Interim Financial Statements of

DOT RESOURCES LTD.

Nine Months Ended September 30, 2014 and 2013

Notice of No Auditor Review of Interim Financial Statements

In accordance with National Instrument 51-102 released by the Canadian Securities Administrators, the Corporation discloses that its auditors have not reviewed these unaudited interim financial statements as at and for the nine months ended September 30, 2014 and 2013.

DOT RESOURCES LTD.

Statements of Financial Position
(Unaudited)

As at	Note	September 30, 2014	December 31, 2013
Assets			
Current assets:			
Cash and cash equivalents		$ 685	$ 1,062
Trade and other receivables		191	152
Total current assets		876	1,214
Non-current assets:			
Intangible assets	5	3,591,470	3,585,970
Total non-current assets		3,591,470	3,585,970
Total assets		$ 3,592,346	$ 3,587,184
Liabilities and equity			
Current liabilities:			
Trade and other payables		$ 580,475	$ 558,493
Loan from Alhambra Resources Ltd.	7 (b)	406,700	406,200
Promissory note	7 (c)	50,000	50,000
Total current liabilities		1,037,175	1,014,693
Total liabilities		1,037,175	1,014,693
Equity:			
Share capital	6	2,919,231	2,919,231
Contributed surplus	6	1,249,558	1,215,965
Deficit		(1,613,618)	(1,562,705)
Total equity		2,555,171	2,572,491
Total liabilities and equity		$ 3,592,346	$ 3,587,184

Reporting entity, nature of operations and going concern (note 1)

See accompanying notes to financial statements.

DOT RESOURCES LTD.

Statements of Loss and Comprehensive Loss
Nine months ended September 30, 2014 and 2013
(Unaudited)

	Note	Three Months Ended September 30, 2014	Three Months Ended September 30, 2013	Nine Months Ended September 30, 2014	Nine Months Ended September 30, 2013
Expenses:					
Administrative expenses	4	$ 4,271	$ 88,901	$ 47,173	$ 102,534
Interest on promissory note	7 (c)	1,260	1,260	3,740	2,370
Net loss and comprehensive loss		$ (5,531)	$ (90,161)	$ (50,913)	$ (104,904)
Per share:					
Net loss per share, basic and diluted	8	$ (0.00)	$ (0.00)	$ (0.00)	$ (0.00)

See accompanying notes to financial statements.

DOT RESOURCES LTD.

Statements of Changes in Equity

	Share capital		Contributed		
	Number	Amount	surplus	Deficit	Total
Balance, December 31, 2012	55,734,333	$ 2,919,231	$ 1,100,131	$ (1,387,347)	$ 2,632,015
Share-based payments expense	–	–	115,834	–	115,834
Net loss and comprehensive loss	–	–	–	(175,358)	(175,358)
Balance, December 31, 2013	55,734,333	2,919,231	1,215,965	(1,562,705)	2,572,491
Share-based payments expense	–	–	33,593	–	33,593
Net loss and comprehensive loss	–	–	–	(50,913)	(50,913)
Balance, September 30, 2014	55,734,333	$ 2,919,231	$ 1,249,558	$ (1,613,618)	$ 2,555,171

See accompanying notes to financial statements.

DOT RESOURCES LTD.

Interim Statements of Cash Flows
Nine months ended September 30, 2014 and 2013
(Unaudited)

	2014	2013
Cash provided by (used in):		
Operating activities:		
Net loss	$ (45,382)	$ (104,904)
Items not involving cash:		
Share-based payments	31,065	75,749
	(14,317)	(29,155)
Change in trade and other receivables	(39)	(231)
Change in trade and other payables	13,092	(1,665)
Net cash flow from operating activities	(4,267)	(31,051)
Financing activities:		
Promissory note	–	50,000
	–	50,000
Change in non-cash working capital	4,240	2,370
Net cash flow from financing activities	4,240	52,370
Investing activities:		
Intangible assets	(5,500)	(59,647)
Change in non-cash working capital	5,150	39,033
Net cash flow from investing activities	(350)	(20,614)
Change in cash and cash equivalents	(377)	705
Cash and cash equivalents, beginning of period	1,062	43
Cash and cash equivalents, end of period	$ 685	$ 748

See accompanying notes to financial statements.

1. Reporting entity, nature of operations and going concern:

(a) Reporting entity and nature of operation:

DOT Resources Ltd. (the "Corporation" or "DOT") was incorporated on May 17, 2007 under the Business Corporations Act (Alberta). The Corporation's common shares trade in Canada on the TSX Venture Exchange Inc. under the symbol DOT.V.

The Corporation's registered address, head office and records office are located at Suite 3, 4015 – 1st Street S.E. Calgary, Alberta, Canada T2G 4X7.

The business of DOT consists of the exploration, evaluation and development of its properties. The Corporation is in the process of exploring its properties and has not yet determined whether these properties contain reserves that are economically recoverable.

(b) Going concern:

For the nine months ended September 30, 2014, the Corporation incurred a net loss of $50,913, had a working capital deficiency of $1,036,299 at September 30, 2014 and had an accumulated deficit to September 30, 2014 of $1,613,618. DOT currently has no sources of revenue therefore its ability to continue to meet its obligations, conduct exploration and development activities and continue as a going concern is dependent upon DOT's ability to raise additional capital. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Corporation's ability to continue as a going concern.

There is no assurance at this time that the Corporation will be able to obtain the necessary financing nor is there assurance that if financing is obtained, that DOT will be able to find economically recoverable reserves. If DOT is unable to obtain suitable financing in the near future, it will be necessary for the Corporation to examine other strategic alternatives to continue operations and enhance shareholder value, including but not limited to, seeking creditor protection, seeking a joint venture partner, the possible sale of some or all of the Corporation's assets or the merger, amalgamation or sale of the Corporation with or to a larger, better financed entity.

These financial statements have been prepared on a going concern basis in accordance with International Financial Reporting Standards ("IFRS"). The going concern basis assumes that the Corporation will continue in operation for the foreseeable future and be able to realize its assets and discharge its liabilities and commitments in the normal course of business. If the going concern assumption was not appropriate for these financial statements, then material adjustments would be necessary to the carrying amounts of the assets and liabilities, the reported expenses and the balance sheet classifications used.

2. Basis of preparation:

(a) Statement of compliance:

These unaudited consolidated financial statements have been prepared in accordance with IAS 34 – Interim Financial Reporting as issued by the International Accounting Standards Board (“IASB”). Accordingly, certain disclosures included in annual financial statements prepared in according with IFRS as issued by the IASB have been condensed or omitted. These unaudited consolidated financial statements were approved by the Board of Directors on November 26, 2014.

(b) Basis of measurement:

The financial statements have been prepared on the historical cost basis except for the financial instruments at fair value through profit or loss which are measured at fair value.

(c) Use of estimates and judgments:

The preparation of the financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and their underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimates are revised and for any future years affected.

(i) Critical judgments in applying accounting policies

The following are critical judgments that management has made in the process of applying accounting policies and that have the most significant effect on the amounts recognized in the financial statements.

The application of the Corporation’s accounting policy for exploration and evaluation assets requires management to make certain judgments as to future events and circumstances as to whether economic quantities of reserves have been found.

(ii) Key sources of estimation uncertainty

Information about significant areas of estimation uncertainty that have the most significant effect on the amounts recognized in the financial statements is included in the following notes:

Note 5 – valuation of intangible assets;

Note 6 – measurement of share-based payments; and

3. Significant accounting policies:

These interim financial statements have been prepared by management following the same accounting policies and methods that were used and disclosed in the audited financial statements for the year ended December 31, 2013. The interim financial statements include all adjustments necessary to present fairly the results for the interim period ended September 30, 2014. These interim financial statements should be read in conjunction with the Corporation's most recent audited financial statements and notes filed under the Corporation's profile at www.sedar.com.

(a) Application of new and revised accounting standards

The Corporation has applied the following new interpretations and amendments to existing IFRSs in its unaudited financial statements:

(i) IFRIC 21 - Levies

IFRIC 21 sets out the accounting for an obligation to pay a levy imposed by governments that is not an income tax. IAS 37 – *Provisions, Contingent Liabilities and Contingent Assets* sets out criteria for the recognition of a liability, one of which is the requirement for the entity to have a present obligation as a result of a past event ("obligating event"). IFRIC 21 clarifies that the obligating event that gives rise to a liability to pay a levy is the activity described in the relevant legislation that triggers the payment of the levy. IFRIC 21 is effective for annual periods commencing on or after January 1, 2014. The application of IFRIC 21 did not result in an adjustment to the Corporation's unaudited financial statements.

(a) New standards and applications not yet effective

(i) IFRS 9 Financial Instruments

In July, 2014 the IASB issued the final version of IFRS 9 that will replace IAS 39 *Financial Instruments: Recognition and Measurement* and intends to reduce the complexity in the classification and measurement 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. The Corporation is currently assessing the impact that the final standard will have on its financial statements.

(ii) IFRS 15 Revenue from Contracts with Customers

In May 2014, the IASB issued IFRS 15 which covers principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer. Application of the standard is mandatory for annual reporting periods beginning on or after January 1, 2017, with earlier application permitted. The Corporation is currently assessing the impact that the final standard will have on its financial statements.

4. Administrative Expenses:

	Three Months Ended September 30, 2014	2013	Nine Months Ended September 30, 2014	2013
Stock exchange fees	$ 500	$ 500	$ 6,450	$ 8,195
Share–based payments	2,528	74,372	33,593	75,749
Annual general meeting	–	12,513	–	12,541
Investor relations and news releases	–	250	2,093	980
Transfer agent fees	734	1,021	3,863	2,656
Audit	–	–	(150)	1,500
Legal	145	–	145	125
Other	364	245	1,179	788
	$ 4,271	$ 88,901	$ 47,173	$ 102,534

5. Intangible assets:

	Exploration and evaluation expenditures
Cost:	
Balance as at December 31, 2012	$ 3,525,723
Additions	60,247
Balance as at December 31, 2013	3,585,970
Additions	5,500
Balance as at September 30, 2014	$ 3,591,470

Of the $3,588,470 in costs recorded to September 30, 2014 (December 31, 2013 - $3,585,970), a total of $933,424 represents predecessor costs expended on the properties by Alhambra (note 7(b) and sold to the Corporation. The properties consist of 49 contiguous claim units in south-central British Columbia covering five (5) zones of copper/gold mineralization. No depletion or depreciation has been recorded during the period.

Details of total mineral properties and deferred exploration and development costs are as follows**:**

	Inception to date	Period ended September 30, 2014	Year ended December 31 2013
Balance as at beginning of the period:	$ –	$ 3,585,970	$ 3,525,723
Acquisition costs	933,424	–	–
Drilling	1,983,638	–	–
Geology	229,703	–	–
Geophysics	329,633	–	57,347
Other	115,072	5,500	2,900
Balance as at end of the period	$ 3,591,470	$ 3,591,470	$ 3,585,970

6. Share capital:

(a) Authorized:

Unlimited voting common shares

Unlimited non-voting preferred shares, of which none have been issued

(b) Options:

The Corporation has a stock option plan under which directors, officers, employees and consultants of the Corporation are eligible to receive stock options. The aggregate number of common shares to be issued upon the exercise of all stock options granted under the plan shall not exceed 10% of the issued common shares of the Corporation at the time of granting of the options. Options granted under the plan generally have a term of three to five years but may not exceed five years and vest at terms to be determined by the directors at the time of grant. The exercise price of each option shall be determined by the directors at the time of grant but shall not be less than the price permitted by the policies of the stock exchange on which the Corporation's common shares are then listed.

A summary of the status of the Corporation's stock option plan as at September 30, 2014 and December 31, 2013 and changes during the periods then ended are as follows:

	Nine months ended September 30, 2014		Year ended December 31, 2013	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Outstanding, beginning of period	5,200,000	$ 0.10	2,150,000	$ 0.10
Issued	–	–	3,050,000	0.10
Expired	(250,000)	0.10	–	–
Outstanding, end of period	4,950,000	$ 0.10	5,200,000	$ 0.10
Exercisable, end of period	4,950,000	$ 0.10	3,637,500	$ 0.10

The following table summarizes information about stock options outstanding and exercisable at September 30, 2014.

	Outstanding		Exercisable	
Exercise price	Number	Weighted average remaining contractual life (years)	Number	Weighted average remaining contractual life (years)
CDN$0.10	1,750,000	0.02	1,750,000	0.02
CDN$0.10	150,000	0.12	150,000	0.12
CDN$0.10	150,000	3.04	150,000	3.04
CDN$0.10	2,900,000	3.82	2,900,000	3.82
	4,950,000	2.34	4,950,000	2.34

During 2013, the Corporation issued options to purchase 3,050,000 common shares of the Corporation. Each option has an exercise price of $0.10 per common share, has a term of five years from the date of grant and is exercisable as to twenty-five (25%) immediately and 25% thereafter on each of the dates which are four(4), eight (8) and twelve (12) months from the date of grant.

The fair value of the options granted is estimated on the date of grant using the Black-Scholes option-pricing model. The total fair value of the options was determined to be $147,652 (approximately $0.05 per share) using the following weighted-average assumptions:

	2013
Expected life (years)	5.00
Risk-free interest rate (%)	1.74
Expected volatility (%)	150
Expected dividend yield (%)	–

A reconciliation of contributed surplus is provided below:

	September 30, 2014	December 31, 2013
Balance, beginning of period	$ 1,215,965	$ 1,100,131
Share-based payment expense	33,593	115,834
Balance, end of period	$ 1,249,558	$ 1,215,965

7. Related party transactions:

(a) Compensation of key management personnel:

The Corporation has no employees and pays no cash remuneration to directors. The remuneration of directors and other key members of management during the nine months ended September 30, 2014 and 2013 were as follows:

Nine months ended September 30,	2014	2013
Share-based payments	$ 21,202	$ 75,749

(b) The Corporation and Alhambra are parties to an Administrative and Corporate Services Contract (the “Contract”) whereby the Corporation agrees to engage Alhambra to provide management, administration and corporate services to the Corporation. The Contact provides for a monthly remuneration of $20,000 plus all reasonable out of pocket expenses and is for an indefinite term but may be terminated by either party upon providing thirty (30) days prior written notice. Effective January 1, 2011, Alhambra agreed to suspend billing DOT for services provided under the Contract until further notice. During nine months ended September 30, 2014 Alhambra paid expenses on behalf of the Corporation totaling $18,343 (nine months ended September 30, 2013 - $29,793) which brought the amount owing under the Contract as of September 30, 2014 to $419,078 (December 31, 2013 – $400,735). During the nine months ended September 30, 2014, Alhambra advanced DOT $500 (2013 - $Nil) to assist DOT with its outstanding obligations while DOT is contemplating various options regarding the financing of its exploration plans and working capital requirements which brought the total advances made to September 30, 2014 to $406,700 (December 31, 2013 - $406,200). The advances are non-interest bearing. Alhambra is related by way of common directors and management and owns approximately 27% of the outstanding common shares of DOT.

(c) On April 10, 2013 the Corporation issued an unsecured promissory note (the “Note”) to an officer and director of the Corporation in the amount of $50,000. The Note bears interest at 10% per annum and had an original maturity date of July 10, 2013. The holder of the Note has agreed to extend the maturity date of the Note until December 31, 2014. The Corporation has accrued $3,740 (2013 - $1,110) of interest expense on the Note for the nine months ended September 30, 2014 ($2,370 for the nine months ended September 30, 2013).

These amounts are measured at their exchange amounts, which is the amount of consideration established and agreed to by the related parties.

8. Loss per share:

Basic loss per share is calculated using the weighted average number of shares outstanding during the period.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2014	2013	2014	2013
Weighted average shares outstanding:				
Basic and diluted	55,734,333	55,734,333	55,734,333	55,734,333

For the nine months ended September 30, 2014 and 2013, no options have been included in the calculation of per share amounts as their effect would have been anti-dilutive.

9. Management of capital:

The Corporation defines capital that it manages as its shareholders' equity and working capital. The Corporation's objective when managing capital is to safeguard its ability to continue as a going concern so that it can continue to maintain investor confidence and to not expose the Corporation to excess risk. The Corporation manages its capital structure and makes adjustments to it based on the level of funds available to support the exploration and development of its mineral properties.

To date, the Corporation has raised some funds through the issue of equity instruments. Additional financing must be obtained in order to continue as a going concern. The Corporation is currently attempting to raise additional funds, however, there is no assurance it will be able to do so. The Corporation is not subject to externally imposed capital requirements.

10. Financial Instruments:

Overview

The Corporation has exposure to the following risks from its use of financial instruments:

(a) Credit risk

(b) Liquidity risk

(c) Market risk

This note presents information about the Corporation's exposure to each of the above risks and the Corporation's objectives and policies and processes for measuring and managing risk.

The board of directors has overall responsibility for the establishment and oversight of the Corporation's risk management framework. These risks are discussed with management and to the extent the board determines that the risks are of such a nature that they need to be mitigated, procedures are put in place. To date, no specific risk management tools have been put in place to mitigate these risks.

(a) Credit risk

Credit risk is the risk of financial loss to the Corporation if a customer or counterparty to a financial instrument fails to meet its obligation.

Cash and cash equivalents consist of bank balances and short-term deposits that are redeemable at any time at the option of the Corporation. The Corporation manages the credit exposure related to short-term investments by depositing the cash equivalents only with large banks which management believes the risk of loss to be remote. Accounts receivable primarily relate to GST receivable from the government of Canada, the credit risk of which is considered to be very low.

The carrying amount of accounts receivable and cash and cash equivalents represents the maximum credit exposure. The Corporation does not have an allowance for doubtful accounts as at September 30, 2014 nor was it required to write-off any receivables during the nine months ended September 30, 2014. The Corporation does not consider any of its receivables to be past due at September 30, 2014.

(b) Liquidity risk

Liquidity risk is the risk that the Corporation will not be able to meet its obligations as they come due. Due to the fact that the Corporation has no operations that generate cash flow to meet such obligations, and is a development stage Corporation, the Corporation requires external financing to ensure all of its obligations are met on a timely basis (note 1(b)).

(c) Market risk

Market risk is the risk that changes in market prices, such as foreign currency exchange rates, commodity prices and interest rates, will affect the Corporation’s net earnings. The objective of market risk management is to manage and control market risk exposures.

11. Acquisition of Exploration Properties:

On November 5, 2012 the Corporation entered into a purchase and sale agreement to acquire a 100% interest in four exploration properties known as Promotory Hills (6,701 acres), Copper Belle (2,714 acres), Peacock (3,373 acres) and Cube (1,998 acres), all located in British Columbia (the Agreement”).

As compensation for the acquisition of these four properties, the Corporation agreed issue to the seller 1,200,000 shares of the Corporation (subject to regulatory approval) and $120,000. Closing of the purchase and sale was to occur within 30 days following the date in which regulatory approval is received.

As a result of the Corporation being unable to satisfy the closing conditions, the Corporation and the seller agreed to amend the purchase and sale agreement initially effective April 1, 2013 and then effective October 31, 2013 such that the payment is to be made as follows:

(a) 1,200,000 share compensation to be issued as follows:

(i) 300,000 shares to be issued within 30 days following the closing of a financing by the Corporation or October 31, 2014, whichever comes first;

(ii) an additional 300,000 shares to be issued on or before October 31, 2015;

(iii) an additional 300,000 shares to be issued on or before October 31, 2016; and,

(iv) the final 300,000 shares on or before October 31, 2017.

(b) $120,000 payment to be made as follows:

(i) $30,000 payable within five business days following the closing of a financing by the Corporation or October 31, 2014, whichever comes first;

(ii) an additional $30,000 payable on or before October 31, 2015;

(iii) an additional $30,000 payable on or before October 31, 2016; and,

(iv) the final $30,000 payable on or before October 31, 2017.

In addition, the Vendor retains a two percent royalty on the revenue realized by the Corporation on the sale of all ores and minerals mined or extracted from the properties. The Corporation may reduce the royalty from 2.0% to 0.5% at any time and at the Corporation's discretion, by making a one-time cash payment of $500,000.

The Corporation was unable to satisfy the amended closing conditions on October 31, 2014. The Corporation is currently in discussion with the Vendor to determine if the Vendor is willing to further extend the payment dates. At this time there has been no agreement reached therefore the Corporation is not able to determine whether the acquisition is still valid.

12. Subsequent event:

Subsequent to September 30, 2014 the Corporation entered into a Memorandum of Understanding ("MOU") for the acquisition of 100% of a 37,500 hectare (92,666 acre) mineral concession in Paraguay, South America. The San Alfredo Project (the "Project", "Property" or "Concession") is located in northeast Paraguay, approximately 70km from the town of Concepcion. The Property is considered to be very prospective for nickel, copper, and platinum group element ("PGE") mineralization.

The MOU, which will be superseded by a Purchase and Sale Agreement (the "Agreement"), describes the terms for the acquisition of 100% of the shares of Minera Itape S.A. ("MISA"), a private company under the laws of Paraguay that currently controls the Concession. Upon execution of the Agreement, DOT agrees to issue 1,000,000 common shares of the Corporation's stock to the vendor. In addition to certain obligations as to maintaining the Concession in good standing, the Corporation will invest at least US $100,000 in qualifying expenditures during the first 12-months after closing the transaction. Closure of the Agreement is subject to the approval of the TSX Venture Exchange ("TSXV") and other customary requirements and contingencies.

While the closure of the transaction is dependent upon the execution of a definitive agreement and approval by the TSXV, the parties have executed in good faith the MOU that provides substantial detail that will govern the terms of the Agreement. The Corporation expects the final Agreement to be executed before the end of December, 2014.

The material terms and conditions of the proposed acquisition are summarized as follows:

(a) Upon closing, DOT will assume the obligations associated with the terms of the Concession, in compliance with the laws of Paraguay, for the exploration and development of the Property.

(b) Upon closing, the Corporation will issue 1,000,000 common shares of DOT to the vendor. DOT will issue a further 4,000,000 common shares upon achieving several key exploration and development milestones. If exploration and development milestones are not met and DOT decides not to continue towards the next milestone, some or all of the additional 4,000,000 shares will not be issued at which point Alhambra’s right to the Property will terminate.

(c) DOT will invest a minimum of $100,000 in qualifying expenditures on the Project in the first 12 months after closing. Subsequent property investment will be contingent on technical merits and project milestones.

(d) The vendor will retain a Net Smelter Royalty of 2.5% on the production and sale of all products from the Property.