CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED
MARCH 31, 2016
(UNAUDITED)

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying unaudited condensed interim financial statements of Drone Delivery Canada Inc.. (the "Company") are the responsibility of management and the Board of Directors.

The unaudited condensed interim 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 unaudited condensed interim 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 unaudited condensed interim financial statements have been prepared within acceptable limits of materiality and are in accordance with International Accounting Standard 34 - Interim Financial Reporting using accounting policies consistent with International Financial Reporting Standards appropriate in the circumstances.

Management has established processes, which are in place to provide it with sufficient knowledge to support management representations that it has exercised reasonable diligence in that (i) the unaudited condensed interim financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of, and for the periods presented by, the unaudited condensed interim financial statements and (ii) the unaudited condensed interim financial statements fairly present in all material respects the financial condition, results of operations and cash flows of the Company, as of the date of and for the periods presented by the unaudited condensed interim financial statements.

The Board of Directors is responsible for reviewing and approving the unaudited condensed interim 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 condensed interim 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 condensed interim 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.

NOTICE TO READER

The accompanying financial statements of the Company have been prepared by and are the responsibility of management. The financial statements have not been reviewed by the Company's auditors.

Drone Delivery Canada Inc.

CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION
(EXPRESSED IN CANADIAN DOLLARS)
(UNAUDITED)

As at		**March 31, 2016**		December 31, 2015
ASSETS				
Current				
Cash	**$**	**306,026**	$	393,905
Sundry prepaid and receivables		**95,180**		35,333
		401,206		429,238
Equipment (Note 3)		**53,552**		51,837
TOTAL ASSETS	**$**	**454,758**	$	481,075
LIABILITIES				
Current				
Accounts payable and accrued liabilities	**$**	**323,850**	$	197,798
Loan (Note 4)		**53,726**		52,479
		377,576		250,277
EQUITY				
Share capital (Note 6)		**1,023,239**		916,865
Share subscriptions		**-**		19,746
Share-based payments reserve		**37,625**		36,127
Deficit		**(983,682)**		(741,940)
		77,182		230,798
TOTAL LIABILITIES AND EQUITY	**$**	**454,758**	$	481,075

Nature of Operations (Note 1)

Approved on Behalf of the Board:

"Tony Di Benedetto"
Director

"Paul Di Benedetto"
Director

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

Drone Delivery Canada Inc.

CONDENSED INTERIM STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(EXPRESSED IN CANADIAN DOLLARS)
(UNAUDITED)

For the Three Months Ended March 31,	**2016**	2015
OPERATING EXPENSES		
Advertising and promotion	**$ 44,370**	$ -
Amortization	**3,461**	-
Consulting	**109,500**	43,750
Freight and delivery	**134**	-
Interest and bank charges	**1,450**	-
Office and general	**48,425**	-
Professional fees	**4,000**	-
Supplies	**30,402**	-
NET LOSS AND COMPREHENSIVE LOSS	**$ (241,742)**	$ (43,750)
Basic and diluted loss per share (Note 8)	**$ (0.00)**	$ (0.00)
Weighted average number of shares outstanding - basic and diluted	**59,780,714**	18,500,000

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

Drone Delivery Canada Inc.

CONDENSED INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(EXPRESSED IN CANADIAN DOLLARS)
(UNAUDITED)

	Number of Shares	Common Shares	Share Subscriptions Received	Share-based Payments Reserve	Deficit	Total
Balance, December 31, 2014	14,125,000	$ 1,412	$ -	$ -	$ (94,920)	$ (93,508)
Net loss for the period	-	-	-	-	-	-
Balance, March 31, 2015	**14,125,000**	**$ 1,412**	**$ -**	**$ -**	**$ (94,920)**	**$ (93,508)**
Balance, December 31, 2015	57,085,714	$ 916,865	$ 19,746	$ 36,127	$ (741,940)	$ 230,798
Private placements (Note 6)	3,464,171	107,872	(19,746)	-	-	88,126
Broker warrants issued (Note 6)	-	(1,498)	-	1,498	-	-
Net loss for the period	-	-	-	-	(241,742)	(241,742)
Balance, March 31, 2016	**60,549,885**	**$ 1,023,239**	**$ -**	**$ 37,625**	**$ (983,682)**	**$ 77,182**

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

Drone Delivery Canada Inc.

CONDENSED INTERIM STATEMENTS OF CASH FLOWS
(EXPRESSED IN CANADIAN DOLLARS)
(UNAUDITED)

For the three months ended March 31,		2016		2015
CASH (USED IN) PROVIDED BY:				
OPERATING ACTIVITIES				
Net loss for the period	$	(241,742)	$	(43,750)
Items not affecting cash:				
Amortization		3,461		-
Net change in non-cash working capital:				
Sundry prepaids and receivables		(59,847)		-
Accounts payable and accrued liabilities		126,052		43,750
Accrued interest on loan payable		1,247		-
		(170,829)		-
INVESTING ACTIVITIES				
Acquisition of equipment		(5,176)		-
FINANCING ACTIVITIES				
Issuance of common shares		88,126		-
CHANGE IN CASH		(87,879)		-
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD		393,905		1,412
CASH AND CASH EQUIVALENTS, END OF PERIOD	$	306,026	$	1,412

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

1. NATURE OF OPERATIONS

Drone Delivery Canada Inc. (the "Company") was incorporated under the Business Corporations Act (Ontario) on August 8, 2014. The Company is a developmental technology company with a focus on designing, developing and implementing a commercially viable drone delivery system within the Canadian geography. The Company's principal office is located at 6175 Highway 7, Unit 10, Vaughan, Ontario L4H 0P6.

As at March 31, 2016, the Company had cash and cash equivalents of $306,026 (December 31, 2015 - $393,905) and working capital of $23,630 (December 31, 2015 - $178,961). Management of the Company believes that it has sufficient funds to pay its ongoing administrative expenses and its liabilities for the ensuing twelve months as they normally fall due.

On January 19, 2016, the Company and Asher Resources Corporation entered into an amalgamation agreement whereby the Company would become a reporting issuer listed on the Canadian Securities Exchange. It is intended that following completion of the transaction former Company shareholders will hold approximately 87% of the resulting issuer and Asher Resources Corporation shareholders will hold approximately 13% of the resulting issuer and the resulting issuer will continue as a technology company and carry on the business of the Company.

On June 6, 2016, the Company completed the amalgamation transaction with Asher Resources Corporation, and on June 16, 2016, the Company commenced trading on the Canadian Securities Exchange under the symbol FLT.

2. ACCOUNTING POLICIES

Statement of Compliance

These condensed interim financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting. Accordingly, they do not include all of the information required for full annual financial statements required by IFRS as issued by IASB and interpretations issued by IFRIC. These condensed interim financial statements should be read in conjunction with the Company's audited financial statements for the year ended December 31, 2015.

These condensed interim financial statements were authorized for issuance by the Board of Directors of the Company on June 16, 2016.

Basis of Presentation

These unaudited condensed interim financial statements have been prepared on a historical cost basis, except for financial instruments which are measured at fair value. In addition, these financial statements have been prepared using the accrual basis of accounting except for cash flow information.

In the preparation of these unaudited condensed interim financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of expenses during the period. Actual results could differ from these estimates.

2. ACCOUNTING POLICIES (Continued)

Future Accounting Changes

The following standards have not yet been adopted and are being evaluated to determine their impact on the Company's financial statements.

(i) IFRS 9 – Financial Instruments ("IFRS 9") was issued by the IASB in October 2010 and in its final form in June 2014 and will replace IAS 39 - Financial Instruments: Recognition and Measurement ("IAS 39"). IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward unchanged to IFRS 9. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. IFRS 9 will be effective as at January 1, 2018. The Company intends to adopt the standard on its effective date.

(ii) IFRS 15 - Revenue from Contracts with Customers. The standard is effective for annual periods beginning on or after January 1, 2018. IFRS 15 specifies how and when to recognize revenue as well as requires entities to provide users of financial statements with more informative, relevant disclosures.

The standard supersedes IAS 18 - Revenue, IAS 11 - Construction Contracts, and a number of revenue related interpretations. The new standard will apply to nearly all contracts with customers; the main exceptions are leases, financial instruments and insurance contracts.

(iii) In January 2016, the IASB issued IFRS 16, Leases (IFRS 16). IFRS 16 is effective for periods beginning on or after January 1, 2019, with early adoption permitted. IFRS 16 eliminates the current dual model for lessees, which distinguishes between on-balance sheet finance leases and off-balance sheet operating leases. Instead, there is a single, on-balance sheet accounting model that is similar to current finance lease accounting. The extent of the impact of adoption of IFRS 16 has not yet been determined.

3. EQUIPMENT

Cost		**Lab**		**Office**		**Total**
Balance, December 31, 2015	$	5,648	$	56,949	$	62,597
Additions		3,198		1,978		5,176
Balance, March 31, 2016	**$**	**8,846**	**$**	**58,927**	**$**	**67,773**
Accumulated Depreciation						
Balance, December 31, 2015	$	672	$	10,088	$	10,760
Depreciation		409		3,052		3,461
Balance, March 31, 2016	**$**	**1,081**	**$**	**13,140**	**$**	**14,221**
Carrying Value						
At December 31, 2015		4,976		46,861		51,837
At March 31, 2016		**7,765**		**45,787**		**53,552**

4. LOAN PAYABLE

On July 3, 2015 the Company received a loan of $50,000 from a corporation controlled by a director. The loan is due on demand, is unsecured, and bears interest at 10% per annum. As at March 31, 2016, the loan had accrued interest of $3,726 (December 31, 2015 - $2,479).

5. COMMITMENTS AND CONTINGENCIES

On January 1, 2016, the Company entered into an office lease agreement with a corporation controlled by a director to lease office space at $ 57,000 to $ 60,750 per year. The lease commences January 1, 2016 and expires on January 1, 2021.

6. CAPITAL STOCK

(a) AUTHORIZED

Unlimited number of common shares

(b) ISSUED

	Shares		Amount
Balance - December 31, 2014 and March 31, 2015	**18,500,000**	**$**	**370,000**
Balance - December 31, 2015	57,085,714	$	916,865
Private placements	3,464,171		107,872
Broker warrants - valuation	-		(1,498)
Balance - March 31, 2016	**60,549,885**	**$**	**1,023,239**

i) On January 5, 2016, the Company closed the second tranche of its private placement financing consisting of 1,464,171 common shares for aggregate gross proceeds of $ 51,246.

ii) On January 7, 2016, the Company closed the third tranche of its private placement financing consisting of 1,000,000 common shares for aggregate gross proceeds of $ 35,000.

iii) On February 24, 2016, the Company closed the fourth and final tranche of its private placement financing consisting of 1,000,000 common shares for aggregate gross proceeds of $ 35,000.

In connection with the closing of the private placement the Company issued an additional 34,285 broker warrants entitling the holder to purchase 34,285 common shares at a price of $0.10 per share on or before January 5, 2017. The Company also paid $1,200 in broker commissions and additional finders' fees of $12,174 in association with the private placement. Included in the finders' fees is $6,695 to the President of the Company.

The 34,285 broker warrants issued in connection with this private placement were assigned a grant date fair value of $1,498 using the Black-Scholes option pricing model, based on a risk-free rate of 0.42%, an expected life of 1 year, an expected volatility of 115% and an expected dividend yield of 0%.

7. WARRANTS

The following table reflects the continuity of warrants for the three months ended March 31, 2016 and 2015:

	Number of Stock Options Outstanding	Weighted Average Exercise Price
Balance - December 31, 2014 and March 31, 2015	**-**	**$ -**
Balance - December 31, 2015	**512,000**	**$ 0.10**
Granted	34,285	0.10
Balance - December 31, 2015	**546,285**	**$ 0.10**

The following table reflects warrants outstanding as at March 31, 2016:

Expiry Date	Exercise Price	Weighted Average Life Remaining	Warrants Outstanding	Black-Scholes Value
December 18, 2016	$ 0.10	0.75 years	512,000	$ 36,127
January 5, 2017	0.10	0.76 years	34,285	1,498
	$ 0.10	0.75 years	546,285	$ 37,625

8. BASIC AND DILUTED EARNINGS (LOSS) PER SHARE

Basic loss per share is computed using the weighted average number of common shares outstanding during the period. Diluted loss per share, which reflects the maximum possible dilution from the potential exercise of warrants and stock options, is the same as basic loss per share for the periods ended March 31, 2016 and 2015.

9. RELATED PARTY TRANSACTIONS AND BALANCES

a) As at March 31, 2016 included in accounts payable and accrued liabilities is $nil (December 31, 2015 - $18,425) payable to President of the Company for finder's fees in connection with private placements.

b) During three months ended March 31, 2016, the Company incurred $43,750 plus HST (three months ended March 31, 2015 - $43,750) in service fees, to a corporation controlled by a director, for developing the business operations strategy of the Company. On November 24, 2015, $280,000 included in accounts payable and accrued liabilities was exchanged for common shares. As at March 31, 2016, $56,420 (December 31, 2015 - $12,670) remains unpaid and is included in accounts payable and accrued liabilities. During the three months ended March 31, 2016, the Company incurred $27,000 plus HST (three months ended March 31, 2015 - $nil)) in consulting fees, to a corporation controlled by the VP of Business Development, for developing the business operations strategy of the Company. On November 24, 2015, $90,000 included in accounts payable and accrued liabilities were exchanged for common shares. As at March 31, 2016, $38,700 (December 31, 2015 - $11,700), remains unpaid and is included in accounts payable and accrued liabilities.

c) As at March 31, 2016, $100,009 (December 31, 2016 - $109,009) is included in accounts payable and accrued liabilities to the chief executive officer and chief technology officer for expense and equipment purchase reimbursements.

The above noted transactions are in the normal course of business and are measured at the exchange amount, as agreed to by the parties, and approved by the Board of Directors in strict adherence to conflict of interest laws and regulations.

10. SUBSEQUENT EVENTS

On June 6, 2016, the Company completed the amalgamation transaction with Asher Resources Corporation, and on June 16, 2016, the Company commenced trading on the Canadian Securities Exchange under the symbol FLT.