOLIDATED STATEMENT OF OPERATIONS AND DEFICIT
(All Amounts are in Canadian Dollars)

For the three months ending March 31,	2008
REVENUES	$ - - -
EXPENSES	
General and administrative	686,954
	686,954
LOSS BEFORE UNDERNOTED	(686,954)
AMORTIZATION	(2,976)
FOREIGN EXCHANGE GAIN (LOSS)	(107,644)
INTEREST INCOME	100,991
NET LOSS	$ (696,583)
DEFICIT – Beginning of Period	(505,571)
DEFICIT – End of Period	$ (1,202,154)
(LOSS) PER COMMON SHARE	
Loss per Common Share	$ (0.03)
Weighted average Common Shares outstanding	20,586,012

NICO MINING LIMITED

(formerly Sudbury Capital Corporation)
INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE
INCOME (LOSS) AND ACCUMULATED OTHER COMPREHENSIVE INCOME
(All Amounts are in Canadian Dollars)

For the three months ending March 31,	**2008**

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

NET LOSS	$ (696,583)
OTHER COMPREHENSIVE INCOME NET OF TAX:	
Unrealized gains and losses on translating financial statements of self-sustaining foreign operations	208,227
COMPREHENSIVE INCOME (LOSS)	(488,356)

STATEMENT OF ACCUMULATED OTHER COMPREHENSIVE INCOME

Balance, beginning of year	$ (48,773)
Unrealized gains and losses on translating financial statements of self-sustaining foreign operations amortization	208,227
Balance, March 31, 2008	159,454

NICO MINING LIMITED

(formerly Sudbury Capital Corporation)
INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS
(All Amounts are in Canadian Dollars)

For the three months ending March 31,	2008
CASH FLOWS FROM OPERATING ACTIVITIES	
Loss for the period	$ (696,583)
Items not affecting cash	
Stock-based compensation	343,960
Amortization	2,976
	(349,647)
Net change in non-cash operating items	
Other receivables	92,546
Prepaid expenses	(32,316)
Accounts payable and accrued liabilities	(39,233)
CASH FLOWS USED IN OPERATING ACTIVITIES	(328,650)
CASH FLOWS FROM INVESTING ACTIVITIES	
Investment in property and equipment	(20,378)
Due (from) to related party	7,700
Cash held by Sudbury Capital Corp. at time of RTO	55,110
Sale of property and equipment	41,684
Investment in mining properties	(411,774)
CASH FLOWS USED IN INVESTING ACTIVITIES	(327,658)
Effect of Foreign Exchange	203,584
NET INCREASE (DECREASE) IN CASH	$ (452,724)
CASH - Beginning of period	11,439,973
CASH - End of period	10,987,249
SUPPLEMENTAL INFORMATION	
Interest received	$ 142,462
Interest paid	---
Income taxes paid	---

1. Organization and Basis of Presentation

Description of the Business
NiCo Mining Limited (formerly Sudbury Capital Corporation) (the "Company"), is incorporated under the Business Corporation Act (Ontario) and is a development stage company engaged in the exploration of nickel and cobalt properties in Cameroon, Africa.

Basis of Consolidation
Effective March 12, 2008, the Company completed a previously announced transaction with NiCo Mining Corp. (NiCo), a company incorporated under the Business Corporation Act (Ontario). This transaction was accounted for as a reverse takeover as the control of the Company was acquired by the former shareholders of NiCo. After this transaction, the Company's name was changed to NiCo Mining Limited from Sudbury Capital Corporation. Prior period results and comparatives are those of Nico Mining Corp. and its subsidiaries for the period from incorporation June 29, 2007. Although legally, NiCo Mining Limited (formerly Sudbury Capital Corporation) is regarded as the parent or continuing company, NiCo Mining Corp. whose shareholders now hold more than 50% of the voting shares of the Company, is treated as the acquirer under Canadian generally accepted accounting principles. Consequently, NiCo Mining Limited (formerly Sudbury Capital Corporation) is deemed to have been acquired in consideration for the issuance of shares.

All significant intercompany accounts and transactions have been eliminated on consolidation.

Currency Presentation
All amounts in these financial statements are in Canadian dollars.

2. Summary of Significant Accounting Policies

Basis of Presentation
The management of the Company has prepared these interim financial statements in accordance with generally accepted accounting principles in Canada. These interim financial statements, which have not been reviewed or audited, should be read in conjunction with the audited financial statements for the period ended December 31, 2007. The methods and policies set forth in the audited financial statements are followed in these interim financial statements.

In the opinion of management, all adjustments considered necessary for fair presentation have been included in these interim financial statements, however, operating results for the period are not indicative of the results that may be expected for the current full fiscal year.

Changes in Accounting Policies
As of January 1, 2008, the company adopted the provisions of CICA handbook sections 3862 "Financial Instruments- Disclosure", 3863 "Financial Instruments – Presentation" and 1535 "Capital Disclosures". The new standards include enhanced disclosure requirements on the nature and extent of risks arising from financial instruments and how the Company manages those risks. In addition, section 1535 requires qualitative and quantitative disclosures that enable the users to evaluate the Company's objectives, policies and processes for managing capital. The impact of the adoption of these new sections had no material effect on the Company's financial statements or results of operations

2. Summary of Significant Accounting Policies - continued

Financial Instruments
The company's financial instruments consist of cash, other receivables and accounts payable and accrued liabilities. Financial instruments are recorded on the consolidated balance sheet at carrying values that are representative of, or approximate, fair value.

Capital Disclosures
The Company defines the capital that it manages as its shareholders' equity. The Company's objectives when managing capital include ensuring that the Company is able to meet its financial obligations as they become due and ensuring that the Company has sufficiency capital available to benefit from opportunities, should they arise in order to ensure adequate shareholder value.

Neither the Company nor its subsidiaries are subject to regulatory capital requirements.

Future Accounting Changes
The Company has assessed new and revised accounting pronouncements that have been issued that are not yet effective and determined that the following may have a significant impact on the company:

In January 2006, the CICA Accounting Standards Board adopted a strategic plan form the direction of accounting standards in Canada. As part of that plan, accounting standards in Canada for public companies are expected to converge with International Financial Reporting Standards ("IFRS") by 2011. The Company continues to monitor and assess the impact of convergence of Canadian GAAP and IFRS.

In January 2008, the CICA issued Handbook section 3064, "Goodwill and Intangible Assets", to replace Section 3062, "Goodwill and Other Intangible Assets". The standard provides guidance on the recognition of intangible assets in accordance with the definition of an asset and the criteria for asset recognition as well as clarifying the concept of matching revenues and expenses, whether those assets are acquired separately or developed internally. This standard will apply to the company's interim and annual financial statements beginning January 1, 2009. The Company has not yet determined what the impact of adopting this standard may have on the consolidated financial statements.

Capital Leases
The Company's policy is to record leases, which transfer substantially all benefits and risks incidental to ownership of property, as acquisitions of property and equipment and to record the incurrence of corresponding obligations as liabilities. Obligations under capital leases are reduced by rental payments net of imputed interest. There are no capital leases at the present time.

Property and Equipment
Property and equipment are recorded at cost including interest capitalized on assets under construction, if any. Repairs and maintenance expenditures are charged to income; major betterments and replacements are capitalized. Depreciation and amortization rates are as follows:

Computer equipment	Straight line over 3 years
Plant and machinery	Straight line over 5 years
Office furniture and equipment	Straight line over 6 years

2. Summary of Significant Accounting Policies - continued

Mining Properties
Cost of acquisition and development of mineral properties are capitalized on an area-of-interest basis. Amortization of these costs will be on a unit-of-production basis, based on estimated proven reserves of minerals of the areas, should such reserves be found. Properties are abandoned either when the lease expires or when management determines that no further work will be performed on the property since it has no value to the Company. When significant properties in an area of interest are abandoned, the costs related thereto are charged to income on a pro-rata basis to the total costs to date included in the area, in the year of abandonment. The proceeds received from partial disposition or an option payment is credited against the costs. In addition, if there has been a delay in development activity for several successive years, a write-down of those project-capitalized costs is charged to income.

Some of the Company's exploration commitments for mineral property are performed under option agreements with a third party. The option payments received under such agreement are applied to mineral property to the extent of costs incurred, with any excess credited to income. Government mining tax credits reduce the book value of mineral properties.

Asset Retirement Obligations
The Company measures the expected costs required to retire its mining properties at fair value which is based on the cost a third party would incur in performing the tasks necessary to abandon the property and restore the site. The fair value is recognized in the financial statements at the present value of the expected cash outflows to satisfy the obligation.

Asset retirement costs are depleted using the unit-of-production method based on proven reserves of minerals and are included with depletion and depreciation expense. The accretion of the liability for the asset retirement obligation would be expensed each year.

The Company currently does not have any legal liability for asset retirement obligations on its properties and no reasonable estimate of fair value of future assets retirement obligation can be made.

Impairment Charges
At least annually and when events and circumstances warrant a review, the Company evaluates the carrying value of its assets for potential impairment. An impairment loss is recognized when the estimated net realizable value of any asset is less than its carrying value. Any impairment in assets is written down and charged to earnings in the year of the impairment.

Income taxes
The Company follows the asset and liability approach to accounting and reporting for income taxes. The income tax provision differs from that calculated by applying the statutory rates in all jurisdictions due to the changes in current or future income tax assets or liabilities during the period.

Current income taxes payable differ from the total tax provisions as a result of changes in taxable and deductible temporary differences between the tax basis of assets or liabilities and their carrying amounts in the balance sheet.

Deductible temporary differences arise from the ability to deduct for income tax purposes share issue costs over five years and the carry forward of unused tax losses available to apply against future taxable income. Future income tax assets are recorded to the extent that management believes that it is more likely than not that such loss will be able to be used in the carry-forward periods.

2. Summary of Significant Accounting Policies - continued

Taxable temporary differences arise from differences between the recording of amortization of property and equipment for accounting and income tax purposes. Accordingly, future income tax liabilities are recorded to recognize these differences.

A valuation allowance is established to reduce future tax assets if it is more likely than not that a future tax asset will not be realized.

Use of Estimates
The preparation of consolidated financial statements in accordance with Canadian generally accepted accounting principles 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 consolidated financial statements and the reported amounts of revenue and expenses for the periods reported. Actual results could differ from those estimates.

Accordingly, the Company's measurements are based upon management's best estimates based on existing knowledge, which reflect the Company's planned courses of action and probable economic conditions; however, it is possible that actual events may be different from those anticipated. Accordingly, such differences could impact the carrying values of assets as well as future results of operations and cash flows.

Measurement Uncertainty
As a result of the use of estimates and as a result of the uncertainty of future events, the capitalized value of the mining properties do not necessarily represent present or future values.

Costs of Raising Capital
Incremental costs incurred in respect of raising capital are charged against equity proceeds raised.

Translation of Foreign Currencies
The transactions concluded in foreign currencies are translated according to the temporal method. Therefore foreign currencies are translated using the average rate for the period for items included in the consolidated statement of income, the rate in effect at the balance sheet date for monetary assets and liabilities. Foreign exchange gains and losses are included in general and administrative expenses of the consolidated statement of operations and retained earnings.

The Company’s subsidiaries’ financial statements are converted from various currencies, to the Canadian dollar using the current rate method. Accordingly, assets and liabilities of the subsidiaries are translated into Canadian dollars at the exchange rate in effect at the balance sheet date. Operating revenue and expense items are translated at average exchange rates prevailing during the period. Any corresponding foreign exchange gains and losses are deferred and disclosed separately as part of shareholders’ equity.

Fair Value of Financial Instruments
The Company estimates the fair value of its financial instruments based on current interest rates, quoted market values or the current price of financial instruments with similar terms. Unless otherwise disclosed herein, the carrying value of financial instruments, especially those with current maturities such as cash, other receivables and accounts payable and accrued liabilities are considered to approximate their fair values.

(All Amounts are in Canadian Dollars)

2. Summary of Significant Accounting Policies - continued

Stock-Based Compensation Plan
When the Company issues stock based compensation, it accounts for them using the fair value method for stock based compensation as recommended by the Canadian Institute of Chartered Accounts Handbook, Section 3870. The fair value of stock options is determined by using the Black-Scholes Option Pricing Model with assumptions for risk-free interest rates, dividend yields, volatility factors of the expected market price of the Company's common shares and expected life of the options. The fair value of direct awards of stock is determined by quoted market price of the Company's common stock.

Earnings (Loss) per Share
The basic earnings (loss) per share is computed by dividing the net income (loss) attributable to common shareholders by weighted average of common shares outstanding during the period. Fully diluted earnings per share reflects the maximum possible dilution that could occur from common shares issuable through the exercise of conversion of stock options, restricted stock awards, warrants and convertible securities. Fully diluted loss per share is not shown where it would be anti-dilutive.

3. Acquisition – Reverse Takeover

On March 12, 2008, pursuant to the completion of the Qualifying Transaction of the Company:

(i) the Company consolidated its common shares on the basis of one new common share for each ten of the then issued and outstanding common shares;
(ii) changed its name from Sudbury Capital Corporation to NiCo Mining Limited;
(iii) NiCo Mining Corp. amalgamated with a subsidiary of the Company to continue as a wholly-owned subsidiary of the Company; and
(iv) former shareholders of NiCo Mining Corp received, in exchange for their shares of NiCo Mining Corp., common shares of the Company representing 98.1% of the then issued and outstanding common shares.

As a result, this transaction was accounted for as a reverse takeover. These consolidated financial statements include the completion of the reverse takeover transaction recorded in the period. NiCo Mining Corp., the continuing entity for accounting purposes is considered to have acquired the assets and liabilities of Sudbury Capital Corporation in a capital transaction on March 12, 2008. The net identifiable assets of Sudbury Capital Corporation at March 12, 2008 were as follows:

Cash	$	55,110
Other receivables		2,835
Accounts payable		(9,996)
Net assets	$	47,949

(All Amounts are in Canadian Dollars)

4. Property and Equipment

	March 31, 2008			December 31, 2007		
	Costs $	Accumulated Amortization $	Net Book Value $	Costs $	Accumulated Amortization $	Net Book Value $
Office furniture and equipment	10,506	212	10,294	1,456	73	1,383
Computer equipment	10,961	---	10,961	---	---	---
Plant and equipment	6,467	199	6,268	54,756	1,626	53,130
	27,934	411	27,523	56,212	1,699	54,513

The depreciation expense for the period ended March 31, 2008 was $2,976 (2007 - $nil).

5. Mining Properties

	March 31, 2008	December 31, 2007
Geophysical surveys	$ 610,756	$ 599,671
Consulting Geological and Mining	199,891	84,851
Fuel	138,878	121,450
Geologists and field staff salaries and wages	125,010	37,024
Travel and accommodation	101,418	28,947
Equipment consumables	29,598	11,266
Transportation freight	18,757	16,666
Transportation	19,720	9,823
Miscellaneous	186,115	143,608
Total	$ 1,430,143	$ 1,053,306

The Company is engaged in the exploration of three large nickel cobalt concessions, being Lomie 1, Lomie 2 and Lomie 3 (collectively, the “Lomie Concessions”) which total approximately 2,800 square kilometres in the Republic of Cameroon. A fourth concession, Lomie 4, comprised of approximately 302 square kilometres, was granted in April, 2008.

The Company, through its 95%-owned subsidiary, Resource Capital Group Cameroon Ltd., controls four exploration permits in the Lomie area of southeast Cameroon. The exploration permits fall within the nickel-cobalt laterite province first identified by the United Nations Development Program in the period 1981 to 1986.

(All Amounts are in Canadian Dollars)

6. Related Party Transactions

On September 27, 2007, the NiCo Mining Corp. issued 5,000,000 common shares to acquire all of the outstanding shares of Nickel Resources Corporation Limited, a Bermuda company. These shares were issued to individuals, or entities controlled by individuals, who are shareholders, officers or directors of the Company.

Amounts due to and from the related parties, are payable to or receivable from entities controlled by shareholders, officers or directors of the Company as are transactions with these related parties. These amounts are non-interest bearing, unsecured and not subject to specific terms of repayment unless stated otherwise.

The Company pays consultation, management, strategic advisor and project management fees to companies controlled by officers and directors in lieu of their compensation. The net amount paid during the period amounted to $87,640 (December 31, 2007 – $167,491). Included in accounts payable is a net amount of $96,743 (December 31, 2007 - $18,778) due to related parties.

These transactions, other than the share exchange that is not in the normal course of operations and was recorded at its carrying value of $12,000, are in the normal course of operations and have been valued at the exchange amount which is the amount of consideration established and agreed to by the related parties.

7. Capital Stock

The Company is authorized to issue an unlimited number of common shares without par value. Each common share entitles the holder to one vote.

Share capital as a result of the takeover and as at March 31, 2008:

	Number of Shares	Share Capital	Contributed Surplus
Fair value of net assets of legal parent attributed to			
Issued shares of legal parent at the date of reverse takeover	4,000,000	$ 47,949	$
Reduction of Sudbury Capital Corporation shares issued			
as a result of 10 for 1 consolidation	(3,600,000)		
	400,000	47,949	
Effect of reorganization including eliminating SCC net assets	----	(47,949)	
Shares issued to effect the Reverse takeover transaction	20,498,100	12,949,825	189,465
Effect of revaluation of stock options			343,960
Effect of revaluation of warrants		(1,002,756)	1,002,756
Share issue cost for revaluation of agents options		(123,633)	123,633
	20,898,100	$ 11,823,436	$ 1,659,814

As a result of the reverse take-over, stock options granted prior to 2008 by the private company were converted to stock options of the public company effective March 12, 2008, the date of the reverse take-over transaction. These options have been re-valued using the Black-Scholes Option Pricing Model as though the options had been granted on March 12, 2008, Amounts previously expensed in NiCo Mining Corp. and NiCo Mining Limited totalling $152,242 have been credited against the expense of the current quarter.

(All Amounts are in Canadian Dollars)

7. **Capital Stock** - continued

As a result of the reverse take-over, warrants to purchase common shares issued prior to 2008 by the private company were converted to warrants of the public company effective March 12, 2008, the date of the reverse takeover transaction. These warrants have been re-valued using the Black-Scholes Option Pricing Model as though the warrants had been issued on March 12, 2008. No value had previously been attached to the warrants.

As a result of the reverse take-over, stock options granted to agents prior to 2008 by the private company were converted to options of the public company effective March 12, 2008, the date of the reverse takeover transaction. These options have been re-valued using the Black-Scholes Option Pricing Model as though the options had been granted on March 12, 2008. This amount is treated as a share issue cost.

During the period ending December 31, 2007, NiCo Mining Corp. had the following capital transactions:

a. issued 100 common shares for gross proceeds of $45 on June 29, 2007
b. issued 2,500,000 Class A Units for gross proceeds of $1,125,000 where each unit is comprised of one common share and one share purchase warrant on July 4, 2007. The holder of a full warrant has the right to purchase a common share of the Company at a price of $0.75 prior to July 4, 2009;
c. issued 5,000,000 common shares to acquire all of the outstanding shares of Nickel Resources Corporation Limited, a Bermuda company on September 27, 2007. These shares were valued at the carrying value of the Bermuda company, $12,000

d. issued 12,998,000 Class B Units for gross proceeds of $12,998,000 where each unit is comprised of one common share and one half of one share purchase warrant on October 3, 2007. The holder of a full warrant has the right to purchase a common share of the Company at a price of $1.50 prior to October 3, 2009;

Share Capital of NiCo Mining Corp., prior to the reverse takeover above:

	Share Number	Contributed Capital	Surplus
Issuance of shares and warrants for cash	2,500,100	$ 1,125,045	
Issuance of shares to acquire 100% of shares of Nickel Resources Corporation Limited	5,000,000	12,000	
Issuance of shares and warrants for cash	12,998,000	12,998,000	
Granting of Options	- - -	- - -	$189,465
Transaction costs		(1,185,220)	
Balance as at December 31, 2007	20,498,100	$ 12,949,825	$189,465

8. **Stock Options and Warrants**

Stock options were granted by Sudbury Capital Corporation pursuant to an agency agreement in a public share offering for the benefit of the agent.

Under a stock option plan, the Company's directors are authorized to grant options to its directors, officers, employees or consultants for the purchase of up to 10% of the issued and outstanding common shares at an exercise price equal or greater than the market price of the Company's common shares on the date of the grant. The option period for options granted under the Plan is for a maximum period of 5 years. Options

(All Amounts are in Canadian Dollars)

8. Stock Options and Warrants - continued

granted may be vested over certain time periods within the option period, which will limit the number of options that may be exercised. Each stock option is exercisable into one common share of the Company at the price specified in the terms of the option.

The Company issued stock options to acquire common shares as follows:

	Number of Options	Weighted Average Exercise Price
Beginning balance Jan 1, 2008	600,000	$ 0.10
Reduction of Sudbury Capital Corporation options granted as a result of 10 for 1 consolidation	(540,000)	
	60,000	$ 1.00
Conversion of NiCo Mining Corp. options	2,824,880	$ 0.9336
Balance at March 31, 2008	2,884,880	$ 0.9350

The Company had the following stock options outstanding at March 31, 2008:

		Outstanding			Exercisable	
Price	Number	Expiry Date	Wt. Avg. Remaining Life	Wt. Avg. Remaining Exercise Price	Number	Wt. Avg. Exercise Price
$1.00	20,000	2008.9.5	.42	$ 1.00	20,000	1.00
$1.00	40,000	2011.8.31	3.42	$ 1.00	40,000	1.00
$0.75	750,000	2010.8.30	2.42	$ 0.75	250,000	0.75
$1.00	779,880	2009.10.3	1.5	$ 1.00	779,880	1.00
$1.00	1,295,000	2012.12.21	4.75	$ 1.00	431,667	1.00
	2,884,880				1,521,547	

The fair value for these options was re-valued at the reverse takeover date, March 12, 2008, using a Black-Scholes option-pricing model with the following weighted-average assumptions:

	2008
Expected life of the option	1.5 to 4.75 years
Risk free interest rate	3.4%
Expected volatility	56.8%
Expected dividend yield	0.0%

(All Amounts are in Canadian Dollars)

8. Stock Options and Warrants - continued

The Black-Scholes option valuation model was developed for use in estimating the fair value of traded options, which have no vesting restrictions and are fully transferable. In addition, option valuation models require the input of highly subjective assumptions including the expected stock price volatility. Because the Company's stock options have characteristics significantly different from those of traded options, and because changes in the subjective input assumptions can materially affect the fair value estimate, in management's opinion, the existing models do not necessarily provide a reliable single measure of the fair value of its employee stock options.

The warrants that are issued and outstanding are as follows:

Number of Warrants	Exercise Price	Type	Issuance Date	Expiry Date
2,500,000	$ 0.75	Class A Warrants	July 2007	July 4, 2009
6,499,000	$1.50	Class B Warrants	October 2007	October 3, 2009
389,940	$1.50	Optioned Warrants	October 2007	October 3, 2009

The fair value of the warrants was re-valued at the reverse takeover date, March 12, 2008, based on the Black Scholes option pricing model. The following assumptions were used to value the warrants:

Expected warrant life	1.5 years
Risk free interest rate	3.4%
Volatility	56.8%
Dividend yield	0.0%

9. Commitments and Contingencies

a) Commitments

The Company has entered into various operating leases and is responsible for minimum principal payments. The Company's minimum future payments as at March 31, 2008 are approximately as follows:

Year ended December 31	2008
Fiscal 2008	61,576
Fiscal 2009	59,100
Fiscal 2010	39,292
Fiscal 2011	39,292
Fiscal 2012	19,646
	$ 218,906

As a condition of maintaining its licences for the three properties in Cameroon, NiCo is required to spend a minimum of 300,000,000 CFA (U.S. $631,140) over the initial three year term for each of the three properties. In total, this represents a commitment of 900,000,000 CFA (U.S. $1,893,420) over the initial three year term of the license. The exploration program planned by management and the current cash resources will allow NiCo to fulfill these obligations.

9. Commitments and Contingencies - continued

b) Contingencies
From time to time, the Company may be exposed to claims and legal actions in the normal course of business, some of which may be initiated by the Company. As at March 31, 2008, no material issues were outstanding.

10. Financial Instruments

Fair Value

Fair value estimates of financial instruments are made at a specific point in time, based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgement, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values.

The carrying value of cash, other receivables, accounts payable and accrued liabilities approximates their fair value because of the short-term nature of these instruments.

Concentration of Credit and Foreign Currency
The Company maintains its cash with major financial institutions in North America and generally exceeds that of government insured levels. Cash requirements to meet short term operating requirements are held in financial institutions in Cameroon and South Africa.

The Company's operations are outside of North America, therefore, the Company is exposed to foreign currency risks.

Market Risk
Market risk is the risk that the fair value of a financial instrument will fluctuate because of changes in market prices. For purposes of this disclosure, the Company segregates market risk into three categories: fair value risk, interest rate risk and currency risk.

Liquidity Risk
Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities. The Company's financial liabilities consist of accounts payable. The company has no liquidity risk as there are sufficient cash resources on order to allow it to meet its financial obligations in the foreseeable future.

Interest rate, currency and credit risk
The Company is subject to interest risks, or currency risk and credit risk arising from these financial instruments in the normal course of business.

As at March 31, 2008, the Company's foreign currency balances were approximately $379,636 in cash, $127,417 in receivables, and $137,662 in liabilities.

As at December 31, 2007, the Company's foreign currency balances were approximately $359,155 in cash, $211,982 in receivables, and $59,753 in liabilities.

11. Segmented Information

The Company's operations are comprised of a single reporting segment engaged in the exploration of nickel and cobalt properties. As the operations comprise a single reporting segment, amounts disclosed in the financial statements represent this single segment.

As of March 31, 2008, all of the Company's assets are in North America, with the exception of its interest in its subsidiaries that are located in Africa which approximate $327,619 in cash, $127,417 in receivables, property & equipment $26,332, mining properties $1,430,143 and $60,580 in liabilities.

As of December 31, 2007, all of the Company's assets are in North America, with the exception of its interest in its subsidiaries that are located in Africa which approximate $309,399 in cash, $93,915 in receivables, property & equipment $53,130, mining properties $1,053,306 and $16,679 in liabilities.

12. Comparative Figures

There are no comparative figures for profit and loss as NiCo Mining Corp. was incorporated on June 29, 2007. Comparative balance sheet figures as at December 31, 2007 are those of NiCo Mining Corp.