

DIOS EXPLORATION INC.

UNAUDITED INTERIM FINANCIAL STATEMENTS

September 30, 2013

Content

Interim Statement of Financial Position	2
Interim Statement of Comprehensive Income	3
Interim Statement of Changes in Equity	4
Interim Statement of Cash Flows	5
Notes to Interim Financial Statements	6-12

The attached interim financial statements have been prepared by Dios Exploration Inc. and its external auditors have not reviewed these unaudited financial statements.

1000, St-Antoine Street West, Suite 711, Montreal QC H3C 3R7
Tel: 514-483-5149
email: mjgirard@diosexplo.com
web site: www.diosexplo.com

DIOS EXPLORATION INC.
Interim Statement of Financial Position (unaudited)

(Canadian dollars)

	Notes	September 30 2013	December 31 2012
		\$	\$
ASSETS			
Current			
Cash and cash equivalents	5	551 951	119 547
Receivable		-	1 727
Investments	6	43 833	681 531
Good and services tax receivable		6 517	30 298
Tax credits receivable		238 289	551 498
Prepaid expenses		4 962	-
		845 552	1 384 601
Non-current			
Exploration and evaluation assets	7	9 305 784	9 044 031
Total assets		10 151 336	10 428 632
LIABILITIES			
Current			
Trade and other payables		19 938	152 029
EQUITY			
Share capital	8.1	17 730 898	17 730 898
Contributed surplus		2 523 101	2 418 477
Deficit		(10 122 601)	(9 872 772)
Total equity		10 131 398	10 276 603
Total liabilities and equity		10 151 336	10 428 632

Subsequent events (note 15)

The accompanying notes are an integral part of the interim financial statements

These financial statements were approved and authorized for issue by the Board of Directors on November 20, 2013

(s) Marie-José Girard

Marie-José Girard
 Director

(s) René Lacroix

René Lacroix
 Director

DIOS EXPLORATION INC.
Interim Statement of Comprehensive Income (unaudited)

(Canadian dollars)

	Notes	Three-month period ended		Nine-month period ended	
		September 30		September 30	
		2013	2012	2013	2012
		\$	\$	\$	\$
EXPENSES					
Salaries and employee benefits expense	9.1	27 777	60 416	146 654	219 588
Publicity, travel and promotion		4 534	1 629	7 675	9 817
Trustees, registration fees and shareholders relations		2 633	4 045	20 634	22 743
Professional fees		2 155	10 000	33 925	42 300
Insurance, taxes and permits		2 108	2 040	8 409	8 422
Offices expenses		1 772	8 091	10 498	25 825
Bank charges		148	755	(80)	1 218
OPERATING INCOME		41 127	86 976	227 715	329 913
OTHER REVENUES AND EXPENSES					
Finance income	10	881	6 148	6 294	19 694
Gain on sale of exploration and evaluation asset		-	-	-	112 513
Loss on disposal of investments		-	-	(6 168)	-
Change in fair value of listed shares		(5 290)	(42 110)	(22 240)	(168 693)
		(4 409)	(35 962)	(22 114)	(36 486)
LOSS BEFORE INCOME TAXES		(45 536)	(122 938)	(249 829)	(366 399)
Deferred income taxes		-	-	-	43 500
NET LOSS AND COMPREHENSIVE LOSS		(45 536)	(122 938)	(249 829)	(409 899)
NET LOSS PER SHARE					
Basic and diluted loss per share	11	(0.001)	(0.003)	(0.01)	(0.01)

The accompanying notes are an integral part of the interim financial statements

DIOS EXPLORATION INC.
Interim Statement of Changes in Equity (unaudited)

(Canadian dollars)

	Note	Share capital		Contributed	Deficit	Total equity
		Number of shares	\$	surplus \$	\$	\$
Balance at January 1, 2013		39 170 961	17 730 898	2 418 477	(9 872 772)	10 276 603
Net loss for the period		-	-	-	(249 829)	(249 829)
Share-based payments	9.2	-	-	104 624	-	104 624
Balance at September 30, 2013		39 170 961	17 730 898	2 523 101	(10 122 601)	10 131 398
Balance at January 1, 2012		39 095 961	17 724 148	2 211 290	(9 424 103)	10 511 335
Net loss for the period		-	-	-	(249 829)	(249 829)
Share-based payments	9.2	-	-	169 011	-	169 011
Balance at September 30, 2012		39 095 961	17 724 148	2 380 301	(9 673 932)	10 430 517

The accompanying notes are an integral part of the interim financial statements

DIOS EXPLORATION INC.
Interim Statement of Cash Flows (unaudited)

(Canadian dollars)

	Notes	Nine-month period ended	
		September 30	
		2013	2012
		\$	\$
OPERATING ACTIVITIES			
Net loss		(249 829)	(409 899)
Adjustments			
Share-based payments		104 624	169 011
Change in fair value of listed shares		22 240	168 693
Gain on sale of exploration and evaluation asset		-	(112 513)
Loss on sale of investments		6 168	-
Deferred income taxes		-	43 500
Changes in working capital items	12	(111 546)	(17 559)
Cash flows from operating activities		<u>(228 343)</u>	<u>(158 767)</u>
INVESTING ACTIVITIES			
Investments redeemed		609 291	804 916
Investments		-	(404 468)
Payments received on option		-	75 000
Tax credits and credit on duties received		488 084	723 037
Additions to exploration and evaluation assets		(436 628)	(1 399 714)
Cash flows from investing activities		<u>660 747</u>	<u>(201 229)</u>
FINANCING ACTIVITIES			
Issuance of shares by private placement		-	-
Issuance cost of shares		-	-
Issuance of shares upon exercise of stock options		-	-
Cash flows from financing activities		<u>-</u>	<u>-</u>
Net change in cash and cash equivalents		432 404	(359 996)
Cash and cash equivalents, beginning of period		119 547	564 130
Cash and cash equivalents, end of period		551 951	204 134
Supplemental disclosure			
Interests income cashed (Investing activities)		<u>20 584</u>	<u>20 609</u>

Additional informations - Cash Flows- note 12

The accompanying notes are an integral part of the interim financial statements

DIOS EXPLORATION INC.

Notes to Interim Financial Statements

For the nine-month period ended September 30, 2013 (unaudited)

(Canadian dollars)

1. NATURE OF OPERATIONS AND CORPORATE INFORMATION

Dios Exploration Inc. (the "Company") is an exploration company with activities in Canada.

The Company is incorporated under the Canada Business Corporations Act. The address of the Company's registered office and its principal place of business is 1000 St-Antoine Street West, Suite 711, Montreal, Quebec, Canada. The Company's shares are listed on the TSX Venture Exchange.

2. GOING CONCERN ASSUMPTION

The financial statements have been prepared in compliance with International Financial Reporting Standards (IFRS) and on the basis of the going concern assumption, meaning the Company will be able to realize its assets and discharge its liabilities in the normal course of operations.

Given that the Company has not yet determined whether its mineral properties contain mineral deposits that are economically recoverable, the Company has not yet generated income nor cash flows from its operations. As at September 30, 2013, the Company has a negative cumulated retained deficit of \$10,122,601 (\$9,872,772 as at December 31, 2012). These material uncertainties cast significant doubt regarding the Company's ability to continue as a going concern.

The Company's ability to continue as a going concern is dependent upon its ability to raise additional financing to further explore its mineral properties. Even if the Company has been successful in the past in doing so, there is no assurance that it will manage to obtain additional financing in the future.

The carrying amounts of assets, liabilities, revenues and expenses presented in the financial statements and the classification used in the statement of financial position have not been adjusted as would be required if the going concern assumption was not appropriate.

3. SUMMARY OF ACCOUNTING POLICIES

Basis presentation

These interim financial statements of the Company were prepared in accordance with IFRS, as issued by the International Accounting Standards Board (IASB) under International Accounting Standard (IAS) 34 - Interim Financial Reporting. These interim financial statements were prepared using the same basis of presentation, accounting policies and methods of computations outlined in Note 4, SIGNIFICANT ACCOUNTING POLICIES as described in our financial statements for the year ended December 31, 2012 and are based on IFRS issued as of November 20, 2013, the date the Board of Directors approved these financial statements. The interim financial statements do not include all of the notes required in annual financial statements.

Changes in accounting policies

The Company has adopted the following new and revised standard, along with any consequential amendments, effective January 1, 2013.

IFRS 13, Evaluation of fair value

IFRS 13 provides guidance on how fair value should be applied where its use is already required or permitted by other standards within IFRS, including a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across IFRS. The adoption of IFRS 13 did not require any adjustments to the valuation techniques used by the Company to measure fair value and did not result in any measurement adjustments as at January 1, 2013.

4. CRITICAL ACCOUNTING ESTIMATES, JUDGMENTS AND ASSUMPTIONS

When preparing the financial statements, management undertakes a number of judgements, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. The actual results are likely to differ from the judgments, estimates and assumptions made by management, and will seldom equal the estimated results. Information about the significant judgments, estimates and assumptions that have the most significant effect on the recognition and measurement of assets, liabilities, income and expenses are discussed below.

DIOS EXPLORATION INC.
Notes to Interim Financial Statements
For the nine-month period ended September 30, 2013 (unaudited)

(Canadian dollars)

4. CRITICAL ACCOUNTING ESTIMATES, JUDGMENTS AND ASSUMPTIONS (continued)

Estimation uncertainty

Impairment of exploration and evaluation assets

When an indication of impairment loss or a reversal of an impairment loss exists, the recoverable amount of the individual asset must be estimated. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs must be determined.

No impairment loss of the exploration and evaluation assets was recognized during the period. No reversal of impairment losses has been recognized for the reporting periods.

Share-based payments

The estimation of share-based payment costs requires the selection of an appropriate valuation model and consideration as to the inputs necessary for the valuation model chosen. The Company has made estimates as to the volatility of its own share, the probable life of share options and warrants granted and the time of exercise of those share options and warrants. The model used by the Company is the Black-Scholes valuation model.

Significant management judgement

Impairment of exploration and evaluation assets

Determining if there are any facts and circumstances indicating impairment loss or reversal of impairment losses is a subjective process involving judgment and a number of estimates and interpretations in many cases.

Determining whether to test for impairment of exploration and evaluation assets requires management's judgment, among others, regarding the following: the period for which the Company has the right to explore in the specific area has expired or will expire in the near future, and is not expected to be renewed; substantive expenditure on further exploration and evaluation of mineral resources in a specific area is neither budgeted nor planned; exploration for and evaluation of mineral resources in a specific area have not led to the discovery of commercially viable quantities of mineral resources and the Company has decided to discontinue such activities in the specific area; or sufficient data exists to indicate that, although a development in a specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale.

Recognition of deferred income tax assets and measurement of income tax expense

Management continually evaluates the likelihood that its deferred tax assets could be realized. This requires management to assess whether it is probable that sufficient taxable income will exist in the future to utilize these losses within the carry-forward period. By its nature, this assessment requires significant judgment. To date, management has not recognized any deferred tax assets in excess of existing taxable temporary differences expected to reverse within the carry-forward period.

5. CASH AND CASH EQUIVALENTS

	September 30, 2013	December 31, 2012
Cash at bank (Bank overdraft) and in hand	\$ (23 103)	\$ (14 251)
Monetary fund	575 054	133 798
	<u>551 951</u>	<u>119 547</u>

As at September 30, 2013, cash and cash equivalents include monetary fund bearing interest at 1.05%, cashable anytime without any penalties

DIOS EXPLORATION INC.
Notes to Interim Financial Statements
For the nine-month period ended September 30, 2013 (unaudited)

(Canadian dollars)

6. INVESTMENTS

	Rate ranging		September 30,	December 31,
	from	to	2013	2012
			\$	\$
Current				
Guaranteed investment certificates	1.86%	2.60%	-	316 771
Others investments from financial institutions	3.05%	4.67%	-	298 687
Shares listed	-	-	43 833	66 073
			<u>43 833</u>	<u>681 531</u>

7. EXPLORATION AND EVALUATION ASSETS

MINING RIGHTS

	January 1, 2013	Additions	Disposal	September 30, 2013
	\$	\$	\$	\$
QUEBEC				
33 Carats	655 469	3 068	-	658 537
14 Karats	85 191	25 079	-	110 270
Hotish	329 596	14 051	-	343 647
Solo	8 118	(981)	-	7 137
K2	-	1 107	-	1 107
Pontax	11 411	963	-	12 374
Shipsaw	229 047	2 125	(15 000)	216 172
Shadow	84 401	163	-	84 564
LeCaron	211 763	4 733	-	216 496
AU33 ouest	60 926	-	-	60 926
	<u>1 675 922</u>	<u>50 308</u>	<u>(15 000)</u>	<u>1 711 230</u>

EXPLORATION

	January 1, 2013	Additions	Disposal	Tax credits	September 30, 2013
	\$	\$	\$	\$	\$
QUEBEC					
33 Carats	1 826 705	196 514	-	(85 631)	1 937 588
14 Karats	295 653	69 875	-	(30 448)	335 080
Hotish	3 483 206	1 099	-	(479)	3 483 826
Solo	15 570	20 566	-	(8 962)	27 174
K2	-	22 812	-	(9 940)	12 872
Pontax	2 798	1 099	-	(479)	3 418
Shipsaw	892 713	6 624	-	(2 886)	896 451
Shadow	291 924	35 335	-	(15 397)	311 862
LeCaron	470 281	42 347	-	(18 453)	494 175
Genex	-	1 368	-	(596)	772
AU33 ouest	89 259	3 680	-	(1 603)	91 336
	<u>7 368 109</u>	<u>401 319</u>	<u>-</u>	<u>(174 874)</u>	<u>7 594 554</u>
TOTAL	<u>9 044 031</u>	<u>451 627</u>	<u>(15 000)</u>	<u>(174 874)</u>	<u>9 305 784</u>

On June 6, 2013, the Company sold three mining claims of the Shipsaw property for a cash consideration of \$15,000 and a 1% royalty on future production.

8. EQUITY

8.1 Share capital

The share capital of the Company consists only of fully paid ordinary shares

Authorized

Unlimited number of common shares without par value, voting, participating, dividend as declared by the Board of Directors

DIOS EXPLORATION INC.
Notes to Interim Financial Statements
For the nine-month period ended September 30, 2013 (unaudited)

(Canadian dollars)

8.1 Share capital (continued)

Issued	Number of shares	
	Nine-month period ended	
	Sept. 30, 2013	Sept. 30, 2012
Shares issued and fully paid		
Shares issued and fully paid at the beginning	39 170 961	39 095 961
Private placement	-	-
Acquisition of mining rights	-	-
Exercise of share options	-	-
Total shares issued and fully paid at the end	<u>39 170 961</u>	<u>39 095 961</u>

9. EMPLOYEE REMUNERATION

9.1 Salaries and employee benefits expense

	Three-month period ended September 30		Nine-month period ended September 30	
	2013	2012	2013	2012
	\$	\$	\$	\$
Salaries and benefits	79 730	85 245	241 424	254 757
Professional fee paid to an officer	5 550	11 800	31 250	39 000
Share-based payments	18 791	45 379	104 624	169 011
	<u>104 071</u>	<u>142 424</u>	<u>377 298</u>	<u>462 768</u>
Less: salaries capitalized in Exploration and evaluation assets	<u>(76 294)</u>	<u>(82 008)</u>	<u>(230 644)</u>	<u>(243 180)</u>
Salaries and employee benefits expense	<u>27 777</u>	<u>60 416</u>	<u>146 654</u>	<u>219 588</u>

9.2 Share-based payments

The Company has adopted share-based payment plans under which members of the Board of Directors may award options for ordinary shares to directors, officers, employees and consultants. The maximum number of shares issuable under the plans is 6,600,000. The maximum number of common shares which may be reserved for issuance to any one optionee may not exceed 5% of the common shares outstanding at the date of grant.

The exercise price of each option is determined by the Board of Directors and cannot be less than the market value of the ordinary shares on the day prior the award, and the term of the options cannot exceed five years. The options granted vest in stages over a period of 18 months after the grant date, at the rate of 15% per quarter, at the exception of 10%, which may be exercised from the date of the grant. For the options granted to a consultant, it vests in stages over a period of 12 months after the grant, at the rate of 25 % per quarter

All share-based payments will be settled in equity. The Company has no legal or constructive obligation to repurchase or settle the options. The Company's share options are as follows for the reporting periods presented:

	Options	Weighted average exercise price
		\$
Outstanding as at December 31, 2012	4 790 000	0.24
Expired	(570 000)	0.31
Outstanding as at September 30, 2013	<u>4 220 000</u>	<u>0.23</u>
Exercisable as at September 30, 2013	<u>3 772 250</u>	<u>0.24</u>

No options were granted during the period ending September 30, 2013.

DIOS EXPLORATION INC.
Notes to Interim Financial Statements
For the nine-month period ended September 30, 2013 (unaudited)

(Canadian dollars)

9.2 Share-based payments (continued)

The table below summarizes the information related to share options as at September 30, 2013

Range of exercise price \$	Outstanding options		
	Number of options	Weighted average exercise price \$	Remaining life (years)
0.10 to 0.29	2 630 000	0.18	3.00
0.30 to 0.50	1 590 000	0.32	2.08
	<u>4 220 000</u>		

In total, \$104,624 of employee remuneration expense (all of which related to equity-settled share-based payment transactions) were included in profit or loss for the nine-month period ended September 30, 2013 (\$169,011 for the nine-month period ended September 30, 2012) and credited to Contributed surplus.

10. FINANCE INCOME

	Three-month period ended September 30		Nine-month period ended September 30	
	2013	2012	2013	2012
Interest income from cash and cash equivalents	\$ 881	\$ 880	\$ 2 120	\$ 2 610
Interest income from guaranteed investment certificates	-	2 275	731	9 013
Interest income from other investments	-	2 993	3 443	8 071
Finance income	<u>881</u>	<u>6 148</u>	<u>6 294</u>	<u>19 694</u>

11. LOSS PER SHARE

The calculation of basic loss per share is based on the loss for the period divided by the weighted average number of shares in circulation during the period. In calculating the diluted loss per share, potential ordinary shares such as share options have not been included as they would have the effect of decreasing the loss per share. Decreasing the loss per share would be antidilutive. Details of share options issued that could potentially dilute earnings per share in the future are given in Note 9.2.

	Three-month period ended September 30		Nine-month period ended September 30	
	2013	2012	2013	2012
Net loss	\$(45,536)	\$(122,938)	\$(249,829)	\$(409,899)
Weighted average number of shares in circulation	39 170 961	39 095 961	39 170 961	39 095 961
Basic and diluted loss per share	\$(0.001)	\$(0.003)	\$(0.006)	\$(0.01)

There have been no other transactions involving ordinary shares between the reporting date and the date of authorization of these financial statements which can significantly change the loss per share.

DIOS EXPLORATION INC.
Notes to Interim Financial Statements
For the nine-month period ended September 30, 2013 (unaudited)

(Canadian dollars)

12. ADDITIONAL INFORMATIONS – CASH FLOWS

The changes in working capital items are detailed as follows:

	Nine-month period ended September 30	
	2013	2012
	\$	\$
Good and services tax receivable	23 781	(68 323)
Receivables	1 727	55 390
Prepaid expenses and deposit	(4 962)	(4 971)
Trade and other payables	(132 092)	345
	<u>(111 546)</u>	<u>(17 559)</u>

Non cash transactions in the Statement of Financial Position are:

Listed shares value received as consideration for disposal of exploration and evaluation assets	<u>-</u>	<u>220 000</u>
---	----------	----------------

13. RELATED PARTY TRANSACTIONS

The Company's related parties include its associate, one related company and joint key management, as described below. Unless otherwise stated, none of the transactions incorporated special terms and conditions and no guarantees were given or received. Outstanding balances are usually settled in cash.

13.1 Transactions with key management personnel

Key management personnel of the Company are members of the Board of Directors, as well as the president, the chief financial officer and the vice-president, exploration. Key management personnel remuneration includes the following expenses:

	Three-month period ended September 30		Nine-month period ended September 30	
	2013	2012	2013	2012
	\$	\$	\$	\$
Short-term employee benefits				
Salaries including bonuses and benefits	61 250	61 250	187 750	186 250
Professional fees	5 550	11 800	31 250	39 000
Social security costs	1 791	1 779	12 889	12 735
Total short-term employee benefits	<u>68 591</u>	<u>74 829</u>	<u>231 889</u>	<u>237 985</u>
Share-based payments	15 366	37 973	85 857	142 053
Total remuneration	<u>83 957</u>	<u>112 802</u>	<u>317 746</u>	<u>380 038</u>

An important part of the remuneration of the President and Vice-President Exploration has been allocated to Exploration and evaluation assets.

14. CAPITAL MANAGEMENT POLICIES AND PROCEDURES

The Company's capital management objectives are:

- to ensure the Company's ability to continue as a going concern;
- to increase the value of the assets of the business; and
- to provide an adequate return to the shareholders.

These objectives will be achieved by identifying the right exploration projects, adding value to these projects and ultimately taking them through to production or sale and cash flow, either with partners or by the Company's own means

The Company monitors capital on the basis of the carrying amount of equity. Capital for the reporting periods under review is summarized in Note 8 and in the statement of changes in equity.

DIOS EXPLORATION INC.
Notes to Interim Financial Statements
For the nine-month period ended September 30, 2013 (unaudited)

(Canadian dollars)

14. CAPITAL MANAGEMENT POLICIES AND PROCEDURES (continued)

The Company sets the amount of capital in proportion to its overall financing structure, i.e. equity and financial liabilities. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may return capital to shareholders, issue new shares, or sell assets to reduce debt.

No changes were made in the objectives, policies and processes for managing capital during the reporting periods.

15. SUBSEQUENT EVENTS

On October 3, 2013, the Company completed a private placement of \$90,000 consisting of 900,000 flow-through shares at a price of 0.10\$ per share.

On October 18, 2013, the Company announced that due to recent major cuts and lay-offs, Osisko Mining Corporation terminated its option agreement on the AU33 West gold project, James Bay, Qc