

**SQUIRE MINING LTD.**

(An Exploration Stage Company)

CONDENSED INTERIM FINANCIAL STATEMENTS

For the six months ended April 30, 2015

(Stated in Canadian Dollars)

(Unaudited – Prepared by Management)

#### NOTICE TO READER

The accompanying financial statements for the quarter ended April 30, 2015 and 2014 and as at April 30, 2015 and October 31, 2014 have been prepared by management and have not been reviewed or audited by the Company's auditors.

**SQUIRE MINING LTD.**  
(An Exploration Stage Company)  
**CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION**  
April 30, 2015 and October 31, 2014  
(Stated in Canadian Dollars)  
(Unaudited – Prepared by Management)

	<u>April 30,</u> <u>2015</u>	<u>October 31,</u> <u>2014</u>
<b><u>ASSETS</u></b>		
Current		
Cash and cash equivalents	\$ 271,260	\$ 298,559
GST receivable	<u>3,186</u>	<u>261</u>
	274,446	298,820
Deferred finance cost – Note 9	19,375	-
Exploration and evaluation assets – Note 5	<u>8,647</u>	<u>8,647</u>
	<u>\$ 302,468</u>	<u>\$ 307,467</u>
<b><u>LIABILITIES</u></b>		
Current		
Accounts payable	\$ 29,013	\$ 8,094
Accrued liabilities	11,725	13,100
Due to related parties – Notes 6 and 8	<u>-</u>	<u>120</u>
	<u>40,738</u>	<u>21,314</u>
<b><u>SHAREHOLDERS' EQUITY</u></b>		
Share capital – Notes 5, 6 and 9	330,601	318,001
Reserve – Note 6	126,250	-
Accumulated deficit	<u>(195,121)</u>	<u>(31,848)</u>
	<u>261,730</u>	<u>286,153</u>
	<u>\$ 302,468</u>	<u>\$ 307,467</u>

SEE ACCOMPANYING NOTES

**SQUIRE MINING LTD.**  
(An Exploration Stage Company)  
**CONDENSED INTERIM STATEMENTS OF COMPREHENSIVE LOSS**  
for the three and six months ended April 30, 2015 and 2014  
(Stated in Canadian Dollars)  
(Unaudited – Prepared by Management)

	Three months ended April 30,		Six months ended April 30,	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
General and administrative expenses				
Accounting and audit fees	\$ 900	\$ -	\$ 1,800	\$ -
Bank charges	-	6	142	12
Consulting fees	1,000	-	1,000	-
Filing fees	15,123	-	15,123	-
Legal fees	24,719	-	42,883	-
Office and miscellaneous	781	-	1,075	-
Share based compensation – Note 6	<u>-</u>	<u>-</u>	<u>101,250</u>	<u>-</u>
Net loss and comprehensive loss for the period	<u>\$ (42,523)</u>	<u>\$ (6)</u>	<u>\$ (163,273)</u>	<u>\$ (12)</u>
Basic and diluted loss per common share	<u>\$ (0.00)</u>	<u>\$ (0.00)</u>	<u>\$ (0.00)</u>	<u>\$ (0.00)</u>
Weighted average number of common shares outstanding	<u>19,152,001</u>	<u>5,625,825</u>	<u>19,045,601</u>	<u>5,625,825</u>

SEE ACCOMPANYING NOTES

**SQUIRE MINING LTD.**  
(An Exploration Stage Company)  
**CONDENSED INTERIM STATEMENTS OF CASH FLOWS**  
for the six months ended April 30, 2015 and 2014  
(Stated in Canadian Dollars)  
(Unaudited – Prepared by Management)

	Six months ended April 30,	
	<u>2015</u>	<u>2014</u>
<b>Operating Activities</b>		
Net loss for the period	\$ (163,273)	\$ (12)
Item not affecting cash:		
Share based compensation	101,250	-
Changes in non-cash working capital items related to operations:		
GST receivable	(2,925)	-
Accounts payable	20,919	-
Accrued liabilities	(1,375)	-
Due to related parties	(120)	-
	<u>(45,524)</u>	<u>(12)</u>
<b>Financing Activities</b>		
Deferred finance cost	(19,375)	-
Additional capitalization for seed shares	25,000	-
Shares issued for cash	<u>12,600</u>	<u>-</u>
	<u>18,225</u>	<u>-</u>
Decrease in cash during the period	(27,299)	(12)
Cash and cash equivalents, beginning of the period	<u>298,559</u>	<u>11,119</u>
Cash and cash equivalents, end of the period	<u>\$ 271,260</u>	<u>\$ 11,107</u>
<b>Cash and cash equivalents consist of:</b>		
Cash	\$ 271,260	\$ 5,177
Cash held in trust	<u>-</u>	<u>5,930</u>
	<u>\$ 271,260</u>	<u>\$ 11,107</u>

SEE ACCOMPANYING NOTES

**SQUIRE MINING LTD.**  
(An Exploration Stage Company)  
CONDENSED INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY  
for the period from March 23, 2011 (date of incorporation) to April 30, 2015  
(Stated in Canadian Dollars)  
(Unaudited – Prepared by Management)

	<u>Number of Common Shares</u>	<u>Amount</u>	<u>Share Subscriptions</u>	<u>Reserve</u>	<u>Deficit</u>	<u>Total</u>
For cash						
Incorporator share - \$0.10	1	\$ 1	\$ -	\$ -	\$ -	\$ 1
Share subscriptions	-	-	10,000	-	-	10,000
Net loss and comprehensive loss for the period	-	-	-	-	(2,224)	(2,224)
Balance, October 31, 2011	1	1	10,000	-	(2,224)	7,777
For cash, seed shares - \$0.005	5,000,000	25,000	(10,000)	-	-	15,000
Net loss and comprehensive loss for the year	-	-	-	-	(11,102)	(11,102)
Balance, October 31, 2012	5,000,001	25,001	-	-	(13,326)	11,675
Net loss and comprehensive loss for the year	-	-	-	-	(4,996)	(4,996)
Balance, October 31, 2013	5,000,001	25,001	-	-	(18,322)	6,679

SEE ACCOMPANYING NOTES

**SQUIRE MINING LTD.**  
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**CONDENSED INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**  
for the period from March 23, 2011 (date of incorporation) to April 30, 2015  
(Stated in Canadian Dollars)  
(Unaudited – Prepared by Management)

	<u>Number of Common Shares</u>	<u>Amount</u>	<u>Share Subscriptions</u>	<u>Reserve</u>	<u>Deficit</u>	<u>Total</u>
Net loss and comprehensive loss for the period	-	-	-	-	(12)	(12)
Balance, April 30, 2014	5,000,001	25,001	-	-	(18,334)	6,667
For cash						
Seed shares - \$0.02	13,400,000	268,000	-	-	-	268,000
- \$0.05	500,000	25,000	-	-	-	25,000
Net loss and comprehensive loss for the period	-	-	-	-	(13,514)	(13,514)
Balance, October 31, 2014	18,900,001	318,001	-	-	(31,848)	286,153
For cash						
Seed shares - \$0.05	252,000	12,600	-	-	-	12,600
Additional consideration for seed shares – Note 6	-	-	-	25,000	-	25,000
Share based compensation	-	-	-	101,250	-	101,250
Net loss and comprehensive loss for the period	-	-	-	-	(163,273)	(163,273)
Balance, April 30, 2015	<u>19,152,001</u>	<u>\$ 330,601</u>	<u>\$ -</u>	<u>\$ 126,250</u>	<u>\$ (195,121)</u>	<u>\$ 261,730</u>

SEE ACCOMPANYING NOTES

**SQUIRE MINING LTD.**  
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS  
April 30, 2015  
(Stated in Canadian Dollars)  
(Unaudited – Prepared by Management)

Note 1 Nature of Operations

The Company is a mineral property exploration company that is planning an initial public offering (“IPO”) of its shares and intends to list on the Canadian Securities Exchange (“CSE”) (Note 9). On March 18, 2015, the Company received a receipt from the BCSC, ASC and OSC for its IPO dated March 17, 2015. As such, the Company has become a reporting issuer in British Columbia, Alberta and Ontario.

The Company has an option agreement to earn an interest in a mineral property located near Quesnel, British Columbia (Note 5) and has not yet determined whether this property contains reserves that are economically recoverable. The recoverability of amounts from the property is dependent upon the discovery of economically recoverable reserves, confirmation of the Company’s interest in the underlying property, the ability of the Company to obtain necessary financing to satisfy the expenditure requirements under the property option agreement and to complete the development of the property and upon future profitable production or proceeds for the sale thereof.

Squire Mining Ltd. (the “Company”) was incorporated under the Business Corporations Act (British Columbia) on March 23, 2011. On January 13, 2015 the Company changed its name from 0906251 B.C. Ltd. to Squire Mining Ltd.

The address of the Company’s corporate office and principal place of business is c/o Suite 404 – 815 Hornby Street, Vancouver, BC, V6Z 2E6 and the address of its records office is Suite 650 – 1188 West Georgia Street, Vancouver, BC, V6E 4A2.

Note 2 Basis of Preparation

a) Statement of Compliance

These condensed interim financial statements, including comparatives, have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”), Interpretations issued by the International Financial Reporting Interpretations Committee (“IFRIC”) and in accordance with International Accounting Standard (“IAS”) 34 Interim Financial Reporting and which were in effect as of April 30, 2015.

The condensed interim financial statements were authorized for issue by the Board of Directors on June 16, 2015.



**Squire Mining Ltd.**

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Notes to the Condensed Interim Financial Statements

April 30, 2015

(Stated in Canadian Dollars)

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Note 2 Basis of Preparation – (cont'd)

b) Going Concern

The condensed interim financial statements are prepared on a going concern basis, which assumes that the Company will be able to meet its obligations and continue its operations for its next twelve months. Realization values may be substantially different from carrying values as shown and these condensed interim financial statements do not give effect to adjustments that would be necessary to the carrying values and classification of assets and liabilities should the Company be unable to continue as a going concern.

c) Basis of Measurement

These condensed interim financial statements have been prepared using the historical cost basis in Canadian dollars, which is the Company's functional currency.

The preparation of financial statements in compliance with IFRS requires management to make certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies. The areas involving higher degree of judgement of complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4.

Note 3 Significant Accounting Policies

The preparation of financial data is based on accounting principles and practices consistent with those used in the preparation of the audited financial statements as at October 31, 2014. The accompanying unaudited condensed interim financial statements should be read in conjunction with the Company's audited financial statements for the year ended October 31, 2014.

Accounting standards and amendments issued not yet effective

The following new standard and interpretation is not yet effective and has not been applied in preparing these financial statements. The Company is currently evaluating the potential impacts of this new standard; however, the Company does not expect it to have a significant effect on the financial statements.

IFRS 9, *Financial Instruments (effective January 1, 2018)* introduces new requirements for the classification and measurement of financial assets, and will replace 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 classification options available in IAS 39.

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Notes to the Condensed Interim Financial Statements

April 30, 2015

(Stated in Canadian Dollars)

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Note 4      Use of Estimates and Judgments

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period.

Information about critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the condensed interim financial statements is included in the following note:

i) Exploration and evaluation expenditure

The carrying value and the recoverability of exploration and evaluation assets, which are included in the statements of financial position, utilize the cost model and the carrying value of the exploration and evaluation assets is based on the expenditures incurred. Management regularly tests for recoverability whenever events or changes in circumstances indicate that its carrying amount may not be recoverable. Impairment of exploration and evaluation assets is generally considered to have occurred if one of the following factors are present: the rights to explore have expired or are near to expiry with no expectation of renewal, no further substantive expenditures are planned, exploration and evaluation work is discontinued in an area for which commercially viable quantities have not been discovered, indications in an area with development likely to proceed that the carrying amount is unlikely to be recovered in full by development or by sale.

ii) Share-based payment transactions

The Company measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the share option, volatility, dividend yield, forfeiture rate and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 6.

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Notes to the Condensed Interim Financial Statements

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(Stated in Canadian Dollars)

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Note 5 Exploration and Evaluation AssetsStar Property

	Balance October 31, 2013	Additions	Balance, October 31, 2014	Additions	Balance, April 30, 2015
Acquisition cost	\$ -	\$ 2,000	\$ 2,000	\$ -	\$ 2,000
Deferred exploration cost					
Assays	-	3,069	3,069	-	3,069
Geological	-	3,300	3,300	-	3,300
Supplies	-	278	278	-	278
	-	6,647	6,647	-	6,647
Balance, ending	<u>\$ -</u>	<u>\$ 8,647</u>	<u>\$ 8,647</u>	<u>\$ -</u>	<u>\$ 8,647</u>

By a mineral property option agreement dated October 5, 2013 and amended on December 5, 2014, the Company may acquire up to a 100% interest in the Star Property. This property consists of six mineral tenures and is located approximately 80 kilometres west southwest of Quesnel, British Columbia.

In order to earn a 51% interest in the Star Property, the Company shall pay \$78,000 in cash and incur \$885,000 in exploration work as follows:

Date	Payment	Exploration Work
Upon completion of \$0.02 financing (Paid)	\$ 2,000	\$ -
Upon CSE listing date (“Listing Date”)	6,000	-
Twelve months after Listing Date	10,000	35,000
Eighteen months after Listing Date	10,000	-
Twenty-four months after Listing Date	10,000	100,000
Thirty months after Listing Date	10,000	-
Thirty-six months after Listing Date	10,000	250,000
Forty-two months after Listing Date	10,000	-
Forty-eight months after Listing date	10,000	500,000
	<u>\$ 78,000</u>	<u>\$ 885,000</u>

**Squire Mining Ltd.**

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(Stated in Canadian Dollars)

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Note 5 Exploration and Evaluation Assets – (cont'd)

The Company may earn an additional 10% interest in the Star Property by completing a pre-feasibility study and a further 9% interest upon successful completion of a senior financing required to put the Star Property into production. The Company also has the option to purchase 100% of the property for the issuance of 250,000 common shares of the Company at any time up to 12 months from the Listing Date.

Should the Company acquire 100% of the property the optionor will retain a 2% Net Smelter Returns ('NSR') royalty. One half of this royalty may be purchased by the Company at any time prior to the commencement of commercial production for \$500,000.

The Company also agreed to complete sufficient assessment work until the Listing Date, to a maximum of \$5,000 per year, to keep the mineral tenures in good standing.

Prior to October 5, 2013, the date of the option agreement, the Company incurred an aggregate total of \$26,948 in costs related to the evaluation of the Star Property, which have been previously expensed to the Statement of Loss and Comprehensive Loss.

Note 6 Share Capital – Notes 5, 6 and 9

a) Authorized:

Unlimited common shares without par value

b) Issued:

During the six month period ended April 30, 2015

On January 16, 2015, the Company issued 252,000 common shares at \$0.05 per share for total proceeds of \$12,600.

On March 13, 2015, shareholders that had paid \$0.005 per share for 5,000,000 common shares, agreed to further capitalize the Company in an additional aggregate amount of \$25,000, pursuant to the requirements of regulatory authorities in connection with the Company obtaining a receipt for the Initial Public Offering ("IPO"). These funds were recorded within the reserve account for accounting purposes.

During the year ended October 31, 2014

On October 14, 2014, the Company issued 13,400,000 common shares at \$0.02 per share for total proceeds of \$268,000.

On October 29, 2014, the Company issued 500,000 common shares at \$0.05 per share for total proceeds of \$25,000.

**Squire Mining Ltd.**

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Notes to the Condensed Interim Financial Statements

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(Unaudited – Prepared by Management) – Page 6Note 6 Share Capital – Notes 5, 6 and 9 – (cont'd)c) Escrow:

Pursuant to an escrow agreement dated March 12, 2015, 16,500,001 common shares will be placed into escrow to be released as to 10% on the Listing Date with the remaining 90% to be released in equal tranches at six-month intervals over the 36 months following the Listing Date.

e) Share-based Compensation:

The Company has a share-based compensation plan whereby share purchase options are granted in accordance with the policies of regulatory authorities at an exercise price equal to the market price of the Company's shares on the date of the grant and, unless otherwise stated, vest on the grant date and with a term not to exceed five years. Under the plan, the board of directors may grant up to 10% of the issued number of shares outstanding as at the date of the share purchase option grant.

On January 13, 2015 and January 19, 2015, the Company granted share purchase options to directors of the Company and the exploration manager of the Company entitling the holders thereof the right to purchase up to 1,000,000 and 125,000 common shares, respectively at \$0.12 per share. These options expire on March 31, 2020 and are subject to regulatory approval. The Company recorded a fair value of \$101,250 utilizing the Black-Scholes option pricing model with the following assumptions – Risk-free interest rate of 0.69%; Dividend yield of Nil; Expected volatility of 100%; Expected life of 5.17 years. The forfeiture rate was 0%.

A summary of the Company's share purchase options outstanding at April 30, 2015 are presented below:

	<u>Options</u>	<u>Weighted Average Exercise Price</u>
Outstanding and exercisable at October 31, 2014	-	-
Granted	<u>1,125,000</u>	\$0.12
Outstanding and exercisable at April 30, 2015	<u>1,125,000</u>	\$0.12

As at April 30, 2015, share purchase options outstanding have a weighted average remaining contractual life of 4.92 years.

**Squire Mining Ltd.**

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Notes to the Condensed Interim Financial Statements

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(Stated in Canadian Dollars)

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Note 7 Financial Instruments and Risk Management

The Company is exposed through its operations to the following financial risks:

Market Risk

Credit Risk

Liquidity Risk

In common with all other businesses, the Company is exposed to risks that arise from its use of financial instruments. This note describes the Company's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

There have been no substantive changes in the Company's exposure to financial instrument risks, its objectives, policies and process for managing those risks or the methods used to measure them from previous years unless otherwise stated in this note.

a) Market Risk:

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices and are comprised of foreign currency risk and interest rate risk.

b) Foreign Currency Risk:

Foreign currency risk is the risk that a variation in exchange rates between the Canadian dollar and other foreign currencies will affect the Company's operations and financial results. The Company does not have significant exposure to foreign exchange rate fluctuation.

c) Interest Rate Risk:

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. Interest rate risk is limited to potential decreases on the interest rate offered on cash and cash equivalents held with chartered Canadian financial institutions. The risk that the Company will realize a loss as a result of a decline in the fair value of the cash equivalents is limited because of the short-term nature of the investments.

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(Stated in Canadian Dollars)

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Note 7 Financial Instruments and Risk Management – (cont'd)

d) Credit Risk:

Credit risk is the risk of financial loss to the Company if a customer or a counterparty to a financial instrument fails to meet its contractual obligations. Financial instruments which are potentially subject to credit risk for the Company consists primarily of cash and cash equivalents. Cash and cash equivalents are maintained with financial institutions of reputable credit and may be redeemed upon demand. The Company considers this risk to be minimal.

e) Liquidity Risk:

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The key to success in managing liquidity is the degree of certainty in the cash flow projections. If future cash flows are fairly uncertain, the liquidity risk increases. The Company manages liquidity risk through the management of its capital structure.

Accounts payable, accrued liabilities and due to related parties are due within the current operating year.

As at April 30, 2015, the Company had working capital of \$233,708. The Company does not currently operate any producing properties and as such, may be dependent upon issuance of new equity to advance its exploration properties. If equity financing is required, failure to obtain financing on a timely basis may cause the Company to postpone exploration plans, reduce or terminate its operations.

Determination of Fair Value:

Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

The financial position carrying amounts for cash and cash equivalents, accounts payable and accrued liabilities and due to related parties approximate fair value due to their short-term nature. Due to the use of subjective judgments and uncertainties in the determination of fair values these values should not be interpreted as being realizable in an immediate settlement of the financial instruments.

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Notes to the Condensed Interim Financial Statements

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(Stated in Canadian Dollars)

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Note 7 Financial Instruments and Risk Management – (cont'd)

Fair Value Hierarchy:

Financial instruments that are measured subsequent to initial recognition at fair value are grouped in Levels 1 to 3 based on the degree to which the fair value is observable:

- Level 1 – Applies to assets or liabilities for which there are quoted prices in active markets for identical assets or liabilities.
- Level 2 – Applies to assets or liabilities for which there are inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly such as quoted prices for similar assets or liabilities in active markets or indirectly such as quoted prices for identical assets or liabilities in markets with insufficient volume or infrequent transactions.
- Level 3 – Applies to assets or liabilities for which there are unobservable market data.

Note 8 Related Party Transactions – (Note 6)

As at April 30, 2015, the Company owed \$Nil (October 31, 2014: \$120) to directors of the Company. These loans were provided to cover monthly bank charges. The amounts owed were unsecured, non-interest bearing and were due on demand.

The transactions above are in the normal course of operations and are measured at the agreed to value which represents the amount of consideration established and agreed to by the related parties.

Note 9 Initial Public Offering

On March 17, 2015 the Company entered into an agreement with Jordan Capital Markets Inc. (the “Agent”) to complete an IPO for the issue of 3,000,000 common shares of the Company at \$0.10 per share for gross proceeds of up to \$300,000. The Company completed the IPO on June 12, 2015 and paid the Agent a cash commission of \$30,000 and issued to the Agent broker warrants to purchase 300,000 common shares at \$0.10 per share until December 12, 2016.

The Company also paid the Agent a corporate finance fee of \$25,000 plus GST of which \$12,500 plus GST has been paid prior to April 30, 2015, with the remaining \$12,500 plus GST paid on June 12, 2015. The Company also paid expenses related to the offering, including legal fees and disbursements, of which a retainer of \$6,875 has been paid prior to April 30, 2015. These amounts paid prior to April 30, 2015 were included in deferred finance cost.

The Company common shares are deemed to be listed on the CSE effective June 12, 2015 and trading commenced on June 16, 2015.