

DIOS EXPLORATION INC.

Interim Financial Statements

March 31, 2008

Content

Earnings and deficit	2
Balance sheets	3
Deferred exploration Expenses	4
Cash flows	5
Notes to the financial statements	6 to 8

The attached interim financial statements have been prepared by Exploration Dios Inc. and its auditors have not reviewed these unaudited financial statements for the period ended March 31, 2008.

DIOS EXPLORATION INC.
Statements of earnings and deficit (unaudited)

		Three-month period ended March 31,	
		2008	2007
		\$	\$
ADMINISTRATIVE EXPENSES			
Stock based compensation		117 930	68 150
Professional fees		49 883	25 933
Salaries-management		4 672	-
Publicity and promotion		32 066	22 894
Shareholders information		9 303	6 459
Trustees and registration fees		5 031	11 355
Rent		2 250	-
Office expenses		4 429	1 375
Insurances, taxes and permits		13 611	9 803
Interest on convertible debenture		-	5 268
Bank fees and interests		177	182
		239 352	151 419
OTHER INCOME AND EXPENSES			
Interest		70 066	15 642
Unrealized gain (loss) on listed shares		(6 030)	16 183
		64 036	31 825
LOSS BEFORE INCOME TAXES		(175 316)	(119 594)
FUTURE INCOME TAXES (RECOVERED)		23 921	(327 242)
NET INCOME (LOSS)		(199 237)	207 648
DEFICIT AT BEGINNING		(4 657 166)	(2 590 458)
NET INCOME (LOSS)		(199 237)	207 648
SHARE ISSUANCE EXPENSES		-	(1 184 631)
DEFICIT AT END		(4 856 403)	(3 567 441)
NET PROFIT (LOSS) PER SHARE			
	basic	(0,006)	0.01
	diluted	(0,006)	0.008
Weighted average number of outstanding common shares			
	basic	34 333 839	20 193 565
	diluted	34 333 839	24 459 950

DIOS EXPLORATION INC.

Balance sheets

	As at March 31, 2008 (unaudited) \$	As at December 31, 2007 (audited) \$
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	-	48 842
Term deposits	6 421 490	7 201 722
Prepaid expenses	7 624	-
Listed shares held for trading at market value (cost of \$104,417)	57 285	63 315
Sales tax receivable	198 810	164 963
Tax credit receivable	1 027 023	1 027 024
Accounts receivable from related company, without interest	-	90 543
	7 712 232	8 596 409
MINING PROPERTIES (note 3)	948 118	910 551
DEFERRED EXPLORATION EXPENSES (note 4)	4 623 242	4 423 904
	13 283 592	13 930 864
LIABILITIES		
CURRENT LIABILITIES		
Bank overdraft	15 760	-
Accounts payable and accrued liabilities	33 372	653 408
Accounts payable to a related company, without interest	14 394	-
	63 526	653 408
Future Income taxes	554 789	530 868
	618 315	1 184 276
SHAREHOLDER'S EQUITY		
Share capital (note 5)	16 146 451	16 146 451
Contributed surplus (note 6)	1 375 229	1 257 299
Deficit	(4 856 403)	(4 657 162)
	12 665 277	12 746 588
	13 283 592	13 930 864

DIOS EXPLORATION INC.
DEFERRED EXPLORATION EXPENSES (unaudited)

	Three-month period ended March 31,	
	2008	2007
	\$	\$
BALANCE, BEGINNING OF THE PERIOD	4 423 904	2 678 176
ADD:		
Geology	42 010	36 061
Diamond drilling	142 736	15 673
Sampling and analysis	4 601	-
Transport and lodging	1 300	9 678
Furnitures, office and others	8 691	8 991
Total expenses of the period	199 338	70 403
DEDUCT:		
Tax credit	-	(44 618)
NET EXPENSES OF THE PERIOD	199 338	25 785
BALANCE, END OF THE PERIOD	4 623 242	2 703 961

DIOS EXPLORATION INC.
Statements of cash flows (unaudited)

	Three-month period ended	
	March 31,	
	2008	2007
	\$	\$
OPERATING ACTIVITIES		
Net Income (loss)	(199 237)	207 648
Non-cash items		
Stock based compensation	117 930	68 150
Unrealized loss (gain) on listed shares	6 030	(16 183)
Interest on convertible debenture	-	5 268
Future income taxes	23 921	(327 242)
	(51 356)	(62 359)
Changes in non-cash operating working capital items		
Term deposits and accrued interest	780 232	(2 902 510)
Prepaid expenses	(7 624)	-
Sales tax receivable	(33 847)	68 930
Tax credit receivable	-	46 044
Subscription receivable	-	(844 790)
Accounts receivable from related company	90 543	(11 852)
Accounts payable and accrued liabilities	(620 039)	(169 036)
Accounts payable to a related company	14 394	-
	172 303	(3 875 573)
INVESTING ACTIVITIES		
Exploration funds	-	81 402
Mining properties	(37 567)	(10 198)
Deferred exploration expenses	(199 338)	(25 785)
	(236 905)	45 419
FINANCING ACTIVITIES		
Share capital issuance	-	6 957 456
Share issuance expenses	-	(570 779)
	-	6 386 677
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(64 602)	2 556 523
Cash and cash equivalents, at beginning	48 842	259 626
Cash and cash equivalents (Bank overdraft), at end	(15 760)	2 816 149
Additional disclosure of non cash items		
Fair value of exercised options	-	18 150
Fair value of agent' warrants	-	273 815
Future income taxes related to CEE renunciation	-	340 037

DIOS EXPLORATION INC.
Notes to the financial statements (unaudited)

1. NATURE OF ACTIVITIES

The company was incorporated under the *Canada Business Corporations Act* to purchase, explore, develop, and eventually operate mining properties.

2. ACCOUNTING POLICIES

The unaudited interim financial statements must be read in conjunction with the financial statements for the year ended December 31st, 2007. They have been prepared in accordance with Canadian generally accepted accounting principles, using the same accounting policies as outlined in Note 3 of the financial statements for the year ended December 31st, 2007.

3. MINING PROPERTIES

	As at December 31, 2007	Additions	As at March 31, 2008
	\$	\$	\$
33 Carats	423 502	1 626	425 128
Hotish	181 049	3 626	184 675
Pontax	43 679	-	43 679
Opinaca-Nord	60 090	2 415	62 505
Upinor	26 385	10 925	37 310
PAM	56 580	-	56 580
Chibouki	87 429	-	87 429
U2	30 590	18 975	49 565
Others	1 247	-	1 247
	910 551	37 567	948 118

4. DEFERRED EXPLORATION EXPENSES

	As at December 31, 2007	Additions	Government grant	As at March 31, 2008
	\$	\$	\$	\$
33 Carats	1 033 952	1 799	-	1 035 751
Hotish	1 670 985	10 542	-	1 681 527
Pontax	543 273	10 011	-	553 284
Opinaca-Nord	218 518	11 723	-	230 241
Upinor	50 312	7 313	-	57 625
PAM	-	178	-	178
Chibouki	904 325	156 061	-	1 060 386
U2	-	1 711	-	1 711
Autres	2 539	-	-	2 539
	4 423 904	199 338	-	4 623 242

DIOS EXPLORATION INC.
Notes to the financial statements (unaudited)

5. SHARE CAPITAL

Authorised

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

Issued	Number	Amount \$
Balance December 31, 2007	34 333 839	16 146 451
Balance March 31, 2007	34 333 839	16 146 451

Options

Variation in outstanding options since the beginning of year is as follows:

	Number	Average Exercise price (\$)
Balance as at December 31, 2007	2 835 000	0.52
Granted	980 000	0.31
Expired	(325 000)	0.36
Balance as at March 31, 2008	3 490 000	0.48

On February 14, 2008, the Company granted to certain employees, directors and officers a total of 980,000 stock options that may be exercised over a period of 5 years, at an exercise price of \$0.31 and a fair value of \$0.21.

Options granted and exercisable as at March 31, 2008

Expiration date	Number of options		Exercise Price (\$)
	outstanding	Exercisable	
November 1, 2008	100 000	25 000	0.40
September 7, 2009	640 000	640 000	0.37
April 7, 2011	270 000	270 000	0.33
January 29, 2012	450 000	315 000	0.50
March 8, 2012	1 000 000	700 000	0.75
October 29, 2012	50 000	12 500	0.38
February 14, 2013	980 000	98 000	0.31
	<u>3 490 000</u>	<u>2 060 500</u>	

The fair value of these options was estimated using the Black Scholes stock option evaluation model with the following assumptions: estimated average duration of 5 years for these options, risk free interest rate of 3.5% to 4.5%, forecast volatility of 49% to 113% and no forecast dividend.

DIOS EXPLORATION INC.
Notes to the financial statements (unaudited)

5. SHARE CAPITAL (continued)

Warrants

Variation in outstanding warrants since the beginning of year is as follows:

Date	Number	Average exercise price (\$)
As at December 31, 2007	7 018 933	0.85
As at March 31, 2008	7 018 933	0.97

Warrants characteristics as at March 31, 2008 are the following:

Number	Exercise price \$	Expiry date
568 750	0.38	December 2008
1 777 600	0.80	March 2009
3 333 333	1.15	March 2009
1 339 250	1.00/1.15	May 2008/May 2009
<u>7 018 933</u>		

Brokers' units options

Outstanding brokers' units options as at March 31, 2008:

Date of issue	Number of units options	Exercise price \$	Expiry date	Carrying value \$
March 15, 2007	355 520	0,45	March 15, 2009	157 114
March 30, 2007	666 666	0,75	March 30, 2009	365 530
May 2, 2007	267 850	0,70	May 2, 2009	80 545
	<u>1 290 036</u>	<u>0,66</u>		<u>603 189</u>

Each unit is comprised of one common share and half a warrant. Each warrant can be exercised like the following:

Number	Exercise Price	Expiry date
177 760	\$0.80	March 2009
333 333	\$1.15	March 2009
133 925	\$1.00 /\$ 1.15	May 2008/2009
<u>645 018</u>	<u>\$1.02</u>	

The fair value of each option granted was estimated on the grant date using Black-Sholes and the binominal option pricing model.

6. CONTRIBUTED SURPLUS

	\$
Balance, December 31, 2007	1 257 299
Options granted (exercisable)	117 930
Balance, March 31, 2008	1 375 229