INDIGO EXPLORATION INC.

(An Exploration Stage Company)

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2012 and 2011
(Unaudited – expressed in Canadian dollars)

INDIGO EXPLORATION INC.

NOTICE OF NO AUDITOR REVIEW OF

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

The accompanying unaudited condensed interim consolidated financial statements of the Company and all information contained in the second quarter 2012 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 condensed interim consolidated financial statements and related financial reporting matters.

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

INDIGO EXPLORATION INC.

(An Exploration Stage Company)

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(Unaudited – expressed in Canadian dollars)

	Note	March 31, 2012 $	September 30, 2011 $
ASSETS			
Current			
Cash and cash equivalents		823,268	2,190,639
Taxes recoverable and other receivables	3	27,149	25,800
Prepaid expenses		12,637	24,496
		863,054	2,240,935
Equipment		47,020	12,826
Mineral properties (Schedule 1)	4	2,965,959	2,093,582
Other assets		-	3,500
		3,876,033	4,350,843
LIABILITIES			
Current			
Accounts payable and accrued liabilities	5,7	51,483	100,691
EQUITY ATTRIBUTABLE TO SHAREHOLDERS			
Share capital	6	5,869,119	5,869,119
Contributed surplus		614,598	442,637
Deficit		(2,659,167)	(2,061,604)
		3,824,550	4,250,152
		3,876,033	4,350,843

Organization and nature of operations (Note 1)

Commitments (Notes 4 and 6)

Subsequent events (Note 4)

Approved by the Board of Directors

"Keir Reynolds" Director

"Paul S. Cowley" Director

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

INDIGO EXPLORATION INC.
(An Exploration Stage Company)
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(Unaudited – expressed in Canadian dollars)

		Three months ended March 31,		Six months ended March 31,	
		2012	**2011**	**2012**	**2011**
	Note	**$**	**$**	**$**	**$**
Accounting and audit fees	7	20,727	20,620	32,513	33,596
Amortization		4,198	5,783	8,397	11,640
Consulting fees	7	31,781	54,347	41,835	72,998
Filing fees		10,341	16,749	11,614	18,570
Foreign exchange loss (gain)		18,665	(38,716)	15,225	(36,680)
Investor relations		27,234	82,473	106,593	134,216
Legal fees		3,286	11,963	24,489	23,246
Management and administration fees	7	39,375	44,940	74,042	68,940
Office and miscellaneous		42,091	45,173	98,951	67,825
Share-based payments	6(b)	-	10,641	171,961	16,613
Travel and accommodation		17,826	42,138	30,066	64,334
Loss before other item		(215,524)	(296,111)	(615,686)	(475,298)
Interest income		13,117	3,939	18,123	5,992
Net loss and comprehensive loss for the period		(202,407)	(292,172)	(597,563)	(469,306)
Basic and diluted loss per share		(0.01)	(0.01)	(0.02)	(0.02)
Weighted average number of shares		32,760,982	26,405,082	32,760,982	22,870,757

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

INDIGO EXPLORATION INC.

(An Exploration Stage Company)

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS

For the six months ended March 31, 2012 and 2011

(Unaudited – expressed in Canadian dollars)

	2012 $	2011 $
Cash provided by (used in)		
Operating activities		
Net loss for the period	(597,563)	(469,306)
Add items not involving cash:		
Amortization	8,397	11,640
Share-based payments	171,961	16,613
	(417,205)	(441,053)
Changes in non-cash working capital items:		
Taxes recoverable and other receivables	(1,349)	(14,380)
Prepaid expenses	11,859	(43,431)
Accounts payable and accrued liabilities	(72,106)	(7,434)
	(478,801)	(506,298)
Investing activities		
Deferred exploration expenditures	(849,479)	(692,562)
Purchase of equipment	(42,591)	(21,967)
Recovery of other assets	3,500	-
	(888,570)	(714,529)
Financing activities		
Issuance of shares pursuant to private placement	-	2,299,100
Issuance costs	-	(79,096)
Issuance of shares pursuant to option exercises	-	31,250
Issuance of shares pursuant to warrant exercises	-	415,314
	-	2,666,568
(Decrease) increase in cash during the period	(1,367,371)	1,445,741
Cash and cash equivalents - beginning of the period	2,190,639	796,173
Cash and cash equivalents - end of the period	823,268	2,241,914
Cash paid for interest	-	-
Cash paid for income taxes	-	-
Cash and cash equivalents are comprised of:		
Cash	68,268	66,914
Short-term investments	755,000	2,175,000
	823,268	2,241,914

Supplemental cash flow information (Note 8)

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

INDIGO EXPLORATION INC.

(An Exploration Stage Company)

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

For the six months ended March 31, 2012 and 2011

(Unaudited – expressed in Canadian dollars)

	Issued Share Capital				
	Number of Shares	Amount $	Contributed Surplus $	Deficit $	Total Equity Attributable to Shareholders $
Balance – October 1, 2010	19,091,161	2,164,780	338,214	(1,122,856)	1,380,138
Issued:					
Pursuant to private placement of units	7,895,723	2,364,885	3,832	-	2,368,717
Less: issue costs – cash	-	(79,096)	-	-	(79,096)
– finders' warrants	-	(105,129)	105,129	-	-
– finders' units	-	(69,617)	-	-	(69,617)
Pursuant to exercise of options	175,000	31,250	-	-	31,250
Pursuant to exercise of warrants	1,507,598	415,314	-	-	415,314
Transfer on exercise of options	-	19,947	(19,947)	-	-
Transfer on exercise of warrants	-	38,076	(38,076)	-	-
Share-based payments - vesting	-	-	16,613	-	16,613
Net loss for the period	-	-	-	(469,306)	(469,306)
Balance – March 31, 2011	28,669,482	4,780,410	405,765	(1,592,162)	3,594,013
Issued:					
Pursuant to private placement of units	3,275,000	980,862	1,638	-	982,500
Less: issue costs – cash	-	(101,125)	-	-	(101,125)
– finders' warrants	-	(48,364)	48,364	-	-
Pursuant to exercise of warrants	816,500	244,950	-	-	244,950
Transfer on exercise of warrants	-	12,386	(12,386)	-	-
Share-based payments - vesting	-	-	(744)	-	(744)
Net loss for the period	-	-	-	(469,442)	(469,442)
Balance – September 30, 2011	32,760,982	5,869,119	442,637	(2,061,604)	4,250,152
Share-based payments	-	-	171,961	-	171,961
Net loss for the period	-	-	-	(597,563)	(597,563)
Balance – March 31, 2012	32,760,982	5,869,119	614,598	(2,659,167)	3,824,550

1 ORGANIZATION AND NATURE OF OPERATIONS

Indigo Exploration Inc. ("the Company") is in the business of the acquisition, exploration and evaluation of mineral properties, and either joint venturing or developing these properties further or disposing of them when the evaluation is completed. The Company is listed for trading on the TSX Venture Exchange under the symbol "IXI". At March 31, 2012, the Company was in the exploration stage and had interests in properties located in Burkina Faso, West Africa. The Company's corporate head office is located at Suite 880 – 580 Hornby Street, Vancouver, British Columbia, Canada.

2 BASIS OF PRESENTATION AND ADOPTION OF INTERNATIONAL FINANCIAL REPORTING STANDARDS

The Company prepares its financial statements in accordance with Canadian generally accepted accounting principles ("Canadian GAAP") as set out in the Handbook of the Canadian Institute of Chartered Accountants ("CICA Handbook"). In 2010, the CICA Handbook was revised to incorporate International Financial Reporting Standards ("IFRS") and require publicly accountable enterprises to apply such standards effective for years beginning on or after January 1, 2011. Accordingly, the Company commenced reporting on this basis in its 2012 interim consolidated financial statements. In these financial statements, the term "Canadian GAAP" refers to Canadian GAAP before the adoption of IFRS.

These condensed interim consolidated financial statements have been prepared in accordance with IFRS applicable to the preparation of interim financial statements, including IAS 34, Interim Financial Reporting, and IFRS 1, First-time Adoption of International Financial Reporting Standards. The accounting policies followed in these condensed interim consolidated financial statements are the same as those applied in the Company's condensed interim consolidated financial statements for the three months ended December 31, 2011. The Company has consistently applied the same accounting policies throughout all periods presented, as if these policies had always been in effect. Note 10 discloses the impact of the transition to IFRS on the Company's reported statement of financial position as at March 31, 2011 and the loss and comprehensive loss for the three and six months ended March 31, 2011, including the nature and effect of significant changes in accounting policies from those used in the Company's consolidated financial statements for the year ended September 30, 2011.

The accounting policies applied in these condensed interim consolidated financial statements are based on IFRS effective for the year ending September 30, 2012, as issued and outstanding as of May 29, 2012, the date the Board of Directors approved the statements. Any subsequent changes to IFRS that are given effect in the Company's annual consolidated financial statements for the year ending September 30, 2012 could result in restatement of these condensed interim consolidated financial statements including transition adjustments recognized on change-over to IFRS.

The condensed interim consolidated financial statements should be read in conjunction with the Company's Canadian GAAP annual consolidated financial statements for the year ended September 30, 2011, and the Company's condensed interim consolidated financial statements for the three months ended December 31, 2011 prepared in accordance with IFRS applicable to interim financial statements.

The preparation of financial statements requires management to use judgement in applying its accounting policies and estimates and assumptions about the future. Estimates and other judgements are continuously evaluated and are based on management's experience and other factors, including expectations about future events that are believed to be reasonable under the circumstances.

(Unaudited – expressed in Canadian dollars)

The most significant accounting judgements and estimates that the Company has made in the preparation of the condensed interim consolidated financial statements relate to the assessment of impairment to the carrying value of mineral properties, estimation of restoration provision, the determination of the likelihood that future income tax benefits can be realized, and the assumptions used in calculating the fair value of warrants and share-based payments.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and further periods if the review affects both current and future periods.

3 TAXES RECOVERABLE AND OTHER RECEIVABLES

	March 31, 2012 $	September 30, 2011 $
HST recoverable	17,889	15,284
Interest receivable	8,100	9,300
Other receivables	1,160	1,216
Total taxes recoverable and other receivables	27,149	25,800

4 MINERAL PROPERTIES (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 properties and, to the best of its knowledge, title to its properties are in good standing.

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.

Pursuant to the Mining Code of Burkina Faso, an exploration permit holder is required to incur 270,000 West African CFA Francs ($548) of exploration expenditures per square kilometre per year in order to maintain its permits in good standing. If such expenditures are not incurred, the Government of Burkina Faso may, at its discretion, cancel the permits after giving the permit holder sixty days notice to remedy any deficiency. At March 31, 2012, the Company had not incurred sufficient expenditures on its Kodyel, Loto and Tordo permits to comply with the Mining Code of Burkina Faso. However, the Government of Burkina Faso has renewed the Kodyel and Loto permits and has not issued the Company any notice of non-compliance. The Company is in the process of renewing the Lati and Tordo permits. Sufficient expenditures have been incurred on the Moule and Lati permits. The Company believes its Burkina Faso permits are in good standing.

Kodyel Exploration Permit and Other Permits

Pursuant to the acquisition of Sanu Burkina Faso S.A.R.L. on June 30, 2010, the Company acquired gold mineral properties located in Burkina Faso, Africa. The permits acquired were the Kodyel Exploration Permit, the Tordo Exploration Permit, the Lati Exploration Permit and the Loto Exploration Permit. The Company has no significant commitments with respect to these permits other than compliance with the Mining Code of Burkina Faso.

(Unaudited – expressed in Canadian dollars)

A border dispute between Burkina Faso and Niger has limited the Company's access to the northeastern portion of the Kodyel Property. The new Kodyel Exploration Permit issued has a reduced area, eliminating the area subject to the border dispute. The new permit retains a right of first refusal to include this excluded area once the World Court has finalized the border location. The book value of the reduced area ($54,000) was written-down during the year ended September 30, 2011.

Moule Gold Permit, Burkina Faso

On May 5, 2010, the Company 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 three year period as follows:

A. US$50,000 on May 5, 2010 (paid);
B. US$60,000 on or before May 5, 2011 (paid);
C. US$100,000 on or before May 5, 2012 (subsequent to March 31, 2012, the Company entered into an amending agreement to extend the payment into four payments as follows: US$5,000 on April 30, 2012 (paid); US$35,000 on or before May 31, 2012 (paid); US$35,000 on or before August 31, 2012; and US$30,000 on or before November 30, 2012);
D. US$200,000 on or before May 5, 2013.

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

5 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	March 31, 2012 $	September 30, 2011 $
Trade payables	40,808	84,079
Due to related parties (Note 7)	10,675	16,612
Total accounts payable and accrued liabilities	51,483	100,691

6 SHARE CAPITAL

a) Authorized:

Unlimited common shares without par value.

b) Stock options

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.

(Unaudited – expressed in Canadian dollars)

Options may be granted for a maximum term of ten (10) years from the date of the grant, are non-transferable and expire within a reasonable period following the 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.

The Company's stock options outstanding as at March 31, 2012 and September 30, 2011 and the changes for the periods then ended is presented below:

	Number of Options	Weighted Average Exercise Price	Weighted Average Life (Years)
Balance outstanding, October 1, 2010	1,725,000	$0.18	4.33
Exercised	(175,000)	$0.18	
Forfeited	(100,000)	$0.20	
Balance outstanding, September 30, 2011	1,450,000	$0.18	3.57
Granted	(1)1,205,000	$0.20	
Cancelled	(1)(400,000)	$0.20	
Forfeited	(290,000)	$0.20	
Balance outstanding and exercisable, March 31, 2012	1,965,000	$0.22	3.56

At March 31, 2012, the following share purchase options were outstanding entitling the holder thereof the right to purchase one common share of the Company for each option held:

Number	Exercise Price	Expiry Date
475,000	$0.15	September 10, 2014
825,000	$0.20	August 9, 2015
(1)665,000	$0.30	November 3, 2016
1,965,000		

(1) During the three months ended March 31, 2012, 400,000 of these stock options were cancelled voluntarily and an additional 665,000 of the options were re-priced from an exercise price of $0.20 per share to an exercise price of $0.30 per share. All other terms of the options remained unchanged. No share-based payment expense was recorded for these transactions.

During the six months ended March 31, 2012, the Company recorded share-based payments of $171,961 (2011 - $16,613). No stock options were granted during the six months ended March 31, 2011. The weighted fair value of share purchase options granted during the six months ended March 31, 2012 of

(Unaudited – expressed in Canadian dollars)

$0.14 per option was estimated using the Black-Scholes option pricing model with the following assumptions:

		2012	2011
a)	risk-free interest rate	1.85%	N/A
b)	expected life	5 years	N/A
c)	expected volatility	102%	N/A
d)	expected dividends	N/A	N/A

Expected volatility was determined by reference to the historical volatility since the Company began trading on the TSX Venture Exchange.

c) Warrants

A summary of share purchase warrants outstanding as at March 31, 2012 and September 30, 2011 and the changes for the periods then ended are as follows:

	Number of Warrants	Weighted Average Exercise Price	Weighted Average Life (Years)
Balance outstanding, October 1, 2010	6,470,345	$0.29	0.69
Issued	6,189,623	$0.48	
Exercised	(2,324,098)	$0.28	
Expired	(4,154,580)	$0.30	
Balance, September 30, 2010	6,181,290	$0.48	1.00
Balance, March 31, 2012	6,181,290	$0.48	0.50

At March 31, 2012, the following share purchase warrants were outstanding entitling the holder thereof the right to purchase one common share of the Company for each warrant held:

Number	Exercise Price	Expiry Date
3,947,858	$0.50	July 24, 2012
366,682	$0.35	July 24, 2012
1,637,500	$0.50	March 3, 2013
229,250	$0.30	March 3, 2013
6,181,290		

d) Escrow shares

Pursuant to the Initial Public Offering, 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%) at six month intervals thereafter over a 36 month period with the final tranche being released on December 30, 2012. As at March 31, 2012, 677,713 (September 30, 2011 – 1,016,569) common shares remained in escrow.

(Unaudited – expressed in Canadian dollars)

7 RELATED PARTY TRANSACTIONS

During the three and six months ended March 31, 2012 and 2011, the Company incurred the following expenditures charged by directors and officers of the Company and by companies controlled by directors and officers of the Company:

	Three months ended March 31,		Six months ended March 31,	
	2012	2011	2012	2011
	$	$	$	$
Accounting fees	14,905	10,910	22,863	18,889
Consulting fees	20,000	-	20,000	-
Management and administration fees	38,250	39,690	71,792	62,290
Mineral property expenditures - consulting	16,575	-	19,425	-
	89,730	50,600	134,080	81,179

As at March 31, 2012, accounts payable and accrued liabilities includes an amount of $10,675 (September 30, 2011 - $16,612) due to companies controlled by directors and officers of the Company.

Key management includes the Chief Executive Officer and the directors of the Company. The compensation paid or payable to key management for services during the three and six months ended March 31, 2012 and 2011 is as follows:

	Three months ended March 31,		Six months ended March 31,	
	2012	2011	2012	2011
	$	$	$	$
Accounting fees	14,905	7,535	21,118	13,633
Management and administration fees	38,250	39,690	71,792	62,290
Mineral property expenditures - consulting	16,575	-	19,425	-
Share-based payments	-	-	132,003	-
	69,730	47,225	244,338	75,923

8 SUPPLEMENTAL CASH FLOW INFORMATION

Investing and financing activities that do not have a direct impact on current cash flows are excluded from the cash flow statements. The following transactions were excluded from the statements of cash flows:

(Unaudited – expressed in Canadian dollars)

During the six months ended March 31, 2012:

a) $37,490 of deferred exploration expenditures included in accounts payable and accrued liabilities at March 31, 2012, less expenditures included in accounts payable at September 30, 2011 of $14,592 for a net inclusion of $22,898.

During the six months ended March 31, 2011:

a) $14,839 of deferred exploration expenditures included in accounts payable and accrued liabilities;

b) The transfer of $38,076, the value of warrants exercised during the period, from contributed surplus to share capital;

c) The transfer of $19,947, the value of options exercised during the period, from contributed surplus to share capital; and,

d) 375,015 finders' warrants issued by the Company (ascribed value of $105,129) pursuant to a private placement.

9 SEGMENTED INFORMATION

The Company's operations are limited to a single industry segment, being mineral exploration and development. Geographic segment information of the Company's assets as at March 31, 2012 and September 30, 2011 is as follows:

	March 31, 2012 $	**September 30, 2011 $**
Canada	847,499	2,166,223
Burkina Faso	3,028,534	2,184,620
Total assets	3,876,033	4,350,843

Geographic segmentation of the Company's net loss is as follows:

	Three months ended March 31,		**Six months ended March 31,**	
	2012 $	**2011 $**	**2012 $**	**2011 $**
Canada	154,875	301,410	484,745	460,593
Burkina Faso	47,532	(9,238)	112,818	8,713
Net loss	202,407	292,172	597,563	469,306

(Unaudited – expressed in Canadian dollars)

10 ADOPTION OF IFRS

Below is a reconciliation of the statement of financial position at March 31, 2011 as previous reported under Canadian GAAP to IFRS. There were no IFRS transition adjustments for the statements of loss and comprehensive loss for the three and six months ended March 31, 2011.

Reconciliation of the Statement of Financial Position at March 31, 2011

	Note	Canadian GAAP $	Effect of transition to IFRS $	IFRS $
ASSETS				
Current				
Cash and cash equivalents		2,241,914	-	2,241,914
Taxes recoverable and other receivables		51,874	-	51,874
Prepaid expenses		48,230	-	48,230
		2,342,018	-	2,342,018
Equipment		22,642	-	22,642
Mineral properties	(ii)	1,446,461	(165,000)	1,281,461
Other assets		3,500	-	3,500
		3,814,621	(165,000)	3,649,621
LIABILITIES				
Current				
Accounts payable and accrued liabilities		55,608	-	55,608
		55,608	-	55,608
EQUITY ATTRIBUTABLE TO SHAREHOLDERS				
Share capital	(i)	4,793,610	(13,200)	4,780,410
Contributed surplus		405,765	-	405,765
Deficit	(i)	(1,440,362)	13,200	(1,592,162)
	(ii)		(165,000)	
		3,759,013	(165,000)	3,594,013
		3,814,621	(165,000)	3,649,621

Notes to reconciliations

The following paragraphs explain the significant differences between Canadian GAAP and the current IFRS accounting policies applied by the Company.

i) Flow-through shares

Under Canadian GAAP, the entire net proceeds from the issuance of flow-through shares were recognized in equity. Upon renunciation of the tax benefits associated with the related expenditures, a deferred tax liability was recognized and shareholders' equity reduced.

Under IFRS, proceeds from the issuance of flow-through shares are segregated as follows: the estimated premium investors pay for the flow-through feature, if any, is recorded as a flow-through tax liability; and, the remaining net proceeds are recorded as share capital. Upon renunciation of the tax benefits associated with the related expenditures and as qualifying expenditures are incurred, a deferred tax liability is recognized and the flow-through tax liability is reversed with any difference being recorded as a deferred tax recovery (expense). To the extent that suitable deferred tax assets are available, the Company will reduce the deferred tax liability and record a deferred tax recovery.

At March 31, 2011, share capital decreased by $13,200 and deficit (deferred tax recovery in prior years) decreased by $13,200.

ii) Acquisition of Sanu Burkina Faso S.A.R.L. – deferred income tax liability

On June 30, 2010, the Company acquired 100% of the issued and outstanding shares of Sanu Burkina Faso S.A.R.L. Under Canadian GAAP, the transaction was accounted for using the purchase method of accounting as an acquisition of assets by the Company. As a result of the difference between the purchase price of the net assets acquired and the tax base of those net assets, an iterative calculation was performed in order to record a $165,000 future income tax liability.

Under IFRS and in accordance with IAS 12 "Income taxes", a deferred income tax liability on net assets acquired outside of a business combination is exempt from initial recognition. No deferred income tax liability would be recorded under IFRS on acquisition of Sanu Burkina Faso S.A.R.L.

At March 31, 2011, mineral properties decreased by $165,000 and deficit (deferred tax recovery in prior years) increased by $165,000.

iii) Write-down during the year ended September 30, 2011

During the year ended September 30, 2011, the Company recorded a write-down of mineral properties of $72,000. The write-down was based on the book value of mineral properties at the date of the write-down. As a result of the IFRS transitional adjustment to reduce mineral properties by $165,000 (ii), the write-down during the year ended September 30, 2011 must be reduced proportionality.

At September 30, 2011, mineral properties increased by $18,000 and during the year ended September 30, 2011, net loss and comprehensive loss decreased by $18,000.

Statement of Cash Flows

The IFRS transition adjustments noted above did not have an impact on cash and cash equivalents.

Schedule 1

INDIGO EXPLORATION INC.

(An Exploration Stage Company)

CONDENSED INTERIM CONSOLIDATED SCHEDULE OF MINERAL PROPERTIES

For the six months ended March 31, 2012 and the year ended September 30, 2011

(Unaudited – expressed in Canadian dollars)

	Burkina Faso, Africa				
	Moule Project $	Kodyel Project $	Lati Project $	Other Projects $	Total $
Balance, October 1, 2010	51,845	285,758	78,778	157,679	574,060
Deferred acquisition costs					
Cash	58,249	-	-	-	58,249
Deferred exploration costs					
Assaying	126,706	189	35,097	-	161,992
Camp	77,280	126	5,186	943	83,535
Consulting (Note 7)	30,091	4,965	3,890	1,903	40,849
Drilling	786,329	-	-	-	786,329
Equipment rental	156,166	-	1,872	4,981	163,019
Other	17,631	2,028	4,964	9,464	34,087
Surveying	33,248	28,214	-	28,729	90,191
Travel and accommodation	2,824	446	936	152	4,358
Wages	122,607	3,217	15,114	9,975	150,913
	1,352,882	39,185	67,059	56,147	1,515,273
Write-off	-	(54,000)	-	-	(54,000)
Balance, September 30, 2011	1,462,976	270,943	145,837	213,826	2,093,582
Deferred exploration costs					
Assaying	37,203	-	30,685	-	67,888
Camp	9,441	7,957	17,695	839	35,932
Consulting (Note 7)	9,464	6,724	17,347	355	33,890
Drilling	-	-	545,858	-	545,858
Equipment rental	9,261	-	28,109	2,046	39,416
Other	2,879	19,230	32,152	6,675	60,936
Wages	14,704	7,262	60,281	6,210	88,457
	82,952	41,173	732,127	16,125	872,377
Balance, March 31, 2012	1,545,928	312,116	877,964	229,951	2,965,959