INDIGO EXPLORATION INC.
(An Exploration Stage Company)

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2016 and 2015
(Unaudited – Expressed in Canadian dollars)

INDIGO EXPLORATION INC.

NOTICE OF NO AUDITOR REVIEW

Under National Instrument 51-102, Part 4, subsection 4.3(3) (a), if an auditor has not performed a review of the interim financial statements they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited interim consolidated financial statements of the Company have been prepared by management and approved by the Audit Committee and Board of Directors of the Company.

The Company's independent auditors have not performed a review of these consolidated financial statements in accordance with the standards established by the 'Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditors.

INDIGO EXPLORATION INC.
Condensed Interim Consolidated Statements of Financial Position
(Unaudited - Expressed in Canadian dollars)

	Notes	March 31 2016	September 30 2015
		$	$
ASSETS			
Current			
Cash and cash equivalents		45,589	142,784
Taxes recoverable and other receivables		2,059	611
Prepaid expenses		416	679
		48,064	144,074
Mineral properties (Schedule 1)	**6**	736,680	828,071
		784,744	972,145
LIABILITIES			
Current			
Accounts payable and accrued liabilities	**8**	93,857	110,051
EQUITY ATTRIBUTABLE TO SHAREHOLDERS			
Share capital	**7**	6,785,882	6,785,882
Contributed surplus		730,223	730,223
Deficit		(6,825,218)	(6,654,011)
		690,887	862,094
		784,744	972,145

Organization and nature of operations (Note 1)
Going concern (Note 2)

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.
Condensed Interim Consolidated Statements of Loss and Comprehensive Loss
For the three and six months ended March 31, 2016 and 2015
(Unaudited - Expressed in Canadian dollars)

		Three months ended March 31		Six months ended March 31	
	Note	**2016**	**2015**	**2016**	**2015**
		$	**$**	**$**	**$**
Accounting and audit fees	**8**	3,802	12,720	12,931	19,543
Depreciation		-	600	-	1,207
Filing fees		9,065	10,913	9,565	12,596
Foreign exchange loss		538	776	2,383	1,771
Legal fees		238	1,881	238	3,497
Management and administration fees	**8**	9,100	5,850	14,950	11,701
Office and miscellaneous		4,593	8,369	7,523	15,850
Travel and accommodation		949	-	949	-
Loss before other items		(28,285)	(41,091)	(48,539)	(66,165)
Interest income		-	-	-	10
Write-off of mineral properties		(122,668)	-	(122,668)	-
Total loss and comprehensive loss for the period		(150,953)	(41,091)	(171,207)	(66,155)
Loss per share					
- Basic and diluted		(0.00)	(0.00)	(0.00)	(0.00)
Weighted average number of shares outstanding					
- Basic and diluted		70,585,982	55,252,649	70,585,982	52,033,097

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

INDIGO EXPLORATION INC.
Condensed Interim Consolidated Statements of Cash Flows
For the six months ended March 31, 2016 and 2015
(Unaudited - Expressed in Canadian dollars)

	2016	2015
	$	$
Cash provided by (used in)		
Operating activities		
Loss for the period	(171,207)	(66,155)
Add items not involving cash:		
Depreciation	-	1,207
Write-down of mineral properties	122,668	-
	(48,625)	(64,948)
Changes in non-cash working capital items:		
Taxes recoverable and other receivables	(1,448)	(2,118)
Prepaid expenses	263	(547)
Accounts payable and accrued liabilities	(10,683)	(5,115)
	(60,407)	(72,278)
Investing activities		
Deferred exploration expenditures	(36,788)	(59,738)
Financing activities		
Issuance of shares pursuant to private placement	-	152,500
Issuance costs	-	(10,633)
	-	141,867
Increase (decrease) in cash and cash equivalents	(97,195)	9,401
Cash and cash equivalents - beginning of period	142,784	47,036
Cash and cash equivalents - end of period	45,589	56,437

Supplemental cash flow information (Note 9)

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

INDIGO EXPLORATION INC.
Condensed Interim Consolidated Statements of Changes in Equity
(Unaudited - Expressed in Canadian dollars)

	Shares	Share Capital	Contributed Surplus	Deficit	Total
	Number	$	$	$	$
Balance – September 30, 2014	47,960,982	6,513,774	722,598	(6,516,957)	719,415
Issued during year:					
Pursuant to private placement of units	7,625,000	144,875	7,625	-	152,500
Less: cash issue costs	-	(10,633)	-	-	(10,633)
Loss and comprehensive loss	-	-	-	(66,155)	(66,155)
Balance – March 31, 2015	55,585,982	6,648,016	730,223	(6,583,112)	795,127
Issued during year:					
Pursuant to private placement of units	16,500,000	150,000	-	-	150,000
Less: cash issue costs	-	(12,134)	-	-	(12,134)
Loss and comprehensive loss	-	-	-	(70,899)	(70,899)
Balance – September 30, 2015	70,585,982	6,785,882	730,223	(6,654,011)	862,094
Loss and comprehensive loss	-	-	-	(171,207)	(171,207)
Balance – March 31, 2016	70,585,982	6,785,882	730,223	(6,825,218)	690,887

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

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, 2016, 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 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 March 31, 2016, the Company had not yet achieved profitable operations, had an accumulated deficit of $6,825,218 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 Company's 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 Company's 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 ("IFRS") as issued by the International Accounting Standards Board ("IASB") 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 audited consolidated financial statements for the year ended September 30, 2015, 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 audited consolidated financial statements for the year ended September 30, 2015.

These financial statements were approved by the board of directors for issue on May 30, 2016.

4 ACCOUNTING STANDARDS

i) New standards and amendments effective for the first time from October 1, 2014

The following revised standards and amendments became effective for the Company on October 1, 2015. The new and amended standards did not have a significant impact on the condensed interim consolidated financial statements. The following is a brief summary of the principal new standards adopted by the Company:

IFRS 7 – Financial Instruments disclosures. The Standard was amended to require additional disclosures on transition from IAS 39 and IFRS 9.

ii) Accounting standards issued but not yet effective
At the date of approval of the condensed interim consolidated financial statements the following standards, which are applicable to the Company, were issued but not yet effective. The Company has not completed its assessment of the impact that the new and amended standard will have on its financial statements. The following is a brief summary of the principal new or amended standards.

IFRS 9 Financial Instruments - In July 2014, the IASB issued the final version of IFRS 9 Financial Instruments bringing together the classification and measurement, impairment and hedge accounting phases of the IASB's project to replace IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 retains but simplifies the mixed measurement model and establishes two primary measurement categories for financial assets: amortized cost and fair value. IFRS 9 also amends some of the requirements of IFRS 7 Financial Instruments: Disclosures, including added disclosures about investments in equity instruments measured at fair value in OCI, and guidance on financial liabilities and derecognition of financial instruments. The mandatory effective date of IFRS 9 would be annual periods beginning on or after January 1, 2018, with early adoption permitted.

IAS 7 Statement of Cash Flows - In January 2016, IASB amended IAS 7, "Statement of Cash Flows", The amendments require that the following changes in liabilities arising from financing activities are disclosed (to the extent necessary): (i) changes from financing cash flows; (ii) changes arising from obtaining or losing control of subsidiaries or other businesses; (iii) the effect of changes in foreign exchange rates; (iv) changes in fair values; and (v) other changes. One way to fulfil the new disclosure requirement is to provide a reconciliation between the opening and closing balances in the statement of financial position for liabilities arising from financing activities. Finally, the amendments state that changes in liabilities arising from financing activities must be disclosed separately from changes in other assets and liabilities. This amendment will be mandatory for reporting periods beginning on or after January 1, 2017.

5 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

There have been no material revisions to the nature of judgments and amount of changes in estimates of amounts reported in the Company's September 30, 2015 annual consolidated financial statements.

6 MINERAL PROPERTIES (Schedule 1)

The Company holds a 100% interest in several properties in Burkina Faso, West Africa and has the right to purchase the entire 1.5% NSR royalty on the Moule Gold Permit for US$1,800,000. Refer to Schedule 1.

Pursuant to the Mining Code of Burkina Faso, an exploration permit holder is required to incur 270,000 West African CFA Francs ($583) 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. The Company has not incurred sufficient expenditures on its Moule and Loto permits to comply with the Mining Code of Burkina Faso. The Company has not received any notice of cancellation from the Government of Burkina Faso and believes these permits are in good standing as at March 31, 2016.

The Kodyel, Tordo and Lati permits have expired. The Company submitted the documentation required to extend the permits, however, has not yet received the permit extensions. The Company believes it will obtain extensions on Kodyel and Lati permits. The Company received a rejection letter during the three months ended March 31, 2016 from its Tordo permit extension application. The Company no longer holds the permits for Tordo and therefore recorded a write-down of $122,668.

The Company believes it presently holds all necessary licenses and permits on Moule and Loto, and priority on pending extensions on Kodyel and Lati, to carry on the activities which it will conduct, and that it is presently complying in all material respects with the terms of such licenses and permits. There can be no guarantee, however, that the Company will be able to obtain and maintain, at all times, all necessary licenses and permits required to continue the proposed exploration or to develop its properties into commercial production and to operate mining facilities thereon.

7 SHARE CAPITAL

a) Authorized:
Unlimited common shares without par value.

b) Financing:
During the six months ended, March 31, 2016, the Company did not complete any financings.

Subsequent to March 31, 2016, the Company closed a non-brokered private placement for 13,750,000 units at $0.02 per unit for aggregate gross proceeds of $275,000. 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 $0.05 per share, exercisable up to three years from the closing date. Finder's fees of $16,500 have been paid with respect to the financing.

During the six months ended March 31, 2015, the Company completed three tranches of a non-brokered private placement as follows:

(i) On December 17, 2014, the Company closed the first tranche of 5,125,000 units at $0.02 per unit for gross proceeds of $102,500. 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 $0.05 per share, exercisable up to December 17, 2017. A value of $5,125 has been attributed to the warrants.

(ii) On December 24, 2014, the Company closed the second tranche of 1,000,000 units at $0.02 per unit for gross proceeds of $20,000. 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 $0.05 per share, exercisable up to December 24, 2017. A value of $1,000 has been attributed to the warrants.

(iii) On January 21, 2015, the Company closed the third and final tranche of the non-brokered private placement for 1,500,000 units at $0.02 per unit for gross proceeds of $30,000. 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 $0.05 per share, exercisable up to January 21, 2018. A value of $1,500 has been attributed to the warrants.

In connection with the three tranches, the Company paid finders' fees of $8,400 and incurred additional cash issue costs of $2,233.

(Unaudited - Expressed in Canadian dollars)

c) Stock options:
The Company's fully exercisable stock options outstanding as at March 31, 2016 and September 30, 2015 and the changes for the periods then ended is presented below:

	Number of options	Weighted average exercise price (per share)	Weighted average remaining life (years)
Balance, September 30, 2014	990,000	$0.25	1.50
Expired	(475,000)	$0.20	
Balance, September 30, 2015 and March 31, 2016	**515,000**	**$0.30**	**0.59**

At March 31, 2016, the Company had 515,000 outstanding stock options allowing the holders to acquire 515,000 common shares at an exercise price of $0.30 with an expiry date of November 3, 2016.

d) Warrants:

A summary of share purchase warrants outstanding as at March 31, 2016 and September 30, 2015 and the changes for the periods then ended are as follows:

	Number of warrants	Weighted average exercise price (per share)	Weighted average remaining life (years)
Balance, September 30, 2014	4,900,000	$0.12	2.10
Issued	7,625,000	$0.05	
Balance, September 30, 2015 and March 31, 2016	**12,525,000**	**$0.08**	**1.29**

The balance of share purchase warrants outstanding as at March 31, 2016 was as follows:

Expiry Date	**Warrants outstanding**	**Exercise price (per share)**	**Remaining life (years)**
November 4, 2016	4,900,000	$0.12	0.60
December 17, 2017	5,125,000	$0.05	1.72
December 24, 2017	1,000,000	$0.05	1.73
January 21, 2018	1,500,000	$0.05	1.81
	12,525,000	$0.08	1.29

Subsequent to March 31, 2016 the Company issued 13,750,000 share purchase warrants as part of the private placement offering.

(Unaudited - Expressed in Canadian dollars)

8 RELATED PARTY TRANSACTIONS

Compensation paid or payable to the directors, the Chief Executive Officer and the Chief Financial Officer for services provided during the three and six months ended March 31, 2016 and 2015 was as follows:

	Three months ended March 31		Six months ended March 31	
	2016	**2015**	**2016**	**2015**
	$	**$**	**$**	**$**
Accounting fees	1,520	5,753	5,320	11,281
Management and administration fees	9,100	5,850	14,950	11,700
	10,620	**11,603**	**20,270**	**22,981**

The Company incurred additional expenditures charged by related parties during the three and six months ended March 31, 2016 and 2015 as follows:

	2016	**2015**
	$	**$**
Accounting fees	-	5,753

As at March 31, 2016, accounts payable and accrued liabilities includes an amount of $74,945 (September 30, 2015 - $59,248) due to directors and officers of the Company and/or companies they control or of which they were significant shareholders. These amounts are unsecured, non-interest bearing and due on demand.

9 SUPPLEMENTAL CASH FLOW INFORMATION

Investing and financing activities that do not have a direct impact on current cash flows are excluded from the condensed interim consolidated statements of cash flow. During the six months ended March 31, 2016 and 2015 the following transactions were excluded from the condensed interim consolidated statements of cash flows:

	2016	**2015**
	$	**$**
Non-cash investing and financing transactions		
Mineral property interest expenditures in accounts payable	6,820	-
Mineral property interest expenditures in accounts payable as at September 30	12,331	7,149

10 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:

	March 31, 2016	**September 30, 2015**
	$	$
Canada	114,343	209,773
Burkina Faso	680,401	762,372
Total assets	784,744	972,145

(Unaudited - Expressed in Canadian dollars)

Geographic segmentation of the Company's loss during the three and six months ended March 31, 2016 and 2015 is as follows:

	Three months ended March 31		**Six months ended March 31**	
	2016 $	**2015 $**	**2016 $**	**2015 $**
Canada	17,510	29,850	36,698	48,296
Burkina Faso	128,943	11,241	134,509	17,859
Loss	146,453	41,091	171,207	66,155

INDIGO EXPLORATION INC. **Schedule 1**

Condensed Interim Consolidated Schedule of Mineral Properties

(Unaudited - Expressed in Canadian dollars)

	Moule Project $	Kodyel Project $	Other Projects $	Total $
Balance – September 30, 2014	**355,889**	**184,780**	**188,479**	**729,148**
Deferred exploration costs				
Camp	3,039	2,323	58	5,420
Equipment rental	546	-	225	771
Other	10,053	1,728	9,473	21,254
Wages	12,939	16,333	42,206	71,478
	26,577	20,384	51,962	98,923
Balance – September 30, 2015	**382,466**	**205,164**	**240,441**	**828,071**
Deferred exploration costs				
Other	444	417	1,303	2,164
Wages	6,710	3,474	18,929	29,113
	7,154	3,891	20,232	31,277
Write-off	-	-	(122,668)	(122,668)
Balance – March 31, 2016	**389,620**	**209,055**	**138,005**	**736,680**