QUIA RESOURCES INC.

Unaudited Interim Condensed Consolidated Financial Statements

(Expressed in Canadian Dollars)

For the three and nine month periods ended
September 30, 2014 and 2013

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying unaudited interim condensed consolidated financial statements of Quia Resources Inc., are the responsibility of the management and Board of Directors of the Company.

The unaudited interim condensed consolidated financial statements have been prepared by management, on behalf of the Board of Directors, in accordance with the accounting policies disclosed in the notes to the consolidated financial statements. Where necessary, management has made informed judgments and estimates in accounting for transactions which were not complete at the statement of financial position date. In the opinion of management, the consolidated financial statements have been prepared within acceptable limits of materiality and are in accordance with International Financial Reporting Standards using accounting policies consistent with International Financial Reporting Standards appropriate in the circumstances.

Management has established systems of internal control over the financial reporting process, which are designed to provide reasonable assurance that relevant and reliable financial information is produced.

The Board of Directors is responsible for reviewing and approving the consolidated financial statements together with other financial information of the Company and for ensuring that management fulfills its financial reporting responsibilities. An Audit Committee assists the Board of Directors in fulfilling this responsibility. The Audit Committee meets with management to review the financial reporting process and the unaudited interim consolidated financial statements together with other financial information of the Company. The Audit Committee reports its findings to the Board of Directors for its consideration in approving the unaudited interim consolidated financial statements together with other financial information of the Company for issuance to the shareholders.

Management recognizes its responsibility for conducting the Company's affairs in compliance with established financial standards, and applicable laws and regulations, and for maintaining proper standards of conduct for its activities.

_________________________, CEO	____________________, CFO
Yannis Banks	Al Quong

NOTICE TO READER

The accompanying unaudited interim condensed financial statements of the Company have been prepared by and are the responsibility of management. The unaudited interim financial statements for the three and nine months ended September 30, 2014 and 2013 have not been reviewed by the Company's auditors.

Quia Resources Inc.
Unaudited Interim Condensed Consolidated Statements of Financial Position
(Expressed in Canadian Dollars)

As at,		September 30, 2014		December 31, 2013
Assets				
Current Assets				
Cash	$	**4,868**	$	9,172
GST/HST and other receivables (Note 12)		**11,414**		17,346
Prepaid expenses (Note 13)		**46,411**		3,359
Assets of discontinued operations (Note 18)		**-**		68,602
		62,693		98,479
Investment in private company (Note 18)		**1**		-
Property, plant and equipment (Note 5)		**40,725**		46,725
	$	**103,419**	$	145,204
Liabilities				
Current Liabilities				
Trade and other payables (Note 14)	$	**125,020**	$	218,340
Due to related parties (Note 16)		**308,541**		351,506
Loans and interest payable (Note 16)		**238,722**		304,899
Liabilities of discontinued operations (Note 18)		**-**		401,360
		672,283		1,276,105
Convertible debentures (Note 17)		**280,618**		-
		952,901		1,276,105
Shareholders' Deficiency				
Share capital (Note 7 (b))		**14,011,456**		13,791,253
Shares to be issued (Note 7 (c))		**-**		120,000
Conversion component of convertible debentures (Note 17)		**7,686**		-
Reserve for warrants (Note 9 & 11)		**5,081,014**		5,007,114
Reserve for share based payments (Note 8 & 10)		**1,491,650**		1,485,400
Reserve for foreign exchange gains (losses)		**(1,509)**		(6,610)
Accumulated deficit		**(21,439,779)**		(21,528,058)
		(849,482)		(1,130,901)
	$	**103,419**	$	145,204

Nature of Operations and Going Concern (Note 1)
Segmented Information (Note 15)
Subsequent Events (Note 19)

Approved on behalf of the Board of Directors on November 26, 2014:

"Yannis Banks" (signed)
CEO and Director

"Adam Szweras" (signed)
Secretary and Director

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

Quia Resources Inc.

Unaudited Interim Condensed Consolidated Statements of Loss and Comprehensive Loss
(Expressed in Canadian Dollars)

	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				
Exploration and evaluation expenses	$ **3,217**	$ -	$ **14,041**	$ -
Office and general	**65,188**	22,695	**121,678**	242,876
Management and consulting	**55,326**	17,600	**103,826**	154,912
Salaries and benefits	**-**	-	**-**	37,500
Professional fees	**9,971**	11,269	**26,192**	37,185
Share based payments (Note 8)	**6,250**	-	**6,250**	3,800
Travel and promotion	**241**	1,552	**241**	23,415
Foreign exchange (gain) loss	**1,237**	(1,947)	**754**	(49,017)
	(141,430)	(51,169)	**(272,982)**	(450,671)
Gain on settlement of debt	**-**	-	**94,833**	-
Loss from continuing operations	**(141,430)**	(51,169)	**(178,149)**	(450,671)
Net earnings (loss) from discontinued operations (Note 18)	**500,023**	(69,973)	**266,428**	(436,949)
Net income (loss)	**358,593**	(121,142)	**88,279**	(887,620)
Other comprehensive loss				
Items that will be reclassified subsequently to loss				
Exchange differences on translating foreign operations	**-**	(54)	**5,101**	(24,394)
Total comprehensive income (loss)	**358,593**	(121,196)	**93,380**	(912,014)
Loss per share-basic and diluted				
Loss per share - from continuing operations	$ **(0.006)**	$ (0.005)	$ **(0.009)**	$ (0.042)
Income (loss) per share - from discontinued operations	**0.022**	$ (0.006)	$ **0.013**	$ (0.041)
Income (loss) per share - net income (loss)	**0.016**	$ (0.011)	$ **0.004**	$ (0.082)
Weighted average number of shares outstanding	**22,908,807**	11,187,520	**20,129,815**	10,766,931

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

Quia Resources Inc.

Unaudited Interim Condensed Consolidated Statements of Changes in Shareholders' Deficiency
(Expressed in Canadian Dollars)

	Share Capital		Reserves						
	Number of shares*	Amount	Share based payments	Warrants	Foreign Exchange	Conversion component of convertible Debentures	Shares to be issued	Deficit	Total
Balance at December 31, 2012	**10,553,151**	**$ 13,431,505**	**$ 1,481,600**	**$ 5,005,814**	**$ 30,768**	**$ -**	**$ -**	**$ (20,317,048)**	**$ (367,361)**
Private placements	7,464,000	373,200	-	-	-	-	-	-	373,200
Cost of issuance									
Cash commission paid		(19,652)	-	-	-	-	-	-	(19,652)
Fair value assigned to broker warrants		(1,300)	-	1,300	-	-	-	-	-
Share based payments		-	3,800	-	-	-	-	-	3,800
Exchange loss on translating foreign operation		-	-	-	(24,394)	-	-	-	(24,394)
Net loss for the period		-	-	-	-	-	-	(887,620)	(887,620)
Balance at September 30, 2013	**18,017,151**	**$ 13,783,753**	**$ 1,485,400**	**$ 5,007,114**	**$ 6,374**	**$ -**	**$ -**	**$ (21,204,668)**	**$ (922,027)**
Funds received for shares to be issued		-	-	-	-	-	120,000	-	120,000
Shares issued for services	150,000	7,500	-	-	-	-	-	-	7,500
Exchange gain on translating foreign operation		-	-	-	(12,984)	-	-	-	(12,984)
Net loss for the period		-	-	-	-	-	-	(323,390)	(323,390)
Balance at December 31, 2013	**18,167,151**	**$ 13,791,253**	**$ 1,485,400**	**$ 5,007,114**	**$ (6,610)**	**$ -**	**$ 120,000**	**$ (21,528,058)**	**$ (1,130,901)**
Share issued for settlement of debt	4,741,656	237,083	-	-	-	-	-	-	237,083
Fair value assigned to warrants		(14,700)	-	14,700	-	-	-	-	-
Cost of issuance									
Cash issue costs		(2,180)	-	-	-	-	-	-	(2,180)
Funds transferred to convertible debentures issued		-	-	-	-	-	(120,000)	-	(120,000)
Fair value assigned to warrants issued on convertible debentures		-	-	59,200	-	-	-	-	59,200
Conversion component of convertible debentures		-	-	-	-	7,769	-	-	7,769
Commission on the issuance of convertible debentures		-	-	-	-	(83)	-	-	(83)
Share based payments			6,250						6,250
Exchange gain on translating foreign operation		-	-	-	5,101	-	-	-	5,101
Net income for the period		-	-	-	-	-	-	88,279	88,279
Balance at September 30, 2014	**22,908,807**	**$ 14,011,456**	**$ 1,491,650**	**$ 5,081,014**	**$ (1,509)**	**$ 7,686**	**$ -**	**$ (21,439,779)**	**$ (849,482)**

** Number of shares outstanding is post ten for one share consolidation of the Company's issued and outstanding shares on June 10, 2014.*

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

Quia Resources Inc.
Unaudited Interim Condensed Consolidated Statements of Cash Flows
(Expressed in Canadian Dollars)

For the nine month periods ended September 30,		2014		2013
Operating Activities				
Net income (loss)	$	**88,279**	$	(887,620)
Adjustments to reconcile net loss to cash flow from operating activities:				
Share based payments (Note 8)		**6,250**		3,800
Amortization		**6,000**		9,000
Accretion		**10,221**		-
Unrealized foreign exchange loss (gain)		**5,101**		(22,303)
Gain on settlement of debt		**(94,833)**		-
Gain on sale of discontinued operations		**(500,023)**		-
Net change in non-cash working capital items:				
Prepaid expenses		**(43,052)**		86,657
GST/HST and other receivables		**5,932**		(3,891)
Trade and other payables		**158,806**		311,819
Cash flow used in operating activities		**(357,319)**		(502,538)
Financing Activities				
Issue of common shares, net of issue costs		**-**		354,048
Convertible debentures issued, net of issue costs		**217,283**		-
Amounts received from (paid to) related parties		**(42,965)**		150,761
Loans received		**11,433**		33,754
Cash flow provided from financing activities		**185,751**		538,563
Cash flow provided from discontinued operations		**167,264**		63,988
Net increase (decrease) in cash		**(4,304)**		100,013
Cash, beginning of period		**9,172**		902
Cash, end of period	$	**4,868**	$	100,915

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

1. NATURE OF OPERATIONS AND GOING CONCERN

Quia Resources Inc. (the "Company" or "Quia") was incorporated under the laws of the Province of Ontario, Canada by Articles of Incorporation dated October 26, 2007. The Company is engaged in the acquisition, exploration and development of properties for the mining of agricultural minerals in North America and was up until the sale of the San Lucas property engaged in exploration for precious metals in Colombia. To the extent the Company retains exposure to Colombia; operations in Colombia are affected by Colombia's political and economic environment. Although the environment has been relatively stable in recent years, there is the risk that this situation could deteriorate and adversely affect the Company's operations. The address of the Company's registered office is Suite 2905 – 77 King Street West Toronto, Ontario, M5K 1H1.

The Company is in the process of exploring its exploration properties for mineral resources and has not determined whether the properties contain economically recoverable reserves. The Company's principal project is the Murdock Mountain project in Nevada, USA. On June 19, 2014, the Company entered into an agreement with Enneract Corporation to sell its subsidiary, San Lucas Gold Corp., which holds the San Lucas gold project, as more fully described in Note 19. The underlying value of the resource properties and the recoverability of the future exploration costs are entirely dependent on the existence of one or more economically recoverable reserves, confirmation of the Company's interest in the underlying claims, and the Company's ability to obtain the necessary financing to complete the exploration, development and future profitable production. The business of mining and exploring for minerals involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. Changes in future conditions could require material write-downs of the carrying values.

Ownership in mineral properties involves certain risks due to the difficulties in determining the validity of certain claims as well as potential for problems arising from frequently ambiguous conveyancing history characteristic of many mineral interests. The Company has investigated the ownership of its mineral properties and, to the best of its knowledge, ownership of its interests are in good standing.

The Company has no revenues and the ability of the Company to ensure continuing operations is dependent on the Company maintaining its mineral property interest, raising sufficient funds to finance exploration activities, identifying a commercial ore body, developing such mineral property interests, and upon the future profitable production or proceeds from the disposition of the mineral property interest. These financial statements have been prepared using accounting principles applicable to a going concern and do not reflect adjustments, which could be material, to the carrying values of the assets and liabilities. These circumstances may cast substantial doubt as to the Company's ability to continue as a going concern and ultimately the appropriateness of the use of accounting principles applicable to a going concern

As at September 30, 2014 the Company has a working capital deficiency of $609,590 (December 31, 2013 - $1,177,626 working capital deficiency), has an accumulated deficit of $21,439,779 (December 31, 2013 - $21,528,058) and has incurred income of $88,279 for the nine month period ended September 30, 2014 (2013 - $887,620 loss).

2. BASIS OF PRESENTATION

2.1 Statement of compliance

These condensed consolidated interim financial statements, including comparatives, have been prepared in accordance with International Accounting Standards ("IAS") 34 'Interim Financial Reporting' ("IAS 34") using accounting policies consistent with the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and Interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

These audited consolidated financial statements were authorized by the Board of Directors of the Company on November 26, 2014.

2.2 Basis of presentation

These unaudited interim condensed consolidated financial statements have been prepared on the basis of accounting policies and methods of computation consistent with those applied in the Company's December 31, 2013 annual financial statements.

2.3 Adoption of new and revised standards and interpretations

Standards and interpretations adopted
The IASB issued a number of new and revised International Accounting Standards, International Financial Reporting Standards, amendments and related interpretations which are effective for the Company's financial year beginning on or after January 1, 2014. For the purpose of preparing and presenting the Financial Information for the relevant periods, the Company has consistently adopted all these new standards for the relevant reporting periods.

Several other new standards and amendments apply for the first time in 2014. However, they do not impact the annual consolidated financial statements of the Company or the interim consolidated financial statements of the Company.

The nature and impact of each new standard/amendment is described below:

- IAS 32 '*Financial instruments, Presentation'* –is effective for annual periods beginning on or after January 1, 2014, with earlier adoption permitted. IAS 32 was amended to clarify the requirements for offsetting financial assets and liabilities. The amendments clarify that the right of offset must be available on the current date and cannot be contingent on a future date. The Company adopted this policy January 1, 2014 and there was no effect on its consolidated financial statements.

- IAS 36 – Impairments of Assets ("IAS 36") was amended by the IASB in May 2013 to clarify the requirements to disclose the recoverable amounts of impaired assets and require additional disclosures about the measurement of impaired assets when the recoverable amount is based on fair value less costs of disposal, including the discount rate when a present value technique is used to measure the recoverable amount. The amendments to IAS 36 are effective for annual periods beginning on or after January 1, 2014. The Company adopted this policy January 1, 2014 and there was no effect on its consolidated financial statements.

2. BASIS OF PREPARATION (continued)

2.3 Adoption of new and revised standards and interpretations (continued)

- IAS 39 – Financial Instruments: Recognition and Measurement ("IAS 39") was amended by the IASB in June 2013 to clarify that novation of a hedging derivative to a clearing counterparty as a consequence of laws or regulations or the introduction of laws or regulations does not terminate hedge accounting. The amendments to IAS 39 are effective for annual periods beginning on or after January 1, 2014. Earlier adoption is permitted. The Company adopted this policy January 1, 2014 and there was no effect on its consolidated financial statements.

- IFRIC 21 – Levies ("IFRIC 21") was issued in May 2013. IFRIC 21 provides guidance on the accounting for levies within the scope of IAS 37 – Provisions, Contingent Liabilities and Contingent Assets ("IAS 37"). IAS 37 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. Earlier adoption is permitted. The Company adopted this policy January 1, 2014 and there was no effect on its consolidated financial statements.

New standards and interpretations

At the date of authorization of these Financial Statements, the IASB and the IFRS Interpretations Committee ("IFRIC") have issued the following new and revised Standards and Interpretations which are not yet effective and which the Company has not early adopted. However the Company is currently assessing what impact the application of these standards or amendments will have on the consolidated financial statements of the Company.

- IFRS 9, 'Financial instruments', effective for annual periods beginning on or after January 1, 2018, addresses the classification, measurement and recognition of financial assets and financial liabilities. IFRS 9 was issued in November 2009 and October 2010. It replaces the parts of IAS 39 that relate to the classification and measurement of financial instruments. IFRS 9 requires financial assets to be classified into two measurement categories: those measured as at fair value and those measured at amortized cost. The determination is made at initial recognition. The classification depends on the entity's business model for managing its financial instruments and the contractual cash flow characteristics of the instrument. For financial liabilities, the standard retains most of the IAS 39 requirements. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to an entity's own credit risk is recorded in other comprehensive income, unless this creates an accounting mismatch. The Company is yet to assess IFRS 9's full impact. The Company will also consider the impact of the remaining phases of IFRS 9 when completed by the Board.

3. CAPITAL RISK MANAGEMENT

The Company considers its capital structure to consist of share capital, shares to be issued, reserve for warrants and reserve for share based payments. When managing capital, the Company's objective is to ensure the entity continues as a going concern as well as to maintain optimal returns to shareholders and benefits for other stakeholders. Management adjusts the capital structure as necessary in order to support the exploration and development of mineral properties. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management team to sustain the future development of the business.

The properties in which the Company currently has an interest are in the exploration stage; as such the Company is dependent on external financing to fund its activities. In order to carry out the planned exploration and pay for administrative costs, the Company will spend its existing working capital and raise additional amounts as needed.

Management has chosen to mitigate the risk and uncertainty associated with raising additional capital within current economic conditions by:

i) minimizing discretionary disbursements;
ii) reducing or eliminating exploration expenditures which are of limited strategic value;
iii) exploring alternate sources of liquidity.

In light of the above, the Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient potential and if it has adequate financial resources to do so.

As at September 30, 2014, the Company's capital consists of share capital, shares to be issued, conversion component of convertible debentures, reserve for warrants, reserve for share based payments, reserve for foreign exchange gains (losses) and deficit in the amount of $(849,482) (December 31, 2013 - $(1,130,901).

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

There were no changes in the Company's approach to capital management during the nine month period ended September 30, 2014. The Company is not subject to externally imposed capital requirements.

4. FINANCIAL AND OTHER RISK FACTORS

Fair Value

The carrying amount of due to related parties and trade and other payables approximate fair value due to the relatively short term maturity of these financial instruments. The carrying value of loans and interest payable approximate the fair value based on discounted cash flows. Fair value represents the amount that would be exchanged in an arm's length transaction between willing parties and is best evidenced by a quoted market price if one exists.

Credit Risk

Credit risk is the risk of loss associated with counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash. The Company has no significant concentration of credit risk arising from operations. Cash is held with reputable Canadian and United States chartered banks which are closely monitored by management. Management believes that the credit risk concentration with respect to financial instruments included in cash is minimal.

Liquidity Risk

Liquidity risk is the risk that the Company will not have sufficient cash resources to meet its financial obligations as they come due. The Company's liquidity and operating results may be adversely affected if the Company's access to the capital market is hindered, whether as a result of a downturn in stock market conditions generally or related to matters specific to the Company. The Company generates cash flow primarily from its financing activities. As at September 30, 2014, the Company had a cash balance of $4,868 (December 31, 2013 - $9,172) to settle current liabilities of $672,283 (December 31, 2013 - $1,276,105).

All of the Company's financial liabilities have contractual maturities of less than 365 days and are subject to normal trade terms. The Company cannot ensure there is sufficient capital in order to meet short term business requirements, after taking into account cash flows from operations and the Company's holding cash. The Company is currently seeking sources of funding to meet short term liabilities, and short term cash requirements (see note 1).

Market Risks

a) Interest Rate Risk
The Company has cash balances and no variable interest bearing debt. The Company has fixed rates on its debt; changes in interest rates could result in fair value risk on the Company's fixed rate debt.

b) Foreign Currency Risk
The Company operates in Canada, and the United States, giving rise to market risks from changes in foreign exchange rates. The Company believes that its results of operations and cash flows would be affected by a sudden change in foreign exchange rates, but would not impair or enhance its ability to pay its U.S. dollar denominated obligations.

4. FINANCIAL AND OTHER RISK FACTORS (continued)

Other Risk Factors

a) Political Risk

The Company has mining and exploration operations in the US and such operations are exposed to various levels of political, economic, and other risks and uncertainties. These risks and uncertainties include, but are not limited to: terrorism; hostage taking; fluctuations in currency exchange rates; high rates of inflation; labour unrest; the risks of civil unrest; expropriation and nationalization; renegotiation or nullification of existing concessions, licenses, permits and contracts; illegal mining; changes to policies and regulations impacting the mining sector; restrictions on foreign exchange and repatriation; and changing political conditions, currency controls, and governmental regulations that favour or require the awarding of contracts to local contractors or require foreign contractors to employ citizens of, or purchase supplies from, a particular jurisdiction.

Future political and economic conditions in the US may result in its government adopting different policies with respect to foreign investment, and development and ownership of mineral resources. Any changes in such policies may result in changes in laws affecting ownership of assets, foreign investment, mining exploration and development, taxation, currency exchange rates, gold sales, environmental protection, labour relations, price controls, repatriation of income, and return of capital, which may affect both the ability of Quia to undertake exploration and development activities in respect of future properties in the manner currently contemplated, as well as its ability to continue to explore, develop, and operate those properties to which it has rights relating to exploration, development, and operation.

b) Property Risk

The Company's significant mineral property is the Murdock Mountain project as described in Note 6. Unless the Company acquires or develops additional material properties, the Company will be mainly dependent upon its existing property interests. If no additional major properties are acquired by the Company, any adverse development affecting the Company's property would have a materially adverse effect on the Company's financial condition and results of operations.

c) Commodity Price Risk

Commodity price risk could adversely affect the Company. In particular, the Company’s future profitability and viability of development depends upon the market price of commodities. These metal prices have fluctuated significantly in recent years. There is no assurance that, even if commercial quantities of these minerals may be produced in the future, a profitable market will exist for them. As of September 30, 2014, the Company was not a producing entity. As a result, commodity price risk may affect the completion of future equity transactions such as equity offerings and the exercise of stock options and warrants. This may also affect the Company's liquidity and its ability to meet its ongoing obligations.

(Expressed in Canadian Dollars)

5. PROPERTY, PLANT AND EQUIPMENT

	Computer Equipment	Total
Cost		
As at December 31, 2012	**83,024**	**83,024**
Effects of foreign exchange	-	-
As at December 31, 2013	**83,024**	**83,024**
Effects of foreign exchange	-	-
As at September 30, 2014	**83,024**	**83,024**
Accumulated Amortization		
As at December 31, 2012	**24,549**	**24,549**
Additions	11,750	11,750
As at December 31, 2013	**36,299**	**36,299**
Additions	6,000	4,000
As at September 30, 2014	**42,299**	**42,299**
Net Book Value		
As at December 31, 2012	**58,475**	**58,475**
As at December 31, 2013	**46,725**	**46,725**
As at September 30, 2014	**40,725**	**40,725**

6. INTEREST IN MINERAL PROPERTIES

San Lucas Property:

On October 26, 2007, the Company acquired 17 mineral properties in Bolivar, Colombia for $500,000. In exchange for this non-monetary transaction, the Company issued 10,000,000 common shares at a market price of $0.05 per share, to the vendor of the claims.

On September 13, 2008, the Company entered into an agreement with the Mining Federation from the Bolivar Department for the exploitation and exploration of the mining sites mentioned in the agreement. This agreement has been terminated by the parties.

On July 18, 2014, the Company sold its subsidiary San Lucas Gold Corp, which holds the San Lucas gold property in Columbia, to Enneract Corporation (“Enneract”), a private Panamanian company. Under the terms of the agreement, Quia will receive a number of common shares resulting in an equity ownership of 5% of Enneract, as well as a 2% net smelter return royalty, of which Enneract can buy back half for US $500,000.

Murdock Mountain Property:

On November 11, 2013 the Company acquired 2243734 Ontario Limited ("2243734") which holds an option to earn a 65% interest in the Murdock Mountain phosphate project in Nevada.

(Expressed in Canadian Dollars)

Under the terms of the option agreement and subject to closing the acquisition, Quia will have the right to earn a 65% interest by investing an aggregate of $1,000,000 into the development of the project. As an initial step, Quia can earn 10% by funding $102,000 (paid) towards technical and environmental studies which are already in process, creditable against the $1,000,000 work commitment, and then earn an additional 55%, for a total of 65%, by funding the balance of the $1,000,000. Quia shall have 2 years from the date of the option agreement to complete the earn-in and can obtain two extensions to the earn-in period of 6 months each, for a total of 3 years, by paying $30,000 for each extension. The option agreement has subsequently been amended on October 9, 2014, as described in Note 19.

7. SHARE CAPITAL

(a) Authorized

Unlimited number of common shares without par value

(b) Issued

	Number of Shares	Stated Value
COMMON SHARES		
Balance, December 31, 2012	**105,531,504**	**13,431,505**
Private placement of units - September 23, 2013 - $0.005 (i)	70,140,000	350,700
Private placement of units - September 26, 2013 - $0.005 (i)	4,500,000	22,500
Cost of issuance		
Cash commissions paid	-	(19,652)
Fair market value assigned to broker warrants	-	(1,300)
Shares issued for services	1,500,000	7,500
Balance, December 31, 2013	**181,671,504**	**13,791,253**
Stock split - 10:1 *	(163,504,353)	-
Shares issued for settlement of debt (ii)	4,741,656	237,083
Fair value assigned to warrants	-	(14,700)
Cost of issuance		
Cash commissions paid	-	(2,180)
Balance, September 30, 2014	**22,908,807**	**14,011,456**

* On June 10, 2014, the Company consolidated its common shares on the basis of one new common share for ten old common shares.

Under the requirement of the TSX Venture exchange, 2,444,944 common shares held by directors and officers were held in escrow. 10% of these shares were released from escrow on the date of the exchange bulletin and the remainder in allotments of 366,741 in 6, 12, 18, 24, 30 and 36 months following the date of the exchange bulletin. As at September 30, 2014, 2,444,944 (December 31, 2013 – 2,078,199) shares have been released.

(i) On September 23, 2013 and September 26, 2013, the Company issued 70,140,000 (post consolidation 7,010,400) shares and 4,500,000 (post consolidation 450,000) shares at $0.005 pursuant to a private placement for gross proceeds of $373,200.

The Company paid a cash finder's fee of $19,652 and issued 3,307,200 (post consolidation 330,720) compensation warrants ("agent warrants"). Each agent warrant is exercisable for one share at a price of $0.05 expiring after 24 months.

(Expressed in Canadian Dollars)

7. SHARE CAPITAL, (continued)

The fair value of the 3,307,200 (post consolidation 330,720) agent warrants was estimated at $1,300 using the Black-Scholes pricing model with the following assumptions: dividend yield 0%; risk free interest 1.21%; volatility 100% and an expected life of 2 years.

Volatility on the above warrant valuations was based on the volatility of similar companies.

(ii) On June 10, 2014, the Company settled $331,916 in debt through the issuance of 4,741,656 common shares. The common shares were valued at $237,083 based on the stock market price on the date of settlement. As a result, the Company recorded a gain on settlement of debt of $94,833 for the nine month period ended September 30, 2014.

(c) Shares to be issued

As at September 30, 2014, consideration of $nil (December 31, 2013 - $120,000) had been received pertaining to share subscriptions to be settled after the year end. The consideration received as of December 31, 2013 was transferred to debentures issued during the nine month period ended September 30, 2014.

8. SHARE BASED PAYMENTS

Quia established a stock option plan to provide additional incentive to its officers, directors, employees and consultants in their effort on behalf of the Company in the conduct of its affairs. Options vest immediately, unless otherwise stated, and expire on the fifth anniversary from the date of issue unless otherwise specified.

A summary of stock options issued and outstanding is as follows:

	September 30, 2014			December 31, 2013		
		Weighted Average Exercise Price	**Number of Options**		Weighted Average Exercise Price	Number of Options
Outstanding at beginning of period/year	**$**	**5.46**	**315,950**	$	0.53	4,159,500
Transaction during the period/year:						
Consolidation 10:1		**-**	**-**		4.77	(3,743,550)
Post consolidation	**$**	**5.46**	**315,950**		5.30	415,950
Granted		**0.10**	**1,525,000**		-	-
Expired		**6.00**	**(195,000)**		5.00	(100,000)
Outstanding at end of period/year		**0.48**	**1,645,950**		5.46	315,950
Exercisable at end of period/year	**$**	**0.48**	**1,645,950**	$	5.46	315,950

(Expressed in Canadian Dollars)

8. SHARE BASED PAYMENTS, (continued)

The following table provides additional information about outstanding stock options at September 30, 2014:

	No. of Options Outstanding	Weighted Average Remaining Life (Years)		Weighted Average Exercise Price	No. of Options Currently Exercisable		Weighted Average Exercise Price – Exercisable Options
$ 0.10	**1,525,000**	**4.83**	**$**	**0.10**	**1,525,000**	**$**	**0.10**
$ 1.50 – 3.00	**25,950**	**0.44**	**$**	**1.50**	**25,950**	**$**	**1.50**
$ 6.00 – 6.50	**95,000**	**1.40**	**$**	**6.26**	**95,000**	**$**	**6.26**
$ 1.50 - $6.50	**1,645,950**	**4.56**	**$**	**0.48**	**1,645,950**	**$**	**5.40**

Share based payments

During the period ended September 30, 2014, $6,250 of share based payments expense was recognized in relation to the vesting of the options issued on July 17, 2014.

During the year ended December 31, 2013, $3,800 of share based payments expense was recognized in relation to the vesting of the options issued on April 1, 2011.

9. WARRANTS

Month of Expiry	No. of Warrants	Exercise Price
		($)
September 23, 2015	294,720	0.50
September 26, 2015	36,000	0.50
June 10, 2016	818,166	0.10
June 17, 2017	2,268,689	0.15
	3,417,575	

The following table summarizes the assumptions used with the Black-Scholes valuation model during the nine month period ended September 30, 2014:

Grant date		June 10, 2014		June 17, 2014	Totals
No. of warrants		818,166		2,268,689	3,086,855
Exercise price	$	0.10	$	0.15	
Share/unit price	$	0.05	$	0.06	
Expected life in years		2		3	
Volatility		100%		100%	
Risk-free interest rate		1.08%		1.20%	
Dividend yield		-		-	

Volatility on the above warrant valuations were based on the volatility of similar companies.

(Expressed in Canadian Dollars)

9. WARRANTS, (continued)

The following table summarizes the assumptions used with the Black-Scholes valuation model during the year ended December 31, 2013:

Grant date	**September 23, 2013**	**September 26, 2013**	**Totals**
No. of warrants	294,720	36,000	330,720
Exercise price	$ 0.50	$ 0.50	
Share/unit price	$ 0.05	$ 0.05	
Expected life in years	2	2	
Volatility	100%	100%	
Risk-free interest rate	1.21%	1.22%	
Dividend yield	-	-	

Volatility on the above warrant valuations were based on the volatility of similar companies.

10. RESERVE FOR SHARE BASED PAYMENTS

Period/Year ended	**September 30, 2014**	December 31, 2013
Balance at beginning of period/year	**$ 1,485,400**	$ 1,481,600
Share based payments	**6,250**	3,800
Balance at end of period/year	**$ 1,491,650**	$ 1,485,400

11. RESERVE FOR WARRANTS

Period/Year ended	**September 30, 2014**	December 31, 2013
Balance at beginning of period/year	**$ 5,007,114**	$ 5,005,814
Warrants issued	**73,900**	1,300
Balance at end of period/year	**$ 5,081,014**	$ 5,007,114

(Expressed in Canadian Dollars)

12. GST/HST AND OTHER RECEIVABLES

The Company's HST and other receivables arise from two main sources: harmonized services tax ("HST") receivable due from government taxation authorities and trade receivables. These are broken down as follows:

	September 30, 2014	December 31, 2013
GST/HST receivable	**$ 11,414**	$ 17,346
Total trade and other receivables	**$ 11,414**	$ 17,346

Below is an aged analysis of these amounts:

	As at,	
	September 30, 2014	December 31, 2013
Less than 1 month	**$ -**	$ -
Over 3 months	**11,414**	17,346
Total trade and other receivables	**$ 11,414**	$ 17,346

The Company anticipates full recovery of these amounts and therefore no impairment has been recorded against these receivables.

The Company holds no collateral for any receivable amounts outstanding as at September 30, 2014.

13. PREPAID EXPENSES

	As at,	
	September 30, 2014	December 31, 2013
Advances to suppliers	**$ 46,411**	$ 3,359
Total prepaid expenses	**$ 46,411**	$ 3,359

14. TRADE AND OTHER PAYABLES

Trade and other payables of the Company are principally comprised of amounts outstanding for trade purchases relating to exploration activities, amounts payable for financing activities and payroll liabilities. The usual credit period taken for trade purchases is between 30 to 90 days.

The following is an aged analysis of the trade and other payables:

	September 30, 2014	December 31, 2013
Less than 1 month	**$ 675**	$ 2,207
1 to 3 months	**24,381**	6,189
Over 3 months	**99,964**	209,944
Total Trade and Other Payables	**$ 125,020**	$ 218,340

(Expressed in Canadian Dollars)

15. SEGMENTED INFORMATION

Operating Segments

At September 30, 2014 the Company's operations comprise a single reporting operating segment engaged in mineral exploration in Colombia and the United States of America. The Company's corporate division only earns revenues that are considered incidental to the activities of the Company and therefore does not meet the definition of an operating segment as defined in IFRS 8 *'Operating Segments'*. As the operations comprise a single reporting segment, amounts disclosed in the financial statements also represent operating segment amounts.

An operating segment is defined as a component of the Company:

- that engages in business activities from which it may earn revenues and incur expenses;
- whose operating results are reviewed regularly by the entity's chief operating decision maker; and
- for which discrete financial information is available.

Geographic Segments

Quia is in the business of mineral exploration in Colombia and the United States of America. As such, management has organized the Company's reportable segments by geographic area. The Colombia segment is responsible for that country's mineral exploration and production activities while the Canadian segment manages corporate head office activities. Information concerning Quia's reportable segments is as follows:

	September 30, 2014	December 31, 2013
	$	$
Consolidated net loss (income)		
Canada	**178,149**	529,663
United States of America	**830**	125,081
Colombia	**(267,258)**	556,266
	(88,279)	1,211,010
Significant non-cash items		
Share based payments		
Canada	**6,250**	3,800
	6,250	3,800

As at,	**September 30, 2014**	December 31, 2013
Total assets		
Canada	**103,419**	76,602
Colombia	**-**	68,602
	103,419	145,204

16. RELATED PARTY TRANSACTIONS AND KEY MANAGEMENT COMPENSATION

Related party transactions and key management compensation are as follows:

During the nine month period ended September 30, 2014, $12,500 (2013 - $12,500) was paid for rent to Foundation Opportunities Inc. ("FOI"), a company in which the Secretary and Director and CEO and Director of the Company are directors and have an indirect interest. At September 30, 2014 included in due to related parties is $23,865 (December 31, 2013 - $28,606) payable to FOI.

During the nine month period ended September 30, 2014, $8,000 (2013 - $36,000) was paid for consulting fees to Cavalry Corporate Solutions Inc. ("Cavalry") for CFO, book keeping and administrative services, a company in which the Secretary and Director of the Company has an indirect interest and in which the CEO and Director is a director and has an indirect interest. As of February 2014, the agreement has been terminated. At September 30, 2014 included due to related parties is $22,600 (December 31, 2013 - $75,400) payable to Cavalry.

During the nine month period ended September 30, 2014, $25,107 (2013 - $10,480) was paid for legal fees to a law firm in which the Secretary and Director of the Company is a partner. At September 30, 2014, included in due to related parties is $61,395 (December 31, 2013 - $32,488) payable to this law firm.

During the nine month period ended September 30, 2014, $nil (2013 - $nil) was paid to the former VP of exploration. As at September 30, 2014, $nil (December 31, 2013, $28,840) is included in due to related parties payable to this former VP.

During the nine month period ended September 30, 2014, $nil (2013 - $6,000) was paid to the Vice-President, Business Development and a Director for exploration related costs. As at September 30, 2014, due to related parties included $7,431 (December 31, 2013 - $26,526) payable to this individual.

During the nine month period ended September 30, 2014, $45,000 (2013 - $37,500) was paid for services to the chief executive officer. As at September 30, 2014, $93,500 (December 31, 2013, $99,446) is included in due to related parties due to this individual.

During the nine month period ended September 30, 2014, $35,000 (2013 - $nil) was paid for management, accounting and administrative services provided by Branson Corporate Services ("Branson"). Branson is an entity in which FOI owns 49% of the shares. The Company and Branson entered into a management services agreement which includes the services of the Company's Chief Financial Officer. As at September 30, 2014 $39,550 (December 31, 2013 - $nil) is included in accounts payable and accrued liabilities in relation to Branson.

During the nine month period ended September 30, 2014, $nil (2013 - $30,000) was paid for services to the former chief financial officer. As at September 30, 2014, $60,200 (December 31, 2013 - $60,200) is included in due to related parties is payable to the former chief financial officer.

As of September 30, 2014, the Company received non-secured loans of $127,500 from various directors at the rate of 10% per annum payable at the closing of a financing. As at September 30, 2014, $22,552 (December 31, 2013 - $112,000) is included as loan and interest payable.

During 2013, the Company received non-secured loans of $35,000 from the former CFO at the rate of 10% per annum payable at the closing of a financing. As at September 30, 2014, $30,000 (December 31, 2013 - $30,000) is included in loans and interest payable relating to principal.

(Expressed in Canadian Dollars)

16. RELATED PARTY TRANSACTIONS AND KEY MANAGEMENT COMPENSATION, (continued)

During 2013, the Company received non-secured loans of $269,200 from the CEO at the rate of 10% per annum payable at the closing of a financing. As at September 30, 2014, $152,267 (December 31, 2013 - $152,978) is included in loans and interest payable relating to principal.

Interest payable related to the above loans as at September 30, 2014 amounts to $33,902 (December 31, 2013 - $9,921).

During the nine month period ended September 30, 2014, 3,105,525 shares were issued to related parties for settlements of outstanding fees and loans to the following: $94,030 to Foundation Opportunities Inc., $61,840 to Cavalry Corporate Solutions, $19,095 to William Richard Brown, $34,798 to Iain Kelso and $7,610 to Ping Lin.

All key management compensation has been included above.

17. CONVERTIBLE DEBENTURES

On June 17, 2014, the Company closed its non-brokered private placement of secured convertible debentures for total gross proceeds of $340,284. These debentures were issued at face value and are convertible, at the option of the holder, at any time prior to the maturity date, into common shares of the Company at a conversion price equal to $0.10 per common share. The debentures mature 3 years from the closing date. The debentures are secured by the shares currently owned by the Company in the capital stock of 2243734 Ontario Ltd which owns the Company's interest in the Murdock Mountain property.

The rate of interest on the Debentures is 14% per annum, payable semi annually in equal installments on December 31, and June 30, of each year beginning on December 31, 2014 in common shares of the Company.

As an incentive for purchasing Debentures, the Company issued to subscribers 6,667 bonus warrants for every $1,000 of Debentures purchased, which resulted in the issuance 2,268,689 bonus warrants. Each bonus warrant is exercisable into shares at a price of $0.15 per Share (post-Consolidation), for a period of 3 years from the closing date and had a value of $59,200 (see note 9 for estimates used in the valuation of warrants). The warrant value of $59,200 has been recognized in equity for the nine month period ended September 30, 2014.

The debentures are classified as a liability, with the exception of the portion relating to the conversion feature, resulting in the carrying value of the debenture being less than face value. The discount is being accreted over the term of the debenture utilizing the effective interest rate method at a 15% discount rate.

The following table reflects the continuity of convertible debentures for the nine month period ended September 30, 2014.

Nine month period ended,	September 30, 2014
Debentures issued	$ 340,284
Transaction costs relating to convertible debentures - warrants	(59,200)
Transaction costs relating to convertible debentures - cash	(3,001)
Conversion component of convertible debenture – net of issue cost	(7,686)
Accretion expense	10,221
	$ 280,618

(Expressed in Canadian Dollars)

18. DISCONTINUED OPERATIONS

On June 19, 2014, the Company entered into an agreement to sell its wholly-owned subsidiary, San Lucas Gold Corp. ("San Lucas"), to Enneract Corporation ("Enneract"), a private Panamanian company. San Lucas Gold Corp holds 100% of Quia's Colombia-based mining interests. The transaction closed on July 18, 2014.

Pursuant to the terms of the agreement, Quia will receive a number of common shares equaling $1 and resulting in an equity ownership of 5% of Enneract, as well as a 2% net smelter return royalty, of which Enneract can buy back half for US$ 500,000. In addition, Quia has a right to participate in financings of Enneract to maintain its pro-rata position and a right of first refusal with respect to the sale or joint-venture of the property.

Assets and liabilities related to San Lucas have been classified as held for sale and measured at the lower of carrying amount and fair value less costs to sell in the consolidated statements of financial position. The operating results for the three and nine months period ended September 30, 2014 and 2013 related to San Lucas have been presented separately as the loss from discontinued operations in the consolidated statements of operations.

During the period ended September 30, 2014, the Company recognized a gain on disposal of $500,023 that resulted from the estimated fair value of the consideration received in the transaction exceeding the net carrying value of the San Lucas net liabilities, measured at July 18, 2014. The gain on disposal has been included in net earnings from discontinued operations in the Consolidated Statements of Income and Comprehensive Income.

The carrying value of major classes of assets and liabilities as well as fair value of consideration as at the date of disposal were as follows:

Cash	$	(6,418)
Prepaid expenses		17,035
Property, plant and equipment		31,005
Trade and other payables		(514,956)
Provisions		(26,688)
Net carrying value	$	(500,022)
Enneract shares	$	1
2% net smelter return royalty		-
Total fair value of consideration received	$	1

The Company determined the fair value of the 2% net smelter return royalty using a valuation model, which is based upon on the combined free cash flow expected to be generated from the San Lucas mine. The fair value of the royalty is indeterminable as there is no assurance that the current exploration program will result in profitable operations.

(Expressed in Canadian Dollars)

18. DISCONTINUED OPERATIONS, (continued)

The breakdown of the gain (loss) for the three and nine months ended September 30, 2014 and 2013 from discontinued operations is as follows:

		Three month period ended September 30, 2014	Three month period ended September 30, 2013	**Nine month period ended September 30, 2014**	Nine month period ended September 30, 2013
Exploration and evaluation	$	**-**	(39,685)	**(105,964)**	(292,641)
Office and general		**-**	(23,719)	**(57,343)**	(98,075)
Management and consulting		**-**	-	**(10,153)**	-
Salaries and benefits		**-**	(6,530)	**(26,047)**	(19,883)
Foreign exchange		**-**	(39)	**(34,088)**	(26,350)
Loss from discontinued operations		**-**	(69,973)	**(233,595)**	(436,949)
Gain on disposal	$	**500,023**	-	**500,023**	-
Net earnings (loss) from discontinued operations	**$**	**500,023**	(69,973)	**266,428**	(436,949)

19. SUBSEQUENT EVENT

On October 19, 2014, the Company entered into an amending agreement to the Option Agreement as described in Note 6. The amending agreement extends the earn-in time frame by 6 months and provides for further automatic extensions based upon the timelines for the Bureau of Land Management to conclude their sage grouse study being conducted for the state of Nevada and northeastern California, which encompasses the Murdock Mountain area. In conjunction with the amending agreement, the optionor withdrew the statement of claim that had been filed on April 24, 2014, in BC Small Claims Court against the Company in the amount of $23,769.