Starrex International Ltd.

Consolidated Financial Statements

December 31, 2014 and 2013

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December 31, 2014 and 2013

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Independent Auditor's Report

To the Shareholders of Starrex International Ltd.

We have audited the accompanying consolidated financial statements of Starrex International Ltd., which comprise the consolidated statements of financial position as at December 31, 2014 and 2013, and the consolidated statements of loss and comprehensive loss, consolidated changes in equity, and consolidated cash flows for the years then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Starrex International Ltd. as at December 31, 2014 and 2013, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

MNP LLP

Chartered Professional Accountants
Licensed Public Accountants

Mississauga, Ontario
April 30, 2015

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

		December 31, 2014		December 31, 2013
ASSETS				
Current assets				
Cash and cash equivalents	$	**1,617,154**	$	720,659
Funds held in trust (Note 7)		**-**		895,143
Accounts receivable (Note 6)		**910,710**		-
Prepaid expenses		**11,282**		565
		2,539,146		1,616,367
Non-current assets				
Property and equipment, net of depreciation (Note 4)		**995,243**		-
Unallocated purchase price (Note 3)		**1,828,330**		-
Intangible assets (Note 5)		**241,515**		-
	$	**5,604,234**	$	1,616,367
LIABILITIES				
Current liabilities				
Accounts payable and accrued liabilities	$	**393,753**	$	189,632
Deferred revenue		**105,112**		-
Notes payable (Note 11)		**117,313**		-
Income taxes payable (Note 9)		**46,590**		-
		662,768		189,632
Long term liabilities				
Note payable (Note 11)		**174,250**		-
Deferred tax liability (Note 9)		**412,325**		
		1,249,343		189,632
EQUITY				
Share capital (Note 7)		**5,633,233**		2,318,042
Contributed surplus		**163,631**		15,029
Accumulated other comprehensive income		**123,076**		-
Deficit		**(1,565,049)**		(906,336)
		4,354,891		1,426,735
	$	**5,604,234**	$	1,616,367

Approved by the Board:

Signed: "Garrett Clayton"
CEO

Signed: "Deborah Ramirez"
CFO

CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS

For the fiscal years ended December 31, 2014 and 2013

		2014		2013
Income				
Revenue (Note 6)	$	**2,448,369**	$	-
Investment income		**6,913**		7,377
		2,455,282		7,377
EXPENSES				
Depreciation and amortization (Notes 4 and 5)		**97,039**		77
General		**243,547**		1,163
Government, regulatory and filing fees		**8,225**		14,908
Interest expense		**1,774**		815
Management and corporate services (Note 6)		**123,424**		40,923
Payroll expense		**1,897,796**		-
Professional fees		**421,972**		76,021
Share based payments (Notes 6 and 8)		**246,602**		3,426
Shareholder services		**27,026**		16,052
		3,067,405		153,385
Loss before provision for income taxes		**(612,123)**		(146,008)
Provision for income taxes (Note 9)		**(46,590)**		-
Net loss for the year		**(658,713)**		(146,008)
Items that may be reclassified subsequently to loss				
Cumulative translation gain		**123,076**		-
Net comprehensive loss	$	**(535,637)**	$	(146,008)
Basic and diluted loss per common share (Note 10)	$	**(0.06)**	$	(0.04)
Weighted average number of common shares outstanding		**10,954,559**		3,730,883

The accompanying notes form an integral part of these Consolidated Financial Statements.

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

For the years ended December 31, 2014 and December 31, 2013

	Number of Shares	Amount	Contributed Surplus	Deficit	Accumulated Other Comprehensive Income	Total
Balance, December 31, 2012	3,449,566	$ 1,217,644	$ 11,603	$ (760,328)	$ -	$ 468,919
Private Placement	3,728,000	900,000	-	-	-	900,000
Less: cost of issuance	-	(34,428)	-	-	-	(34,428)
Share for debt settlement	939,304	234,826	-	-	-	234,826
Share based payments	-	-	3,426	-	-	3,426
Net loss and comprehensive loss for the year	-	-	-	(146,008)	-	(146,008)
Balance December 31, 2013	8,116,870	2,318,042	15,029	(906,336)	-	1,426,735
Private Placement	1,983,957	991,979	-	-	-	991,979
Less: cost of issuance	-	(20,288)	-	-	-	(20,288)
Issuance of shares for acquisitions	4,230,000	2,245,500	-	-	-	2,245,500
Share based payments	100,000	98,000	148,602	-	-	246,602
Foreign currency translation gain	-	-	-	-	123,076	123,076
Net loss and comprehensive loss for the year	-	-	-	(658,713)	-	(658,713)
Balance December 31, 2014	14,430,827	$ 5,633,233	$ 163,631	$ (1,565,049)	$ 123,076	$ 4,354,891

The accompanying notes form an integral part of these Consolidated Financial Statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS

For the fiscal years ended December 31, 2014 and 2013

	2014	2013
Cash flows from operating activities		
Net loss for the year	$ (658,713)	$ (146,008)
Items not affecting cash		
Share-based payments	246,602	3,426
Depreciation and amortization	97,039	77
Net change in non-cash working capital items relating to operating activities		
Accounts receivable	(768,456)	-
Prepaid expenses	(10,498)	685
Accounts payable and accrued liabilities	28,222	98,566
Deferred revenue	100,816	-
Income taxes payable	46,590	
Cash used in operating activities	(918,398)	(43,254)
Cash flows from investing activities		
Purchase of intangible assets	(63,980)	-
Cash used in investing activities	(63,980)	-
Cash flows from financing activities		
Proceeds on private placement	991,979	900,000
Share issue costs	(20,288)	(34,428)
Funds held in trust	895,143	(895,143)
Cash acquired in acquisitions	89,619	
Cash consideration paid on acquisitions	(56,540)	
Cash provided by financing activities	1,899,913	(29,571)
Effect of foreign exchange of cash	(21,040)	-
Increase (decrease) in cash during the year	896,495	(72,825)
Cash, beginning of year	720,659	793,484
Cash, end of year	$ 1,617,154	$ 720,659

Supplemental Cash Flow Information (Note 14)

The accompanying notes form an integral part of these Consolidated Financial Statements.

1. Business of the Company

Nature of Business

Starrex International Ltd., formerly Starrex Mining Corporation Limited ("Starrex" or the "Company") was incorporated on October 2, 1982 pursuant to the Canada Business Corporation Act under the name Starrex Mining Corporation Limited. The Company's address is 199 Bay Street, Suite 2200, Toronto, Ontario M5L 1G4. The Company's primary business is to acquire, manage and grow companies in the United States active in mortgage, real estate, and other financial sectors.

These consolidated financial statements were approved by the Board of Directors on April 28, 2014.

2. Significant Accounting Policies

Statement of Compliance

These consolidated financial statements of the Company have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the IFRS Interpretations Committee ("IFRIC"), effective for the Company's reporting for the year ended December 31, 2014.

The accounting policies have been applied consistently to all periods presented in these consolidated financial statements.

Basis of Presentation

These consolidated financial statements have been prepared on a historical cost basis except for certain financial instruments that have been measured at fair value. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting except for cash flow information.

Principles of Consolidation

These consolidated financial statements include the Company and its wholly-owned subsidiaries One Force Staffing, Inc., Property Interlink, LLC and Olympia Capital Management, Inc., which were acquired July 9, 2014, and Heinen & Associates LLC, a wholly-owned subsidiary of Property Interlink, LLC, which was acquired on November 19, 2014. All subsidiaries are 100% owned and controlled by the Company. Subsidiaries are entities controlled by the Company. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. Subsidiaries are included in the consolidated financial statements from the date control is obtained until the date control ceases. All intercompany balances, transactions, income, expenses, profits and losses, including unrealized gains and losses have been eliminated upon consolidation.

2. Significant Accounting Policies - continued

Business Combinations

A business acquisition is a transaction or other event in which control over one or more businesses is obtained. A business is an integrated set of activities and assets that are capable of being conducted and managed for the purpose of providing a return in the form of dividends, lower costs or other economic benefits. A business consists of inputs and processes applied to those inputs that have the ability to create outputs that provide a return to the Company and its shareholders. A business need not include all of the inputs and processes that were used by the acquiree to produce outputs if the business can be integrated with the inputs and processes of the Company to continue to produce outputs. If the integrated set of activities and assets is in the research and development stage, and thus, may not have outputs, the Company considers other factors to determine whether the set of activities and assets is a business.

In accordance with IFRS 3, Business combinations are accounted for using the acquisition method whereby acquired assets and liabilities are recorded at fair value as of the date of acquisition with the excess of the purchase consideration over such fair value being recorded as goodwill and allocated to cash generating units. Cash generating units are the smallest identifiable group of assets, liabilities and associated goodwill that generate cash inflows that are largely independent of the cash inflows from other assets or groups of assets. Non-controlling interest in an acquisition may be measured at either fair value or at the non-controlling interest's proportionate share of the fair value of the acquiree's net identifiable assets.

If the fair value of the net assets acquired exceeds the purchase consideration, the difference is recognized immediately as a gain in the consolidated statement of operations and comprehensive loss.

Acquisition related costs are expensed during the period in which they are incurred, except for the cost of debt or equity instruments issued in relation to the acquisition which is included in the carrying amount of the related instrument.

Certain fair values may be estimated at the acquisition date pending confirmation or completion of the valuation process. Where provisional values are used in accounting for a business combination, they may be adjusted retrospectively in subsequent periods. However, the measurement period will not exceed one year from the acquisition date.

When the consideration transferred by the Company in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured at subsequent reporting dates in accordance with IAS 39, or IAS 37 Provisions, Contingent Liabilities and Contingent Assets, as appropriate, with the corresponding gain or loss being recognized in profit or loss.

2. Significant Accounting Policies - continued

Use of Estimates and Judgments

The preparation of these consolidated financial statements in conformity with IFRS requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results ultimately may differ from those estimates. Areas where estimates are significant to these consolidated financial statements are as follows:

a) Goodwill is tested for impairment annually or more frequently if there is an indication of impairment. The carrying value of intangible assets with definite lives (software, trade name and customer relationships) and equipment is reviewed each reporting period to determine whether there is any indication of impairment. If the carrying amount of an asset exceeds its recoverable amount, the asset is impaired and an impairment loss is recognized in profit or loss. The assessment of fair values requires the use of estimates and assumptions related to future operating performance and discount rates, differences in these estimates and assumptions could have a significant impact on the consolidated financial statements. No impairment has been recorded for the periods ended December 31, 2014 and 2013.

b) Significant judgment is involved in the determination of useful life for the computation of depreciation of equipment and amortization of intangible assets. No assurance can be given that actual useful lives will not differ significantly from current assumptions.

c) Applying the acquisition method to business combinations requires each identifiable asset and liability to be measured at its acquisition date fair value. The excess, if any, of the fair value of consideration over the fair value of the net identifiable assets acquired is recognized as goodwill. The determination of acquisition date fair values often requires management to make assumptions and estimates about future events. The assumptions with respect to fair value of intangible assets requires a high degree of judgment and include estimates for future operating performance, discount rates, technology migration factors and terminal value rates. Specifically, the purchase price allocation described in note 3 required significant estimates, as the allocation is preliminary.

Functional Currency

The consolidated financial statements are presented in Canadian dollars, which is the Company's presentation currency. Each subsidiary determines its own functional currency and items included in the consolidated financial statements of each entity are measured using that functional currency. The functional currency of Starrex International Ltd, the parent Company, is the Canadian dollar, the functional currency of the Company's wholly-owned subsidiaries is the U.S. dollar.

Transactions denominated in foreign currency (other than the functional currency) are recorded on initial recognition at the exchange rate at the date of the transaction. After initial recognition, monetary assets and liabilities denominated in foreign currency are translated at the end of each reporting period into the functional currency at the exchange rate at that date. Exchange differences, other than those capitalized to qualifying assets or recorded in equity in hedging transactions, are recognized in profit or loss. Non-monetary assets and liabilities measured at cost in a foreign currency are translated at the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currency and measured at fair value are translated into the functional currency using the exchange rate prevailing at the date when the fair value was determined.

2. Significant Accounting Policies - continued

Functional Currency - continued

At each reporting period, assets and liabilities of the Company's subsidiaries are translated into Canadian dollars at the prevailing exchange rates in effect at the end of the reporting period. The consolidated statements of loss and comprehensive loss are translated at the average exchange rate in effect during the period. Translation adjustments that arise from the Company's functional currency to its presentation currency are recorded in the other comprehensive loss component of equity.

Revenue Recognition

a) Appraisal Services

Property Interlink LLC manages appraisal companies and maintains all of the ordering, tracking, administrative duties, and details and ensures the timeliness of appraisals that are handled during a real estate mortgage transaction.

Customers initiate appraisal requests with Property Interlink LLC. Revenue is recognized from appraisal services when the requested appraisal report is provided to the customer and collection is reasonably assured

b) Consulting Services

Olympia Capital Management Inc. provides consulting solutions to the mortgage banking industry. Consulting services consist primarily of due diligence reviews and advice on secondary market considerations.

Revenue is recognized in the period in which the services are rendered to the customer and collection is reasonably assured.

c) Conduit Fees

Olympia Capital Management Inc. provides conduit services to the mortgage banking industry. Conduit services consist primarily of connecting buyers of mortgage back-securities to sellers.

Revenue is recognized in the period in which the services are rendered to the customer and collection is reasonably assured.

d) Recruitment Services

One Force Staffing provides staffing and recruitment services which includes contract and temporary employment, temp-to-hire, and direct hire placements across multiple fields.

Revenue is recognized in the period in which the services are rendered to the customer and collection is reasonably assured.

Intangible Assets

The Company's intangible assets consist of:

- Software licensed, acquired or developed;
- Proprietary software

The Company amortizes licensed software over its estimated useful life of 5 years on a straight-line basis. The Company has not begun amortization of proprietary software as its development has not been completed as at December 31, 2014.

2. Significant Accounting Policies - continued

Intangible Assets - continued

Intangible assets are measured at cost less accumulated amortization and accumulated impairment losses, if any. Intangible assets acquired through business combinations are initially recognized at fair value, based on an allocation of the purchase price. The intangible assets are amortized on a straight-line basis over their estimated useful lives. The estimated useful life and amortization methods of the intangible assets are reviewed at the end of each annual reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Internally generated intangible assets
The Company recognizes expenditures on research activities as an expense in the year in which it incurs the expenditures. It recognizes an internally-generated intangible asset arising from development if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset for use or sale;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- **the ability to measure reliably the expenditures attributable to the intangible asset during its development.**

Financial Instruments

Non-derivative financial instruments are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets are derecognized when the rights to receive cash flows from the assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership. Non-derivative financial instruments are recognized initially at fair value plus, for instruments not at fair value through profit or loss, any directly attributable transaction costs.

Fair value through profit or loss
Financial assets at fair value through profit or loss ("FVTPL") are measured at their fair value with changes in fair value recognized in profit or loss.

Loans and receivables
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets. Loans and receivables are initially recognized at fair value plus transaction costs and subsequently carried at amortized cost using the effective interest method.

Other financial liabilities
Other financial liabilities are initially measured at fair value, net of transaction costs, and are subsequently measured at amortized cost using the effective interest method, with interest expense recognized on an effective yield basis.

IFRS 7 establishes a fair value hierarchy that prioritizes the input to valuation techniques used to measure fair value as follows:

2. Significant Accounting Policies - continued

Financial Instruments - continued

- Level 1 - valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities; (cash is measured within level 1 of the hierarchy);
- Level 2 - valuation techniques based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) for substantially the full term of the asset or liability; and
- Level 3 - valuation techniques using inputs for the asset or liability that are not based on observable market data and unobservable inputs supported by little or no market activity.

The following is a summary of the accounting model the Company has elected to apply to each of its significant categories of financial instruments outstanding at December 31, 2014 and 2013:

All of the Company's financial instruments are level 1 instruments. The Company's financial instruments are comprised of the following:

Financial Assets	**Classification**
Cash and cash equivalents	Fair Value Through Profit and Loss
Funds held in trust	Fair Value Through Profit and Loss
Accounts Receivable	Loans and receivables

Financial Liabilities	**Classification**
Accounts payable and accrued liabilities	Other financial liabilities
Notes payable	Other financial liabilities

Impairment of financial assets

A financial asset not carried at fair value through profit or loss is assessed at the end of each reporting period to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortized cost is calculated as the difference between the asset's carrying value and its fair value. Losses are recognized in profit or loss and reflected in an allowance account against receivables. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

Cash and Cash Equivalents

Cash and cash equivalents include deposits held with banks and other short-term highly liquid investments with original maturities of one year or less. All short-term highly liquid investments can be converted into cash at any time and are not subject to a penalty.

Income taxes

Income tax comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity or other comprehensive income, in which case the income tax is also recognized directly in equity or other comprehensive income.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted at the end of the reporting period, and any adjustment to tax payable in respect of previous years. Current tax assets and current tax liabilities are only offset if a legally enforceable right exists to offset the amounts, and the Company intends to settle on a net basis, or to realize the asset and settle the liability simultaneously.

2. Significant Accounting Policies - continued

Income taxes - continued

Deferred tax is recognized in respect of all qualifying temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred income tax is determined on a non-discounted basis using tax rates and laws that have been enacted or substantively enacted at the end of the reporting period and are expected to apply when the deferred tax asset or liability is settled. Deferred tax assets are recognized to the extent that it is probable that the assets can be recovered. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Stock-based compensation

The Company has in effect a stock option plan ("the Plan") which is described in note 8. The Plan allows Company employees, directors and officers to acquire shares of the Company for a specified option amount set on the date of grant. Stock options awarded are accounted for using the fair value-based method. Fair value is calculated using the Black-Scholes model and is recorded as stock-based compensation expense over the vesting period of the options. Consideration paid on the exercise of stock options is credited to share capital. The contributed surplus associated with the options is transferred to share capital upon exercise.

Loss per share

Basic loss per common share is calculated by dividing the loss attributed to shareholders for the year by the weighted average number of common shares outstanding in the year. Diluted loss per common share is calculated by adjusting the weighted average number of common shares outstanding to assume conversion of all dilutive potential common shares.

Standards issued or amended which will be adopted in future periods

IFRS 9, Financial Instruments (“IFRS 9”) was initially issued by the IASB on November 12, 2009 and issued in its completed version in July 2014, and will replace IAS 39, "Financial Instruments: Recognition and Measurement" (“IAS 39”). IFRS 9 replaces the multiple rules in IAS 39 with a single approach to determine whether a financial asset is measured at amortized cost or fair value and a new mixed measurement model for debt instruments having only two categories: amortized cost and fair value. 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. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. IFRS 9 is effective for financial years beginning on or after January 1, 2018.

IFRS 15, Revenue from Contract with Customers (“IFRS 15”) was issued by the IASB in May 2014 and clarifies the principles for recognizing revenue from contracts with customers. IFRS 15 will result in enhanced disclosures about revenue, provide guidance for transactions that were not previously addressed comprehensively (i.e. service revenue and contract modifications) and improve guidance for multiple-element arrangements. IFRS 15 is effective for periods beginning on or after January 1, 2017 and is to be applied retrospectively.

The Company is currently assessing the effects of these new standards and intends to adopt them on their effective dates.

3. Business Combinations

(a) ***Acquisition of Property Interlink***

On July 9, 2014, the Company completed the acquisition of Proper Interlink, LLC, a Colorado limited liability company. The Company acquired all of the issued and outstanding shares of Property Interlink, LLC in exchange for the issuance of 1,260,000 common shares of the Company with a fair value of $630,000.

Due to the complexities in identifying certain intangible assets such as customer lists and intellectual property, and assigning fair values, the Company has yet to finalize its assessment of the purchase price allocation. The allocation of the consideration paid will be adjusted once a valuation of certain intangible assets has been finalized. Management expects to complete this assessment during fiscal 2015.

Revenue and expenses for Property Interlink, LLC for the period from acquisition to December 31, 2014 have been presented in note 16.

The following sets forth the preliminary allocation of the purchase price to assets acquired and liabilities assumed, based on estimates of fair value, including a summary of major classes of consideration transferred, and the recognized amounts of assets acquired and liabilities assumed at the acquisition date:

Consideration Paid:		
Fair Value of 1,260,000 Starrex common shares issued July 9, 2014	$	630,000
Allocation of purchase price:		
Cash and cash equivalents	$	85,676.00
Property, equipment, and intangibles		368,780
Accounts receivable		62,568
Accounts payable		(120,765)
Appraisals payable		(18,404)
Payroll liabilites		(3,598)
Deferred tax liability		(116,863)
Unallocated purchase price		372,606
	$	630,000

(b) ***Acquisition of One Force Staffing, Inc.***

On July 9, 2014, the Company completed the acquisition of One Force Staffing, Inc., a Texas corporation. The Company acquired all of the issued and outstanding shares of Once Force Staffing, Inc. in exchange for the issuance of 1,260,000 common shares of the Company with a fair value of $630,000.

3. Business Combinations - continued

(b) ***Acquisition of One Force Staffing, Inc. - continued***

Due to the complexities in identifying certain intangible assets such as customer lists and intellectual property, and assigning fair values, the Company has yet to finalize its assessment of the purchase price allocation. The allocation of the consideration paid will be adjusted once a valuation of certain intangible assets has been finalized. Management expects to complete this assessment during fiscal 2015.

Revenue and expenses for One Force Staffing, Inc. for the period from acquisition to December 31, 2014 have been presented in note 16.

The following sets forth the preliminary allocation of the purchase price to assets acquired and liabilities assumed, based on estimates of fair value, including a summary of major classes of consideration transferred, and the recognized amounts of assets acquired and liabilities assumed at the acquisition date:

Consideration Paid:		
Fair Value of 1,260,000 Starrex common shares issued July 9, 2014	$	630,000
Allocation of purchase price:		
Accounts receivable	$	20,890
Property, equipment, and intangibles		348,590
Deferred tax liability		(122,007)
Unallocated purchase price		382,527
	$	630,000

(c) ***Acquisition of Olympia Capital Management, Inc.***

On July 9, 2014, the Company completed the acquisition of Olympia Capital Management, Inc., a Florida corporation. The Company acquired all of the issued and outstanding shares of Property Interlink, LLC in exchange for the issuance of 1,260,000 common shares of the Company with a fair value of $630,000.

Due to the complexities in identifying certain intangible assets such as customer lists and intellectual property, and assigning fair values, the Company has yet to finalize its assessment of the purchase price allocation. The allocation of the consideration paid will be adjusted once a valuation of certain intangible assets has been finalized. Management expects to complete this assessment during fiscal 2015.

Revenue and expenses for Olympia Capital Management, Inc. for the period from acquisition to December 31, 2014 have been presented in note 16.

3. Business Combinations - continued

(c) ***Acquisition of Olympia Capital Management, Inc. - continued***

The following sets forth the preliminary allocation of the purchase price to assets acquired and liabilities assumed, based on estimates of fair value, including a summary of major classes of consideration transferred, and the recognized amounts of assets acquired and liabilities assumed at the acquisition date:

Consideration Paid:		
Fair Value of 1,260,000 Starrex common shares issued July 9, 2014	$	630,000
Allocation of purchase price:		
Cash and cash equivalents	$	3,943
Accounts receivable		17,109
Property, equipment, and intangibles		342,694
Liabilities		(19,864)
Deferred tax liability		(138,791)
Unallocated purchase price		424,909
	$	630,000

(d) ***Acquisition of Heinen & Associates***

On November 19, 2014, Property Interlink, LLC, a wholly-owned subsidiary of Starrex International Ltd. completed the acquisition of Heinen & Associates, a United States based entity. All of the membership interest of Heinen & Associates, LLC were exchanged in consideration of $723,010 (US $775,000), which was satisfied by: (i) payment of $56,540 (US $50,000) in cash; (ii) issuance of a promissory note by Property Interlink, LLC in the aggregate amount of $282,700 (US $250,000 – See Note 11); (iii) rental reimbursement obligation of $28,270 (US $25,000); and (v) issuance of 450,000 common shares of Starrex with a fair value of $355,500.

Due to the complexities in identifying certain intangible assets such as customer lists and intellectual property, and assigning fair values, as well as the limited time since the acquisition, the Company has yet to finalize its assessment of the purchase price allocation. The allocation of the consideration paid will be adjusted once a valuation of certain intangible assets has been finalized. Management expects to complete this assessment during fiscal 2015.

Revenue and expenses for Heinen & Associates, LLC for the period from acquisition to December 31, 2014 have been integrated with Property Interlink, LLC and presented in note 16.

The following sets forth the preliminary allocation of the purchase price to assets acquired and liabilities assumed, based on estimates of fair value, including a summary of major classes of consideration transferred, and the recognized amounts of assets acquired and liabilities assumed at the acquisition date:

3. Business Combinations - continued

(d) ***Acquisition of Heinen & Associates - continued***

Consideration Paid:		
Promissory note	$	282,700
Heinen rental reimbursement		28,270
Cash payment		56,540
Fair value of 450,000 Starrex common shares issued November 19, 2014		355,500
Allocation of purchase price:	$	723,010
Property, equipment, and intangibles	$	109,386
Deferred tax liability		(34,664)
Unallocated purchase price		648,288
	$	723,010

4. Property and Equipment

		Furniture & Equipment		Leasehold Improvements		Total
Cost						
As at December 31, 2012	$	13,124	$	-	$	13,124
Additions		-		-		-
As at December 31, 2013		13,124		-		13,124
Additions		875,882		201,660		1,077,542
December 31, 2014	**$**	889,006	**$**	201,660	**$**	1,090,666
Accumulated depreciation						
As at December 31, 2012	$	13,047	$	-	$	13,047
Expense		77		-		77
As at December 31, 2013		13,124		-		13,124
Expense		63,240		15,723		78,963
Effect of currency translation		6,643		(3,306)		3,337
December 31, 2014	**$**	83,007	**$**	12,417	**$**	95,424
Net book value						
As at December 31, 2013	$	-	$	-	$	-
As at December 31, 2014	**$**	805,999	**$**	189,243	**$**	995,242

5. Intangible Assets

		Business Software & Website (1)		Proprietary Software (2)		Total
Cost						
As at December 31, 2012	$	-	$	-	$	-
Additions		-		-		-
As at December 31, 2013		-		-		-
Additions		196,382		63,980		260,362
December 31, 2014	**$**	196,382	**$**	63,980	**$**	260,362
Accumulated depreciation						
As at December 31, 2012	$	-	$	-	$	-
Expense		-		-		-
As at December 31, 2013	$	-	$	-	$	-
Expense		18,076		-		18,076
Effect of currency translation		770		-		770
December 31, 2014	**$**	18,846	**$**	-	**$**	18,846
Net book value						
As at December 31, 2013	$	-	$	-	$	-
As at December 31, 2014	**$**	177,536	**$**	63,980	**$**	241,516

(1) The Company has engaged software development companies to develop appraisal management software, general business software, and a website to be used by the Company to generate further revenues. The business software and website are depreciated under a straight line method over five years.

(2) Property Interlink, LLC engaged a software development company to develop proprietary software in support of Property Interlink's appraisal activities. As the software is not yet complete, no depreciation has been recorded.

6. Related Party Transactions

AmCap Mortgage Ltd.

AmCap Mortgage Ltd., a customer related by common management, the Chief Executive Officer, accounted for $591,060 (2013 - $NIL) in revenue to the Company. As at December 31, 2014, $573,779 (2013 – $NIL) is included in accounts receivable on the consolidated statement of financial position.

Key Management Compensation

The Company had the following transactions with officers and directors of the Company and private companies controlled by officers and directors of the Company for management consulting and other services required:

i) The Company incurred $106,373 in management fees in 2014 (2013 - $NIL) to the Secretary and Chief Operations Officer for services provided. These fees are included in management and corporate services. At December 31, 2014 all amounts had been paid accordingly.

ii) The Company incurred $17,051 in management fees in 2014 and issued 100,000 common shares valued at $98,000 (2013 - $NIL) to the Chief Financial Officer for services provided. These fees are included in management and corporate services and share based payments. At December 31, 2014 all amounts had been paid.

iii) The Company issued 1,214,837 shares (2013 – 400,000 shares for $100,000) to various Directors and Officers of the Company as consideration for a non-brokered private placement (Note 7(iii)).

iv) The Company issued 650,000 stock options (2013-50,000 options) to various Directors and Consultants of the Company valued at $104,084 (2013 – $8,473) and included in share based payments in the consolidated statements of loss and comprehensive loss.

v) The Company incurred $Nil in management fees in 2014 (2013 - $15,000) to the President for services provided to the Company prior to his resignation in December 2013. The former President continues to be a director of the Company. These fees are included in management and corporate services. At December 31, 2014 the amount of $Nil (2013 - $31,000) was payable on account of these fees.

vi) During the year ended December 31, 2013, the Company settled a loan through the issuance of 939,304 common shares to a corporation controlled by a director and officer of the Company (Note 7(ii)).

7. Share Capital

Authorized

The Company is authorized to issue an unlimited number of common shares.

Issued

	Number of common shares		Amount
Balance, December 31, 2012	3,449,566	$	1,217,644
Private placement, net (i)	3,600,000		833,572
Finders' fees on private placement (i)	128,000		32,000
Debt settlement (ii)	939,304		234,826
Balance, December 31, 2013	**8,116,870**		**2,318,042**
Private placement, net (iii)	1,983,957		971,691
Acquisition of One Force Staffing (Note 3)	1,260,000		630,000
Acquisition of Olympia Capital Management (Note 3)	1,260,000		630,000
Acquisition of Property Interlink (Note 3)	1,260,000		630,000
Acquisition Heinen & Associates (Note 3)	450,000		355,500
Issuance of shares to management (iv)	100,000		98,000
Balance, December 31, 2014	**14,430,827**	**$**	**5,633,233**

(i) During December 2013, the Company completed a private placement of 3,600,000 common shares, at $0.25 per share, for gross proceeds of $900,000. The proceeds were received in trust and a balance of $895,143 remained in trust as at December 31, 2013. The Company incurred issuance costs of $34,428 and paid a finders' fee by issuing 128,000 common shares which is equal to 4% of the common shares issued to subscribers that were sourced by the finder. A value of $32,000, based on $0.25 per share, has been attributed to this finder's fee.

(ii) Coincident with the private placement during December 2013, the Company closed a share for debt transaction whereby it issued 939,304 common shares, at $0.25 per share, in settlement of a loan payable in the amount of $234,826.

(iii) During December 2014, the Company completed a private placement of 1,983,957 common shares, at $0.50 per share, for gross proceeds of $991,979. The Company incurred issuance costs of $20,288.

(iv) During December 2014, the Company issued 100,000 common shares as compensation to a member of management, valued at $98,000 and included in share based payments in the consolidated statements of loss and comprehensive loss

8. Share-Based Payments

The Company has a stock option plan (the "Plan") that enables its directors, officers, employees, consultants, and advisors to acquire common shares of the Company. Options are granted at the discretion of the Board of Directors. Under the terms of the plan, options totaling up to 10% of the common shares outstanding from time to time are issuable. The vesting period and expiration period are fixed at the time of grant at the discretion of the Board of Directors.

Details of options outstanding:

	Number of options	Weighted average exercise price $
Outstanding, January 1, 2013	-	-
Granted	50,000	0.20
Outstanding, December 31, 2013	50,000	0.20
Granted	700,000	0.27
Outstanding, December 31, 2014	750,000	0.27

	Number of Options	Number of Options Vested	Weighted Average Exercise Price	Expiry Date
Granted May 21, 2013	50,000 [(1)]	25,000	$ 0.20	May 21, 2018
Granted April 17, 2014	650,000 [(2)]	650,000	0.25	April 17, 2019
Granted May 29, 2014	50,000 [(3)]	50,000	0.57	May 29, 2019

(1) A Director of the Company holds these options. The options vest 50% on May 21, 2014 and 50% on May 21, 2015.
(2) Directors of the Company hold these options. The options are fully vested.
(3) A Consultant of the Company holds these options. The options are fully vested.

The following weighted average assumptions were used to calculate the fair value of the stock options granted during the period:

	2014	2013
Dividend yield	**Nil**	Nil
Risk free interest rate (%)	**1.03-1.06**	1.15 – 1.30
Expected stock volatility (%)	**80.32 - 100.76**	76.86
Expected life (years)	**5**	5

The Company incurred $148,602 in share based payment expense for options vested in 2014 (2013 - $3,426) and incurred $98,000 in share based payment expense for shares issued to management

9. Income Taxes

The following table shows the components of the current and deferred income tax expense:

		2014		2013
Current tax provision				
Current expense	$	46,590	$	-
Deferred tax expense		-		-
	$	46,590	$	-

The reconciliation of the combined Canadian federal, provincial statutory income tax rate of 26.5% (2013 – 26.5%) to the effective tax rate is as follows:

		2014		2013
Loss before recovery of income taxes	$	(612,123)	$	(146,008)
Expected income tax recovery	$	(162,210)	$	(38,690)
Difference in foreign tax rates		22,410		-
Tax rate changes and other adjustments		(287,610)		8,040
Non-deductible expenses		66,090		910
Undeducted share issue costs		-		(1,825)
Unrealized foreign echange		21,920		-
Change in tax benefits not recognized		385,990		31,565
Income tax expense	$	46,590	$	-

Deferred Tax

The following table summarizes the components of deferred tax:

		2014		2013
Property and equipment	$	(412,325)	$	-
Net deferred tax liability	$	(412,325)	$	-

Deferred tax assets and liabilities have been offset where they relate to income taxes levied by the same taxation authority and the Company has the legal right and intent to offset.

9. Income Taxes - continued

Deferred Tax - continued

Movement in net deferred tax liabilities:

	2014	2013
Balance, beginning of year	$ -	$ -
Recognized in unallocated purchase price	(412,325)	-
		-
Balance, end of year	$ (412,325)	$

Unrecognized Deferred Tax Assets

Deferred taxes are provided as a result of temporary differences that arise due to the differences between the income tax values and the carrying amount of assets and liabilities. Deferred tax assets have not been recognized in respect of the following deductible temporary differences:

	2014	2013
Deferred income tax assets		
Canadian net capital loss carried forward	$ 2,170,530	$ 2,170,530
Canadian non-capital losses carried forward	$ 1,226,000	$ 670,400
Share issuance costs	$ 35,180	$ 27,540
Other temporary differences	$ -	$ 300

The Canadian non-capital loss carry forwards expire as noted in the table below. The net capital loss carry forward may be carried forward indefinitely, but can only be used to reduce capital gains. Share issue and financing costs will be fully amortized in 2018. The remaining deductible temporary differences may be carried forward indefinitely. Deferred tax assets have not been recognized in respect of these items because it is not probable that future taxable profit will be available against which the group can utilize the benefits therefrom.

The Company's Canadian non-capital income tax losses expire as follows:

2014	$ 47,160
2015	53,590
2026	47,010
2027	48,120
2028	-
2029	79,500
2030	69,670
2031	71,050
2032	105,460
2033	148,820
2034	555,620
	$ 1,226,000

10. Net Loss per Share

Basic and diluted loss per share has been calculated based on the weighted average number of common shares outstanding of 10,954,559 (2013 - 3,730,883). Stock options were excluded from the calculation of the weighted average number of diluted common shares outstanding because their effect would have been anti-dilutive.

11. Note Payable

On November 19, 2014, Property Interlink, LLC, a subsidiary of Starrex International Ltd. completed the acquisition of Heinen & Associates (Note 3), consideration included the issuance of a promissory note in the aggregate amount of $282,700 (US $250,000). The promissory note has an interest rate of 4.5% per annum with semi-annual principal payments of $58,005 (US $50,000) and applicable interest starting May 1, 2015 and ending May 1, 2017.

As of December 31, 2014, $117,313 (US $101,132) of the outstanding balance is due within 1 year and $174,250 (US $150,203) of the balance is due after 1 year. During the year ended December 31, 2014, the Company recorded interest expense of $1,475 (2013 – NIL) which is unpaid and included in the value of the note payable on the statement of financial position at year end.

12. Commitments

On November 19, 2014, Property Interlink, LLC, completed the acquisition of Heinen & Associates (Note 3), which included a clause in which Property Interlink, LLC took over Heinen & Associates' lease agreement for office space. The lease agreement expires May 31, 2015. The minimum annual lease payments to the expiration of the lease are $14,881 (US $12,828).

13. Capital Disclosures

The Company's objectives when managing capital are to maintain its ability to continue as a going concern in order to provide return for shareholders and to ensure sufficient resources are available to meet day to day operating requirements.

The Company considers the items included in equity as capital, which totals $4,354,891 as at December 31, 2014 (2013 - $1,426,735).

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

The Company is not subject to externally imposed capital requirements and there has been no change in the overall capital management strategy during the year.

14. Supplemental Cash Flow Information

		2014		2013
Operating cash flows include:				
Interest received	**$**	**6,913**	$	6,862
Non-cash financing activities:				
Shares issued on business acquisitions	**$**	**2,245,500**	$	-
Shares issued to management	**$**	**98,000**	$	-
Shares issued for debt	**$**	**-**	$	234,826
Shares issued for finder's fee	**$**	**-**	$	32,000

15. Financial Risk Factors

The Company's financial instruments consist of cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities and note payable. As at December 31, 2014, the carrying values and fair values of the Company's financial instruments are approximately the same.

The Company is exposed, in varying degrees, to the following financial instrument related risks:

Credit Risk

Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. For financial assets, this is typically the gross carrying amount, net of any amounts offset and any impairment losses. In the normal course of business, the Company is exposed to credit risk from its customers and the related accounts receivable are subject to normal industry credit risk. As at December 31, 2014 no allowance for doubtful accounts was recorded.

Liquidity Risk

Liquidity risk arises through the excess of financial obligations over available financial assets due at any point in time. The Company's objective in managing liquidity risk is to maintain sufficient readily available working capital to meet its liquidity requirements. At December 31, 2014 the Company had cash and cash equivalents of 1,617,154 (2013 - $720,659) available to settle current financial liabilities of $557,656 (2013 - $189,632).

Interest Rate Risk

The Company is exposed to interest rate risk to the extent that the cash maintained at financial institutions is subject to a floating rate of interest. The interest rate risks on cash and on the Company's obligations are not considered significant.

Foreign Currency Risk

The Company is exposed to foreign currency risk on fluctuations related to cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities that are denominated in a foreign currency. As at December 31, 2014, the Company held material amounts of cash and cash equivalents in USD currency and considers foreign currency risk high.

15. Financial Risk Factors- continued

Foreign Currency Risk - continued

The following table summarizes the Company's exposure to the U.S. dollar:

		December 31, 2014		December 31, 2013
Cash and cash equivalents	$USD	1,379,455	$USD	-
Accounts receivable		803,321		-
Accounts payable and accrued liabilities		(100,105)		-
Total	$USD	2,082,671	$USD	-

16. Segmented Disclosures

The Company organizes its reporting structure into three reportable segments. For management purposes, the Company is organized into segments based on their products and services provided. Management monitors the operating results of each segment separately for the purpose of making decisions about resource allocation and performance assessment.
The three reportable operating segments are as follows:

i) Property Interlink manages appraisal companies and maintains all of the ordering, tracking, administrative duties, and details and ensures the timeliness of appraisals that are handled during a real estate mortgage transaction. Heinen & Associates LLC, which was acquired during the year, is integrated with the Property Interlink segment.

ii) One Force Staffing provides staffing and recruitment services which includes contract and temporary employment, temp-to-hire, and direct hire placements across multiple fields.

iii) Olympia Capital Management provides consulting, efficiency analysis, and cutting edge software solutions to the mortgage banking industry throughout the U.S.

16. Segmented Disclosures- continued

Select financial information as at December 31, 2014 is presented as follows:

	One Force Staffing, Inc.	Olympia Capital Management, Inc.	Property Interlink, LLC	Corporate	Total
Current assets	$ 202,576	$ 406,648	$ 364,616	$ 1,565,306	$ 2,539,146
Property and equipment	313,860	274,406	406,977	-	995,243
Intangible assets	32,815	74,652	134,048	-	241,515
Unallocated purchase price	-	-	-	1,828,330	1,828,330
Total assets	$ 549,251	$ 755,706	$ 905,641	$ 3,393,636	$ 5,604,234
Current liabilities	$ 22,395	$ 17,402	$ 316,161	$ 306,810	$ 662,768
Long term liabilities	-	-	174,250	412,325	586,575
Total liabilities	$ 22,395	$ 17,402	$ 490,411	$ 719,135	$ 1,249,343
Revenues	$ 214,399	$ 518,832	$ 1,715,138	$ 6,913	$ 2,455,282
Expenses	$ 179,084	$ 491,226	$ 1,596,803	$ 800,292	$ 3,067,405
Net income (loss)	$ 9,751	$ 7,622	$ 32,673	$ (708,759)	$ (658,713)