DIOS EXPLORATION INC.

UNAUDITED INTERIM FINANCIAL STATEMENTS

MARCH 31, 2018

Content

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

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

(Canadian dollars)

	Notes	March 31 2018	December 31 2017
		$	$
ASSETS			
Current			
Cash and cash equivalents		**281 896**	376 296
Good and services tax receivable		**59 213**	15 163
Tax credits receivable		**118 540**	-
Prepaid expenses and deposit		**-**	350
		459 649	391 809
Non-current			
Exploration and evaluation assets	5	**2 055 236**	1 719 657
Total assets		**2 514 885**	2 111 466
LIABILITIES			
Current			
Trade and other payables		**390 245**	41 584
Advance from an officer, 0% to 4,95%, on demand		**31 196**	-
Other liabilities		**15 556**	52 040
Total liabilities		**436 997**	93 624
EQUITY			
Share capital	6.1	**19 503 285**	19 448 838
Contributed surplus		**2 809 807**	2 795 107
Deficit		**(20 235 204)**	(20 226 103)
Total equity		**2 077 888**	2 017 842
Total liabilities and equity		**2 514 885**	2 111 466

The accompanying notes are an integral part of the financial statements

These financial statements were approved and authorized for issue by the Board of Directors on May 16, 2018

(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 March 31	
		2018	2017
		$	$
EXPENSES			
Employee benefits expense	7.1	**17 516**	9 233
Professional fees		**14 560**	18 720
Consulting fees		**8 827**	8 150
Trustees, registration fees and shareholders relations		**7 557**	6 727
Publicity, travel and promotion		**5 356**	2 228
Insurance, taxes and permits		**2 134**	2 095
Offices expenses		**1 283**	1 788
Bank charges		**138**	161
OPERATING LOSS		**57 371**	49 102
OTHER REVENUES AND EXPENSES			
Finance income	8	**749**	2 318
Finance costs	8	**(60)**	(395)
		689	1 923
LOSS BEFORE INCOME TAXES		**(56 682)**	(47 179)
Deferred income taxes		**52 040**	-
NET LOSS AND COMPREHENSIVE INCOME		**(4 642)**	(47 179)
NET LOSS PER SHARE			
Basic and diluted loss per share	9	**(0.001)**	(0.001)

The accompanying notes are an integral part of the financial statements

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

(Canadian dollars)

	Note	Share capital			Contributed surplus	Deficit	Total equity
		Number of shares issued	Number of shares to be issued	$	$	$	$
Balance at January 1, 2017		55 168 060	-	19 344 758	2 787 331	(18 451 615)	3 680 474
Net loss for the period		-	-	-	-	(4 642)	(4 642)
Share-based payments	7.2	-	-	-	4 719	-	4 719
Balance at March 31, 2017		55 168 060	-	19 344 758	2 792 050	(18 456 257)	3 680 551
Balance at January 1, 2018		55 168 060	1 734 667	19 448 838	2 795 107	(20 226 103)	2 017 842
Net loss for the period		-	-	-	-	(4 642)	(4 642)
Issuance of shares	6.1	2 512 478	(1 734 667)	54 447	-	-	54 447
Share issuance costs		-		-	-	(4 459)	(4 459)
Share-based payments	7.2	-		-	14 700	-	14 700
Balance at March 31, 2018		57 680 538	-	19 503 285	2 809 807	(20 235 204)	2 077 888

The accompanying notes are an integral part of the financial statements

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

(Canadian dollars)

	Notes	Three-month period ended March 31 **2018**	**2017**
		$	$
OPERATING ACTIVITIES			
Net loss		**(4 642)**	(47 179)
Adjustments			
Share-based payments		**14 700**	4 719
Change in fair value of listed shares		**-**	395
Finance income not cashed		**-**	(1 514)
Deferred income taxes expenses		**(52 040)**	-
Changes in working capital items	10	**40 716**	46 225
Cash flows from operating activities		**(1 266)**	2 646
INVESTING ACTIVITIES			
Disposal of listed shares		**-**	4 072
Additions to exploration and evaluation assets		**(158 678)**	(266 690)
Cash flows from investing activities		**(158 678)**	(262 618)
FINANCING ACTIVITIES			
Issuance of shares by private placement		**70 003**	-
Share issuance costs		**(4 459)**	-
Cash flows from financing activities		**65 544**	-
Net change in cash and cash equivalents		**(94 400)**	(259 972)
Cash and cash equivalents, beginning of period		**376 296**	475 878
Cash and cash equivalents, end of period		**281 896**	215 906
Supplemental disclosure			
Interest income received (operating activities)		**749**	804
Interest paid (operating activities)		**60**	-

Additional information - Cash Flows- note 10

The accompanying notes are an integral part of the financial statements

1. NATURE OF OPERATIONS AND CORPORATE INFORMATION

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

2. GOING CONCERN ASSUMPTION

The financial statements have been prepared 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 March 31, 2018, the Company has a negative cumulated retained deficit of $20,235,204 ($20,226,103 as at December 31, 2017). 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, 2017. The interim financial statements do not include all of the notes required in annual financial statements.

New standard effective January 1, 2018

IFRS 9 Financial instruments

In July 2014, the International Accounting Standards Board (IASB) aims to replace IAS 39 Financial Instruments: Recognition and Measurements in its entirety with IFRS 9. IFRS 9 introduces improvements which include a logical model for classification and measurement of financial assets, a single, forward-looking "expected loss" impairment model and a substantially-reformed approach to hedge accounting. IFRS 9 is effective for annual reporting periods beginning on or after January 1, 2018. Earlier application is permitted.

Impact of the application of IFRS 9 Financial Instruments
During the quarter ended March 31, 2018, the Company applied IFRS 9 Financial Instruments and related amendments to affect other IFRS. The requirements of IFRS 9 represent a significant change from IAS 39 Financial Instruments: Recognition and Measurement. The details of these new requirements that are relevant to the Company and their impact on the Company's financial statements are described below.

The Company applied IFRS 9 retrospectively in accordance with the transitional provisions set out in the standard and restated its comparative financial statements. For the Company, the initial application date is January 1, 2018. As a result, the Company has applied the requirements of IFRS 9 to financial instruments that have not been derecognized as at January 1, 2018 and has not applied the financial instrument requirements that have already been derecognized as at January 1, 2018. Comparative amounts for financial instruments that have not been derecognized as at January 1, 2018 have been restated where applicable.

Classification and valuation of financial assets
IFRS 9 contains three categories of financial assets: Measured at cost after amortization, at fair value through other comprehensive income and at fair value through profit or loss. The classification of financial assets under IFRS 9 is generally based on the economic model in which a financial asset is managed and its contractual cash flow characteristics. IFRS 9 eliminates the following IAS 39 categories: held-to-maturity investments, loans and receivables and available-for-sale financial assets.

Management has reviewed and assessed the Company's existing financial assets as at January 1, 2018 based on the facts and circumstances that existed at that date. Cash classified as loans and receivables continues to be measured at amortized cost in accordance with IFRS 9. The Company has concluded that the application of IFRS 9 did not affect the classification and measurement of cash flows. financial assets of the company.

3. SUMMARY OF ACCOUNTING POLICIES (continued)

New standard effective January 1, 2018 (continued)

Classification and valuation of financial liabilities
For financial liabilities, IFRS 9 includes the classification and measurement requirements previously included in IAS 39. The application of IFRS 9 had no impact on the classification and measurement of the Company's financial liabilities.

4. JUDGMENTS, ESTIMATES AND ASSUMPTIONS

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

Significant management judgements

The following are significant management judgments in applying the accounting policies of the Company that have the most significant effect on the financial statements.

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

Management continually evaluates the likehood that its deferred tax assets could be realized. This requires management to assess whether it is probable that sufficient taxable income will exit 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.

Going concern

The assessment of the Company's ability to continue as a going concern and to raise sufficient funds to pay for its ongoing operating expenditures, meets its liabilities for the ensuing year and to fund planned and contractual exploration programs, involves judgments based on historical experience and other factors including expectation of future events that are believed to be reasonable under the circumstances. See Note 2 for more information.

Estimation uncertainty

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be substantially different.

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.

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

In assessing impairment, the Company must make some estimates and assumptions regarding future circumstances, in particular, whether an economically viable extraction operation can be established, the probability that the expenses will be recover from either future exploitation or sale when the activities have not reached a stage that permits a reasonable assessment of the existence of reserves, the Compan'ys capacity to obtain financial resources necessary to complete the evaluation and development and to renew permits. Estimates and assumptions may change if new information becomes available. If, after expenditure is capitalized, information becomes available suggesting that the recovery of expenditure is unlikely, the amount capitalized is written off in profit or loss in the period when the new information becomes available.

There were no write-off of exploration and evaluation asset for the quarter ended March 31, 2018. 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 granted and the time of exercise of those share options. The model used by the Company is the Black-Scholes valuation model.

(Canadian dollars)

4. JUDGMENTS, ESTIMATES AND ASSUMPTIONS (continued)

Tax credits receivable

The calculation of the Company's refundable tax credit on qualified exploration expenditure incurred and refundable tax credit involves a degree of estimation and judgment in respect of certain items whose tax treatment cannot be finally determined until a notice of assessment has been issued by the relevant taxation authority and payment has been received. Difference arising between the actual results following final resolution of some of these items and the assumptions made could necessitate adjustments to the refundable tax credit and refundable tax credit, exploration and evaluation assets, and income tax expense in future periods.

5. EXPLORATION AND EVALUATION ASSETS

MINING RIGHTS

	January 1, 2018	Additions	**March 31, 2018**
QUEBEC	**$**	$	**$**
33 Carats	1	6 236	**6 237**
K2	36 773	8 165	**44 938**
AU33	126 782	2 376	**129 158**
Clarkie	17 203	4 455	**21 658**
Others	2 200	5 197	**7 397**
	182 959	26 429	**209 388**

EXPLORATION

	January 1, 2018	Additions	Tax credits	**March 31, 2018**
QUEBEC	$	$	$	**$**
K2	292 542	9 122	(2 528)	**299 136**
AU33	1 127 910	418 568	(116 012)	**1 430 466**
Clarkie	116 246	-	-	**116 246**
	1 536 698	427 690	(118 540)	**1 845 848**
TOTAL	1 719 657	454 119	(118 540)	**2 055 236**

6. EQUITY

6.1 Share capital

The share capital of the Company consists only of ordinary shares created in unlimited number, without par value. All shares are equally admissible to receive dividends and the repayment of capital, and represent one vote each at the sharaholders' meeting of the Company.

On February 2, 2018, the Company completed a non-brokered private placement. An amount of $70,003 was subscribed consisting of 777,811 flow-through shares at a price of $0.09 per share. An amount of $54,447 was allocated to share capital and $15,556 was attributed to other liabilities in the statement of financial position.

6.2 Warrants

Outstanding warrants entitle their holders to subscribe to an equivalent number of ordinary shares, as follows :

	Quarter ended March 31, 2018		Year ended December 31, 2017	
	Number of warrants	Weighted average exercise price	Number of warrants	Weighted average exercise
		$		$
Balance, at beginning	6 469 501	0.17	8 470 929	0.15
Issued	-	-	-	-
Exercised	-	-	(2 001 428)	0.10
Balance, at the end	6 469 501	0.17	6 469 501	0.17

(Canadian dollars)

6. EQUITY (continued)

6.2 Warrants (continued)

The number of warrants outstanding exercisable in exchange for an equivalent number of ordinary shares is as follows:

	March 31, 2018	
Expiry date	Number of warrants	Exercise price $
May 18, 2018	332 500	0.20
May 18, 2018	280 000	0.155
May 20, 2018	2 023 667	0.20
May 20, 2018	3 833 334	0.155
	6 469 501	0.17

7. EMPLOYEE REMUNERATION

7.1 Salaries and employee benefits expense

	Three-month period ended March 31	
	2018	2017
	$	$
Salaries and benefits	**73 024**	62 447
Share-based payments	**14 700**	4 718
	87 724	67 165
Less: salaries capitalized in Exploration and evaluation assets	**(70 208)**	(57 932)
Salaries and employee benefits expense	**17 516**	9 233

7.2 Share-based payments

The Company has adopted share-based payment plans under which members of the Board of Directors may award options for common 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, with 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:

	Quarter ended March 31, 2018		Year ended December 31, 2017	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise
Outstanding as at the beginning	2 860 000	0.12	5 170 000	0.15
Granted	980 000	0.10	-	-
Expired	-	-	(1 775 000)	0.19
Canceled	-	-	(535 000)	0.14
Outstanding as at the end	3 840 000	0.11	2 860 000	0.12
Exercisable as at the end	2 958 000	0.11	2 860 000	0.12

The following table summarizes information about common share purchase options outstanding and exercisable as at March 31, 2018:

Number of options			
ourstanding	exercisable	exercise price	Expiry date
1 100 000	1 100 000	0.15	Oct. 1, 2019
880 000	880 000	0.10	July 16, 2020
880 000	616 000	0.10	Feb. 22, 2021
980 000	98 000	0.10	Feb. 19, 2013
3 840 000	2 694 000		

(Canadian dollars)

7. EMPLOYEE REMUNERATION (continued)

7.2 Share-based payments (continued)

On February 19, 2018, the Company granted 980,000 options exercisable at $0.10 to officers, directors and employees of the Company under its incentive stock option plan. The options have a term of five years and can be exercised gradually over a period of eighteen months.

The weighted fair value of the granted options of $0.06 per option was determined using the Black-Scholes option pricing model and based on the following weighted average assumptions:

Share price at date of grant	$0.075
Expected dividends yield	0%
Expected volatility	122%
Risk-free interest rate	2,00%
Expected life	5 years
Exercise price at date of grant	$0.10

The underlying expected volatility was determined by reference to historical data of the Company's shares over a period of five years. No special features inherent to the options granted were incorporated into measurement of fair value.

In total, $14,700 of employee remuneration expense (all of which related to equity-settled share-based payment transactions) were included in profit or loss for the three-month period ended March 31, 2018 ($4,718 for the three-month period ended March 31, 2017) and credited to Contributed surplus.

8. FINANCE COSTS AND FINANCE INCOME

Finance income may be analyzed as follows for the reporting periods presented:

	Three-month period ended March 31,	
	2018	2017
	$	$
Change in fair value of listed shares	**-**	-
Interest income from cash and cash equivalents	**749**	2 318
	749	2 318

Finance costs may be analyzed as follows for the reporting periods presented:

	Three-month period ended March 31,	
	2018	2017
	$	$
Interest on Advance of an officer	**60**	-
Change in fair value of listed shares	**-**	395
	60	395

9. 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 and warrants 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 and warrants issued that could potentially dilute earnings per share in the future are given in Notes 6.2 and 7.2.

	March 31,	
	2018	2017
Net loss	**$(4,642)**	$(47,179)
Weighted average number of shares in circulation	**57 403 983**	55 168 060
Basic and diluted loss per share	**$(0.001)**	$(0.001)

There have been no other transactions involving ordinary shares between the reporting date and the date of authorization of these financial statements.

(Canadian dollars)

10. ADDITIONAL INFORMATIONS – CASH FLOWS

The changes in working capital items are detailed as follows:

	Three-month period ended March 31,	
	2018	2017
	$	$
Good and services tax receivable	**(44 050)**	**(33 721)**
Advance from an officer	**31 196**	**-**
Prepaid expenses and deposit	**350**	**(4 999)**
Trade and other payables	**53 220**	**84 945**
	40 716	**46 225**

11. RELATED PARTY TRANSACTIONS

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 March 31,	
	2018	2017
	$	$
Short-term employee benefits		
Salaries including bonuses and benefits	**61 250**	55 125
Professional fees	**8 827**	8 150
Social security costs	**6 206**	5 663
Total short-term employee benefits	**76 283**	68 938
Share-based payments	**13 350**	4 611
Total remuneration	**89 633**	73 549

During the three-month period ended March 31, 2018, a company in which a director is an owner, charged geological fees amounting of $16,742 recorded in Exploration and evaluation assets.

12. 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. The Company is not exposed to any externally imposed capital requirements except when the Company issues flow-through shares for which an amount should be used for exploration work. See all the details in Note 6 and the Statements of Changes in Equity.

The Company finances its exploration and evaluation activities principally by raising additional capital either through private placements or public offerings. When financing conditions are not optimal, the Company may enter into option agreements or other solutions to continue its activities or may slow its activities until conditions improve.

13. CONTINGENCIES AND COMMITMENTS

The Company is partially financed through the issuance of flow-through shares and, according to tax rules regarding this type of financing, the Company is engaged in realizing mining exploration work.

These tax rules also set deadlines for carrying out the exploration work, which must be performed no later than the earlier of the following dates:

- Two years following the flow-through placements;
- One year after the Company has renounced the tax deductions relating to the exploration work.

However, there is no guarantee that the Company's exploration expenses will qualify as Canadian exploration expenses, even if the Company is committed to taking all the necessary measures in this regard. Refusal of certain expenses by the tax authorities would have a negative tax impact for investors.

During the reporting period ended December 31, 2017, the Company received $156,120 following flow-through placements for which the Company renounced tax deductions on December 31, 2017. The management is required to dedicate these funds to the exploration of canadian mining properties exploration in the period of one year from the date of renouncement, amount that was spent as at March 31, 2018.

During the reporting period ended March 31, 2018, the Company received $70,003 following flow-through placements for which the Company will renounce tax deductions on December 31, 2018. The management is required to dedicate these funds to the exploration of canadian mining properties exploration in the period of one year from the date of renouncement. The balance of the amount of this unexpended flow-through financing at March 31, 2018 is $70,003 and is to be expended before December 31, 2019.