GOLDEN STAR ENTERPRISES LTD.

CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2015

(UNAUDITED)

CONSOLIDATED CONDENSED BALANCE SHEETS

CONSOLIDATED CONDENSED STATEMENTS OF OPERATIONS

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NOTES TO CONSOLIDATED CONDENSED FINANCIAL STATEMENTS

GOLDEN STAR ENTERPRISES LTD.
CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited)

	June 30, 2015	December 31, 2014
ASSETS		
CURRENT ASSETS		
Cash	$ 520	$ 1,428
Accounts Receivable	9,868	90
Inventory	25,843	4,746
TOTAL CURRENT ASSETS	36,231	6,264
AVAILABLE FOR SALE SECURITIES – related parties	2,896	2,896
INVESTMENT IN WEE-CIG INTERNATIONAL CORPORATION	1,188,698	-
INTANGIBLE ASSETS -Vapor Spirits- net of amortization of $44,000 (2014 - $28,000) and adjusted cost base for disposition of $1,156,000 (2014- $Nil)	-	1,172,000
INTANGIBLE ASSETS - Drones - net of amortization of $11,236 (2014 - $Nil)	831,364	-
OTHER INTANGIBLE ASSETS	200,119	200,119
TOTAL ASSETS	$ 2,259,308	$ 1,381,279
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITES		
Accounts payable and accrued liabilities	$ 66,249	$ 62,822
Due to related parties	213,996	151,771
TOTAL CURRENT LIABILITIES	280,245	214,593
COMMITMENTS AND CONTINGENCIES		
STOCKHOLDERS' EQUITY		
Common stock, $0.0001 par value, 500,000,000 shares authorized		
Issued and outstanding:		
89,480,241 (2014 – 51,480,241) common shares	8,948	5,148
Additional paid-in capital	20,856,222	20,017,422
Deferred compensation	(1,250)	(3,750)
Accumulated deficit	(18,884,449)	(18,851,768)
Accumulated other comprehensive income (loss)	(366)	(366)
TOTAL STOCKHOLDERS' EQUITY	1,979,063	1,166,686
TOTAL LIABILITIES AND STOCKHOLDER EQUITY	$ 2,259,308	$ 1,381,279

The accompanying notes are an integral part of these financial statements

GOLDEN STAR ENTERPRISES LTD.
CONSOLIDATED CONDENSED STATEMENTS OF OPERATIONS
(Unaudited)

	Three Months Ended June 30, 2015	Three Months Ended June 30, 2014	Six Months Ended June 30, 2015	Six Months Ended June 30, 2014
REVENUES				
Vapor Spirit Novelty Products	$ 1,127	$ 3,527	$ 7,726	$ 3,527
Drones	9,668	-	27,043	-
TOTAL REVENUES	10,795	3,527	34,769	3,527
COST OF SALES				
Vapor Spirit Novelty Products	249	594	1,437	594
Drones	6,063	-	14,986	-
TOTAL COST OF SALES	6,312	594	16,423	594
GROSS PROFIT (LOSS)	4,483	2,933	18,346	2,933
GENERAL & ADMINISTRATIVE EXPENSES				
Consulting fees	9,475	7,187	11,059	14,375
Amortization	12,427	4,000	27,236	4,000
Investor relations	920	3,382	1,260	3,695
Office and general	18,030	16,354	31,470	28,039
Professional fees	6,258	6,099	7,565	10,057
Loss on settlement of debt	-	90,000	-	90,000
Travel and accommodation	2,542	1,951	5,177	5,291
TOTAL GENERAL & ADMINISTRATIVE EXPENSES	49,652	128,973	83,767	155,457
OTHER INCOME (EXPENSES)				
Gain/(Loss) on Sale of Securities	-	2,011	-	2,011
Gain/(Loss) on Sale of License	81,500	-	81,500	-
Equity Gain/(Loss) from Wee-Cig International Corporation	(48,802)	-	(48,802)	-
TOTAL OTHER INCOME (EXPENSES)	32,698	2,011	32,698	2,011
LOSS BEFORE INCOME TAXES	(12,471)	(124,029)	(32,723)	(150,513)
Income Tax Provision	-	-	-	-
NET LOSS	$ (12,471)	$ (124,029)	$ (32,723)	$ (150,513)
BASIC & DILUTED LOSS PER COMMON SHARE	$ (0.00)	$ (0.00)	$ (0.00)	$ (0.01)
BASIC & DILUTED WEIGHTED AVG. COMMON	85,721,999	37,062,386	72,764,771	21,358,421

The accompanying notes are an integral part of these financial statements

GOLDEN STAR ENTERPRISES LTD.
CONSOLIDATED CONDENSED STATEMENTS OF CASH FLOWS
(Unaudited)

	Six months ended June 30 2015	Six months ended June 30 2014
OPERATING ACTIVITIES		
Net loss	$ (32,723)	$ (150,513)
Adjustments to reconcile net loss to net cash used in operating activities:		
Amortization and Depreciation	27,236	4,000
Fees and services paid for with shares	2,500	15,000
Loss on settlement of debt	-	90,000
Gain/Loss on sale of marketable securities	-	(2,011)
Gain/Loss on sale of license	(81,500)	-
Equity Loss from Wee-Cig international Corporation	48,802	-
Net changes in operating assets and liabilities	(6,351)	(804)
Inventory	(21,097)	(7,057)
CASH FLOWS USED IN OPERATING ACTIVITIES	(63,133)	(51,865)
INVESTING ACTIVITIES		
Net proceeds from sale of securities – related parties	-	2,011
CASH FLOWS (USED IN) INVESTING ACTIVITIES	-	2,011
FINANCING ACTIVITIES		
Net advances (to)/ from related parties	62,225	54,518
CASH FLOWS PROVIDED BY FINANCING ACTIVITIES	62,225	54,518
NET (DECREASE) INCREASE IN CASH	(908)	4,664
CASH, BEGINNING OF PERIOD	1,428	135
CASH , END OF PERIOD	$ 520	$ 4,799

The accompanying notes are an integral part of these financial statements

GOLDEN STAR ENTERPRISES LTD.
CONSOLIDATED CONDENSED STATEMENTS OF OTHER COMPREHENSIVE LOSS
(Unaudited)

	Three months ended June 30,		Six months ended June 30,	
	2015	2014	2015	2014
NET LOSS	$ (12,471)	$ (124,029)	$ (32,723)	$ (150,513)
Unrealized gains (losses) on related party securities	-	(32,566)	-	(16,467)
TOTAL OTHER COMPREHENSIVE INCOME (LOSS), net of tax	-	(32,566)	-	(16,467)
COMPREHENSIVE (LOSS)	$ (12,471)	$ (156,595)	$ (32,723)	$ (166,980)

The accompanying notes are an integral part of these financial statements

NOTE 1 – NATURE OF OPERATIONS

Golden Star Enterprises Ltd., (formerly Terralene Fuels Corporation) (The "Company") was incorporated on September 13, 1993 in the State of Delaware as Power Direct, Inc. On January 31, 2000 the Company changed its name to 2U Online.com Inc. to reflect management's decision to shift the Company's focus from oil and gas exploration and development to internet-based business development. On October 8, 2003, the Company changed its name to Golden Spirit Minerals Ltd. to reflect management's decision to shift the Company's focus from internet-based business development to mineral exploration. On October 19, 2004, the Company changed its name to Golden Spirit Mining Ltd. On July 18, 2005, the Company changed its name to Golden Spirit Gaming Ltd. to reflect management's decision to develop an online gaming business. The launch of the updated goldenspiritpoker.com website featuring real cash games, in addition to play money games, occurred in January 2006. By agreement dated July 18, 2005 as amended September 20, 2005 (the "Amended Agreement"), the Company agreed to acquire 100% of the issued and outstanding common shares of 4 Of A Kind Enterprises ("4KE") doing business as EverythingAboutPoker.com for consideration of 1,388,889 post-reverse split restricted shares of the Company's common stock which were placed in trust pending finalization of the agreement. Effective June 30, 2006, the Company completed a 1 for 18 reverse stock split (refer Note 7) and changed its name to Golden Spirit Enterprises Ltd. to reflect the Company's plan to expand its operations to include the marketing of other products and venues not related to gaming including an agreement with Eneco Industries to participate in a series of Municipal Solid Waste (garbage) fueled Recycling and Resource Recovery Plants. In addition, the Company signed an agreement with Global Terralene Inc. for the acquisition of all assets pertaining to Terralene Fuels.(refer to Note 4). On November 29, 2011, the Company changed its name to Terralene Fuels Corporation. On May 14, 2013, the Company filed a form 15-12G, securities registration termination with the U.S. Securities and Exchange Commission. The Company continues to report and trade on the "OTC Pinks" under the same symbol GSPT. Effective July 15, 2013, the Company completed a 1 for 40 reverse stock split and changed its name to Golden Star Enterprises Ltd. under the same symbol "GSPT". On April 4, 2014, the Company has signed a Licensing Agreement with Vapor Spirit International Corporation (Vapor Spirit), a Nevada company in the alcohol vaporization product industry. The Company sold the license in April, 2015 for a 49.5% equity interest in a Company with common directors. On March 27, 2015, the Company has signed a Licensing Agreement with North American Drones Enterprise Inc.(NA Drones), a Nevada company in the drones industry. The Company is also in the business of marketing and distributing drones to a wide range of potential users in various industries and business sectors.

Going Concern

The consolidated financial statements have been prepared on the basis of a going concern which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. The Company has incurred losses since inception of $18,884,449 and at June 30, 2015 had a working capital deficiency of $244,014. The recoverability of the carrying value of assets and the ability of the Company to continue as a going concern is dependent on raising additional capital and ultimately on generating future profitable operations. The Company has entered into a licensing agreement to sell a branded line of Drone products with developed packaging, accessories and promotional materials for the purposes of its sale to a wide range of potential users in various industry and business sectors

There can be no assurance that the Company will be able to raise the necessary funds when needed to finance its ongoing costs. Given the Company's limited operating history, lack of sales, and its operating losses, there can be no assurance that it will be able to achieve or maintain profitability. The Company intends to fund the marketing of its business with both equity financing and joint venture opportunities, although there are no assurances these opportunities will be successful. Accordingly, these factors raise substantial doubt regarding the ability of the Company to continue as a going concern.

NOTE 2- BASIS OF PRESENTATION (con't.)

The financial statements include the accounts of the Company and its subsidiaries, a 100% interest in PD Oil & Gas, Inc., and a 100% interest in Cardstakes.com Enterprises Ltd.

The foregoing unaudited interim consolidated financial statements have been prepared in accordance with generally accepted accounting principles for interim financial information and with the instructions. Accordingly, these financial statements do not include all of the disclosures required by generally accepted accounting principles for complete financial statements. These unaudited interim consolidated financial statements as at June 30, 2015 should be read in conjunction with the unaudited consolidated financial statements for the period ended December 31, 2014 referenced in the financial information filed with the OTC Markets. In the opinion of management, the unaudited interim consolidated financial statements furnished herein include all adjustments, all of which are of a normal recurring nature, necessary for a fair statement of the results for the interim period presented.

The preparation of financial statements in accordance with generally accepted accounting principles requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities known to exist as of the date the financial statements are published, and the reported amounts of revenues and expenses during the reporting period. Uncertainties with respect to such estimates and assumptions are inherent in the preparation of the Company's financial statements; accordingly, it is possible that the actual results could differ from these estimates and assumptions that could have a material effect on the reported amounts of the Company's financial position and results of operations.

Operating results for the six months ended June 30, 2015 are not necessarily indicative of the results that may be expected for the year ending December 31, 2015.

Use of Estimates and Assumptions

Preparation of the Company's financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates. The significant areas requiring management's estimates and assumptions relate to determining the fair value of stock-based compensation, fair value of shares issued for services and the acquisitions and useful lives of long-lived assets.

Foreign Currency Translation

The financial statements are presented in United States dollars. In accordance with Statement of Financial Accounting Standards ("SFAS") No. 52, "Foreign Currency Translation", foreign denominated monetary assets and liabilities are translated to their United States dollar equivalents using foreign exchange rates that prevailed at the balance sheet date. Non-monetary assets and liabilities are translated at exchange rates prevailing at the transaction date. Revenue and expenses are translated at average rates of exchange during the year. Related translation adjustments are reported as a separate component of stockholders' equity, whereas gains or losses resulting from foreign currency transactions are included in results of operations.

Available For Sale Securities – Related Party

The Company holds marketable equity securities which are available-for-sale and as such, their carrying value is adjusted to market at the end of each reporting period. Unrealized gains and losses on these investments are recorded as a component of accumulated other comprehensive income (loss) and are recorded as a component of net income (loss) when realized. However, if there is a permanent decline in the market value of available-for-sale securities, this permanent market value adjustment is taken into income in the period.

Concentration of Credit Risk

Cash in bank accounts are at risk to the extent that they exceed U.S. Federal Deposit Insurance Corporation and Canadian Deposit Insurance Corporation insured amounts. To minimize risk, the Company places its cash with high credit quality institutions. All cash is deposited in one prominent Canadian financial institution.

Fair Value of Financial Instruments
The estimated fair value amounts have been determined by the Company, using available market information and appropriate valuation methodologies. The fair value of financial instruments classified as current assets or liabilities, including cash, accounts receivable, inventory ,available for sale securities, accounts payable, and amounts due to related parties approximate their carrying value due to the short-term maturity of the instruments.

Intangible Assets
Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 350, "Intangibles-Goodwill and Other" requires that goodwill and intangible assets with indefinite useful lives no longer be amortized, but instead tested for impairment at least annually in accordance with the provisions of ASC 350. This standard also requires that intangible assets with definite useful lives be amortized over their respective estimated useful lives to their estimated residual values, and reviewed for impairment The Company's intangible assets consist of the acquisition of patents and other proprietary information of Terralene Fuels, a patented fuel alternative formulation which began in 2010 and was completed in February 2012. The Company determined that the intangibles have indefinite useful lives and will be reviewed annually for impairment. (see Note 4).

The Company's other intangible assets include a Licensing Agreement with North American Drones Enterprise Inc. (NA Drones), a Nevada company in the drones industry. The Company has been granted the licensing right to manufacture and market the entire NA Drones product line in North America and in exchange, the Company will issue 38,000,000 restricted common shares of the Company's common stock to NA Drones and/or its nominees valued at $1,520,000 less a related party portion of $677,400 being eliminated from the transaction for a net value of $842,600. The Company was also entitled to any revenues generated from the sale of drone products by NA Drones for the month of March, 2015. The Company determined that the intangibles have an estimated useful life of 25 years and will be reviewed annually for impairment. Amortization will be recorded over the estimated useful life of the assets using the straight-line method for financial statement purposes. The Company commenced amortization when the economic benefits of the assets began to be consumed in March, 2015. Other intangibles are carried at acquisition cost less accumulated amortization. Amortization is provided over the estimated useful lives of the assets on straight line basis per annum. (see Note 4).

Income Taxes
The Company follows the liability method of accounting for income taxes. Under this method, deferred 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 balances. Deferred tax assets and liabilities are measured using enacted or substantially enacted tax rates expected to apply to the taxable income in the years in which those differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the date of enactment or substantive enactment. A valuation allowance is provided for deferred tax assets if it is more likely than not that the Company will not realize the future benefit, or if the future deductibility is uncertain.

Loss per Common Share
Basic loss per share is computed by dividing net loss available to common shareholders by the weighted average number of outstanding common shares during the period. Diluted loss per share gives effect to all dilutive potential common shares outstanding during the period including stock options, using the treasury method. Dilutive loss per share excludes all potential common shares if their effect is anti-dilutive.

Long-term Investments
The Company follows the equity method of accounting for its investments in companies in which it owns more than 20% and less than 50% and over which it exercises significant influence. Under this method, the Company includes its share of the earnings or losses of these affiliated companies.

NOTE 2- BASIS OF PRESENTATION (con't.)

Inventory

Inventories consist of merchandise held for sale in the ordinary course of business, including cost of freight and other miscellaneous acquisition costs, and are stated at the lower of cost, or market determined on the first-in-first-out basis. The Company records a write-down for inventories, which have become obsolete or are in excess of anticipated demand or net realizable value. The Company performs a detailed review of inventory each period that considers multiple factors including demand forecasts, market conditions, product life cycle status, product development plans and current sales levels. If future demand or market conditions for the Company's products are less favourable than forecasted or if unforeseen changes negatively affect the utility of the Company's inventory, it may be required to record additional write-downs, which would negatively affect gross margins in the period when the write-downs are recorded. If actual market conditions are more favorable, the Company may have higher gross margins when products incorporating inventory that were previously written down are sold.

Revenue Recognition

Sales are recognized upon purchase by customers at our product facility. All sales at our product facility are final, allowing for no sales returns. As at June 30, 2015, $9,868 (2014- $Nil) is in accounts receivable from the sale of drones products.

Recent Accounting Pronouncements

On June 10, 2014, the Financial Accounting Standards Board ("FASB") issued update ASU 2014-10, Development Stage Entities (Topic 915). Amongst other things, the amendments in this update removed the definition of development stage entity from Topic 915, thereby removing the distinction between development stage entities and other reporting entities from US GAAP. In addition, the amendments eliminate the requirements for development stage entities to (1) present inception-to-date information on the statements of income, cash flows and shareholders' equity, (2) label the financial statements as those of a development stage entity; (3) disclose a description of the development stage activities in which the entity is engaged and (4) disclose in the first year in which the entity is no longer a development stage entity that in prior years it had been in the development stage. The amendments are effective for annual reporting periods beginning after December 31, 2014 and interim reporting periods beginning after December 15, 2015, however entities are permitted to early adopt for any annual or interim reporting period for which the financial statements have yet to be issued. The Company has elected to early adopt these amendments and accordingly have not labeled the financial statements as those of a development stage entity and have not presented inception-to-date information on the respective financial statements.

In August 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards Updates (ASU) 2014-15 requiring an entity's management to evaluate whether there are conditions or events, considered in aggregate, that raise substantial doubt about entity's ability to continue as a going concern within one year after the date that the financial statements are issued (or within one year after the date that the financial statements are available to be issued when applicable). The amendments in this Update are effective for the annual period ending after December 15, 2016, and for annual periods and interim periods thereafter. Early application is permitted. The Company has not elected to early adopt this pronouncement.

In April 2015, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2015-03, "Interest - Imputation of Interest (Subtopic 835-30): Simplifying the Presentation of Debt Issuance Costs" ("ASU 2015-03"). ASU 2015-03 amends the existing guidance to require that debt issuance costs be presented in the balance sheet as a deduction from the carrying amount of the related debt liability instead of as a deferred charge. ASU 2015-03 is effective on a retrospective basis for annual and interim reporting periods beginning after December 15, 2015, but early adoption is permitted. The Company has not elected to early adopt this pronouncement

NOTE 3 – AVAILABLE–FOR-SALE SECURITIES – RELATED PARTIES

Bravo Enterprises Ltd.

The Company owns common shares of Bravo Enterprises Ltd. ("Bravo"), a public company with directors and significant shareholders in common that does represent a position of significant influence over Bravo. During 2007 the Company recorded an unrealized loss in the carrying value of its available-for-sale securities totalling $3,775, which was recorded as other comprehensive income (loss). During the year ended December 31, 2008, the Company recorded an unrealized loss in the carrying value of its available-for-sale securities totalling $5,612 which was recorded as other comprehensive income (loss). During the year ended December 31, 2009, the Company sold 50,000 shares resulting in a realized loss of $(780) and recorded an unrealized loss in the carrying value of its available-for-sale securities totalling $5,138, which was recorded as other comprehensive income. During the year ended December 31, 2010, the Company received 700,300 restricted shares of Bravo valued to $7,003 pursuant to a debt settlement and sold Nil Bravo shares. The Company recorded an unrealized loss in the carrying value of its available-for-sale securities totalling $2,541, which was recorded as other comprehensive income (loss). As a result, the carrying value of the available for sale shares of Bravo is $4,504 as at December 31, 2010.

During the year ended December 31, 2011, the Company sold Nil Bravo shares and recorded an additional unrealized loss of $ (3,097). As a result, the carrying value of the available for sale shares of Bravo is $1,407 as at December 31, 2011. Effective December 31, 2011, the Company recorded a $1,689 write-down of its investment in Bravo due to an other-than-temporary decline in the value of the shares.

During the year ended December 31, 2012, the Company sold Nil Bravo shares and recorded an additional unrealized gain of $ 6,158. As a result, the carrying value of the available for sale shares of Bravo is $7,565 as at December 31, 2012.

During the year ended December 31, 2013, the Company sold Nil Bravo shares and recorded an additional unrealized loss of $ 528. As a result, the carrying value of the available for sale shares of Bravo is $7,037 as at December 31, 2013.

During the year ended December 31, 2014, the Company sold Nil Bravo shares and recorded an additional unrealized loss of $(6,996) to December 31, 2014. As a result, the carrying value of the available for sale shares of Bravo is $42 as at December 31, 2014.

During the six month period ended June 30, 2015, the Company sold Nil Bravo shares and recorded no additional unrealized gain or loss to June 30, 2015. As a result, the carrying value of the available for sale shares of Bravo remains at $42 as at June 30, 2015.

Wee-Cig International Corporation

The Company owns common shares of Wee-Cig International Corporation ("Wee-Cig"), a public company with directors and significant shareholders in common, that does that does represent a position of significant influence over Bravo. During 2007 the Company recorded an unrealized gain in the carrying value of its available-for-sale securities totalling $590,993. During the year ended December 31, 2008, the Company acquired 23,200 shares valued at $19,532 sold 99,400 shares resulting in a realized gain of $28,645(net of commissions of $2,132) and recorded an unrealized gain in the carrying value of its available-for-sale securities totalling $275,121, which was recorded as other comprehensive income. During the year ended December 31, 2009, the Company sold 301,600 shares resulting in a realized gain of $180,398 and recorded an other-than-temporary loss in the carrying value of its available-for-sale securities totalling $34,001.

During the year ended December 31, 2010, the Company the Company received 1,451,360 restricted shares of Wee-Cig valued to $72,568 pursuant to a debt settlement and sold Nil Wee-Cig shares. The Company recorded an other-than-temporary loss in the carrying value of its available-for-sale securities totaling $47,069. As a result, the carrying value of the available for sale shares of Wee-Cig is $37,535 as at December 31, 2010.

During the year ended December 31, 2011, the Company sold Nil Wee-Cig shares and recorded an additional unrealized loss of $ (33,781). As a result, the carrying value of the available for sale shares of Wee-Cig is $3,754 as at December 31, 2011.Effective December 31, 2011, the Company recorded a $32,843 write-down of its investment in Wee-Cig due to an other-than-temporary decline in the value of the shares.

During the year ended December 31, 2012, the Company sold Nil Wee-Cig shares and recorded an additional unrealized loss of $ (1,877). As a result, the carrying value of the available for sale shares of Wee-Cig is $1,877 as at December 31, 2012.

During the year ended December 31, 2013, the Company sold Nil Wee-Cig shares and recorded an additional unrealized gain of $ 21,583. As a result, the carrying value of the available for sale shares of Wee-Cig is $23,460 as at December 31, 2013. In November of 2013, the Wee-Cig shares held were subject to a 1:9 reverse split.

During the year ended December 31, 2014, the Company sold 32,376 Wee-Cig shares for proceeds of $2,111 shares and recorded an additional unrealized loss of $20,605 to December 31, 2014. As a result, the carrying value of the available for sale shares of Wee-Cig is $2,854 as at December 31, 2014.

During the six month period ended June 30, 2015, the Company sold Nil Wee-Cig shares and recorded no additional unrealized gain or loss to June 30, 2015. As a result, the carrying value of the available for sale shares of Wee-Cig remains at $2,854 as at June 30, 2015.

NOTE 3 – AVAILABLE–FOR-SALE SECURITIES – RELATED PARTIES (con't.)

Available for sale securities – related parties include the following:

	June 30, 2015	December 31, 2014
228,283 (2014-228,283) shares of Wee-Cig International Corp.	$ 2,854	$ 2,854
35,187 (2014- 35,187) shares of Bravo Enterprises Ltd.	42	42
	$ 2,896	$ 2,896

NOTE 4 – INVESTMENT IN WEE-CIG INTERNATIONAL CORPORATION

On April 27, 2015 the Company entered into a related party intellectual property assignment agreement with Wee-Cig International Corporation (Wee-Cig), an e-cig and vaporization company, whereby Wee-Cig has issued 45 million restricted common shares of its $0.0001 par value shares to Golden Star in exchange for 100% of the worldwide manufacturing and distribution rights of Vapor Spirits, the alcohol vaporizing product line (see Note 5). The sale is valued at $1,237,500 and Wee-Cig and Golden Star are affiliated companies due to their common directors. The issue of 45 million restricted common shares represents 49.5% interest in Wee-Cig. Under the equity accounting method, the Company includes its share of the earnings or losses of an affiliated company. The Company has recorded an equity loss of $48,802 for the period from April 27, 2015 to June 30, 2015 for Wee-Cig. As a result, the carrying value of the investment in Wee-Cig is $1,188,676 at June 30, 2015.

NOTE 5 – INVESTMENTS IN INTANGIBLE ASSETS

Terralene Fuels

On August 24, 2010, the Company signed an agreement with Global Terralene Inc. for the acquisition of all assets pertaining to Terralene Fuels. Under the terms of the agreement, the Company will issue 7,000,000 restricted common shares to Global Terralene Inc. in two phases. On November 30, 2010, the Company approved and issued 5,000,000 restricted common shares valued at $125,000 to Global Terralene Inc. The Company will issued a further 2,000,000 restricted common shares valued at $50,000 in February 2012. Terralene Fuel is a patented fuel alternative formulation that is the equivalent of 87 octane regular gasoline and utilizes renewable energy sources in 45% of its composition. Terralene's unique fuel reduces greenhouse gas and other environmental damaging emissions and can be easily integrated into the existing fuel infrastructure. During the years ended December 31, 2013 and 2014, the Company capitalized $Nil in patent work. During the six months ended June 30, 2015, the Company capitalized a $Nil in patent work.

Total Investments in Terralene Fuels costs at June 30, 2015 and December 31, 2014 were $200,119 and include the following assets:

	June 30, 2015	December 31, 2014
Patents, trademarks, copyright	$ 130,119	$ 130,119
Formulas, reports, studies	25,000	25,000
Schematics, proprietary info	15,000	15,000
Website	5,000	5,000
Terralene brandname	5,000	5,000
	$ 200,119	$ 200,119

The purchase was completed in 2012 and no preliminary allocation has been completed. Amortization for intangible assets with definitive useful life purchased from Terralene Fuels, specifically the website, will be recorded over the estimated useful life of the website using the straight-line method for financial statement purposes when the product or service has been delivered or performed and invoiced by the Company and it begins to recognize revenues.

NOTE 5 – INVESTMENTS IN INTANGIBLE ASSETS (con't.)

Vapor Spirits

On April 4, 2014, the Company has signed a Licensing Agreement with Vapor Spirit International Corporation (Vapor Spirit), a Nevada company in the alcohol vaporization product industry. The Company has been granted the licensing right to manufacture and market the entire Vapor Spirit product line worldwide and in exchange, the Company issued 40,000,000 restricted common shares of the Company's common stock to Vapor Spirit and/or its nominees valued at $1,200,000.

Vapor Spirit is in the business of designing, manufacturing and marketing high quality alcohol vaporizers which are self-branded using custom unique glass and metal designs. Vapor Spirit will allow drinkers to vaporize alcohol creating a truly new and unique consumption experience whereby the drinker will inhale the spirits rather than drink it. The Vapor Spirit products highlight flavor profiles, while removing unwanted impurities and calories from the alcohol and virtually gives the drinker no hangover. The Company determined that the intangibles have an estimated useful life of 25 years and will be reviewed annually for impairment. Amortization will be recorded over the estimated useful life of the assets using the straight-line method for financial statement purposes. The Company commenced amortization when the economic benefits of the assets began to be consumed in June, 2014. Amortization will be recorded over the estimated useful life of the assets using the straight-line method for financial statement purposes. The Company sold its licensing agreement on April 27, 2015 to an affiliated Company in return for 45 million restricted common shares of that Company (see note 4). The transaction resulted in a gain on sale of the license in the amount of $81,500.

Description	June 30, 2015	December 31, 2014
25 year general license to design, manufacture and market the entire Vapor Spirit product line worldwide	$ 1,200,000	$ 1,200,000
Less: accumulated amortization	(44,000)	(28,000)
Adjusted Balance	$ 1,156,000	$ 1,172,000
Less: adjusted cost base on sale of license	(1,156,000)	-
Balance	$ -	$ 1,172,000

Drones

On March 27, 2015, the Company has signed a Licensing Agreement with North American Drones Enterprise Inc. (NA Drones), a Nevada company in the drones industry. The Company has been granted the licensing right to manufacture and market the entire NA Drones product line in North America and in exchange, the Company issued 38,000,000 restricted common shares of the Company's common stock to NA Drones and/or its nominees valued at $1,520,000 less a related party portion of $677,400 for a net value of $842,600. The Company was also entitled to any revenues generated from the sale of drone products by NA Drones for the month of March, 2015. The Company determined that the intangibles have an estimated useful life of 25 years and will be reviewed annually for impairment. Amortization will be recorded over the estimated useful life of the assets using the straight-line method for financial statement purposes. The Company commenced amortization when the economic benefits of the assets began to be consumed in March, 2015. Other intangibles are carried at acquisition cost less accumulated amortization. Amortization is provided over the estimated useful lives of the assets on straight line basis per annum.

The value of these shares considered a related party portion is $677,400 and as such, this amount has been eliminated from the transaction.

Description	June 30, 2015	December 31, 2014
25 year general license to manufacture and distribute drone products in North America	$ 1,520,000	$ -
Less: related party portion of consideration for license	(677,400)	-
Less: accumulated amortization	(11,236)	-
Balance	$ 831,364	$ -

The Company is in the business of marketing and distributing drones to a wide range of potential users in various industries and business sectors throughout North America.

NOTE 6 – DEFERRED COMPENSATION

On October 1, 2013, the Company entered into an agreement with a consultant, for a two year term, whereby the consultant provides consulting services to the Company (valued at $2,500) in exchange for 500,000 restricted shares of the Company's common stock. During the six months ended June 30, 2015, $625 was expensed (December 31, 2014 - $313).

On October 1, 2013, the Company entered into an agreement with Palisades Financial Ltd. ("Palisades"), a private company controlled by a significant shareholder, with a two-year term, whereby Palisades provides investment-banking services to the Company (valued at $2,500) in exchange for 500,000 restricted shares of the Company's common stock. During the six months ended June 30, 2015, $625 was expensed (December 31, 2014 - $313).

On October 1, 2013 the Company entered into an agreement with Asiatic Management Consultants Ltd. ("Asiatic"), a private company controlled by a significant shareholder, with a two-year term, whereby Asiatic provides consulting services to the Company (valued at $2,500) in exchange for 500,000 restricted shares of the Company's common stock During the six months ended June 30, 2015, $625 was expensed (December 31, 2014 - $313).

On October 1, 2013 the Company entered into an agreement with Compte de Sierge Accomodative Corp. Limited ("Compte"), a private company controlled by a significant shareholder, with a two-year term, whereby Compte provides investor relations services to the Company (valued at $2,500) in exchange for 500,000 restricted shares of the Company's common stock. During the six months ended June 30, 2015, $625 was expensed (December 31, 2014 - $313).

As at June 30, 2015, the unamortized portion of the deferred compensation agreements totaled $1,250 (December 31, 2014 - $3,750).

NOTE 7 – CAPITAL STOCK

The Company's capitalization is 500,000,000 common shares with a par value of $0.0001 per share. No preferred shares have been authorized.

2015 Stock Transactions - During the six months ended June 30, 2015:
The Company issued 38,000,000 restricted common shares of the Company's common stock to North American Drones Enterprise Inc.and/or its nominees valued at $1,520,000 or $0.04 per share pursuant to a license agreement.(see Note 5)

2014 Stock Transactions - During the six months ended June 30, 2014:
The Company issued 40,000,000 restricted common shares of the Company's common stock to Vapor Spirit and/or its nominees valued at $1,200,000 pursuant to a license agreement. (see Note 5)

The Company will be satisfied related party debt in the amount of $120,000 to three creditors that has been outstanding since December 31, 2012 through the issuance of 6,000,000 common shares of the Company's at $0.02 per share. The shares were issued pursuant to agreements dated May 4, 2014, when the share price was $0.035 and the Company recorded a loss on the settlement of debt in the amount of $90,000.

NOTE 8– RELATED PARTY TRANSACTIONS

During the six months ended June 30, 2015, companies controlled by significant shareholders earned $1,250 (2014 - $15,000) pursuant to the expired portion of deferred compensation services contracts (refer to Note 5).

During the six months ended June 30, 2015, the Company paid $3,000 (2014 -$Nil) to directors for management fees.

During the six months ended June 30, 2015, the Company incurred expenses for office rent of $16,000 (2014 - $13,682) to private companies controlled by significant shareholders.

The following amounts are due to related parties at:

	June 30, 2015	December 31, 2014
Significant shareholders	$ 213,996	$ 151,771

All related party transactions are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

NOTE 9 – COMMITMENTS AND CONTINGENCIES

As of August 1, 2012, the Company has leased 1,250 sq. ft of office space from Holm Investments Ltd. at $2,500.00 per month for a period of 3 years, with an option to renew. As of July 1, 2014, the Company has sub-leased a portion of 1,700 sq. ft. of store space from Splash Water Solutions Canada Ltd. at $1,137.50 per month for a period of one year, with an option to renew. The 5 year payment schedule totaling $281,250 is as follows:

2015	2016	2017	2018	2019
$43,650	$43,650	$43,650	$43,650	$43,650

NOTE 10 – INCOME TAXES

As of June 30, 2015, the Company had net operating loss carryforwards of approximately $18,884,000 that may be available to reduce future years' taxable income and will expire between the years 2016 - 2036. Availability of tax losses is subject to change of ownership limitations under Internal Revenue Code 382. Future tax benefits which may arise as a result of these losses have not been recognized in these financial statements, as their realization is determined not likely to occur and accordingly, the Company has recorded a valuation allowance for the deferred tax asset relating to these tax loss carryforwards.

NOTE 11 – SUPPLEMENTAL CASH FLOW INFORMATION AND NON-CASH INVESTING AND FINANCING ACTIVITIES

Supplemental disclosure of non-cash investing and financing activities:

	Six months ended June 30, 2015	2014
Cash paid during the year for: Interest	$ -	$ -
Income taxes	$ -	$ -
Shares issued for other intangible assets	$ 842,600	$ -
Shares issued for debt settlement	$ -	$ -
Shares issued for deferred compensation	$ -	$ -

The Company paid no cash for interest and income taxes for the six months ended June 30, 2015 and 2014.