



ORCA TOUCHSCREEN TECHNOLOGIES LTD.
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2015 AND 2014
(Unaudited)

**NOTICE OF NO AUDITOR REVIEW OF
CONDENSED INTERIM FINANCIAL STATEMENTS**

Under National Instrument 51-102, Part 4, subsection 4.3 (3) (a), if an auditor has not performed a review of the condensed consolidated interim financial statements, they must be accompanied by a notice indicating that an auditor has not reviewed the financial statements.

The accompanying unaudited condensed interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these financial statements in accordance with standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditor.

ORCA TOUCHSCREEN TECHNOLOGIES LTD.**CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION**

(Expressed in Canadian Dollars)

(Unaudited)

	September 30, 2015	December 31, 2014
ASSETS		
Current		
Cash	\$ 281,496	\$ 26,106
Accounts receivable	11,070	-
Current portion of prepaid expenses (note 8 and 11)	840,996	60,179
	1,133,562	86,285
Prepaid expenses (note 8 and 11)	680,000	-
Investment (note 4)	112,080	112,080
Intangible assets (note 3)	50,000	50,000
	\$ 1,975,642	\$ 248,365
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current		
Accounts payable and accrued liabilities	\$ 37,088	\$ 61,853
Due to related parties (note 7)	3,000	8,000
Short - term loan (note 6)	-	110,929
	40,088	180,782
Shareholders' equity		
Share capital (note 5)	2,583,523	368,500
Share subscription (note 11)	249,384	-
Reserve (note 5)	913,218	185,479
Deficit	(1,810,571)	(486,396)
	1,935,554	67,583
	\$ 1,975,642	\$ 248,365

Nature of operations and going concern (Note 1)**Subsequent event** (Note 11)

Approved and authorized by the Board:

*/s/ "Seong-Mo Jeong"***Seong-Mo Jeong**

Director

*/s/ "Jong Hyub Choi"***Jong Hyub Choi**

Director

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

ORCA TOUCHSCREEN TECHNOLOGIES LTD.**CONDENSED CONSOLIDATED INTERIM STATEMENTS OF LOSS AND COMPREHENSIVE LOSS**

(Expressed in Canadian Dollars)

(Unaudited)

	Three months ended September 30,		Nine months ended September 30,	
	2015	2014	2015	2014
EXPENSES				
Audit and accounting fees	-	-	24,126	-
Business development (note 8 and 11)	271,657	-	696,657	-
Consulting fees	(302,385)	20,322	150,600	36,378
Filing and regulatory	6,866	8,012	32,365	28,152
General and administrative	2,772	7,017	66,094	11,976
Interest recovery (note 6)	-	-	(874)	-
Investor relations	75,423	-	75,423	-
Legal fees	38,566	9,694	154,638	51,964
Management fees (note 7)	24,000	22,750	67,000	33,878
Royalty payments (note 3)	-	-	12,000	-
Share-based payment (note 5)	-	104,252	18,104	104,252
Travel	4,339	1,250	28,042	1,250
Loss and comprehensive loss for the period	(121,238)	(173,297)	(1,324,175)	(267,850)
Basic and diluted loss per common share	(0.00)	(0.01)	(0.03)	(0.01)
Weighted average number of common shares outstanding	45,276,301	34,217,778	43,012,955	21,794,667

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

ORCA TOUCHSCREEN TECHNOLOGIES LTD.**CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS**

(Expressed in Canadian Dollars)

(Unaudited)

	Nine months ended September 30,	
	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss for the period	\$ (1,324,175)	(267,850)
Items not affecting cash:		
Share based payments	18,104	104,252
Changes in non-cash working capital items:		
Accounts receivable	(11,070)	(5,555)
Prepaid expenses	(1,460,817)	(18,275)
Accounts payable and accrued liabilities	(24,765)	8,976
Due to related parties	(5,000)	-
	(2,807,723)	(178,452)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from private placements, net of share issue costs	2,924,658	368,500
Loan payable	(110,929)	44,424
Share subscription	249,384	-
	3,063,113	412,924
CASH FLOWS FROM INVESTING ACTIVITIES		
Intangible assets	-	(50,000)
Advance royalty payment	-	(29,000)
Investment in joint venture	-	(112,080)
	-	(191,080)
Change in cash during the period	255,390	43,392
Cash, beginning of period	26,106	1
Cash, end of period	\$ 281,496	\$ 43,393

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ORCA TOUCHSCREEN TECHNOLOGIES LTD.
CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY

(Expressed in Canadian Dollars)

Nine months ended September 30, 2015 and 2014

(Unaudited)

	Share capital		Reserve	Share Subscription		Deficit	Total
	Number	Amount					
Balance, January 1, 2014	9,200,000	\$ 11,500	\$ -	\$ 8,000	\$ (11,999)	\$ 7,501	
Issuance of common shares	31,240,000	357,000	-	(8,000)		349,000	
Share-based payments expense (note 5)	-	-	104,252			104,252	
Loss and comprehensive loss for the period	-	-	-	-	(267,850)	(267,850)	
Balance, September 30, 2014	40,440,000	\$ 368,500	\$ 104,252	\$ -	\$ (279,849)	\$ 192,903	

	Share capital						
	Number	Amount	Reserve	Share Subscription	Deficit	Total	
Balance, January 1, 2015	40,440,000	\$ 368,500	\$ 185,479	\$ -	\$ (486,396)	\$ 67,583	
Issuance of common shares (note 5)	1,037,382	518,691	-	-	-	518,691	
Issuance of common shares and share purchase warrants (note 5)	8,053,327	1,968,361	709,635	-	-	2,677,996	
Share issue costs (note 5)	-	(272,029)	-	-	-	(272,029)	
Share subscription (note 11)	-	-	-	249,384	-	249,384	
Share-based payments expense (note 5)	-	-	18,104	-	-	18,104	
Loss and comprehensive loss for the period	-	-	-	-	(1,324,175)	(1,324,175)	
Balance, September 30, 2015	49,530,709	\$ 2,583,523	\$ 913,218	\$ 249,384	\$ (1,810,571)	\$ 1,935,554	

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

ORCA TOUCHSCREEN TECHNOLOGIES LTD.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

(Expressed in Canadian Dollars)

Three and Nine Months Ended September 30, 2015 and 2014

(Unaudited)

1. NATURE OF OPERATIONS

Orca Touchscreen Technologies Ltd. (the "Company" or "Orca Touchscreen") was incorporated on December 31, 2013 under the *Business Corporation Act* of British Columbia. The head office of the Company is 1500 – 701 West Georgia Street, Vancouver, British Columbia, V7Y 1C6.

These condensed consolidated interim financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. Different bases of measurement may be appropriate if the Company was not expected to continue operations for the foreseeable future. At September 30, 2015, the Company has not achieved profitable operations and has accumulated losses of \$1,810,571 since inception and expects to incur further losses in the development of its business, all of which cast significant doubt about the Company's ability to continue as a going concern. The Company's continuation as a going concern is dependent on its ability to attain profitable operations to generate funds and/or its ability to raise equity capital or borrowings sufficient to meet its current and future obligations. Although the Company has been successful in the past in raising funds to continue operations, there is no assurance it will be able to do so in the future.

2. BASIS OF PREPARATION

Statement of Compliance

These condensed consolidated interim financial statements, including comparatives, have been prepared in accordance with International Accounting Standards ("IAS") 34 'Interim Financial Reporting' ("IAS 34") using accounting policies consistent with IFRS issued by the International Accounting Standards Board ("IASB") and Interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

The condensed consolidated interim financial statements were authorized for issue by the Board of Directors on November 26, 2015.

Basis of Consolidation and Presentation

The condensed consolidated interim financial statements have been prepared on a historical cost basis in Canadian dollars, which is the Company's functional currency. Functional currency is the currency of the primary economic environment in which an entity operates.

These condensed consolidated interim financial statements incorporate the financial statements of the Company and its wholly controlled subsidiaries. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The condensed consolidated interim financial statements include the accounts of the Company and its direct wholly-owned subsidiaries. All significant intercompany transactions and balances have been eliminated.

Certain comparative information has been reclassified to conform to the financial statement presentation adopted for the current year.

Basis of Measurement

The condensed consolidated interim financial statements have been prepared on an accrual basis and are based on historical costs.

The condensed consolidated interim financial statements are presented in Canadian dollars which is also the Company's functional currency.

Use of Estimates and Judgments

The preparation of financial statements in accordance with IFRS requires the Company to make estimates and assumptions concerning the future. The Company's management reviews these estimates and underlying assumptions on an ongoing basis, based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to estimates are adjusted for prospectively in the period in which the estimates are revised.

ORCA TOUCHSCREEN TECHNOLOGIES LTD.

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Estimates and assumptions where there is significant risk of material adjustments to assets and liabilities in future accounting periods include the fair value measurements for financial instruments and the recoverability and measurement of deferred tax assets.

The preparation of financial statements in accordance with IFRS requires the Company to make judgments, apart from those involving estimates, in applying accounting policies. The most significant judgments in applying the Company's financial statements are the classification of financial instruments and the going concern assumption.

3. INTANGIBLE ASSETS

On May 12, 2014, the Company, through its wholly-owned subsidiary Orca Mobile, entered into an asset purchase agreement and a patent and technology license agreement, both with Sollensys Corporation ("Sollensys"), a company based in South Korea.

In accordance with these agreements, the Company acquired:

- i. Sollensys' apparatus for folding and laminating touch sensor panels to produce touchscreens and the related patent for \$50,000 (paid);
- ii. an exclusive 6-year worldwide license to use all of Sollensys' technology and patents for consideration of a royalty payable as to
 - 10% on gross revenues received from the patents and
 - 80% of the net revenues received by from the sale of Sollensys products sold by the Company.

Royalty payments are due on the last day of December each year during the term and are payable \$4,000 per month on the first day of each month beginning July 1, 2014 as a guaranteed advance payment of the royalty. During the period ended March 31, 2015, the Company incurred \$12,000 (As at December 31, 2014 - \$24,000) in royalty payments pursuant to the terms of the agreement and advanced another \$26,708 towards future royalty payments.

Sollensys is a related party to the Company as its principal shareholder, senior officer and a director is GwanJe (Frank) Woo, CEO and President of the Company, and another of Sollensys' senior officers and directors is Seong-Mo (Kevin) Jeong, a director of the Company (note 7).

4. LETTER OF INTENT

On September 30, 2014, the Company entered into a non-binding letter of intent with Sollensys and Mr. Carlos Fernando Rivers Sandoval, governing the proposed incorporation of a Guatemala joint venture company called Sollen-Mobile SA for the purpose of developing, manufacturing and marketing computer and telecommunications hardware and software. The initial paid-in capital of Sollen-Mobile is proposed to be US\$300,000, of which the Company paid US\$100,000 (\$112,080 CDN) for its proposed one-third share of the investment. The Company is currently working towards completing a definitive agreement for the project.

5. SHARE CAPITAL AND RESERVES

a) Authorized share capital

Unlimited number of common shares without par value.

b) Issued share capital

At September 30, 2015, the Company had 49,530,709 common shares issued and outstanding (December 31, 2014 – 40,440,000).

- i. On January 23, 2015, the Company issued 1,037,382 common shares at a price of \$0.50 for gross proceeds of \$518,691;
- ii. On May 11, 2015, the Company completed a private placement of 1,871,413 units at a price of \$0.44 for gross proceeds of \$823,422. Each unit is comprised of one common share and one-half warrant. The Company paid finders a commission of \$83,643 which was recorded as a share issuance cost. In connection with the private placement, the Company issued 1,871,413 shares;

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- iii. On July 27, 2015, the Company completed a private placement of 1,557,716 units at a price of \$0.30 for gross proceeds of \$467,315. Each unit is comprised of one common share and one-half warrant. The Company paid finders a commission of \$47,469 which was recorded as a share issuance cost. In connection with the private placement, the Company issued 1,557,716 shares;
- iv. On July 28, 2015, the Company completed a private placement of 897,594 units at a price of \$0.30 for gross proceeds of \$269,278. Each unit is comprised of one common share and one-half warrant. The Company paid finders a commission of \$27,353 which was recorded as a share issuance cost. In connection with the private placement, the Company issued 897,594 shares; and
- v. On September 25, 2015, the Company completed a private placement of 3,726,604 units at a price of \$0.30 for gross proceeds of \$1,117,981. Each unit is comprised of one common share and one-half warrant. The Company paid finders a commission of \$113,564 which was recorded as a share issuance cost. In connection with the private placement, the Company issued 3,726,604 shares.

c) Escrow Agreement

Pursuant to a stock restriction agreement, the transfer of 8,902,000 common shares of the Company was restricted. The restricted shares are released from such restrictions at 10% on the CSE listing date (being June 13, 2014) and an additional 15% every six months thereafter with the final tranche being released on June 13, 2017. As at September 30, 2015, 5,341,200 common shares of the Company are subject to transfer restrictions.

d) Stock options

On July 15, 2014, the Company adopted a stock option plan under which it is authorized to grant options to officers, directors, employees and consultants enabling them to acquire, in the aggregate, up to 10% of the issued and outstanding common stock of the Company. The options can be granted for a maximum of five years and vest as determined by the Board of Directors. The exercise price of each option granted may not be less than the greater of the closing market prices of the common shares on (i) the trading day prior to the date of grant and (ii) the date of grant, pursuant to Canadian Securities Exchange Policy 6.

On July 15, 2014, the Company granted 600,000 stock options at an exercise price of \$0.80 expiring on July 15, 2016 to its director and officers. These stock options vest at 25% every three months following the date of grant, with the first vesting on October 15, 2014. On June 30, 2015, the Company cancelled the 600,000 stock options. During the period ended September 30, 2015, the Company recorded \$18,104 (2014 - \$104,252) of share based payments expense on the vested stock options. The fair value of the options was determined using the Black Scholes option pricing model with the following assumptions:

	2015	2014
Risk-free interest rate	0.57~0.98%	1.10%
Annualized volatility	100%	100%
Expected dividend yield	Nil	Nil
Expected option life in years	1.00~1.29	1.54~1.75

Details of stock options activity is as follows:

	Number of options	Weighted Average Exercise Price
Balance outstanding, December 31, 2013	-	-
Granted	600,000	\$0.80
Balance outstanding, December 31, 2014	600,000	\$0.80
Cancelled	(600,000)	\$0.80
Balance outstanding, September 30, 2015	-	-

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e) Warrants

- i. On May 11, 2015, in connection with the completion of the private placement (note 6(b)(ii)), the Company issued 935,708 warrants whereby each warrant holder is entitled to purchase one Company share at an exercise price of \$0.55 for a period of 5 years from the issuance date of such warrant;
- ii. On July 27, 2015, in connection with the completion of the private placement (note 6(b)(iii)), the Company issued 778,859 warrants whereby each warrant holder is entitled to purchase one Company share at an exercise price of \$0.40 for a period of 5 years from the issuance date of such warrant;
- iii. On July 28, 2015, in connection with the completion of the private placement (note 6(b)(iv)), the Company issued 448,797 warrants whereby each warrant holder is entitled to purchase one Company share at an exercise price of \$0.40 for a period of 5 years from the issuance date of such warrant; and
- iv. On September 25, 2015, in connection with the completion of the private placement (note 6(b)(v)), the Company issued 1,863,302 warrants whereby each warrant holder is entitled to purchase one Company share at an exercise price of \$0.40 for a period of 5 years from the issuance date of such warrant.

The fair value of the warrants was determined using the Black Scholes option pricing model with the following assumptions:

	2015
Risk-free interest rate	0.81%–0.96%
Annualized volatility	100%
Expected dividend yield	Nil
Expected warrant life in years	5.0

Details of warrants activity is as follows:

	Number of warrants	Weighted Average Exercise Price
Balance outstanding, December 31, 2014	-	-
Granted	4,026,666	\$0.44
Balance outstanding, September 30, 2015	4,026,666	\$0.44

The weighted average remaining life of outstanding warrants is 4.85 years.

6. SHORT-TERM LOANS

During 2014, a total of \$106,729 (\$92,000 USD) in short-term loans was received by the Company from its directors and a person related to an officer of the Company to fund the proposed joint venture in Guatemala (note 4).

During 2014, the Company received \$40,000 USD from one of its directors and \$10,000 USD from a person related to an officer of the Company. The loans bear interest at 25 percent per annum, are unsecured and are for a term of 2 months. As of December 31, 2014, interest of \$3,377 (\$2,911 USD) was accrued.

In October 2014, the Company received \$42,000 USD from a director of the Company. The loan bears interest of 8 percent per annum, is unsecured and payable on demand. As of December 31, 2014, interest of \$822 (\$709 USD) was accrued.

During the period ended September 30, 2015, all outstanding loans and accrued interest was repaid.

7. RELATED PARTY TRANSACTIONS

Related party transactions are comprised of services rendered by directors and/or officers of the Company and a company controlled by a former officer of the Company. Related party transactions are in the ordinary course of business and are measured at the exchange amount.

- a) Key management personnel are the Chief Executive Officer, Chief Financial Officer, and Directors of the Company. The remuneration of the key management personnel is as follows:

ORCA TOUCHSCREEN TECHNOLOGIES LTD.

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- paid or accrued management and consulting fees of \$67,000 (2014 - 33,878); and
- share based payments expense of \$18,104 (2014 - \$104,252).

As at June 30, 2015 \$3,000 (December 31, 2014 - \$8,000) is due to an officer of the Company for unpaid management fees.

- b) On May 12, 2014, the Company, through its wholly-owned subsidiary Orca Mobile, entered into an asset purchase agreement and a patent and technology license agreement, both with Sollensys Corporation ("Sollensys"), a company based in South Korea. Sollensys is a related party to the Company as its principal shareholder, senior officer and a director is GwanJe (Frank) Woo, CEO and President of the Company, and another of Sollensys' senior officers and directors is Seong-Mo (Kevin) Jeong, a director of the Company (Note 4).
- c) During 2014, the Company paid Sollensys \$50,000 for an apparatus for folding and laminating touch sensor panels to produce touchscreens and its related patent, and advanced Sollensys a total of \$62,708 in royalty payments.

During 2014, a total of \$92,000 USD in short-term loans were received by the Company from certain of its directors and a person related to an officer of the Company to fund the proposed joint venture in Guatemala (Notes 5 and 7). As of December 31, 2014, interest of \$4,199 was accrued. During the period ended September 30, 2015, \$50,000 of short-term loans and applicable interest of \$3,377 (\$2,911 USD) was repaid and the balance of \$42,000 USD was repaid and interest forgiven. As at September 30, 2015, no short-term loans were outstanding.

8. COMMITMENTS

On January 30, 2015, the Company entered into a consulting agreement (the "IR Agreement") with Primoris Group Inc. ("Primoris"), of Toronto, Ontario, by which Primoris will act as the Company's investor relations consultant by providing proactive, customized investor and media relations services at a rate of \$6,000 per month. The initial term of the agreement is for 1 year, beginning January 16, 2015, and the term renews automatically on a month-to-month basis until terminated by either party on 30 days' written notice.

On March 18, 2015, the Company entered into a service agreement ("Service Agreement") with a private equity and venture capital firm based in Singapore (the "Firm") pursuant to which the Firm will provide business development services at a rate of \$85,000 per month for the first nine months starting February 2015 and \$5,000 per month for each month thereafter. The initial term of the agreement is three years, unless terminated by either party on thirty days' written notice. The Company has advanced \$900,000 to the Firm as pre-payment for services.

9. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial Instruments

Cash is carried at fair value using a level 1 fair value measurement. The carrying value of receivables, accounts payable and accrued liabilities and loans payable approximate their fair value because of the short-term nature of these instruments.

Fair value estimates of financial instruments are made at a specific point in time, based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgment, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values.

Financial risk factors

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations associated with its financial liabilities. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at September 30, 2015, the Company had a cash balance of \$281,496 to settle current liabilities of \$40,088.

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(Unaudited)

There can be no assurance the Company will be able to obtain required financing in the future on acceptable terms. The Company anticipated it will need additional capital in the future to finance on-going developments of its technology, such capital to be derived from the completion of other equity financings. The Company has limited financial resources, has no source of operating income and has no assurance that additional funding will be available to it for future development of its technology, although the Company has been successful in the past in financing its activities through the previously mentioned financing activities. The ability of the Company to arrange additional financing in the future will depend, in part, on the prevailing capital market conditions and the success of its technology. In recent years, the securities markets have experienced wide fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that continual fluctuations in price will not occur. Any quoted market for the common shares may be subject to market trends generally, notwithstanding any potential success of the Company in creating revenue, cash flows or earnings.

Credit risk

Credit risk is the risk of potential loss to the Company if the counterparty to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its liquid financial assets including cash and cash equivalents and short-term investments. The Company limits exposure to credit risk on liquid financial assets through maintaining its cash with high-credit quality financial institutions. Receivables consist mainly of GST receivable from the Government of Canada. The Company has been successful in recovering input tax credits and believes credit risk with respect to receivables to be insignificant.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices. The Company does not have a practice of trading derivatives.

a) Interest rate risk

The Company's financial assets exposed to interest rate risk consist of cash and restricted cash. The Company's current policy will be to invest excess cash in investment-grade short-term deposit certificates issued by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks. As at June 30, 2015, the Company did not have any investments in investment-grade short-term deposit certificates.

b) Foreign currency risk

The majority of the Company's planned business is conducted in South Korea in United States dollars. As such, the Company is exposed to foreign currency risk in fluctuations among the Canadian dollar and the US dollar. Fluctuations in the exchange rate among the Canadian dollar and the US dollar may have a material adverse effect on the Company's business and financial condition. Fluctuations do not have a significant impact on operating results.

c) Price risk

The markets for touchscreens are fragmented, highly competitive and rapidly changing. With the introduction of technological advances and new entrants into these markets at a rapid pace, we expect competition to intensify in the future, which could harm our ability to develop a customer base for the Products and begin generating revenue.

10. CAPITAL MANAGEMENT

The Company considers capital to be an element of shareholders' equity. The Company's primary objectives in capital management are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and to maintain sufficient funds to finance the sale and distribution of its products. The Company manages its capital structure to maximize its financial flexibility making adjustments to it in response to changes in economic conditions and the risk characteristics of the underlying assets and business opportunities. The Company does not presently utilize any quantitative measures to monitor its capital and is not subject to externally imposed capital requirements.

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(Expressed in Canadian Dollars)

Three and Nine Months Ended September 30, 2015 and 2014

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11. SUBSEQUENT EVENTS

On October 20, 2015, the Company announced a private placement of up to 33,333,333 units of the Company at a purchase price of \$0.30 per unit to raise gross proceeds of up to \$10,000,000. Each unit will be comprised of one common share and one-half warrant. Each whole warrant will be exercisable into one common share of the Company at an exercise price of \$0.40 per share for a period of 5 years.

On October 31, 2015, the Company and the Firm agreed to amend the Service Agreement by changing the monthly rate to \$42,500 to better reflect the value of services provided, starting November 2015 and thereafter until the end of the three year term. During the period ended September 30, 2015, the Company advanced an additional amount of \$1,012,500 to the Firm.

On November 17, 2015, the Company and Primoris agreed to amend the IR Agreement to better reflect the fees invoiced by and paid to Primoris since inception of the IR Agreement, by changing the monthly rate to \$6,000 subject to such discount as Primoris in its sole discretion may indicate in its invoices to the Company for services from time to time and payable on the last day of the month in which services are rendered.