CANNAMED4PETS INC.

(A DEVELOPMENT STAGE COMPANY)

FINANCIAL STATEMENTS

MAY 31, 2015

CANNAMED4PETS INC.
(A DEVELOPMENT STAGE COMPANY)
BALANCE SHEETS (unaudited)
AS OF MAY 31, 2015 AND FEBRUARY 28, 2015

	May 30, 2015 (restated)	February 28, 2015 (restated)
ASSETS		
Current assets		
Cash and cash equivalents	$ 285	$ 285
Prepaid expenses	-	-
Total Current Assets	285	285
Due from Terra Asset Management Inc.	126,000	126,000
Intangible Assets; testing, patenting pending and trademarking (net of impairment of $500,000– Note 3)	291,000	291,000
Total Assets	$ 417,285	$ 417,285
LIABILITIES AND STOCKHOLDERS' EQUITY		.
Liabilities		
Current liabilities		
Bank overdraft	$ 288	$ 288
Accounts payable and accrued expenses	122,860	122,860
Accrued expenses-related party	2,094	2,094
Accrued interest	21,582	21,582
Accrued interest-related party	874	874
Convertible loans payable	166,121	166,121
Note payable-related party	4,034	4,034
Due to MDS Real Estate, LLC	65,700	65,700
Total Current Liabilities	383,553	383,553
Stockholders' Equity		
Common stock, par value $0.001, 9,000,000,000 shares authorized, 8,859,668,798 shares issued and outstanding (February 28, 2013- 6,249,203 shares issued and outstanding)	89,039	89,039
Preferred stock Class A, par value $0.00001 , 500,000 shares , none issued and outstanding	0	0
Preferred stock Class B, par value $0.00001 , 1,500,000 shares , none issued and outstanding	0	0
Additional paid-in capital	3,954,542	3,954,542
Common stock authorized and unissued, 6,133,334 and 92,133,334 shares at August 31, 2013 and February 28, 2013	613	613
Unamortized share based compensation	(6,113)	(6,113)
Foreign currency translation	-	-
Unearned stock based compensation	-	-
Deficit accumulated during the development stage	(4,004,634)	(4,004634)
Total Stockholders' Equity	33,447	33,447
Total Liabilities and Stockholders' Equity	$ 417,285	$ 417,285

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

CANNAMED4PETS INC.
(A DEVELOPMENT STAGE COMPANY)
STATEMENTS OF OPERATIONS (unaudited)
FOR THE THREE MONTHS ENDED MAY 31, 2015 AND 2014
PERIOD FROM AUGUST 24, 2004 (INCEPTION) TO MAY 31, 2015

		Three months ended May 31, 2015	Three months ended May 31, 2014	Period from August 24, 2004 (Inception) To May 31, 2015 (restated)
REVENUES – Note 3	-	$ -	$ -	$ -
OPERATING EXPENSES				
Consulting fees		-	-	1,402,911
Compensation expense-related party		-	8,000	1,156,136
General and administrative		-	1,000	133,442
Professional fees		-	-	176,058
Exploration costs		-	-	16,500
TOTAL OPERATING EXPENSES		-	9,000	2,885,047
NET OPERATING LOSS		-	(9,000)	(2,885,047)
OTHER INCOME (EXPENSE)				
Impairment		-	-	(500,000)
Interest expenses, net		-	-	(30,188)
Interest expense-related party		-	-	(1,043)
Finance costs		-	-	(178,068)
Loss on settlement of debt		-	-	(19,817)
Gain (loss) on currency adjustment		-	-	529
NET LOSS		$ 0	$ (9,000)	$ (3,613,634)
NET LOSS PER SHARE: BASIC AND DILUTED		$ (0.00)	$ (0.00)	
WEIGHTED AVERAGE		8,059,223,318	8,059,223,318	

NUMBER OF SHARES OUTSTANDING: BASIC AND DILUTED, adjusted for 40:1 stock split	

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

CANNAMED4PETS INC.
(A DEVELOPMENT STAGE COMPANY)
STATEMENTS OF CASH FLOWS (unaudited)
FOR THE THREE MONTHS ENDED MAY 31, 2015 AND 2014
PERIOD FROM AUGUST 24, 2004 (INCEPTION) TO MAY 31, 2015

	Three months ended May 31, 2015	Three months ended May 31, 2014	Period from August 24, 2004 (Inception) to May 31, 2015 (restated)
CASH FLOWS USED IN OPERATING ACTIVITIES			
Net loss for the period	$ -	$ (9,000)	$ (3,341,118)
Adjustments to reconcile net loss to net cash used in operating activities:			
Impairment	-		500,000
Write-off of mineral properties	-	-	16,500
Amortization of interest	-	-	8,584
Unearned share compensation expense			40,000
Shares issued for services	-	-	2,164,644
Gain on settlement of debt	-	-	-
Shares issued for financing costs	-	-	178,069
Changes in Operating Assets and Liabilities:		-	19,817
(Increase) in prepaid expenses	-	-	-
Increase (decrease) in accounts payable & accrued expenses	-	1,306	122,962
Increase (decrease) in accrued interest	-	9,178	21,504
Increase(decrease) in accrued interest-related party	-	302	874
Increase (decrease) in accounts payable –related party	-	-	2,094
Cash flows used in operating activities	-	(1,786)	(266.070)
CASH FLOWS FROM INVESTING ACTIVITIES			
Mineral property costs	-	-	(16,500)
Cash flows used in investing activities	-	-	(16,500)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from officer's loan	-	-	22,703
Repayment of officer's loan	-	-	(18,669)
Convertible loan proceeds	-	-	464,424
Common shares issued for cash	-	-	125,800
Cash flows provided by financing activities	-	-	594,258
NET INCREASE (DECREASE) IN CASH	-		(288)
Cash, beginning of the period	-		285
Cash , end of the period	$ -	$	$ 3
SUPPLEMENTAL CASH FLOW INFORMATION:			
Interest paid	$ -	$ -	$
Income taxes paid	$ -	$ -	$ -
SUPPLEMENTAL DISCLOSURES OF NON-CASH INVESTING AND FINANCING ACTIVITIES			
Shares issued for assets	$ -	$ -	$ 1,191,000
Shares issued for financing costs	$ -	$ -	$ 178,069
Shares issued for services	$ -	$ -	$ 2,044,145
Stock issued for debt	$ -	-	$ 272,473
Asset and liability assumed	$ -	$ -	$ 126,000

The accompanying notes are an integral part of these financial statements

CANNAMED4PETS INC.
(A DEVELOPMENT STAGE COMPANY)
NOTES TO FINANCIAL STATEMENTS
MAY 31, 2015

NOTE 1 – Significant Accounting Policies and Procedures

Basis of Presentation

The accompanying unaudited condensed consolidated financial statements contain all adjustments (consisting only of normal recurring adjustments) which, in the opinion of management, are necessary to present fairly the financial position of the Company as of May 31, 2015, and the results of its operations and cash flows for the three months ended May 31, 2014 and 2013. Certain information and footnote disclosures normally included in financial statements have been condensed or omitted pursuant to rules and regulations of the U.S. Securities and Exchange Commission ("the Commission"). The Company believes that the disclosures in the unaudited condensed consolidated financial statements are adequate to ensure the information presented is not misleading. However, the unaudited condensed consolidated financial statements included herein should be read in conjunction with the financial statements and notes thereto included in the Company's Annual Report

Cash and cash equivalents

The Company considers all highly liquid temporary cash investments with an original maturity of three months or less to be cash equivalents. At May 31, 2015 and February 28, 2015, the Company had cash equivalents of $nil and $285 respectively.

Revenue recognition

The Company has not yet generated revenue. When revenue is earned, the Company will recognize in accordance with ASC subtopic 605-10 (formerly SEC Staff Accounting Bulletin No. 104 and 13A, "Revenue Recognition") net of expected cancellations and allowances.

The Company's revenues, which do not require any significant production, modification or customization for the Company's targeted customers and do not have multiple elements, are recognized when (i) persuasive evidence of an arrangement exists; (ii) delivery has occurred; (iii) the Company's fee is fixed and determinable; and (iv) collectability is probable.

Fair Value of Financial Instruments

The Company has financial instruments whereby the fair value of the financial instruments could be different from that recorded on a historical basis in the accompanying balance sheets. The Company's financial instruments consist of cash, receivables, accounts payable, accrued liabilities, and notes payable. The carrying amounts of the Company's financial instruments approximate their fair values as of May 31, 2015 and February 28, 2015 due to their short-term nature.

Loss per share

The Company reports earnings (loss) per share in accordance with ASC Topic 260-10, "Earnings per Share." Basic earnings (loss) per share is computed by dividing income (loss) available to common shareholders by the weighted average number of common shares available. Diluted earnings (loss) per share is computed similar to basic earnings (loss) per share except that the denominator is increased to include the number of additional common shares that would have

been outstanding if the potential common shares had been issued and if the additional common shares were dilutive. Diluted earnings (loss) per share has not been presented since the effect of the assumed exercise or conversion of stock options, warrants, and debt to purchase common shares, would have an anti-dilutive effect. At May 31, 2015 and February 28, 2015 the Company had approximately 11,321,000 and 6,835,000, respectively, related to its convertible notes payable that have been excluded from the computation of diluted net loss per share

NOTE 1 – Significant Accounting Policies and Procedures (continued)

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Income taxes

The Company follows ASC subtopic 740-10 for recording the provision for income taxes. ASC 740-10 requires the use of the asset and liability method of accounting for income taxes. Under the asset and liability method, deferred tax assets and liabilities are computed based upon the difference between the financial statement and income tax basis of assets and liabilities using the enacted marginal tax rate applicable when the related asset or liability is expected to be realized or settled. Deferred income tax expenses or benefits are based on the changes in the asset or liability each period. If available evidence suggests that it is more likely than not that some portion or all of the deferred tax assets will not be realized, a valuation allowance is required to reduce the deferred tax assets to the amount that is more likely than not to be realized. Future changes in such valuation allowance are included in the provision for deferred income taxes in the period of change.Deferred income taxes may arise from temporary differences resulting from income and expense items reported for financial accounting and tax purposes in different periods. Deferred taxes are classified as current or non-current, depending on the classification of assets and liabilities to which they relate. Deferred taxes arising from temporary differences that are not related to an asset or liability are classified as current or non-current depending on the periods in which the temporary differences are expected to reverse.

Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affects 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 revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 1 – Significant Accounting Policies and Procedures (continued)

Long-lived assets

The Company accounts for its long-lived assets in accordance with ASC Topic 360-10-05, "Accounting for the Impairment or Disposal of Long-Lived Assets." ASC Topic 360-10-05 requires that long-lived assets be reviewed for impairment whenever events or changes in circumstances indicate that the historical cost or carrying value of an asset may no longer be appropriate. The Company assesses recoverability of the carrying value of an asset by estimating the future net cash flows expected to result from the asset, including eventual disposition. If the future net cash flows are less than the carrying value of the asset, an impairment loss is recorded equal to the difference between the asset's carrying value and its fair value or disposable value. During the year ended February 28, 2015 the company recognized a impairment of the long term assets of $ 500,000,

Advertising

The Company expenses advertising costs as incurred. During the three months ended May 31, 2015 and May 31, 2014 and for the period from August 25, 2004 (inception) to May 31, 2015, the Company did not incur advertising expenses.

Research and development

Research and development costs are expensed as incurred. During the six months ended May 31, 2015 and 2014 and for the period from August 25, 2004 (inception) to May 31, 2015, the Company did not incur research and development costs.

Concentration of Business and Credit Risk

The Company has no significant off-balance sheet risk such as foreign exchange contracts, option contracts or other foreign hedging arrangements. The Company's financial instruments that are exposed to concentration of credit risks consist primarily of cash. The Company maintains its cash in bank accounts which may at times, exceed federally-insured limits.

Foreign currency transactions

The Company's functional and reporting currency is the United States dollar. Monetary assets and liabilities denominated in foreign currencies are translated in accordance with ASC 820, using the exchange rate prevailing at the balance sheet date. Gains and losses arising on settlement of foreign currency denominated transactions or balances are included in the determination of income.

Share-Based Compensation

The Company accounts for stock-based payments to employees in accordance with ASC 718, "Stock Compensation" ("ASC 718"). Stock-based payments to employees include grants of stock, grants of stock options and issuance of warrants that are recognized in the consolidated statement of operations based on their fair values at the date of grant.

NOTE 1 – Significant Accounting Policies and Procedures (continued)

Share-Based Compensation (continued)
The Company accounts for stock-based payments to non-employees in accordance with ASC 718 and Topic 505-50, "Equity-Based Payments to Non-Employees." Stock-based payments to non-employees include grants of stock, grants of stock options and issuances of warrants that are recognized in the consolidated statement of operations based on the value of the vested portion of the award over the requisite service period as measured at its then-current fair value as of each financial reporting date.The Company calculates the fair value of option grants and warrant issuances utilizing the Black-Scholes pricing model. The amount of stock-based compensation recognized during a period is based on the value of the portion of the awards that are ultimately expected to vest. ASC 718 requires forfeitures to be estimated at the time stock options are granted and warrants are issued to employees and non-employees, and revised, if necessary, in subsequent periods if actual forfeitures differ from those estimates. The term "forfeitures" is distinct from "cancellations" or "expirations" and represents only the unvested portion of the surrendered stock option or warrant. The Company estimates forfeiture rates for all unvested awards when calculating the expense for the period. In estimating the forfeiture rate, the Company monitors both stock option and warrant exercises as well as employee termination patterns.

The resulting stock-based compensation expense for both employee and non-employee awards is generally recognized on a straight-line basis over the requisite service period of the award.

For the three months May 31, 2015 and 2014 and for the period from August 25, 2004 (inception) to May 31, 2015, the Company recorded share-based compensation expense related to equity granted in connection with services to the Company of $120,500, $150,133 and $2,164,645, respectively.

Year-end
The Company has adopted the last day of February as its fiscal year end.

Recent accounting pronouncements

Recent accounting pronouncements issued by the FASB (including its Emerging Issues Task Force), the AICPA, and the SEC did not or are not believed by management to have a material impact on the Company's present or future financial statements.

NOTE 2 – Going Concern

These financial statements have been prepared in accordance with generally accepted accounting principles applicable to a going concern, which assumes that the Company will be able to meet its obligations and continue its operations for its next fiscal year. Realization values may be substantially different from carrying values as shown and these 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. The Company has not yet achieved profitable operations and since its inception (August 25, 2004) through May 31, 2015 the Company had accumulated losses of $3,341,118. Management expects to incur further losses in the development of its business, all of which raises substantial doubt about the Company's ability to continue as a going concern. The Company's ability to continue as a going concern is dependent upon its ability to generate future profitable operations and/or to obtain the necessary financing to meet its obligations and repay its liabilities arising from normal business operations when they come due.

The Company expects to continue to incur substantial losses as it executes its business plan and does not expect to attain profitability in the near future. Since its inception, the Company has funded operations through short-term borrowings and equity investments in order to meet its strategic objectives. The Company's future operations are dependent upon external funding and its ability to execute its business plan, realize sales and control expenses. Management believes that sufficient funding will be available from additional borrowings and private placements to meet its business objectives, including anticipated cash needs for working capital, for a reasonable period of time. However, there can be no assurance that the Company will be able to obtain sufficient funds to continue the development of its business operation, or if obtained, upon terms favorable to the Company.

NOTE 3 – Intangible Assets

On January 25, 2011, the Company entered into an Asset Purchase Agreement to acquire certain intellectual property related to a line of fire extinguishing and prevention products that are based on environment friendly and biological formulations. In consideration for the newly acquired assets, the Company issued 38,000,000 shares at $ 0.013 per share, totaling $ 1,190,000 to two individuals who became the entire Board of Directors and the two senior officers of the Company. The Company followed SAB Topic 5 G in determining value as the transaction was considered a non-monetary related party transaction. Value was determined based on historical costs associated with testing, patenting and trademarking the intellectual property and also supported by an independent valuation of the intellectual property. The entire purchase price was allocated to the intangible asset category of Patents and Trademarks.

During the year ended February 29, 2013, the Company recognized an impairment of the intangible asset of $400,000 based on management's assessment of the current value of the asset. Management will continue to review the valuation of the asset on an ongoing basis.

During the year ended February 28, 2015, the Company recognized an impairment of the intangible asset of $500,000 based on management's assessment of the current value of the asset. Management will continue to review the valuation of the asset on an ongoing basis.

NOTE 4 – Proposed Merger with Terra Asset Management, Inc.

Pursuant to a proposed merger agreement dated July 16, 2012 between the Company and Terra Asset Management, Inc. the Company assumed for Terra a promissory note payable to MDS Real Estate, LLC. The proposed merger was terminated on October 17, 2012, and both parties are to be restored to their original positions, except that Bioflamex has assumed the debt payable to MDS of $65,700 and has a receivable from Terra Asset Management for $126,000.

NOTE 5 – Related Party Transactions

Accrued expenses

During the period ended August 31, 2013, officers of the Company received net repayments of $nil of operating expenses on behalf of the Company. As of August 31, 2013, the amount owed to officers of the Company totaled $2,094.

Note payable –related party

On September 30, 2011, the Company issued a promissory note to an officer in the amount of $4,034 for cash advanced to the Company for operating expenses. The loan bears interest at a rate of 15% per annum and is due on demand. As of August 31, 2013, the Company recorded interest expense of $ 874. The principle together with accrued interest totaled $4,908.

NOTE 5 – Related Party Transactions (continued)

Executive compensation

On March 5, 2012, the Company entered into employment agreements with each of its two executives for a term of three years. Pursuant to the agreements, each officer would receive annual compensation of $240,000. Additionally, the agreements allowed for share-based compensation of 5,000,000 shares each, issuable three months from the effective date (March 5, 2012) of the agreements. On July 13, 2012, the Company entered into a Plan and Agreement of Triangular Merger with Terra Asset Management, Inc. In connection with the merger, the March 5, 2012 Employment Agreements were superseded with new agreements that are deemed "At Will" and can be terminated at any time upon 30-day written notice. Per the July 13, 2012 agreements, each officer is to receive annual compensation of $100,000 which may be increased based on revenue benchmarks of $1,000,000 and $2,000,000. At each benchmark, annual compensation will increase to $175,000 and $240,000, respectively.

On March 28, 2012, the Company issued 6,000,000 shares each to the Company's two officers, previously authorized, as compensation for services rendered in 2011.

On May 21, 2012, the Company issued 12,000,000 shares each to the Company's officers, previously authorized as compensation for services rendered for the period beginning January 1, 2012 through June 30, 2012. In connection with the grant, the officers agreed to waive their right to the 5,000,000 shares due them per their respective employment agreements. The fair value of the 24,000,000 shares issued totaled $240,000 and is being amortized over the six month term of the agreement. At August 31, 2013, the Company recorded additional executive compensation of $160,000 in connection with the grant.

On October 18, 2012, the Company issued 50,000,000 shares to each of the Company's officers previously authorized as compensation for services rendered for the period beginning July 1, 2012 through December 31, 2012. The fair value of the shares issued totaled $300,000. As of February 28, 2013 $ 40,000 of the stock based compensation was considered unearned as it related to a future period. This amount was recognized during the period ended August 31, 2013.

NOTE 6 – Convertible Notes Payable

Armitage S.A.

On December 13, 2010, the Company issued a convertible promissory note in the amount of $60,500. The note is convertible at any time upon the election of the holder at a conversion rate of $0.01. The note is non-interest bearing and matures on December 13, 2012. Further, the Company can elect to convert the note at any time at the stated conversion rate in an amount equal to 120% of the outstanding balance at the time of election. The Company imputed interest at a rate of 8% and recorded a discount of $8,925. The discount is being amortized over the term of the note. On October 26 and November 16, 2012, the company converted $17,500 of the note payable into 12,840,909 shares of common stock. As of August 31, 2013, the principle balance, net of its remaining discount of $341, totaled $42,659 additionally the Company recorded an imputed interest expense of 8,925.

Laurag Associates S.A.

On January 9, 2012, the Company issued a convertible promissory note in the amount of $11,000. The note is unsecured, bears interest at a rate of 6% per annum and matures on January 8, 2013. The note is convertible into shares of the Company's common stock at a rate equal to the market value of the common stock on the date of conversion notice. The loan was converted into 800,000,000 shares of common stock of the Company on March 25, 2013 in settlement of the $ 8,000 of the debt and the balance of the debt was forgiven. A gain on settlement of debt I in the amount of $ 2,921 was recorded relative to this settlement

Magna Group I, LLC

On March 29, 2012, the Company issued an 8% convertible promissory note to Magna Group I, LLC ("Magna") in exchange for the assumption of $143,786 of the Company's previously accrued liabilities. The note matures on March 29, 2012 and is convertible at any time at the option of the holder at a conversion rate equal to a 35% discount of the three lowest trading amounts in the ten day period prior to the election to convert. During the six months ended August 31, 2013, Magna elected to convert a total of $113,786 of the note into 8,575,620 shares of common stock. The fair value of the shares issued totaled $211,093. The Company recorded additional financing costs of $97,307 in connection with the conversion representing the excess fair value of the shares issued over the debt converted.

On June 4, 2012, Magna elected to convert the remaining value of the note into 4,458,881 shares of common stock. The fair value of the shares issued totaled $93,406. The Company recorded additional financing costs of $17,264 in connection with the conversion representing the excess fair value of the shares issued over the debt converted.

On May 14, 2012, the Company issued a second 12% convertible promissory note to Magna in exchange for the assumption of $37,737 of the Company's previously accrued liabilities. The note matures on May, 14, 2013 and is convertible at any time at the option of the holder at a

NOTE 6 – Convertible Notes Payable (continued)
conversion rate equal to a 35% discount of the three lowest trading amounts in the ten day period prior to the election to convert. On May 22, 2012, Magna elected to convert the full amount due into 5,730,400 shares of common stock. The fair value of the shares issued totaled $93,406. The Company recorded additional financing costs of $54,566 in connection with the conversion representing the excess fair value of the shares issued over the debt converted.

Hanover Holdings I, LLC
On March 29, 2012, the Company issued an 8% convertible promissory note to Hanover Holding I, LLC in the amount of $60,000. The note is unsecured, bears interest at a rate of 8% per annum and matures on March 29, 2013. The note is convertible into shares of common stock at a conversion rate equal to the market price on the date of election to convert. As of May 31, 2013, the Company has recorded interest expense of $6,053 and the principle balance together with accrued interest totaled $66,053.

Asher Enterprises
On June 11, 2012, the Company issued a convertible promissory note to Asher Enterprise in the amount of $37,500 at a rate of 22% per annum maturing March 13, 2013 and convertible at a 49% discount to market. In December 31, 2012, the Company converted $11,000 of the note for 17,602,564 shares of common stock. As of August 31, 2013, the Company has recorded interest expense of $5,652 and the principle balance together with accrued interest totaled $32,152.

Redwood Management LLC.

On October 13, 2012, the Company issued a convertible promissory note to Redwood Management LLC. in the amount of $ 50,000 at a rate of 12% per annum maturing October 13, 2013 and convertible at a 50% discount to market. In December 2012, the Company converted $9,830 of the note for 12,159,091 shares of common stock. During the period ended May 31, 2013, the company converted $10,000 of the debt into 2,984,723 shares of common stock As at May 31, 2013 the balance of note payable is $ 30,170.

Loan Payable

During the period ended August 31, 2013 the Company received proceeds from a loan in the amount of $ 11,840. The loan bears interest at 5% per annum and is due before December 31, 2013.

During the period ended November 30, 2013 the Company received proceeds a loan in the amount of $ 8,460. The loan bears interest at 5% per annum and is due before March 27, 2014.

During the period ended August 31, 2013, the Company issued 847,653,842 shares of common stock for debt 0f $ 43,149. As a result of the conversion below market value, the Company recorded a loss of $ 19,817 on conversion of debt.

CANNAMED4PETS INC.
(A DEVELOPMENT STAGE COMPANY)
NOTES TO FINANCIAL STATEMENTS
MAY 31, 2015

NOTE 7 – Commitments

Front Range Consulting

On December 1, 2010, the Company entered into a consulting agreement with Front Range Consulting for a term of two years expiring on August 31, 2013. Pursuant to the initial agreement, Front Range will provide business consulting services in exchange for cash compensation in the amount of $19,500 to be amortized over the term of the agreement. On January 28, 2011, the Company agreed to amendment the December 2010 agreement with the inclusion of additional compensation of 1,000,000 shares of the Company's common stock fair valued at $200,000 to be deemed fully earned on the date of amendment. On September 20, 2011, the Company agreed to further amend the December agreement for the issuance of an additional 2,500,000 shares of common stock fair valued at $375,000 also deemed to be fully earned on the date of amendment.

NOTE 8 – Shareholders' Equity

Recapitalization

Effective May 14, 2012, the Company amended its articles of incorporation to increase it authorized capital from 200,000,000 to 400,000,000 shares of common stock.

Effective February 25, 2013 the Company amended its articles of incorporation to increase it authorized capital to 9,000,000,000 shares of common stock par value $ 0.00001, 500,000 Preferred A Shares par value $0.00001 , and 500,000 Preferred B Shares, par value $0.00001.

During the period ended May 31, 2013, the Company issued 8,050,000,000 restricted shares of common stock of the Company to directors for compensation with a deemed value of $ 80,500.

During the period ended May 31, 2013, the Company issued 803,419,595 shares of common stock for debt f $ 20,411.

On September 28, 2014, it's authorized and approved to perform and file a Reverse
Split. 100:1 reverse split of the common stock of the Company. The stock split was approved by the Board of Directors and a Majority of the stockholders

On October, 2014 the Company amended its articles of incorporation to increase its authorized capital from 90,000,000 to 9,000,000,000 shares of common stock.

During the period ended October, 2014, the Company issued 7,710,000,000 restricted shares of common stock of the Company to directors for compensation.

CANNAMED4PETS INC.
(A DEVELOPMENT STAGE COMPANY)
NOTES TO FINANCIAL STATEMENTS
MAY 31, 2015

NOTE9 – Correction of an Error

In September 2013, the Company identified errors in previously reported financial statements relating to the accrual of an consulting expense incurred and unrecorded from December 2012.The following table represents the effects of the errors for the year ended February 28, 2013.

	February 28, 2013		
	As Originally Filed	Error Corrections	As Restated
BALANCE SHEET			
Current assets			
Cash and cash equivalents	$ 285	—	$ 285
Total current assets	285	—	10,191
Other assets			
Due from Terra Asset Management Inc.	126,000	-	126,000
Intangible assets:	791,000	—	791,000
Total assets	$ 917,285	—	$ 917,285
Current liabilities			
Accounts payable and accrued expenses	16,554	105,000	121,554
Accrued expenses - related party	2,094	—	2,094
Accrued interest	12,326		12,326
Accrued interest - related party	572	-	572
Note payable - related party	4,034	—	4,034
Convertible note	200,430	-	200,430
Due to MDS Real Estate, LLC.	65,700		65,700
Total current liabilities	301,710	105,000	406,710
Stockholders' (Deficit)			
Common stock	156,714	-	156,714
Additional paid-in capital	3,740,479	-	3,0740,479
Common stock authorized and unissued	613	-	613
Unearned stock based compensation	(40,000)	-	(40,000)
Unamortized share-based compensation	(6,113)	(6,113)	(160,000)
Accumulated deficit	(3,236,118)	(105,000)	(3,341,118)
Total stockholders' equity	615,575	(43,213)	510,575
Total liabilities and stockholders' (deficit)	$ 917,285	—	$ 917,285

NOTE9 – Correction of an Error (continued)

STATEMENT OF OPERATIONS	For the year ended February 28, 2013		
	Original as filed	Error Corrections	As restated
Revenues	$		
Operating Expenses			
Compensation	500,000	-	500,000
Consulting fees	91,273	105,000	196,273
General and administrative	70,037		70,037
Professional fees	13,606	-	13,606
Total operating expenses	674,916	105,000	779,916
Gain (loss) on currency exchange	192		192
Impairment	(400,000)		(400,000)
Interest expense, net	(15,666)		(15,666)
Interest expense-related party	(483)		(483)
Finance costs	(178,068)		(178,068)
Net (loss)	$ (1,268,941)	(105,000)	(1,268,941)
Basic and diluted loss per share	$ (0.31)		(0.33)
Weighted average shares outstanding	4,183,375		4,183,375

NOTE 10 Subsequent Events

In accordance with ASC 855, management evaluated all activity of the Company through the date of filing, (the issue date of the financial statements) and concluded that no other subsequent events have occurred that would require recognition or disclosure in the financial statements other than those detailed below.