INDIGO EXPLORATION INC.
(An Exploration Stage Company)

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2013 and 2012
(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 first quarter 2014 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)

	Notes	December 31, 2013 $	September 30, 2013 $
ASSETS			
Current			
Cash and cash equivalents		254,294	99,224
Taxes recoverable and other receivables		2,947	3,790
Prepaid expenses		2,664	3,216
		259,905	106,230
Equipment		23,537	25,406
Mineral properties (Schedule 1)	7	2,739,092	2,687,069
		3,022,534	2,818,705
LIABILITIES			
Current			
Accounts payable and accrued liabilities	8,10	41,128	40,137
EQUITY ATTRIBUTABLE TO SHAREHOLDERS			
Share capital	9	6,513,774	6,368,749
Contributed surplus		722,598	624,598
Deficit		(4,254,966)	(4,214,779)
		2,981,406	2,778,568
		3,022,534	2,818,705

Organization and nature of operations (Note 1)
Going concern (Note 2)
Commitments (Notes 7 and 9)

Approved by the Board of Directors

*"Paul S. Cowley"* Director   _*"Marino J. Sveinson"*_ 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
For the three months ended December 31, 2013 and 2012
(Unaudited - Expressed in Canadian dollars)

	Note	2013 $	2012 $
Accounting and audit fees	10	15,919	10,065
Depreciation		1,869	2,659
Filing fees		2,970	1,032
Foreign exchange loss		1,595	1,813
General exploration		-	1,481
Investor relations		392	-
Legal fees		752	500
Management and administration fees	10	2,514	6,000
Office and miscellaneous		14,342	24,754
Loss before other item		(40,353)	(48,304)
Interest income		166	505
Net loss and comprehensive loss for the period		(40,187)	(47,799)
Basic and diluted loss per share	9(e)	(0.00)	(0.00)
Weighted average number of shares		43,681,506	33,060,982

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 three months ended December 31, 2013 and 2012
(Unaudited - Expressed in Canadian dollars)

	2013 **$**	**2012** **$**
Cash provided by (used in)		
Operating activities		
Net loss for the period	(40,187)	(47,799)
Add items not involving cash:		
Depreciation	1,869	2,659
	(38,318)	(45,140)
Changes in non-cash working capital items:		
Taxes recoverable and other receivables	843	2,156
Prepaid expenses	552	1,458
Accounts payable and accrued liabilities	390	(5,220)
	(36,533)	(46,746)
Investing activities		
Deferred acquisition expenditures	-	(30,493)
Deferred exploration expenditures	(51,422)	(58,862)
	(51,422)	(89,355)
Financing activities		
Issuance of shares pursuant to private placement	245,000	-
Issuance costs	(1,975)	-
	243,025	-
Increase (decrease) in cash and cash equivalents during the period	155,070	(136,101)
Cash and cash equivalents - beginning of the period	99,224	315,879
Cash and cash equivalents - end of the period	254,294	179,778
Cash paid for interest	-	-
Cash received for interest	166	1,105
Cash paid for income taxes	-	-
Cash and cash equivalents are comprised of:		
Cash	189,294	10,412
Short-term investments	65,000	169,366
	254,294	179,778

Supplemental cash flow information (Note 11)

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 three months ended December 31, 2013 and 2012
(Unaudited - Expressed in Canadian dollars)

	Shares #	**Share Capital** $	**Contributed Surplus** $	**Deficit** $	**Total** $
Balance ï September 30, 2012	33,060,982	5,884,119	614,598	(2,953,886)	3,544,831
Net loss and comprehensive loss for the period	-	-	-	(47,799)	(47,799)
Balance ï December 31, 2012	33,060,982	5,884,119	614,598	(3,001,685)	3,497,032
Issued during the period:					
Pursuant to private placement of units	10,000,000	490,000	10,000	-	500,000
Less: cash issue costs	-	(5,370)	-	-	(5,370)
Net loss and comprehensive loss for the period	-	-	-	(1,213,094)	(1,213,094)
Balance ï September 30, 2013	43,060,982	6,368,749	624,598	(4,214,779)	2,778,568
Issued during the period:					
Pursuant to private placement of units	4,900,000	147,000	98,000	-	245,000
Less: cash issue costs	-	(1,975)	-	-	(1,975)
Net loss and comprehensive loss for the period	-	-	-	(40,187)	(40,187)
Balance ï December 31, 2013	47,960,982	6,513,774	722,598	(4,254,966)	2,981,406

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

1 ORGANIZATION AND NATURE OF OPERATIONS

Indigo Exploration Inc. (ñthe Companyò) 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 ñIXIò. At December 31, 2013, the Company was in the exploration stage and had interests in properties located in Burkina Faso, West Africa. The Companyõs corporate head office is located at Suite 880 ï 580 Hornby Street, Vancouver, British Columbia, Canada.

2 GOING CONCERN

These condensed interim consolidated financial statements have been prepared on a going concern basis, which assumes that the Company will be able to meet its obligations and continue its operations for the next twelve months. 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. Such adjustments could be material. At December 31, 2013, the Company had not yet achieved profitable operations, had an accumulated deficit of $4,254,966 since inception and expects to incur further losses in the development of its business, all of which indicate the existence of a material uncertainty that may cast significant doubt upon the Companyõs ability to continue as a going concern and, therefore, that it may be unable to realize its assets and discharge its liabilities in the normal course of business. The Companyõs ability to continue as a going concern is dependent upon its ability to obtain the necessary financing to develop the mineral properties and to meet its ongoing levels of corporate overhead 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.

3 BASIS OF PRESENTATION

These condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (ñIFRSò) as issued by the International Accounting Standards Board (ñIASBò) applicable to the preparation of interim financial statements, including IAS 34, Interim Financial Reporting. The condensed interim consolidated financial statements should be read in conjunction with the annual consolidated financial statements for the year ended September 30, 2013, which have been prepared in accordance with IFRS as issued by the IASB.

The Company uses the same accounting policies and methods of computation as in the annual consolidated financial statements for the year ended September 30, 2013.

These financial statements were approved by the board of directors for issue on February 28, 2014.

4 CHANGES IN ACCOUNTING POLICIES INCLUDING INITIAL ADOPTION

Certain pronouncements were issued by the IASB or the IFRS Interpretations Committee that are mandatory for accounting periods beginning on or before January 1, 2013.

The following new standards, amendments and interpretations that have been adopted for the Companyõs current fiscal year have not had a material impact on the Company:

IFRS 13, *Fair Value Measurement*

IFRS 13 is a comprehensive standard for fair value measurement and disclosure requirements for use across all IFRS standards. The new standard clarifies that fair value is the price that would be received to sell an asset, or paid to transfer a liability in an orderly transaction between market participants, at the measurement date. It also establishes disclosures about fair value measurement. Under existing IFRS, guidance on measuring and disclosing fair value is dispersed among the specific standards requiring fair value measurements and in many cases does not reflect a clear measurement basis or consistent disclosures.

Amendments to Other Standards

In addition, there have been amendments to existing standards, including IFRS 7, *Financial Instruments: Disclosures*, IAS 1, *Presentation of Financial Statements*, IAS 12, *Income Taxes*, IFRIC 20, *Stripping in the Production Phase of a Producing Mine,* and IAS 28, *Investments in Associates and Joint Ventures*. IFRS 7 requires additional disclosures in relation to the transfer of financial assets, including those in with which there is continuing involvement. IAS 1 requires changes to the grouping of items in the consolidated statement of comprehensive loss. Amendments to IAS 12 provide guidelines for determining the recovery of investment properties as it relates to the accounting for deferred income taxes. IFRIC 20 sets out the accounting for overburden waste removal (stripping) costs in the production phase of a producing mine. IAS 28 has been amended to include joint ventures in its scope and to address the changes to IFRS 10 - 12.

5 ACCOUNTING STANDARDS ISSUED BUT NOT YET EFFECTIVE

Unless otherwise noted, the following revised standards and amendments are effective for the Company for annual periods beginning on or after January 1, 2015 with earlier application permitted.

(i) This is the first part of a new standard on classification and measurement of financial assets that will replace IAS 39, *Financial Instruments: Recognition and Measurement*. IFRS 9 has two measurement categories: amortized cost and fair value. All equity instruments are measured at fair value.

A debt instrument is at amortized cost only if the entity is holding it to collect contractual cash flows and the cash flows represent principal and interest. Otherwise it is at fair value through profit or loss. Requirements for financial liabilities were added to IFRS 9 in October 2010. Most of the requirements for financial liabilities were carried forward unchanged from IAS 39. However, some changes were made to the fair value option for financial liabilities to address the issue of own credit risk.

6 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

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 managementôs experience and other factors, including expectations about future events that are believed to be reasonable under the circumstances.

Judgements:
(i) The assumption that the Company is a going concern and will continue in operation for the foreseeable future and at least one year. The factors considered by management are disclosed in Note 2.
(ii) The assessment of indicators of impairment for the mineral property and the related determination of the recoverable amount and write-down of the property where applicable.

The Company has no critical accounting estimates.

7 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 Companyҫs 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 ($603) 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 day notice to remedy any deficiency. At December 31, 2013, the Company had not incurred sufficient expenditures on its Lati, Loto and Tordo permits to comply with the Mining Code of Burkina Faso. Sufficient expenditures have been incurred on the Moule and Kodyel 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.

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 (ñNSRò) royalty, in the Moule Gold Permit, in western Burkina Faso. During the year ended September 30, 2013, the Company made the final option payment and is awaiting the 100% title transfer of the permit to the Company buy the Burkina Faso government. The Company paid a total of US$400,000 in cash and $15,000 in shares to acquire the Moule Gold Permit.

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

(Unaudited - Expressed in Canadian dollars)

8 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	December 31, 2013 $	September 30, 2013 $
Trade payables and accruals	23,450	26,032
Due to related parties (Note 10)	17,678	14,105
	41,128	40,137

9 SHARE CAPITAL

a) Authorized:

Unlimited common shares without par value.
Issued and fully paid at December 31, 2013: 47,960,982 (September 30, 2013: 43,060,982)

b) Financing:

During the three months ended December 31, 2013, the Company completed the following financing:

(i) On November 4, 2013, the Company closed a non-brokered private placement of 4,900,000 units at $0.05 per unit for gross proceeds of $245,000. Each unit is comprised of one common share and one share purchase warrant. Each whole warrant entitles the holder thereof the right to purchase one common share of the Company at $0.12 per share, exercisable up to November 4, 2016. A value of $98,000 has been attributed to the warrants.

In connection with the private placement, the Company incurred cash issue costs of $1,975.

During the three months ended December 31, 2012, the Company completed no financings.

c) Stock options:

Stock option plan

The Company has a stock option plan (the ñPlanò) 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 Companyôs stock options outstanding as at December 31, 2013 and September 30, 2013 and the changes for the periods then ended is presented below:

	Number of Options #	Weighted Average Exercise Price $	Weighted Average Life Years
Balance outstanding, September 30, 2012	1,865,000	0.22	3.00
Forfeited	(425,000)	0.20	
Balance outstanding, September 30, 2013	1,440,000	0.22	2.08
Forfeited	(175,000)	0.18	
Balance outstanding and exercisable, December 31, 2013	1,265,000	0.23	1.91

At December 31, 2013, the following stock options were outstanding entitling the holder thereof the right to purchase one common share of the Company for each option held:

Number of Options #	Exercise Price $	Expiry Date
275,000	0.15	September 10, 2014
475,000	0.20	August 9, 2015
515,000	0.30	November 3, 2016
1,265,000		

(Unaudited - Expressed in Canadian dollars)

d) Warrants:

A summary of share purchase warrants outstanding as at December 31, 2013 and September 30, 2013 and the changes for the periods then ended are as follows:

	Number of Warrants #	Weighted Average Exercise Price $	Weighted Average Life Years
Balance, September 30, 2012	1,866,750	0.48	0.42
Issued	10,000,000	0.12	
Expired	(1,866,750)	0.48	
Balance, September 30, 2013	10,000,000	0.12	0.51
Issued	4,900,000	0.12	
Balance, December 31, 2013	14,900,000	0.12	1.11

At December 31, 2013, the following stock options were outstanding entitling the holder thereof the right to purchase one common share of the Company for each option held:

Number of Warrants #	Exercise Price $	Expiry Date
10,000,000	0.12	April 3, 2014
4,900,000	0.12	November 4, 2016
14,900,000		

e) Basic and diluted loss per share:

During the three months ended December 31, 2013 and 2012, potentially dilutive common shares totaling 16,165,000 (2012 ï 3,456,750) were not included in the calculation of basic and diluted loss per share because their effect was anti-dilutive.

10 RELATED PARTY TRANSACTIONS

During the three months ended December 31, 2013 and 2012, 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:

(Unaudited - Expressed in Canadian dollars)

	2013 **$**	**2012** **$**
Accounting fees	6,550	7,649
Management and administration fees	1,950	6,000
	8,500	13,649

As at December 31, 2013, accounts payable and accrued liabilities includes an amount of $17,678 (September 30, 2013 - $14,105) due to companies controlled by directors and officers of the Company. These amounts are unsecured, non-interest bearing and due on demand.

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 months ended December 31, 2013 and 2012 is identical to the table above.

11 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:

During the three months ended December 31, 2013:

a) $2,768 of deferred exploration expenditures included in accounts payable and accrued liabilities at December 31, 2013, less expenditures included in accounts payable at September 30, 2013 of $2,167 for a net exclusion of $601.

During the three months ended December 31, 2012:

a) $13,941 of deferred exploration expenditures and $12,500 of deferred acquisition expenditures included in accounts payable and accrued liabilities at December 31, 2012, less expenditures included in accounts payable at September 30, 2012 of $57,373 for a net inclusion of $30,932.

12 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 is as follows:

	December 31, 2013 **$**	**September 30, 2013** **$**
Canada	321,869	166,700
Burkina Faso	2,700,665	2,652,005
Total assets	3,022,534	2,818,705

(Unaudited - Expressed in Canadian dollars)

Geographic segmentation of the Company's net loss during three months ended December 31, 2013 and 2012 is as follows:

	2013	**2012**
	$	**$**
Canada	17,063	18,732
Burkina Faso	23,124	29,067
Net loss	40,187	47,799

INDIGO EXPLORATION INC. **Schedule 1**
(An Exploration Stage Company)
CONDENSED INTERIM CONSOLIDATED SCHEDULE OF MINERAL PROPERTIES
For the three months ended December 31, 2013 and the year ended September 30, 2013
(Unaudited - Expressed in Canadian dollars)

	Moule Project $	**Kodyel Project $**	**Lati Project $**	**Other Projects $**	**Total $**
Balance ï September 30, 2012	1,647,090	425,760	958,949	248,504	3,280,303
Deferred acquisition costs					
Cash	235,673	-	-	-	235,673
	235,673	-	-	-	235,673
Deferred exploration costs					
Assaying	-	40,061	-	-	40,061
Camp	3,557	3,684	162	428	7,831
Consulting	1,308	601	601	1,202	3,712
Equipment rental	1,693	420	688	1,620	4,421
Other	28,535	19,407	8,030	7,561	63,533
Wages	14,618	41,377	13,300	26,600	95,895
	49,711	105,550	22,781	37,411	215,453
Write-off	-	-	(907,302)	(137,058)	(1,044,360)
Balance ï September 30, 2013	1,932,474	531,310	74,428	148,857	2,687,069
Deferred exploration costs					
Assaying	189	3,031	-	-	3,220
Camp	240	414	218	436	1,308
Equipment rental	811	-	692	1,384	2,887
Other	6,540	4,429	-	910	11,879
Wages	6,430	7,597	6,234	12,468	32,729
	14,210	15,471	7,144	15,198	52,023
Balance ï December 31, 2013	1,946,684	546,781	81,572	164,055	2,739,092