CASSIUS VENTURES LTD.

Unaudited Condensed Interim Consolidated Financial Statements

For the Three Months Ended January 31, 2015 and 2014

(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, 2015		October 31, 2014
Assets				
Current assets				
Cash	$	2,177	$	60,995
Amounts Receivable		809		1,730
Prepaid expenses		15,217		5,685
TOTAL ASSETS	$	18,203	$	68,410
Liabilities				
Current Liabilities				
Accounts payable and accrued liabilities (Note 5)	$	1,482,297	$	1,125,034
Due to related parties (Note 8)		62,249		61,176
TOTAL LIABILITIES		1,544,546		1,186,210
Shareholders' Equity (Deficit)				
Share capital		5,968,027		5,968,027
Contributed surplus		267,136		267,136
Deficit		(7,761,506)		(7,352,963)
Total Shareholders' Equity (Deficit)		(1,526,343)		(1,117,800)
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$	18,203	$	68,410

Nature of operations and continuation of business (Note 1)
Subsequent Event (Note 11)

Approved for Issuance by the Board of Directors:

"Steven Dean" Director

"Robert Atkinson" Director

CASSIUS VENTURES LTD.
Consolidated Statements of Loss and Comprehensive Loss (Unaudited)
For the Three months ended January 31, 2015 and 2014
(Expressed in Canadian Dollars)

		January 31, 2015		January 31, 2014
Operating Expense				
Exploration expenditures		**224,304**		51,272
Foreign exchange loss		**170,612**		27,899
Office and general (Note 8)		**4,904**		9,357
Professional fees		**3,063**		1,750
Transfer agent and regulatory		**5,660**		4,300
Net loss from operations		**(408,543)**		(94,578)
Interest and other income		**-**		18
Net loss before income taxes		**(408,543)**		(94,560)
Deferred Income tax recovery		**-**		16,909
Net loss and comprehensive loss for the period	**$**	**(408,543)**	$	(77,651)
Loss per common share - basic and diluted	**$**	**(0.04)**	$	(0.02)
Weighted average number of common shares outstanding		**10,217,248**		4,114,848

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

CASSIUS VENTURES LTD.
Consolidated Statements of Changes in Equity (Unaudited)
For the Three Months Ended January 31, 2015 and 2014
(Expressed in Canadian Dollars)

	Share capital								
	Number of shares		Amount		Contributed Surplus		Deficit		Total equity
Balance - October 31, 2014	**10,217,248**	**$**	**5,968,027**	**$**	**267,136**	**$**	**(7,352,963)**	**$**	**(1,117,800)**
Net loss for the period	-		-		-		(408,543)		(408,543)
Balance - January 31, 2015	**10,217,248**	**$**	**5,968,027**	**$**	**267,136**	**$**	**(7,761,506)**	**$**	**(1,526,343)**

	Share capital								
	Number of shares		Amount		Contributed Surplus		Deficit		Total equity
Balance - October 31, 2013	**4,114,848**	**$**	**5,668,005**	**$**	**267,136**	**$**	**(2,398,583)**	**$**	**3,536,558**
Net loss for the period	-		-		-		(77,651)		(77,651)
Balance - January 31, 2014	**4,114,848**	**$**	**5,668,005**	**$**	**267,136**	**$**	**(2,476,234)**	**$**	**3,458,907**

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

CASSIUS VENTURES LTD.

Consolidated Statements of Cash Flows (Unaudited)
For the Three Months Ended January 31, 2015 and 2014
(Expressed in Canadian Dollars)

		January 31, 2015		January 31, 2014
Operating activities				
Net loss for the period	**$**	**(408,543)**	$	(77,651)
Items not involving cash:				
Deferred income tax recovery		**-**		(16,909)
Net changes in non-cash working capital balances:				
Prepaid expenses		**(9,532)**		(5,529)
Amounts receivable		**921**		762
Accounts payable and accrued liabilities		**357,263**		52,195
Due to related parties		**1,073**		5,332
Net cash used in operating activities		**(58,818)**		(41,800)
Investing activities				
Mineral property expenditures		**-**		(3,390)
Net cash used in investing activities		**-**		(3,390)
Change in cash during the period		**(58,818)**		(45,190)
Cash, beginning of period		**60,995**		65,685
Cash, end of period	**$**	**2,177**	$	20,495
Non-cash investing and financing activities				
Equipment amortization capitalized in mineral properties	**$**	**-**	$	3,848
Mineral property expenditures in accounts payable	**$**	**-**	$	710,644
Supplemental cash flow information				
Interest paid	**$**	**-**	**$**	**-**
Income taxes paid	**$**	**-**	**$**	**-**

(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 mineral exploration 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 595 Burrard Street, Suite 2900, 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.

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, 2015, had an accumulated deficit of $7,761,506 and a working capital deficit of $1,526,343, including $1,353,546 due and payable in respect of concession rents relating to mineral properties dating back to 2012. Subsequent to January 31, 2015, the Company executed a share sale agreement with an arm’s length Nicaraguan party in respect of the sale of Fortress, subject to regulatory and shareholder approval (refer to note 11). Despite the fact that the completion of the sale of Fortress will eliminate the majority of liabilities in Cassius, the above 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.

Although management is of the opinion that the sale of Fortress will be completed and sufficient working capital will be obtained from external financing to meet the Company’s remaining current liabilities as well as future 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 consolidated financial statements do not include any additional adjustments to the recoverability and classification of certain recorded asset amounts, and changes to the statement of comprehensive loss that might be necessary if the Company was unable to continue as a going concern.

2. Basis of Presentation

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, including International Auditing Standard 34, Interim Financial Reporting (“IAS 34”) as issued by the International Accounting Standards Board. 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 financial statements for the year ended October 31, 2014. The accounting policies followed in these condensed interim financial statements are the same as those applied in note 3 of the Company’s audited annual consolidated financial statements for the year ended October 31, 2014.

The Board of Directors approved these condensed interim consolidated financial statements on March 31, 2015.

(Expressed in Canadian Dollars)

3. Accounting Standards Issued but Not Yet Applied

IFRS 9 – Financial instruments

In November 2009, the IASB issued IFRS 9 Financial Instruments as the first step in its 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. The basis of classification depends on an entity's business model and the contractual cash flows of the financial asset. Classification is made at the time the financial asset is initially recognized, namely when the entity becomes a party to the contractual provisions of the instrument. IFRS 9 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 the measurement of financial liabilities and derecognition of financial instruments. The IASB has suspended the originally planned effective date of January 1, 2015 for IFRS 9. The Company will commence assessing the impact of this new standard upon the announcement of its new effective date.

4. Mineral Properties

		Fortress de Nicaragua S.A.
Balance October 31, 2013	**$**	**4,480,341**
Deferred exploration expenditures		
Office and fieldwork costs		75,502
Claims/permitting		272,620
Other		42,733
Total additions in the year		**390,855**
Write down of mineral properties		(4,871,196)
Balance - October 31, 2014 and January 31, 2015	**$**	**-**

<u>Nueva Segovia</u>

In June 2014, Fortress entered into a share sale agreement to dispose of the issued and outstanding shares of Nueva Segovia to Avaluce S.A. ("Avaluce"), a private Nicaraguan company for a nominal amount of consideration. Under the terms of the share sale agreement, Avaluce have assumed all liabilities of Nueva Segovia totaling $71,267, resulting in a gain on the sale of Nueva Segovia of $71,267 in the statement of loss for the year ended October 31, 2014. All costs previously capitalized in relation to the Nueva Segovia properties were written off during the year ended October 31, 2013.

<u>Fortress de Nicaragua S.A.</u>

Subsequent to January 31, 2015, the Company executed a share sale agreement with an arm's length Nicaraguan party in respect of the sale of Fortress, subject to regulatory and shareholder approval. The Company recorded an impairment charge of $4,871,196 as at October 31, 2014, being the Company's fiscal year end given the annual financial statements had yet to be filed.

(Expressed in Canadian Dollars)

4. Mineral Properties (continued)

The Company has recorded amounts owing in respect of all 16 concessions belonging to Fortress as a liability on the Company's Statement of Financial Position (see Note 5). While the sale of Fortress is still subject to regulatory and shareholder approvals, given the concession rent liabilities are long outstanding, the Ministry may choose, at its discretion, to forfeit the concessions held by the Company or pursue other remedies including legal steps against the Company's subsidiary, Fortress, for the amounts outstanding.

5. Accounts payable and accrued liabilities

	January 31, 2015	October 31, 2014
Payables and accrued liabilities related to concession rents	$ 1,353,546	$ 1,017,850
Other payables and accrued liabilities	128,751	107,184
	$ 1,482,297	**$ 1,125,034**

6. Share Capital

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

On April 23, 2014, the Company's common shares were consolidated on the basis of one post-consolidated share for every ten pre consolidated shares. All common share, stock option and share purchase warrant figures in these consolidated financial statements have been retrospectively restated to present common share balances on a post-consolidated basis.

On September 19, 2014, the Company issued 6,102,400 common shares at $0.05 per share for gross proceeds of $305,120. As part of the private placement, the Company incurred $5,098 of share issuance costs.

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.

(Expressed in Canadian Dollars)

7. Stock Options (continued)

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, 2015 and October 31, 2014 and 2013, the Company had the following stock options outstanding and exercisable:

	Options		Weighted average exercise price
October 31, 2013	163,500	$	2.10
Forfeited	(17,500)		2.10
October 31, 2014 and January 31, 2015	**146,000**	**$**	**2.05**

All stock options were fully vested by October 31, 2013.

The following table summarizes information about the stock options outstanding and exercisable at January 31, 2015:

	Exercise price	Number of options	Weighted average remaining life (years)
$	1.65	25,000	2.2
$	2.10	111,000	1.5
$	2.50	10,000	2.2
		146,000	**1.6**

8. Related Party Transactions

a) Key Management Compensation

Key management includes the Company's directors, Chief Executive Officer, and Chief Financial Officer. No compensation was awarded to key management for the three months ended January 31, 2015 and 2014.

b) Payments for services by related parties

Up until December 31, 2014, the Company was charged shared lease and overhead, and service costs by Atlantic Gold Corporation ("Atlantic"), a Company with a director and officer in common. For the three months ended January 31, 2015, the Company incurred $1,528 (2014: $4,553) in shared lease and overhead, and service costs. As at January 31, 2015, the Company owed $30,620 to Atlantic (October 31, 2014: $31,363).

For the three months ended January 31, 2015 and 2014, the Company incurred professional fees of $Nil, to Oceanic Iron Ore Corp. ("Oceanic"), a company with a director and officer in common. As at January 31, 2015, the Company owed $25,813 to Oceanic (October 31, 2014: $25,813).

(Expressed in Canadian Dollars)

8. Related Party Transactions (continued)

b) Payments for services by related parties (continued)

For the three months ended January 31, 2015, the Company incurred accounting fees of $nil (2014: $4,000) to the Chief Financial Officer of the Company. As at January 31, 2015, the Company owed $5,816 to the Chief Financial Officer of the Company (October 31, 2014: $4,000).

The amounts due to and from related parties are non-interest bearing, unsecured and due on demand.

9. 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. As at January 31, 2015, the Company had no non-current assets.

A comparison of net loss for the three months ended January 31, 2015 compared to the three months ended January 31, 2014 by geographic location is shown below:

	Three months ended January 31, 2015	Three months ended January 31, 2014
Canada	**$ (13,570)**	$ 1,604
Nicaragua	**(394,973)**	(79,255)
	$ (408,543)	$ (77,651)

10. Fair Value of Financial Instruments

The carrying amount of cash and cash equivalents, amounts receivable, accounts payable and accrued liabilities and due from related parties approximates fair value due to their short term nature.

11. Subsequent Event

Subsequent to January 31, 2015, the Company executed a share sale agreement with an arm's length Nicaraguan party in respect of the sale of Fortress to the Purchaser, subject to regulatory and shareholder approval.