CASSIUS VENTURES LTD.

Unaudited Condensed Interim Consolidated Financial Statements

For the Three Months Ended January 31, 2013 and 2012

(Expressed in Canadian dollars)

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

The accompanying unaudited condensed interim financial statements of Cassius Ventures Ltd. (“the Company”) have been prepared by and are the responsibility of the Company’s management.

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

CASSIUS VENTURES LTD.
Consolidated Statements of Financial Position (Unaudited)
Expressed in Canadian Dollars

		January 31, 2013		October 31, 2012
Assets				
Current assets				
Cash and cash equivalents	$	**180,469**	$	340,023
Receivables		**43,417**		39,739
Prepaid expenses		**26,321**		11,065
Due from related parties (Note 9)		**2,502**		45,486
Total Current Assets		**252,709**		436,313
Restricted cash		**5,750**		35,818
Equipment		**34,325**		36,055
Mineral properties (Note 5)		**4,986,373**		4,802,010
TOTAL ASSETS	$	**5,279,157**	$	5,310,196
Liabilities				
Current Liabilities				
Accounts payable and accrued liabilities	$	**282,380**	$	316,827
Due to related parties (Note 9)		**146,454**		101,397
Total Current Liabilities		**428,834**		418,224
Deferred income tax payable		**515,214**		515,214
TOTAL LIABILITIES		**944,048**		933,438
Shareholders' equity				
Share capital (Note 6)		**5,668,005**		5,668,005
Contributed surplus (Note 6)		**265,123**		260,349
Deficit		**(1,598,019)**		(1,551,596)
Total Shareholders' Equity		**4,335,109**		4,376,758
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$	**5,279,157**	$	5,310,196

Nature of operations and continuation of business (Note 1)
Commitment (Note 10)

Approved by the Board:

"Steven Dean" Director

"Robert Atkinson" Director

(The accompanying notes are an integral part of these unaudited consolidated financial statements)

CASSIUS VENTURES LTD.
Consolidated Statements of Loss and Comprehensive Loss
For the Three Months Ended January 31, 2013 and 2012 (Unaudited)
Expressed in Canadian Dollars

		January 31, 2013		January 31, 2012
Expenses				
Consulting	$	18,000	$	25,083
Foreign exchange gain		(2,118)		(260)
Office and general (Note 9)		11,084		39,377
Professional fees (Note 9)		11,981		18,545
Share-based payments (Notes 7 and 9)		4,774		41,383
Transfer agent and regulatory		2,800		1,698
Termination payments		-		5,420
Net loss from operations		(46,521)		(131,246)
Other income				
Interest and other income		98		6,583
Net loss and comprehensive loss for the period	$	(46,423)	$	(124,663)
Loss per common share - basic and diluted	$	(0.001)	$	(0.004)
Weighted average number of common shares outstanding		41,148,480		31,248,480

(The accompanying notes are an integral part of these unaudited consolidated financial statements)

CASSIUS VENTURES LTD.

Consolidated Statements of Changes in Equity
For the Three Months Ended January 31, 2013 and 2012 (Unaudited)
Expressed in Canadian Dollars

	Share capital								
	Number of shares		Amount		Contributed Surplus		Deficit		Total equity
Balance - November 1, 2012	**41,148,480**	**$**	**5,668,005**	**$**	**260,349**	**$**	**(1,551,596)**	**$**	**4,376,758**
Share-based payments (Note 7)	-		-		4,774		-		4,774
Net loss for the period	-		-		-		(46,423)		(46,423)
Balance - January 31, 2013	**41,148,480**	**$**	**5,668,005**	**$**	**265,123**	**$**	**(1,598,019)**	**$**	**4,335,109**

	Share capital								
	Number of shares		Amount		Contributed Surplus		Deficit		Total equity
Balance - November 1, 2011	**31,248,480**	**$**	**4,689,795**	**$**	**133,157**	**$**	**(1,128,456)**	**$**	**3,694,496**
Share-based payments (Note 7)	-		-		57,376		-		57,376
Net loss for the period	-		-		-		(124,663)		(124,663)
Balance - January 31, 2012	**31,248,480**	**$**	**4,689,795**	**$**	**190,533**	**$**	**(1,253,119)**	**$**	**3,627,209**

CASSIUS VENTURES LTD.
Consolidated Statements of Cash Flows
For the Three Months Ended January 31, 2013 and 2012 (Unaudited)
Expressed in Canadian Dollars

		January 31, 2013		January 31, 2012
Operating activities				
Net loss for the period	$	(46,423)		(124,663)
Items not involving cash:				
Share-based payments		4,774		41,383
Net changes in non-cash working capital balances:				
Prepaid expenses		(15,256)		(107,958)
Due from related parties		42,983		-
Receivables		(3,678)		(13,864)
Accounts payable and accrued liabilities		(5,464)		56,126
Due to related parties		30,753		5,023
Net cash used in operating activities		7,689		(143,953)
Investing activities				
Mineral property acquisition costs		-		(4,148)
Restricted cash		-		(31,345)
Purchase of equipment		(1,473)		(4,913)
Mineral property expenditures		(165,770)		(550,118)
Net cash used in investing activities		(167,243)		(590,524)
Change in cash and cash equivalents during the period		(159,554)		(734,477)
Cash and cash equivalents, beginning of period		340,023		1,420,752
Cash and cash equivalents, end of period	$	180,469	$	686,275
Cash and cash equivalents are comprised of the following:				
Cash	$	180,469	$	186,275
Term deposits		-		500,000
	$	180,469	$	686,275
Supplemental cash flow information				
Interest paid	$	-	$	-
Income taxes paid	$	-	$	-
Non-cash investing and financing activities				
Fair value of options capitalized in mineral properties	$	-	$	15,993
Equipment amortization capitalized in mineral properties	$	3,203	$	1,834
Mineral property expenditures in accounts payable	$	254,717	$	141,097

(The accompanying notes are an integral part of these unaudited consolidated financial statements)

1. Nature of Operations and Continuance of Business

Cassius Ventures Ltd. (the "Company") is an exploration stage company focused on the exploration of its flagship properties located in Nicaragua. The Company was incorporated under the Business Corporations Act (British Columbia) on February 23, 2007. The Company maintains its head office at 595 Burrard Street, Suite 3083, Vancouver, British Columbia. The Company's registered and records office is located at 625 Howe Street, Suite 700, Vancouver, British Columbia. Its common shares are traded on the TSX Venture exchange under the symbol "CZ".

The Company owns 100% of the issued and outstanding shares of Fortress de Nicaragua S.A. ("Fortress"), a private Nicaraguan company, which is the legal and beneficial owner of sixteen exploration concessions with a total area of approximately 137,000 hectares in Nicaragua. On January 30, 2012, the Company completed the acquisition, through Fortress, of the issued and outstanding shares of Nueva Segovia S.A., a private Nicaraguan Company which holds the El Zúngano concession in northern Nicaragua.

These condensed interim consolidated financial statements have been prepared on a going concern basis, which assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business.

The Company has yet to generate any revenues from operations and as at January 31, 2013, had an accumulated deficit of $1,598,019 and a working capital deficit of $176,125. These conditions, along with other factors indicate the existence of material uncertainties that may cast significant doubt upon the Company's ability to continue as a going concern.

The Company's ability to continue operations in the normal course of business is dependent on several factors, including the ability to secure additional financing. In addition, the recoverability of the amounts shown for mineral properties are dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development of those reserves and upon future profitable production, all of which are uncertain.

Although management is of the opinion that sufficient working capital will be obtained from external financing to meet the Company's liabilities and commitments as they become due, there is a risk that additional financing will not be available on a timely basis or on terms acceptable to the Company. The condensed interim consolidated financial statements do not include any additional adjustments to the recoverability and classification of certain recorded asset amounts, and changes to statements of comprehensive loss that might be necessary if the Company was unable to continue as a going concern.

2. Basis of Presentation and Adoption of IFRS

These condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") applicable to the preparation of interim financial statements as issued by the International Accounting Standards Board ("IASB"), including International Accounting Standard 34, Interim Financial Reporting ("IAS 34"). These condensed interim consolidated financial statements do not include all disclosures required for annual audited financial statements. Accordingly, they should be read in conjunction with the notes to the Company's audited annual consolidated financial statements for the year ended October 31, 2012. The accounting policies followed in these condensed interim consolidated financial statements are the same as those applied in note 3 of the Company's audited annual financial statements for the year ended October 31, 2012.

These condensed interim consolidated financial statements were approved by the Board of Directors on March 28, 2013.

Expressed in Canadian Dollars

3. Accounting Standards Issued But Not Yet Applied

In May 2011, the IASB issued the following standards which have not yet been adopted by the Company: IFRS 9, *Financial Instruments*, IFRS 10, *Consolidated Financial Statements*, IFRS 11, *Joint Arrangements*, IFRS 12, *Disclosure of Interests in Other Entities*, IFRS 13, *Fair Value Measurement*, amended IAS 28, *Investments in Associates and Joint Ventures, and IFRIC 20, Stripping Costs in the Production Phase of a Surface Mine*. Each of the new standards is effective for annual periods beginning on or after January 1, 2013 (with the exception of IFRS 9 which will be effective for annual periods beginning on or after January 1, 2015) with early adoption permitted. The Company has not yet begun the process of assessing the impact that the new and amended standards will have on its financial statements or whether to early adopt any of the new requirements.

4. Acquisition of Nueva Segovia Mining S.A. ("Nueva Segovia")

On January 30, 2012, Fortress completed an acquisition of the issued and outstanding shares of Nueva Segovia, a private company incorporated in Nicaragua, from Infinito International Holdings Corp ("Infinito"). Nueva Segovia is the legal and beneficial owner of a concession located in Nicaragua known as El Zúngano, of which the Company wishes to conduct exploration activities.

Under the terms of the agreement, Fortress acquired all the issued and outstanding shares of Nueva Segovia in exchange for $5,000.

Pursuant to the transaction, the Company paid transaction costs of $9,371 in professional fees, which have been expensed in the consolidated statement of loss, comprehensive loss and deficit.

The transaction has been accounted for as a business combination using the purchase method. The allocation of the purchase price fair value of the assets acquired and liabilities assumed is as follows:

Cash	$	852
Deposit		5,014
Mineral properties		86,851
Accounts payable		(63,162)
Deferred income tax liability		(24,555)
	$	5,000

The El Zúngano concession is subject to an agreement between Nueva Segovia and the owner of the concession, entitling the owner to payments of US $100,000 due on January 5, 2013 and US $495,000 due on January 5, 2014. The agreement also entitles the owner to a 1.5% royalty from sales of metals up to a maximum of US $10,000,000 should the concession enter into production. Nueva Segovia may terminate the agreement upon 30 days written notice providing concession rent payments are made up to the termination date. As at the date of this report, the Company has not made the US $100,000 payment which was due on January 5, 2013. In the event the Company is unable to come to terms on an amended agreement, the Company may choose to return the concession to the former landowner.

The Company is also required to pay concession rents to the Ministry of Mines and Energy in Nicaragua twice annually to keep the El Zúngano concession in good standing.

Expressed in Canadian Dollars

5. Mineral Properties

	Nueva Segovia Mining S.A.	Fortress de Nicaragua S.A.	Total
Balance November 1, 2011	$ -	$ 2,674,409	$ 2,674,409
Acquisition costs	86,837	-	**86,837**
Deferred exploration expenditures			
Drilling and fieldwork costs	-	1,362,238	**1,362,238**
Assays	-	235,180	**235,180**
Claims/permitting	17,867	400,167	**418,034**
Other	-	25,312	**25,312**
Total additions in the period	**104,704**	**2,022,897**	**2,127,601**
Balance October 31, 2012	**104,704**	**4,697,306**	**4,802,010**
Deferred exploration expenditures			
Drilling and fieldwork costs	-	124,882	**124,882**
Assays	-	6,117	**6,117**
Claims/permitting	18,000	33,839	**51,839**
Other	-	1,525	**1,525**
Total additions in the period	**18,000**	**166,363**	**184,363**
Balance January 31, 2013	**$ 122,704**	**$ 4,863,669**	**$ 4,986,373**

6. Share Capital and Contributed Surplus

	Number of shares	Share Capital Amount	Contributed surplus
Balance, November 1, 2011	31,248,480	$ 4,689,795	$ 133,157
Private placement - June 2012	9,700,000	970,000	-
Share issue costs	-	(11,790)	-
Warrants exercised (Note 8)	200,000	20,000	-
Share-based payments recognized (Note 7)	-	-	127,192
Balance, October 31, 2012	**41,148,480**	**5,668,005**	**260,349**
Share-based payments recognized (Note 7)	-	-	4,774
Balance, January 31, 2013	**41,148,480**	**$ 5,668,005**	**$ 265,123**

The Company has an unlimited number of common shares without par value authorized.

On June 28, 2012, the Company completed a non-brokered private placement comprising 9,700,000 common shares, at a price of $0.10 per common share for proceeds of $970,000. A total of $11,790 of share issuance costs were incurred in conjunction with the above noted private placement.

Escrowed Shares

As at January 31, 2013, the Company had 300,000 (October 31, 2012 – 600,000) common shares held in escrow. The remaining 300,000 shares held in escrow will be released on July 29, 2013.

Expressed in Canadian Dollars

7. Stock Options

The Company has established a stock option plan (the "Plan") for its directors, executive officers, employees and consultants under which the Company may grant options to acquire a maximum number of common shares equal to 10% of the total issued and outstanding common shares of the Company exercisable for a period of up to 5 years from the date of grant.

Within any 12 month period, the maximum number of common shares reserved for issuance to any individual cannot exceed 5% of the issued common shares, and the maximum number of common shares reserved for issuance to any insider cannot exceed 10% of the issued common shares. The aggregate number of common shares reserved for issuance to insiders cannot exceed 10% of the issued common shares. Within any 12 month period, the maximum number of options granted to any one consultant cannot exceed 2% of the issued common shares and the maximum number of options granted to all employees and consultants conducting investor relations activities cannot exceed 2% of the issued common shares.

The exercise price of an option granted under this plan shall not be less than the discounted market price provided that:

(i) if options are granted within 90 days of a distribution by a prospectus, the minimum exercise price of those options will be the greater of the discounted market price and the per share price paid by the public investors for shares acquired under the distribution;

(ii) the 90 day period begins on the date a final receipt is issued for the prospectus;

(iii) for unit offerings, the minimum option exercise price will be the 'base' (or imputed) price of the shares included in the unit; and

(iv) for all other financings, the minimum exercise price will be the average price paid by the public investors.

Subject to the discretion of the Board, the options granted to an optionee under this Plan shall fully vest on the date of grant of such options. In accordance with the policies of the TSXV, and subject to their approval to the contrary, options issued to consultants providing investor relations services must vest (and not otherwise be exercisable) in stages over a minimum of 12 months with no more than 25% of the options vesting in any 3 month period.

As at January 31, 2013 and October 31, 2012, the Company had 1,685,000 stock options outstanding under the Plan.

A summary of the changes in stock options is as follows:

	Options		Weighted average exercise price
Options outstanding - November 1, 2011	1,435,000	$	0.21
Granted	350,000		0.19
Forfeited	(100,000)		0.21
Options outstanding - October 31, 2012 and January 31, 2013	**1,685,000**	**$**	**0.21**
Options exercisable - January 31, 2013	**1,597,500**	**$**	**0.21**

There were no options granted for the three month periods ended January 31, 2013 and 2012.

Expressed in Canadian Dollars

7. Stock Options (continued)

The fair value of stock options vested during the three months ended January 31, 2013 was $4,774 (2012 - $57,376), which was recorded in contributed surplus, of which $Nil (2012: $15,993) was capitalized to mineral properties and $4,774 (2012: $41,383) was recorded as share-based payments.

The following table summarizes information about the stock options outstanding at January 31, 2013:

		Options Outstanding		Options Exerciseable
Exercise price		Number	Weighted average remaining life (years)	Number
$	0.17	250,000	4.2	187,500
$	0.21	1,335,000	3.5	1,335,000
$	0.25	100,000	4.2	75,000
		1,685,000	**3.5**	**1,597,500**

8. Share Purchase Warrants

The following table summarizes the continuity of share purchase warrants:

	Number		Weighted average exercise price
Balance - November 1, 2011	10,325,000	$	0.28
Exercised	(200,000)		0.10
Expired	(1,500,000)		0.15
Balance - October 31, 2012	**8,625,000**	**$**	**0.30**
Expired	(3,625,000)		0.10
Balance - January 31, 2013	**5,000,000**	**$**	**0.45**

As at January 31, 2013, a total of 5,000,000 share purchase warrants were outstanding with an exercise price of $0.45 and an expiry date of June 3, 2013.

9. Related Party Transactions

a) Key Management Compensation

Key management includes the Company's directors, Chief Executive Officer, and Chief Financial Officer. Compensation awarded to key management is presented in the table below:

		Three months ended January 31, 2013		Three months ended January 31, 2012
Consulting fees	$	18,000	$	18,000
Share-based payments		4,490		40,983
	$	**22,490**	$	58,983

Expressed in Canadian Dollars

9. Related Party Transactions (continued)

b) Payments for services by related parties

As disclosed in note 10, the Company is charged shared lease, overhead, and service costs by an affiliated company with a common director and officer. The Company is also charged for accounting and administrative services by another affiliated company with a common director and officer. Amounts incurred for these services are presented in the table below:

	Three months ended January 31, 2013	Three months ended January 31, 2012
Purchase of services:		
Professional fees	$ 4,483	$ 4,484
Geological consulting fees	15,200	-
Office and general	3,634	5,270
	$ 23,317	$ 9,754

All related party transactions were made on terms equivalent to those that prevail in arm's length transactions.

Amounts due to related parties at January 31, 2013 amounted to $146,454 to directors and officers of the Company as well as companies controlled by directors and officers of the Company (October 31, 2012 - $101,397) and amounts due from related parties at January 31, 2013 amounted to $2,502 from a company controlled by directors of the Company (October 31, 2012 - $45,486). The amounts due to and from related parties are non-interest bearing, unsecured and due on demand.

10. Commitment

Effective July 1, 2011, the Company entered into an agreement with an affiliated company in respect of shared lease, overhead and service costs (amended on July 1, 2012). Under the agreement, the Company is billed quarterly for office rental and other services relating to its head office in Vancouver, Canada. The agreement expires on September 29, 2015, but either party may terminate the agreement provided 90 days' notice. The Company is committed to the following future payments:

2013	5,549
2014	7,562
2015	6,932
	$ 20,043

Expressed in Canadian Dollars

11. Segmented Information

The Company operates in one business segment, being the acquisition, exploration and development of mineral properties. The Company's assets are located in Canada and Nicaragua.

A comparison of total assets and mineral properties at January 31, 2013 compared to October 31, 2012 by geographic location is shown below:

			January 31, 2013
	Canada	**Nicaragua**	**Total**
Restricted cash	$ 5,750	$ -	**$ 5,750**
Equipment	-	34,325	**34,325**
Mineral Properties	-	4,986,373	**4,986,373**
Total Assets	178,399	5,100,758	**5,279,157**

			October 31, 2012
	Canada	**Nicaragua**	**Total**
Restricted cash	$ 5,750	$ 30,068	**$ 35,818**
Equipment	-	36,055	**36,055**
Mineral Properties	-	4,802,010	**4,802,010**
Total Assets	325,244	4,984,952	**5,310,196**

A comparison of net loss for the three months ended January 31, 2013 compared to January 31, 2012 by geographic location is shown below:

			January 31, 2013
	Canada	**Nicaragua**	**Total**
Net loss	(46,366)	(57)	**(46,423)**

			January 31, 2012
Net loss	(131,319)	6,656	**(124,663)**