NIKOS EXPLORATIONS LTD.

CONDENSED INTERIM FINANCIAL STATEMENTS
THREE MONTHS ENDED DECEMBER 31, 2014
UNAUDITED – PREPARED BY MANAGEMENT
EXPRESSED IN CANADIAN DOLLARS

NOTICE

The accompanying unaudited condensed interim financial statements of Nikos Explorations 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 financial statements in accordance with standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditor.

NIKOS EXPLORATIONS LTD.
CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian Dollars)

	Note	December 31, 2014 ($)	September 30, 2014 ($)
ASSETS			
Current assets			
Cash		74,146	135,739
Amounts receivable		4,635	787
		78,781	136,526
Unproven mineral right interests	3, 4	228,295	162,682
		307,076	299,208
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities			
Amounts payable and accrued liabilites	3	20,635	979
Shareholders' equity			
Share capital	2	9,208,225	9,203,725
Share-based payments reserve	2	267,616	267,616
Deficit		(9,189,400)	(9,173,112)
		286,441	298,229
		307,076	299,208
Nature of operations and going concern	1		

On behalf of the Board:

"Donald Siemens"	"James Borland"
Director	Director

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

NIKOS EXPLORATIONS LTD.
CONDENSED INTERIM STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(Expressed in Canadian Dollars)

	Note	Quarters ended December 31, 2014 ($)	2013 ($)
EXPENSES			
Project investigation costs			
Miscellaneous		-	198
		-	198
General and administration expenses			
Consulting fees	3	2,438	900
Management fees	3	3,000	3,000
Office and miscellaneous		393	196
Professional fees	3	8,500	1,070
Regulatory and transfer fees		1,307	1,629
Shareholder communications		650	630
		16,288	7,425
Net loss and comprehensive loss		(16,288)	(7,623)
Weighted average number of shares outstanding		12,142,814	8,930,190
Basic and diluted loss per share		-	-

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

NIKOS EXPLORATIONS LTD.
CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY
(Expressed in Canadian Dollars)

		Share Capital			Share-based payments reserve	Total Shareholders' Equity
	Note	No. of Shares	Amount ($)	Deficit ($)	($)	($)
Balance - October 1, 2013		8,895,081	8,963,475	(9,066,066)	231,512	128,921
Rounding on share consolidation	2	(7)	-	-	-	-
Acquisition of unproven mineral right interests	4	245,000	20,250	-	-	20,250
Issuance of shares	2	3,000,000	220,000	-	-	220,000
Share-based payment	3	-	-	-	36,104	36,104
Net loss		-	-	(107,046)	-	(107,046)
Balance - September 30, 2014		12,140,074	9,203,725	(9,173,112)	267,616	298,229
Balance - October 1, 2014		12,140,074	9,203,725	(9,173,112)	267,616	298,229
Acquisition of unproven mineral right interests	4	50,000	4,500	-	-	4,500
Net loss		-	-	(16,288)	-	(16,288)
Balance - December 31, 2014		12,190,074	9,208,225	(9,189,400)	267,616	286,441

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

NIKOS EXPLORATIONS LTD.
CONDENSED INTERIM STATEMENTS OF CASH FLOWS
(Expressed in Canadian Dollars)

	Quarters ended December 31, 2014 ($)	Quarters ended December 31, 2013 ($)
CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES		
Net (loss) income	(16,288)	(7,623)
Changes in non-cash working capital items:		
Amounts receivable	(3,848)	(557)
Amounts payable and accrued liabilities	7,286	1,091
Net cash (used in) from operating activities	(12,850)	(7,089)
CASH USED IN INVESTING ACTIVITIES		
Unproven mineral right interests - acquisition	(27,000)	(6,000)
Unproven mineral right interests - exploration	(21,743)	(1,298)
Net cash used in investing activities	(48,743)	(7,298)
Decrease in cash	(61,593)	(14,387)
Cash, beginning of the period	135,739	33,907
Cash, end of the period	74,146	19,520

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

1. REPORTING ENTITY AND BASIS OF PRESENTATION

a) Reporting Entity

Nikos Explorations Ltd. ("Nikos" or the "Company") is a company domiciled in Canada and its shares are listed on the TSX Venture Exchange ("TSX-V"). The Company's principal office is located at Suite 1950-400 Burrard Street, Vancouver, B.C. V6C 3A6, Canada.

The Company's principal business activities are the acquisition and exploration of mineral right interests.

b) Continuance of Operations

These financial statements have been prepared in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board ("IFRS") applicable to a going concern, which assume that the Company will be able to continue in operation for a reasonable period of time and will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The Company has made an assessment of its ability to continue as a going concern and is aware of several material adverse conditions as set out below that cast significant doubt on the validity of this assumption.

The Company is a mineral exploration company with a history of recurring losses and without a source of revenue. At December 31, 2014, the Company had no source of operating cash flow. Operations in recent years have been funded from proceeds from the issuance of equity, payments received pursuant to an option agreement and cash on hand.

Given its current stage of operations, the Company's ability to continue as a going concern is heavily contingent upon its ability to obtain additional financing. If the Company is unable to obtain additional financing in the future, the carrying value of the Company's assets could be subject to material adjustments.

These interim financial statements do not reflect adjustments to the carrying values of assets and liabilities which may be required should the Company be unable to continue as a going concern.

c) Statement of Compliance

These interim financial statements have been prepared in accordance with IFRS applicable to the preparation of interim financial statements, including IAS 34, Interim Financial Reporting. These interim financial statements do not include all the information required for a complete set of IFRS statements. However, selected notes are included to explain events and transactions that are significant to an understanding of the changes in the Company's financial position and performance since the last annual financial statements as at and for the year ended September 30, 2014.

These interim financial statements were authorized for issue by the board of directors of the Company on February 26, 2015.

d) Significant Accounting Policies

These interim financial statements follow the same accounting policies and methods of application as the Company's most recent annual financial statements. Accordingly, the interim financial statements should be read in conjunction with the Company's most recent annual financial statements.

e) Estimates

The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. In preparing these condensed interim financial statements, the significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements for the year ended September 30, 2014.

2. EQUITY

a) Share Capital

Authorized share capital consists of an unlimited number of common shares without par value.

On December 11, 2014, the Company issued 50,000 Shares valued at $4,500 for the acquisition of unproven mineral right interests (Note 4).

On December 12, 2013, the Company issued 170,000 Shares valued at $17,000 for the acquisition of unproven mineral right interests (Note 4).

On January 23, 2014, the Company completed a consolidation of its issued and outstanding common shares, carried out on a basis of one (1) post consolidation share ("Share") for every five (5) pre-consolidation shares. As a result of the consolidation, the Company reduced the number of its issued and outstanding common shares from 45,325,406 to 9,065,074. No fractional shares were issued. Fractional interests of 0.50 or higher arising from the consolidation were rounded up to one whole common share and fractional share interests of less than 0.50 were cancelled.

On February 13, 2014, the Company completed a non-brokered private placement (the "February 2014 Private Placement") for gross proceeds of $80,000 from the sale of 1,600,000 Units at a price of $0.05 per Unit, with each Unit consisting of one Share and one warrant entitling the holder thereof to purchase one additional Share at a price of $0.10 for the period to February 12, 2016.

On March 27, 2014, the Company completed a non-brokered private placement (the "March 2014 Private Placement") for gross proceeds of $140,000 from the sale of 1,400,000 Units at a price of $0.10 per Unit, with each Unit consisting of one Share and one warrant entitling the holder thereof to purchase one additional Share at a price of $0.15 for the period to March 25, 2016.

On July 7, 2014, the Company issued 75,000 Shares valued at $7,500 for the acquisition of unproven mineral right interests (Note 4).

b) Equity Reserve

Equity reserve consists of the accumulated fair value of common share options and share purchase warrants recognized as share-based payments.

c) Share Options

On February 28, 2014, the Company granted 750,000 share purchase options to directors and officers. The options vested on grant, are exercisable at a price of $0.05 per Share and have a five year term to February 27, 2019.

(Expressed in Canadian Dollars)

The weighted average fair value of these options was estimated at $0.0481 per option at the grant date based on the Black-Scholes option-pricing model using the following assumptions:

- Weighted average share price: $0.05
- Weighted average exercise price: $0.05
- Dividend yield: 0%
- Risk-free interest rate: 1.62%
- Pre-vest forfeiture rate: 0%
- Expected life (years): 5 years
- Expected volatility: 184.85%

A compensation cost of $36,104 associated with vested options was recognized during the year ended September 30, 2014.

The continuity of the number of share options outstanding is summarized as follows:

	Number of Options	Weighted Average Exercise Price
At start of the period	750,000	0.05
Granted	-	-
At end of period	750,000	0.05
Exercisable	750,000	0.05

At December 31, 2014, the weighted average exercise price of options outstanding was $0.05 (September 30, 2014: $0.05) and their weighted average remaining contractual life was 4.17 years (September 30, 2014: 4.42).

d) Warrants

On February 13, 2014 the Company issued 1,600,000 share purchase warrants pursuant to the February 2014 Private Placement. The warrants have an exercise price of $0.10 and expire on February 12, 2016.

On March 27, 2014 the Company issued 1,400,000 share purchase warrants pursuant to the March 2014 Private Placement. The warrants have an exercise price of $0.15 and expire on March 25, 2016.

(Expressed in Canadian Dollars)

The continuity of the number of warrants outstanding is summarized as follows:

	Number of Warrants	Weighted Average Exercise Price
At start of the period	3,000,000	0.12
Granted	-	-
At end of period	3,000,000	0.12
Vested and exercisable	3,000,000	0.12

3. RELATED PARTY TRANSACTIONS

a. Trading transactions

The Company's related parties consist of a proprietorship controlled by the Company's Chief Executive Officer ("CEO"), a company controlled by the Company's Chief Financial Officer ("CFO") and a company controlled by a Company director.

	Nature of Transaction
Moss Explorations Services	Management
Delphis Financial Strategies Inc.	Management
Michael J. Kuta Law Corporation	Legal Services

The Company incurred the following fees in the normal course of operations in connection with the companies controlled by key management. Transactions have been measured at the exchange amount which is determined on a cost recovery basis.

	Three months ended December 31,	
	2014	2013
Management and consulting fees	5,438	3,900
Geological consulting fees	6,300	1,275
Legal services	-	1,070
	11,738	6,245

Included in accounts payable and accrued liabilities as at December 31, 2014 is $6,920 (September 30, 2014: $394) owing to the Company's CEO.

Amounts due to related parties are unsecured, non-interest bearing and due on demand.

(Expressed in Canadian Dollars)

b. Key Management Compensation

The remuneration of members of key management during the periods ended December 31, 2014 and 2013 is as follows:

	Three months ended December 31,	
	2014	2013
Management and geological consulting fees	11,738	6,245
Share-based payments	-	-
	11,738	6,245

Share-based payments are the fair value of options vested to directors and key management.

4. MINERAL RIGHT INTERESTS

On December 14, 2012, the Company entered into an option agreement to earn a 100% interest in the Borden Lake Extension Property (the "Property") located near Chapleau Ontario. The 1,598 hectare property lies immediately east of Probe Mines' Borden Lake gold project.

The Company may earn a 100% undivided interest in the Property by:

- Making an initial payment of $3,000 and issuing 50,000 Shares (completed);
- Paying $15,000, issuing 50,000 Shares and incurring exploration expenditures of $40,000 on the Property on or before December 14, 2013 (renegotiated and completed with a cash payment of $6,000 and the issuance of 170,000 Shares);
- Paying $27,000, issuing 50,000 Shares and incurring cumulative exploration expenditures on the Property of $140,000 on or before December 14, 2014 (completed);
- Paying $55,000, issuing 50,000 Shares and incurring cumulative exploration expenditures on the Property of $340,000 on or before December 14, 2015;

The vendors retain a 2% NSR royalty, half of which may be bought back by Nikos for $1 million at any time.

On May 13, 2014, the Company entered into an option agreement to earn a 100% interest in six claims located to the south of the Property (the "Additional Claims"). The terms of the option are the following:

- On receipt of TSX-V approval: payment of $6,000 and issuance of 75,000 Shares (completed);
- On or before May 13, 2015: payment of $15,000 and issuance of 105,000 Shares;
- On or before May 13, 2016: payment of $24,000 and issuance of 150,000 Shares;
- On or before May 13, 2017: payment of $36,000 and issuance of 180,000 Shares;
- A 2% NSR royalty, half of which may be bought back by Nikos for $1million at any time; and
- On receipt of a National Instrument 43-101 compliant report showing an indicated resource of at least 1million ounces of gold: payment of $600,000.

(Expressed in Canadian Dollars)

As at December 31, 2014 the Company had incurred the following acquisition and development costs on the Property:

	At September 30, 2014	Three months ended December 31, 2014	At December 31, 2014
Acquisition costs	49,875	31,500	81,375
Exploration costs:			
Automobile	3,671	1,237	4,908
Assays	5,520	5,186	10,706
Exploration administration and other	499	71	570
Food and accomodation	2,582	1,411	3,993
Geological consulting	24,286	6,300	30,586
Geophysical	76,249	19,908	96,157
	112,807	34,113	146,920
	162,682	65,613	228,295

Ownership in mineral right interests involves certain inherent risks due to the difficulties of determining and obtaining clear title to claims as well as the potential for problems arising from the ambiguous conveyance history of many mineral right interests. The Company has investigated ownership of its mineral right interests and, to the best of its knowledge, ownership of its interests are in good standing.