INDIGO EXPLORATION INC.

(An Exploration Stage Company)

FINANCIAL STATEMENTS
Second Quarter Ended March 31, 2010 and 2009
(unaudited)

INDIGO EXPLORATION INC.

NOTICE OF NO AUDITOR REVIEW OF

INTERIM FINANCIAL STATEMENTS

The accompanying unaudited interim financial statements of the Company and all information contained in the second quarter 2010 report have been prepared by and are the responsibility of the Company's management.

The Audit Committee of the Board of Directors has reviewed the financial statements and related financial reporting matters.

The Company's independent auditor has 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 entity's auditor.

INDIGO EXPLORATION INC.

(An Exploration Stage Company)

BALANCE SHEETS

(unaudited)

		March 31, 2010		September 30, 2009
ASSETS				
Current				
Cash and cash equivalents	$	479,121	$	36,214
GST recoverable and other receivables		17,106		3,164
		496,227		39,378
Deferred financing costs		-		71,268
Mineral property (Note 3 and Schedule 1)		262,542		260,959
Other assets (Note 4)		3,500		3,500
	$	762,269	$	375,105
LIABILITIES				
Current				
Accounts payable and accrued liabilities (Note 6)	$	21,141	$	71,091
Future income tax liability		88,250		52,000
		109,391		123,091
SHAREHOLDERS' EQUITY				
Share capital (Note 5)		799,543		365,091
Contributed surplus (Note 5)		132,178		61,818
Deficit		(278,843)		(174,895)
		652,878		252,014
	$	762,269	$	375,105

Organization and nature of operations (Note 1)

Commitments (Notes 3 and 5)

Subsequent events (Notes 3 and 9)

Approved by the Board of Directors

"R. Timothy Henneberry" Director   *"Paul S. Cowley"* Director

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

INDIGO EXPLORATION INC.
(An Exploration Stage Company)
STATEMENTS OF OPERATIONS, COMPREHENSIVE LOSS AND DEFICIT
(unaudited)

	Three months ended March 31,		Six months ended March 31,	
	2010	2009	2010	2009
General and Administrative Expenses				
Accounting and audit fees (Note 6)	$ 6,739	$ 262	$ 19,308	$ 1,003
Bank charges and interest	101	57	189	109
Business investigation costs (Notes 6 and 9)	23,623	-	23,623	-
Consulting fees (Note 6)	17,300	-	26,250	1,050
Filing fees	16,799	-	17,089	-
Management and administration fees (Note 6)	2,450	-	3,850	2,000
Office and miscellaneous (Note 6)	3,351	2,961	3,486	7,092
Legal fees	9,491	2,329	9,491	2,329
Part XII.6 interest	725	-	725	-
Travel and accommodation fees	132	-	132	884
Loss before other item	(80,711)	(5,609)	(104,143)	(14,467)
Interest income	192	-	195	167
Net loss and comprehensive loss for the period	(80,519)	(5,609)	(103,948)	(14,300)
Deficit - Beginning of period	(198,324)	(66,768)	(174,895)	(58,077)
Deficit - End of period	$ (278,843)	$ (72,377)	$ (278,843)	$ (72,377)
Basic and diluted loss per share	$ (0.01)	$ (0.00)	$ (0.01)	$ (0.00)
Weighted average number of shares	10,328,484	6,420,709	8,051,585	6,420,709

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

INDIGO EXPLORATION INC.
(An Exploration Stage Company)
STATEMENTS OF CASH FLOWS
(unaudited)

	Three months ended March 31, 2010	Three months ended March 31, 2009	Six months ended March 31, 2010	Six months ended March 31, 2009
Cash generated from (used in)				
Operating Activities				
Net loss for the period	$ (80,519)	$ (5,609)	$ (103,948)	$ (14,300)
Changes in non-cash working capital items:				
GST recoverable and other receivables	(8,340)	(1,500)	(13,942)	(1,895)
Accounts payable and accrued liabilities	(20,889)	(4,796)	(49,950)	(5,769)
	(109,748)	(11,905)	(167,840)	(21,964)
Investing Activities				
Deferred exploration expenditures	(1,360)	-	(1,583)	-
	(1,360)	-	(1,583)	-
Financing Activities				
Issuance of shares - net of costs	144,216	-	612,330	-
	144,216	-	612,330	-
Increase (decrease) in cash during the period	33,108	(11,905)	442,907	(21,964)
Cash and cash equivalents - Beginning of period	446,013	100,421	36,214	110,480
Cash and cash equivalents - End of period	$ 479,121	$ 88,516	$ 479,121	$ 88,516
Cash paid for interest	$ -	$ -	$ -	$ -
Cash paid for income taxes	$ -	$ -	$ -	$ -
Cash and cash equivalents are comprised of:				
Cash	79,121	88,516	79,121	88,516
Short-term investments	400,000	-	400,000	-
	479,121	88,516	479,121	88,516
Supplemental non-cash financing information				
400,000 agents’ warrants issued by the Company (Note 5) pursuant to the Initial Public Offering	-	-	23,027	-
26,000 finders’ warrants issued by the Company (Note 5) pursuant to a private placement	926	-	926	-

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

1 ORGANIZATION AND NATURE OF OPERATIONS

Indigo Exploration Inc. ("the Company") was incorporated on February 29, 2008 under the Business Corporations Act of British Columbia. The Company is listed for trading on the TSX Venture Exchange under the symbol "IXI".

The Company's principal activities include the acquisition, exploration and development of mineral properties. The Company is currently conducting exploration and development activities in the Province of British Columbia, Canada. The recoverability of amounts shown as mineral properties is dependent upon the conversion of mineral resources to economically recoverable reserves, the Company's ability to obtain financing to develop the properties, and the ultimate realization of profits through future production or sale of the properties.

These unaudited financial statements have been prepared in accordance with generally accepted accounting principles applicable to a going concern, which assumes that the Company will be able to meet its obligations and continue its operations for its next fiscal year. Realization values may be substantially different from carrying values as shown and these financial statements do not give effect to adjustments that would be necessary to the carrying values and classification of assets and liabilities should the Company be unable to continue as a going concern. At March 31, 2010, the Company had not yet achieved profitable operations, had an accumulated deficit of $278,843 (September 30, 2009 - $174,895) since inception and expects to incur further losses in the development of its business. The Company's ability to continue as a going concern is dependent upon the discovery of economically recoverable reserves, its ability to obtain the necessary financing to develop the properties and to meet its ongoing levels of corporate overhead and commitments, keep its property in good standing and discharge its liabilities as they come due. Although the Company has been successful in the past in obtaining financing, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms advantageous to the Company. Subsequent to March 31, 2010, the Company completed a flow-through private placement of 250,000 shares at a price of $0.30 per share for gross proceeds of $75,000 (Note 9).

2 SIGNIFICANT ACCOUNTING POLICIES

These unaudited interim financial statements have been prepared by the Company in accordance with Canadian generally accepted accounting principles ("GAAP"), following accounting policies consistent with the Company's audited financial statements and notes thereto for the year ended September 30, 2009. These financial statements do not include all the disclosures required by GAAP for annual financial statements and should be read in conjunction with the most recent audited financial statements of the Company. Because a precise determination of many assets and liabilities is dependent upon future events, the preparation of financial statements for a period necessarily involves the use of estimates which have been made using careful judgement. Actual results may vary from these estimates.

3 SIGNIFICANT ACCOUNTING POLICIES – (cont'd)

a) Recently adopted accounting policies

Cash and cash equivalents

Cash and cash equivalents include cash and highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

Broker warrants and warrants

Warrants issued to agents or brokers in connection with a financing are recorded at fair value and charged to issue costs associated with the offering with an offsetting credit to contributed surplus in shareholders' equity.

Warrants included in units offered to subscribers in connection with financings are recorded at the residual value in contributed surplus in shareholders' equity with an offsetting reduction in the value ascribed the shares issued in the units.

Proceeds of the exercise of these warrants are credited to share capital together with the corresponding amount, if any, of the original warrant charge included in contributed surplus.

Business combinations, consolidated financial statements and non-controlling interest

Effective October 1, 2009, the Company elected to early adopt CICA Handbook Section 1582, "Business Combinations", Section 1601, "Consolidated Financial Statements", and Section 1602, "Non-controlling Interests". These sections replace the former CICA Handbook Section 1581, "Business Combinations" and Section 1600, "Consolidated Financial Statements" and establish a new section for accounting for a non-controlling interest in a subsidiary.

CICA Handbook Section 1582 establishes standards for the accounting for a business combination and states that all assets and liabilities of an acquired business will be recorded at fair value. Obligations for contingent consideration and contingencies will also be recorded at fair value at the acquisition date. The standard also states that acquisition-related costs will be expensed as incurred and that restructuring charges will be expensed in the periods after the acquisition date. It provides the Canadian equivalent to International Financial Reporting Standard ("IFRS") 3, "Business Combinations" (January 2008).

CICA Handbook Section 1601 establishes standards for the preparation of consolidated financial statements.

CICA Handbook Section 1602 establishes standards for accounting for a non-controlling interest in a subsidiary in the preparation of consolidated financial statements subsequent to a business combination. It is equivalent to the corresponding provisions of International Financial Reporting Standard IAS 27, "Consolidated and Separate Financial Statements" (January 2008).

To date there has been no impact on the Company's financial statements as a result of the adoption of these sections.

2 SIGNIFICANT ACCOUNTING POLICIES – (cont'd)

b) Future Accounting Changes

International Financial Reporting Standards ("IFRS")

In 2006, the Canadian Accounting Standards Board ("AcSB") published a new strategic plan that will significantly affect financial reporting requirements for Canadian companies. The AcSB strategic plan outlines the convergence of Canadian GAAP with IFRS over an expected five year transitional period. In February 2008, the AcSB announced that 2011 is the changeover date for publicly-listed companies to use IFRS, replacing Canada's own GAAP. The date is for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. The transition date of October 1, 2011 will require the restatement for comparative purposes of amounts reported by the Company for the year ended September 30, 2011. The Company has begun an internal diagnostic review to understand, identify and assess the overall effort required to produce financial information under IFRS, however, at this time, the financial reporting impact of the transition to IFRS cannot be reasonably estimated.

3 MINERAL PROPERTY (Schedule 1)

Title to mineral properties involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of many mineral properties. The Company has investigated title to its mineral property and, to the best of its knowledge, title to its property is in good standing.

Fredy Creek

Pursuant to the terms of an option agreement dated May 1, 2008 and amended on April 23, 2009, July 1, 2009 and April 13, 2010, the Company acquired the right to earn a 100% interest in twelve (12) mineral claims ("the Fredy Creek Project") located in the Cariboo Mining Division in the Province of British Columbia.

The Company has the right to earn a 100% interest in the Fredy Creek Project by paying consideration as follows:

i) issuing an aggregate of 4,000,000 shares of the Company to the vendor as to:

A. 500,000 shares upon signing this agreement (issued at the fair value of $30,000);
B. an additional 750,000 shares on or before June 30, 2010;
C. an additional 1,000,000 shares on or before May 1, 2011; and
D. an additional 1,750,000 shares on or before May 1, 2012

ii) completing exploration expenditures on the Property in the amount of $2,000,000 as follows:

A. $200,000 on or before June 30, 2010 (incurred);
B. an additional $300,000 on or before May 1, 2011;
C. an additional $500,000 on or before May 1, 2012; and
D. an additional $1,000,000 on or before May 1, 2013

3 MINERAL PROPERTY (Schedule 1) – (cont'd)

The vendor also retained a net smelter royalty of 2% on all mineral products extracted from the property. The Company has the right to repurchase 50% of the net smelter royalty (1%) for $1,000,000.

4 OTHER ASSETS

		March 31, 2010		September 30, 2009
Reclamation bond	$	3,500	$	3,500

The reclamation bond was posted with the Province of British Columbia with respect to the estimated cost to reclaim the Company's exploration sites located in British Columbia.

5 SHARE CAPITAL

Authorized:
Unlimited common shares without par value

a) Common shares issued and outstanding and contributed surplus:

	Number of Shares		**Share Capital Amount**		**Contributed Surplus Amount**
Balance – September 30, 2009	5,780,706	$	327,602	$	99,307
Issued:					
For cash					
Pursuant to Initial Public Offering	4,000,000		600,000		-
Less issue costs – cash	-		(190,899)		-
– agent's warrants	-		(23,027)		23,027
Pursuant to private placement	580,000		145,000		-
Allocation to warrants	-		(8,918)		8,918
Less issue costs – cash	-		(13,039)		-
– agent's warrants	-		(926)		926
Less: Future income tax on flow-through shares	-		(36,250)		-
Balance – March 31, 2010	10,360,706	$	799,543	$	132,178

5 SHARE CAPITAL – (cont'd)

b) Financings:

Pursuant to an agency agreement with Union Securities Ltd. (the "Agent") the Company filed a prospectus in British Columbia, Alberta and Ontario with respect to its Initial Public Offering ("IPO") for 4,000,000 common shares at a price of $0.15 per share for gross proceeds of $600,000. The IPO closed on December 29, 2009 and the Company began trading on the TSX Venture Exchange ("TSXV") under the symbol "IXI" on December 31, 2009. In connection with the IPO, the Company paid the Agent a commission of $60,000 and paid a corporate finance fee of $16,000. The Agent was reimbursed for its legal fees and disbursements of $17,962. The Company also issued the Agent share purchase warrants to purchase up to 400,000 common shares, at $0.15 per share, exercisable up to December 31, 2010. A value of $23,027 has been attributed to these agent's warrants using the Black-Scholes option pricing model and has been credited to contributed surplus in shareholders' equity. The assumptions used in the option pricing model are as follows: risk-free interest rate – 0.28%; expected life – 1.0 years; expected volatility – 100%; and expected dividends – nil.

The Company incurred other cash issue costs of $96,937.

On January 6, 2010, the Company closed a non-brokered flow-through private placement of 580,000 units at $0.25 per unit for gross proceeds of $145,000. Each unit is comprised of one common share and one-half of one common share purchase warrant. Each whole warrant entitles the holder thereof to purchase an additional common share of the Company at $0.35 per share up to January 6, 2011. A residual value of $8,918 has been attributed to the warrants. The Company incurred other cash issue costs of $13,039. The Company also issued finders warrants to purchase up to 26,000 common shares, at $0.35 per share, exercisable up to January 6, 2011. A value of $926 has been attributed to these finders' warrants using the Black-Scholes option pricing model and has been credited to contributed surplus in shareholders' equity. The assumptions used in the option pricing model are as follows: risk-free interest rate – 0.28%; expected life – 1.0 years; expected volatility – 100%; and expected dividends – nil.

c) Commitments:

Stock option plan

The Company has a stock option plan (the "Plan") whereby the maximum number of shares reserved for issue under the plan shall not exceed 10% of the outstanding common shares of the Company, as at the date of the grant. The maximum number of common shares reserved for issue to any one person under the Plan cannot exceed 5% of the issued and outstanding number of common shares at the date of the grant and the maximum number of common shares reserved for issue to a consultant or a person engaged in investor relations activities cannot exceed 2% of the issued and outstanding number of common shares at the date of the grant. The exercise price of each option granted under the plan may not be less than the Discounted Market Price (as that term is defined in the policies of the TSX Venture Exchange ("TSXV")).

Options may be granted for a maximum term of ten (10) years from the date of the grant, are non-transferable and expire within 90 days of termination of employment or holding office as director or officer of the Company and, in the case of death, expire within one year thereafter. Upon death, the options may be exercised by legal representation or designated beneficiaries of the holder of the option.

5 SHARE CAPITAL – (cont'd)

c) Commitments – (cont'd):

There were no changes in share purchase options during the six-month period ended March 31, 2010. The balance outstanding and related information at September 30, 2009 and March 31, 2010 is as follows:

	Number of Options	Weighted Average Exercise Price	Weighted Average Life
Balance, September 30, 2009	550,000	$0.15	4.95
Balance, March 31, 2010	550,000	$0.15	4.45

At March 31, 2010, the following share purchase options were outstanding entitling the holder thereof the right to purchase one common share for each option held:

Number	Exercise Price	Expiry Date
550,000	$0.15	September 15, 2014

During the six-month periods ended March 31, 2010 and 2009, the Company did not record any stock-based compensation expense.

Warrants

Changes in share purchase warrants during the six-month period ended March 31, 2010 are as follows:

	Number of Warrants	Weighted Average Exercise Price	Weighted Average Life
Balance, September 30, 2009	-	-	-
Issued	716,000	$0.24	
Balance, March 31, 2010	716,000	$0.24	0.76

5 SHARE CAPITAL – (cont'd)

c) Commitments – (cont'd):

At March 31, 2010, the following share purchase warrants were outstanding entitling the holder thereof the right to purchase one common share for each warrant held:

Number	Exercise Price	Expiry Date
400,000	$0.15	December 31, 2010
316,000	$0.35	January 6, 2011
716,000		

d) Flow-through shares

During the six-month period ended March 31, 2010, the Company entered into flow-through subscription agreements to issue an aggregate of 580,000 flow-through units at $0.25 per unit for gross proceeds of $145,000. The Company must incur qualifying expenditures in this amount before December 31, 2010. Effective December 31, 2009, the Company renounced these expenditures to subscribers and these expenditures will not be available to the Company for future deduction from taxable income.

e) Escrow shares

Pursuant to the IPO, on December 29, 2009, 2,259,043 common shares of the Company were placed into escrow. These escrow shares will be released as to ten percent (10%) on December 30, 2009 (released) and an additional fifteen percent (15%) tranches at six month intervals over a 36 month period with the final tranche being released on December 30, 2012. As at March 31, 2010, 2,033,139 (September 30, 2009 – nil) common shares remained in escrow.

6 RELATED PARTY TRANSACTIONS

The Company incurred the following expenditures charged by directors and officers of the Company and companies controlled by directors and officers of the Company:

	Three months ended March 31, 2010	Three months ended March 31, 2009	Six months ended March 31, 2010	Six months ended March 31, 2009
Accounting fees	$ 8,388	$ 262	$ 15,458	$ 1,003
Business investigation costs	9,600	-	9,600	-
Consulting fees	9,800	-	18,750	1,050
Management and administration fees	-	-	-	2,000
	$ 27,788	$ 262	$ 43,808	$ 4,053

6 RELATED PARTY TRANSACTIONS

These expenditures were measured at the exchange amount which is the amount agreed upon by the transacting parties.

As at March 31, 2010, accounts payable and accrued liabilities includes an amount of $578 (September 30, 2009 - $6,463) due companies controlled by directors and officers of the Company.

7 MANAGEMENT OF CAPITAL

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern to pursue the development of its mineral properties and to maintain a flexible capital structure which optimizes the cost of capital within a framework of acceptable risk. In the management of capital, the Company includes the components of shareholders' equity as well as cash.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust its capital structure, the Company may issue new shares, issue debt, acquire or dispose of assets or adjust the amount of cash.

The Company is dependent on the capital markets as its primary source of operating capital and the Company's capital resources are largely determined by the strength of the junior resource markets and by the status of the Company's projects in relation to these markets, and its ability to compete for investor support of its projects.

The Company is not subject to any capital requirements imposed by a regulator.

8 FINANCIAL INSTRUMENTS

Fair Value of Financial Instruments

The Company's financial instruments consist of cash and accounts payable and accrued liabilities. The fair value of these financial instruments approximates their carrying value due to the immediate or short term maturity of these items.

The Company classifies fair values of financial instruments within a three-level hierarchy that prioritizes the inputs to fair value measurement and reflects the significance of the inputs used in making the fair value measurements. Fair values of assets and liabilities included in Level 1 are determined by reference to quoted prices in active markets for identical assets and liabilities. Assets and liabilities in Level 2 include valuations using inputs other than quoted prices for which all significant outputs are observable, either directly or indirectly. Level 3 valuations are based on inputs that are unobservable and significant to the overall fair value measurement. As at March 31, 2010, the Company had no financial instruments which are measured at fair value on a recurring bases as the fair value of financial instruments approximates their carrying value due to the immediate or short term maturity of these items.

8 FINANCIAL INSTRUMENTS – (cont'd)

Foreign Exchange Risk

As at March 31, 2010 and September 30, 2009, all of the Company's cash was held in Canadian dollars, the Company's functional currency. The Company has no operations in foreign jurisdictions outside of Canada at this time and as such has no currency risk associated with its operations.

Credit Risk

Credit risk arises from cash held with banks and financial institutions. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The Company's cash is held with a large Canadian bank.

Interest Rate Risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The risk that the Company will realize a loss is limited because at present the Company holds all of its surplus cash in an interest bearing account and has no other interest bearing financial assets or liabilities.

Liquidity Risk

The Company manages liquidity risk by maintaining sufficient cash balances to enable settlement of transactions on the due date. Accounts payable and accrued liabilities are current.

9 SUBSEQUENT EVENT

Flow-through Private Placement

In April 2010, the Company closed a non-brokered private placement of 250,000 flow-through shares at $0.30 per share for gross proceeds of $75,000.

Acquisition of Sanu Resources Burkina Faso SARL ("Sanu Burkina")

On April 6, 2010, the Company entered into a non-binding Letter of Intent ("LOI") to acquire (the "Acquisition") all of the issued and outstanding shares of Sanu Burkina, an indirectly owned subsidiary of NGEx Resources Inc. The primary assets of Sanu Burkina consist of four gold mineral exploration permits in the Republic of Burkina Faso, West Africa. The consideration for the Acquisition is $65,000 and 3,000,000 common shares of the Company at a deemed price of $0.15 per share. $30,000 was paid on signing of the LOI. The remaining $35,000 and the 3,000,000 common shares are due on execution of a definitive agreement and closing, respectively, of the Acquisition. The number of shares to be issued at closing will be subject to readjustment if the market price of the shares is less than $450,000 based on the 10 day average closing market price of the Company's shares on the TSXV. The proposed Acquisition is subject to entering into a definitive agreement and to TSXV approval.

During the six-month period ended March 31, 2010, the Company had incurred $23,623 of business investigation costs in connection with due diligence procedures on the Acquisition.

9 SUBSEQUENT EVENT – (cont'd)

Moule Gold Permit, Burkina Faso

On May 12, 2010, the Company announced that it had entered into an option agreement to acquire a 100% interest, subject to a 1.5% net smelter return ("NSR") royalty, in the Moule Gold Permit, in western Burkina Faso, in consideration for cash payments totalling US$410,000 over a 3 year period as follows:

A. US$50,000 on May 12, 2010 (paid);
B. US$60,000 on or before May 12, 2011;
C. US$100,000 on or before May 12, 2012;
D. US$200,000 on or before May 12, 2012.

The Company has the right to purchase the entire 1.5% NSR for US$1,800,000.

Schedule 1

INDIGO EXPLORATION INC.

(An Exploration Stage Company)

SCHEDULE OF MINERAL PROPERTY

March 31, 2010

(unaudited)

	Fredy Creek Project, BC, Canada
Balance, September 30, 2008	$ 252,747
Deferred exploration costs	
Consulting	2,726
Filing fees	5,486
	8,212
Balance, September 30, 2009	260,959
Deferred exploration costs	
Consulting	1,583
	1,583
Balance, March 31, 2010	$ 262,542