Sunset Capital Assets, LLC

Financial Statements
As at and for the years ended December 31, 2013 and 2012

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Board of Directors and Stockholders of Sunset Capital Assets, LLC

We have audited the accompanying balance sheets of Sunset Capital Assets, LLC as of December 31, 2013 and 2012, and the related statements of operations, comprehensive income (loss) **,** stockholders' equity (deficit) and cash flows for each of the three years in the period ended December 31, 2013. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Sunset Capital Assets, LLC at December 31, 2013 and 2012, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2013, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), Sunset Capital Assets, LLC's internal control over financial reporting as of December 31, 2013, based on criteria established in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated September 8, 2014 expressed an unqualified opinion thereon.

/s/ Joern Scholz CPA CA LPA

Toronto, Ontario, Canada
September 8, 2014

Sunset Capital Assets, LLC

Audited

Balance Sheets

	December 31, 2013	December 31, 2012
Assets		
Current		
Cash	$ 14,543	$ 1,432
Loans receivable	57,874	-
Prepaid and sundry assets	3,262	60,703
	75,679	62,135
Capital assets (Note 2)	8,792	7,715
Other assets (Note 5)	573,150,000	573,150,000
Total assets	$ 573,234,471	$ 573,219,850
Liabilities		
Current		
Accounts payable and accrued liabilities	$ 11,300	$ 1,000
Capital Deficiency		
Capital stock (Note 3)	574,554,356	574,523,924
Retained earnings (Deficit)	(1,331,185)	(1,305,074)
	573,223,171	573,218,850
	$ 573,234,471	$ 573,219,850

Approved on behalf of the Board "John F. Watson Jr., CIO" Director "Alan Speck, CEO" Director

See accompanying notes to financial statements

Sunset Capital Assets, LLC

Audited

Statements of Operations and Comprehensive Loss

	Twelve months ended December 31, 2013	Twelve months ended December 31, 2012	Twelve months ended December 31, 2011
Results from operating activities:			
Revenue	$ 203,471	$ -	$ 216,946
Administrative expenses	(23,859)	(20,500)	(13,327)
Consulting fees	(82,384)	(125,750)	(143,669)
Insurance expense	(51,451)	(58,749)	(18,309)
Professional fees	(14,106)	(15,014)	(21,203)
Rent and occupancy expenses	(41,139)	(24,218)	(10,910)
Salaries and benefits	-	-	-
Telecommunications	(3,485)	(3,057)	(1,975)
Travel and promotion	(11,211)	(18,909)	(7,275)
Write-off of organizational costs	-	(932,053)	-
Amortization and depreciation	(1,643)	(17,458)	(57,126)
	(25,807)	(1,215,708)	(56,848)
Finance income and costs:			
Interest and bank charges	(304)	(546)	(278)
	(304)	(546)	(278)
Net loss	(26,111)	(1,216,254)	(57,126)
Other comprehensive loss	-	-	-
Total comprehensive loss	$ (26,111)	$ (1,216,254)	$ (57,126)
Net loss per share (basic and diluted)	$ (0.00)	$ (0.19)	$ (0.01)
Weighted average number of shares	7,019,915	6,331,645	5,591,640

See accompanying notes to financial statements

Sunset Capital Assets, LLC

Audited

Statements of Stockholders' Equity (Deficit)

	Share Capital	Contributed Surplus	Deficit	Accumulated Other Comprehensive Loss	Total Equity
Balance at January 1, 2011	$ 868,124		$ (31,694)		$ 836,430
Total comprehensive income income (loss) for the period					
Loss for the period			(57,126)		(57,126)
Balance at December 31, 2011	868,124		(88,820)		779,304
Total comprehensive income income (loss) for the period					
Loss for the period			(1,216,254)		(1,216,254)
Transactions with owners, recorded directly to equity					
Cancellation of common shares	(861,952)				(861,952)
Issuance of preferred shares	574,517,752				574,517,752
Balance at December 31, 2012	574,523,924		(1,305,074)		573,218,850
Total comprehensive income income (loss) for the period					
Loss for the period			(26,111)		(26,111)
Transactions with owners, recorded directly to equity					
Issuance of common shares	30,432				30,432
Balance at December 31, 2013	$ 574,554,356		$(1,331,185)		$ 573,223,171

See accompanying notes to financial statements

Sunset Capital Assets, LLC

Audited

Statements of Cash Flows

	Twelve months ended December 31, 2013	Twelve months ended December 31, 2012	Twelve months ended December 31, 2011
Cash provided by (used in) Operating Activities:			
Net income (loss)	$ (26,111)	$ (1,216,254)	$ (57,126)
Depreciation	1,643	1,066	1,000
Funds used in operations	(24,468)	(1,215,188)	(56,126)
Net change in working capital	7,147	289,006	73,701
	(17,321)	(926,182)	17,575
Financing Activities:			
Issuance of common shares	30,432	908,121	-
Net change in cash	13,111	(18,061)	17,575
Cash balance, beginning of period	1,432	19,493	1,918
Cash balance, end of period	$ 14,543	$ 1,432	$ 19,493

See accompanying notes to financial statements

1. FUTURE OPERATIONS

The accompanying financial statements have been prepared on the basis of accounting principles applicable to a going concern which presumes the Company will be able to realize its assets and discharge its liabilities in the normal course of business.

The financial statements do not give effect to any adjustments to the amount of assets and liabilities that might be necessary should the Company be unable to continue as a going concern and therefore, be required to realize its assets and discharge its liabilities in other than the ordinary course of business.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Cash and Cash Equivalents

Cash and cash equivalents include cash on account and demand deposits.

Loss Per Share

Basic loss per share is computed using the weighted average number of common shares outstanding during the year. Diluted loss per share is computed using the weighted average number of common and potential common shares outstanding during the year. Potential common shares consist of the incremental common shares issuable upon the exercise of stock options using the treasury stock method.

Use of Estimates

The preparation of these financial statements, in conformity with accounting principles generally accepted in the United States of America, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from these estimates.

Stock Based Compensation

The Company accounts for its stock option plan using the fair value method. The fair value of each stock option granted is estimated on the date of the grant using the Black-Scholes option pricing model and expensed over the service period which equals the vesting period. The stock option expense for the year ended December 31, 2013 was $NIL (2012 -$NIL).

Measurement Uncertainty

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the year. Actual results would differ from those estimates.

Capital Assets

Capital assets are recorded at acquisition cost. The Company provides depreciation as follows:

Furniture and fixtures	20% on declining balance basis
Computers	30% on declining balance basis

	2013			2012
	Cost	Accumulated Depreciation	Net	Net
Furniture and fixtures	$ 8,543	$ 3,486	$ 5,057	$ 6,019
Computer equipment	4,658	923	3,735	1,696
	$ 13,201	$ 4,409	$ 8,792	$ 7,715

Future Income Taxes

The Company uses the asset and liability method of accounting for income taxes. Under the asset and liability method, future tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Future tax assets and liabilities are measured using enacted or substantively enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. Under the asset and liability method, future income taxes are recognized for temporary differences between the tax and financial statement bases of assets and liabilities and for certain carry forward items. Future income tax assets are recognized only to the extent that, in the opinion of management, it is more likely than not that the future income tax assets will be realized. The effect on future tax assets and liabilities of a change in tax rates is recognized in income in the year that includes the date of enactment or substantive enactment.

Foreign Currency Translation

The Company translates its foreign denominated monetary assets and liabilities at the exchange rate prevailing at year-end. Non-monetary assets and liabilities are translated at historic rates. Revenues and expenses are translated at the rate of exchange in effect at the time of the transaction. Exchange gains or losses are included in operations.

3. CAPITAL STOCK

On January 18, 2012, the Company's articles of incorporation were amended to allow the issuance of 50,000,000 common shares and 10,000,000 preferred shares. Common shares issued and fully paid are as follows:

	Common Shares	
	No. of Shares	$
At January 1, 2011	2,795,820,000	868,124
Common shares issued	-	-
At December 31, 2011	2,795,820,000	868,124
Revers split 1-for-500	(2,785,960,355)	-
Cancellation of shares	(4,268,000)	(868,124)
Common shares issued	740,000	6,172
At December 31, 2012	6,331,645	6,172
Common shares issued	688,270	30,432
At December 31, 2013	7,019,915	36,604

	Preferred Shares	
	No. of Shares	$
At January 1, 2011	-	-
Preferred shares issued	-	-
At December 31, 2011	-	-
Preferred shares issued	10,000,000	574,517,752
At December 31, 2012	10,000,000	574,517,752
Total at December 31, 2012		574,523,924
Total at December 31, 2013		574,523,924

On January 26, 2012 the Corporation filed a Certificate of Amendment to the Company's Certificate of Incorporation with the Secretary of State of the State of Nevada to effect a 1-for-500 reverse stock split of its common stock. The reverse stock split will reduce the number of shares of the Company's outstanding common stock, par value $0.0001 per share, from approximately 2.8 billion to approximately 5.6 million.

On March 30, 2012 the Corporation cancelled 4,268,000 common shares.

April 30, 2012, the Company issued 10,000,000 Preferred Shares to complete the acquisition of HAF Investment Holdings, LLC, a Delaware limited liability company, originally announced on January 18, 2012.

In 2013, the Company issued 688,270 Common Shares for $30,432.

4. OPERATING LEASE COMMITMENTS

The Company's main office lease space has monthly payments of $2,801.66. The Company's lease expires in August 2015 with options to terminate or renew.

5. OTHER ASSETS

The Company has a number of fine art, antiquities, and hard assets, none of which are held for trading purposes. The Company estimates that the fair value of all fine art, antiquities, and hard assets at December 31, 2013 did not materially change from the aggregate carrying values of its antiquities recorded on the accompanying balance sheet.

Hard assets are comprised of over 15,000 carats of various precious gemstones in a secured vault and are carried at Cost of acquisition. On August 30, 2014, the Company received an independent appraisal from LLOYDS ASSOCIATES INC. in accordance with the 2012-2013 USPAP. The values provided by the appraiser are as of the aforementioned date. The appraisal is for Retail Replacement Value, defined by the Appraiser's Association of America as the amount it would cost to replace an item with one of similar and like quality purchased in the most appropriate market place within a limited amount of time; Fair Market Value, defined by the Appraiser's Association of America as the price that property would sell for on the open market between a willing buyer and willing seller, with neither being required to act, and both having reasonable knowledge of the relevant facts; and neither being under constraint to buy or sell.

The following is an excerpt from the appraisal dated August 29, 2014 and values as of August 30, 2014.

Combined Replacement Value: $1,249,238,322 (One Billion Two Hundred Forty Nine Million Two Hundred and Thirty Eight Thousand Three Hundred and Twenty Two USD)

Combined Fair Market Value (65%): $812,004,909 (Eight Hundred Twelve Million Four Thousand Nine Hundred and Nine USD)

As per certificates of appraisal dated September 16, 2011, the Fair Market Values of the gemstones were in excess of their book value.