RESAAS SERVICES INC.

Interim Consolidated Financial Statements

March 31, 2016

(Expressed in Canadian dollars)

(Unaudited)

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

The accompanying unaudited 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.

RESAAS SERVICES INC.

Interim Consolidated Statements of Financial Position
(Expressed in Canadian dollars)

	March 31, 2016 $	December 31, 2015 $
	(Unaudited)	
Assets		
Current assets		
Cash and cash equivalents	5,731,945	6,820,022
Amounts receivable	60,912	58,787
Prepaid expenses	23,433	20,386
Total current assets	5,816,290	6,899,195
Non-current assets		
Property and equipment (Note 4)	17,600	20,300
Website development costs (Note 5)	925,310	939,759
Intangible assets (Note 6)	41,204	39,246
Total non-current assets	984,114	999,305
Total assets	6,800,404	7,898,500
Liabilities and Shareholders' Equity		
Current liabilities		
Accounts payable and accrued liabilities	243,771	407,684
Deferred revenue	37,696	25,904
Obligations under finance lease (Note 7)	2,529	2,411
Total current liabilities	283,996	435,999
Obligations under finance lease (Note 7)	1,820	2,499
Total liabilities	285,816	438,498
Shareholders' equity		
Common shares	23,252,234	23,252,234
Share-based payment reserve	7,669,103	7,661,465
Deficit	(24,406,749)	(23,453,697)
Total shareholders' equity	6,514,588	7,460,002
Total liabilities and shareholders' equity	6,800,404	7,898,500

Going concern (Note 2(c))
Commitments and contingencies (Note 12)
Subsequent event (Note 14)

Approved and authorized for issuance by the Board of Directors on May 30, 2016:

/s/ "Cory Brandolini"
Cory Brandolini, Director

/s/ "Cam Shippit"
Cam Shippit, Director

(The accompanying notes are an integral part of these interim consolidated financial statements)

RESAAS SERVICES INC.
Interim Consolidated Statements of Comprehensive Loss
(Expressed in Canadian dollars except share amounts)
(Unaudited)

	Three Months Ended March 31, 2016 $	Three Months Ended March 31, 2015 $
Revenue	98,381	41,049
Expenses		
Amortization	242,558	164,890
Consulting fees	45,931	38,548
Filing fees	23,599	10,657
Foreign exchange loss	14,905	5,564
General and administrative (Note 8)	381,560	392,567
Management fees (Note 8)	71,469	247,566
Promotion and advertising	123,322	142,487
Professional fees	107,158	338,654
Stock-based compensation (Notes 8 and 11)	5,224	94,919
Travel	43,556	41,282
Total operating expenses	1,059,282	1,477,134
Loss before other income	(960,901)	(1,436,085)
Other income		
Interest income	7,849	4,639
Net loss and comprehensive loss for the period	(953,052)	(1,431,446)
Basic and diluted loss per common share	(0.03)	(0.04)
Weighted average number of common shares outstanding	36,923,480	32,039,866

(The accompanying notes are an integral part of these interim consolidated financial statements)

RESAAS SERVICES INC.

Interim Consolidated Statements of Changes in Shareholders' Equity
(Expressed in Canadian dollars except share amounts)
(Unaudited)

	Common Shares		Share-based Payment Reserve	Deficit	Total Shareholders' Equity
	Number	Amount $	$	$	$
Balance, December 31, 2014	31,436,268	16,204,493	7,862,638	(18,442,456)	5,624,675
Issuance of common shares pursuant to the exercise of stock options at $1.00 per share	255,000	347,514	(92,514)	–	255,000
Issuance of common shares pursuant to the exercise of stock options at $1.10 per share	9,000	15,659	(5,759)	–	9,900
Issuance of common shares pursuant to the exercise of stock options at $1.25 per share	33,750	64,693	(22,506)	–	42,187
Issuance of common shares pursuant to the exercise of warrants at $1.10 per share	92,635	151,671	(49,772)	–	101,899
Issuance of common shares pursuant to the exercise of warrants at $1.50 per share	589,827	884,740	–	–	884,740
Fair value of stock options granted	–	–	123,807	–	123,807
Net loss	–	–	–	(1,431,446)	(1,431,446)
Balance, March 31, 2015	**32,416,480**	**17,668,770**	**7,815,894**	**(19,873,902)**	**5,610,762**
Balance, December 31, 2015	36,923,480	23,252,234	7,661,465	(23,453,697)	7,460,002
Fair value of stock options granted	–	–	7,638	–	7,638
Net loss	–	–	–	(953,052)	(953,052)
Balance, March 31, 2016	**36,923,480**	**23,252,234**	**7,669,103**	**(24,406,749)**	**6,514,588**

(The accompanying notes are an integral part of these interim consolidated financial statements)

RESAAS SERVICES INC.
Interim Consolidated Statements of Cash Flows
(Expressed in Canadian dollars)
(Unaudited)

	Three Months Ended March 31, 2016 $	Three Months Ended March 31, 2015 $
Operating activities		
Net loss	(953,052)	(1,431,446)
Items not affecting cash:		
Amortization	242,558	164,890
Stock-based compensation	5,224	94,919
Changes in non-cash operating working capital:		
Amounts receivable	(2,125)	14,378
Prepaid expenses	(3,047)	(6,995)
Deferred revenue	11,792	–
Accounts payable and accrued liabilities	(163,913)	116,261
Net cash used in operating activities	(862,563)	(1,047,993)
Investing activities		
Acquisition of intangible assets	(2,325)	(2,880)
Purchase of property and equipment	–	(5,791)
Website development costs	(222,628)	(154,128)
Net cash used in investing activities	(224,953)	(162,799)
Financing activities		
Repayment of finance lease obligations	(561)	(461)
Proceeds from the exercise of options and warrants	–	1,293,726
Due from related parties	–	176,900
Net cash (used in) provided by financing activities	(561)	1,470,165
Increase (decrease) in cash and cash equivalents	(1,088,077)	259,373
Cash and cash equivalents, beginning of period	6,820,022	4,517,137
Cash and cash equivalents, end of period	5,731,945	4,776,510
Cash and cash equivalents is comprised of:		
Amounts held in legal trust account	17,856	80,525
Cash in bank	5,663,036	4,645,349
Cashable guaranteed investment certificates	51,053	50,636
Total cash and cash equivalents	5,731,945	4,776,510
Non-cash investing and financing activities:		
Stock compensation capitalized as website development costs	2,414	28,888

(The accompanying notes are an integral part of these interim consolidated financial statements)

1. Corporate Information

RESAAS Services Inc. (the "Company") was incorporated on June 4, 2009 under the Business Corporations Act (British Columbia). The Company is engaged in the development of web and mobile communications software for the real estate industry. The Company's head office is located at Suite 303 – 55 Water Street, Vancouver, British Columbia, Canada, V6B 1A1.

2. Basis of Presentation

(a) Statement of Compliance and Principles of Consolidation

These interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") applicable to the preparation of interim financial statements, including IAS 34, *Interim Financial Reporting*. The interim consolidated financial statements should be read in conjunction with the annual consolidated financial statements for the year ended December 31, 2015, which have been prepared in accordance with IFRS as issued by the IASB. The Company uses the same accounting policies and methods of computation as in the annual consolidated financial statements.

These interim consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries, RESAAS USA Inc., a company incorporated in the state of California in 2012, and The Real Estate Social Network Ltd., a company incorporated in the state of Delaware in 2013. All significant intercompany transactions have been eliminated on consolidation.

(b) Basis of Measurement

These interim consolidated financial statements have been prepared on a historical cost basis and are presented in Canadian dollars, which is also the Company's functional currency.

The preparation of these interim consolidated financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the period. These estimates are, by their nature, uncertain. The impacts of such estimates are pervasive throughout the financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the reporting date that could result in a material adjustment to the carrying amounts of assets and liabilities.

Significant areas of estimation include:

i) The useful life and recoverability of long-lived assets:

ii) The inputs used in the valuation of share-based payments:

iii) Recognition of deferred income tax assets:

Significant areas of judgment include:

i) Qualification of costs to capitalize as website development costs:

ii) Application of the going concern assumption:

2. Basis of Presentation (continued)

(c) Going Concern

These interim consolidated financial statements have been prepared on a going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. As of March 31, 2016, the Company had not yet generated significant revenue or positive cash flow from operations and had an accumulated deficit of $24,406,749. These factors, among others, create substantial doubt as to the ability of the Company to continue as a going concern. Management believes that the proceeds from additional equity financing activities that it is currently pursuing, combined with revenue that the Company expects to generate in subsequent periods, will provide the Company with sufficient working capital to satisfy its liabilities and commitments as they become due for the foreseeable future. There can be no assurances that sufficient equity can be raised on acceptable terms on a timely basis.

These interim consolidated financial statements do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and, therefore, be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in these consolidated financial statements.

3. Recent Accounting Pronouncements

Certain pronouncements were issued by the IASB or the IFRS Interpretations Committee that are mandatory for annual periods beginning after January 1, 2017 or later periods.

The following new IFRSs that have not been early adopted in these interim consolidated financial statements will not have a material effect on the Company's future results and financial position:

i) IFRS 9, *Financial Instruments* (New; to replace IAS 39 and IFRIC 9)

ii) IFRS 15, *"Revenue from Contracts with Customers"*

iii) IFRS 16, "*Leases*"

Other accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's financial statements.

4. Property and Equipment

	Furniture $	Computer Equipment Under Finance Lease $	Computer Equipment $	Total $
Cost:				
Balance, December 31, 2015	1,368	7,144	54,732	63,244
Additions	–	–	–	–
Balance, March 31, 2016	1,368	7,144	54,732	63,244
Accumulated amortization:				
Balance, December 31, 2015	251	3,929	38,764	42,944
Additions	68	441	2,191	2,700
Balance, March 31, 2016	319	4,370	40,955	45,644
Carrying amounts:				
Balance, December 31, 2015	1,117	3,215	15,968	20,300
Balance, March 31, 2016	1,049	2,774	13,777	17,600

5. Website Development Costs

	$
Cost:	
Balance, December 31, 2015	3,996,906
Additions	225,042
Balance, March 31, 2016	4,221,948
Accumulated amortization:	
Balance, December 31, 2015	3,057,147
Additions	239,491
Balance, March 31, 2016	3,296,638
Carrying amounts:	
Balance, December 31, 2015	939,759
Balance, March 31, 2016	925,310

6. Intangible Assets

	Trademarks $
Cost:	
Balance, December 31, 2015	41,802
Additions	2,325
Balance, March 31, 2016	44,127
Accumulated amortization:	
Balance, December 31, 2015	2,556
Additions	367
Balance, March 31, 2016	2,923
Carrying amounts:	
Balance, December 31, 2015	39,246
Balance, March 31, 2016	41,204

7. Obligations Under Finance Lease

On November 28, 2014 and December 11, 2014, the Company entered into two agreements to lease computer equipment for three years each. The computer equipment leases are classified as finance leases. The interest rates underlying the obligations in the finance leases are 18% and 25% per annum. The following is a schedule by years of future minimum lease payments under finance leases together with the present value of the net minimum lease payments as of March 31, 2016:

	$
Fiscal year ending December 31:	
2016	2,375
2017	2,743
Net minimum lease payments	5,118
Less: amount representing interest payments	(769)
Present value of net minimum lease payments	4,349
Less: current portion	(2,529)
Long-term portion	1,820

8. Related Party Transactions

During the three months ended March 31, 2016, the Company was engaged in the following related party transactions:

a) Key management personnel compensation:

The following table summarizes the compensation of the Company's key management:

	Three Months Ended March 31,	
	2016	2015
	$	$
Management fees	71,469	247,566
Employee salary and benefits (included in general and administrative)	15,346	24,716
Share based payments to officers and directors	–	–

9. Share Capital

Preferred Shares

The Company is authorized to issue an unlimited number of non-voting, non-transferable Class A preferred shares with a par value of $0.01 per share. The Class A preferred shares cannot be issued at a price less than $2.00 per share. Holders of Class A preferred shares are not entitled to receive any dividends. Each issued and outstanding Class A preferred share shall be converted into one fully paid common share immediately prior to the consummation of any "Change of Control Event".

The Company is authorized to issue an unlimited amount of Class B preferred shares without par value. The Class B preferred shares allow the Board to fix the number of shares in the series and to fix the preferences, special rights and restrictions, privileges, conditions and limitations attached to the shares of that series, before the issuance of shares of any particular series. The Board has the authority to fix, amongst other things, the number of shares constituting any such series, the voting powers, designation, preferences and relative participation, optional or other special rights and qualifications, limitations or restrictions thereof, including the dividend rights and dividend rate, terms of redemption (including sinking fund provisions), redemption price or prices, conversion rights and liquidation preferences of the shares constituting any series, without any further vote or action by the shareholders of the Company.

As at March 31, 2016, there are no Class A or Class B preferred shares issued and outstanding.

Common Shares

The Company is authorized to issue an unlimited number of common shares without par value.

There were no share transactions during the three months ended March 31, 2016.

Share transactions during the three months ended March 31, 2015:

(a) In January 2015, the Company issued 555,940 common shares for proceeds of $754,275 upon the exercise of stock options and warrants at prices ranging from $1.00 per share to $1.50 per share. The fair value of the stock options of $78,424 was transferred from share-based payment reserve to common shares upon exercise.

(b) In February 2015, the Company issued 422,272 common shares for proceeds of $537,251 upon the exercise of stock options and warrants at prices ranging from $1.00 per share to $1.50 per share. The fair value of the stock options and warrants of $90,847 was transferred from share-based payment reserve to common shares upon exercise.

(c) In March 2015, the Company issued 2,000 common shares for proceeds of $2,200 upon the exercise of stock options at prices ranging from $1.10 per share. The fair value of the stock options of $1,280 was transferred from share-based payment reserve to common shares upon exercise.

Escrowed Shares

On October 20, 2010, the Company entered into an Escrow Agreement with certain shareholders in which 9,750,001 common shares would be subject to escrow restrictions for a period of 66 months. Under the terms of the Escrow Agreement, 10% of the shares were released from escrow one year after the completion of the Company's IPO, and a further 10% every 6 months thereafter. During the three months ended March 31, 2016, 975,000 shares were released from escrow. As at March 31, 2016, 975,001 shares are held in escrow.

10. Share Purchase Warrants

The following table summarizes the continuity of share purchase warrants:

	Number of Warrants	Weighted Average Exercise Price $
Balance, December 31, 2014	2,286,385	2.51
Issued	3,859,062	2.92
Exercised	(772,462)	1.63
Expired	(33,020)	1.50
Balance, December 31, 2015	5,339,965	2.94
Expired	(1,480,903)	3.00
Balance, March 31, 2016	3,859,062	2.92

The following table summarizes information about warrants outstanding and exercisable at March 31, 2016:

Warrants Outstanding	Exercise Price $	Expiry Date
3,606,600	3.00	December 10, 2017
252,462	1.80	December 10, 2017
3,859,062		

11. Stock Options

The Company's stock option plan provides for the issuance of stock options to its directors, officers and consultants. The stock options are granted in accordance with the policies of the regulatory authorities at an exercise price equal to or higher than the market price of the Company's stock, with a maximum term of five years on the date of grant, and are not to exceed 20% of the issued and outstanding common shares of the Company. Vesting terms are determined by the policies of the Canadian Securities Exchange or by the board of directors.

The following table summarizes information about the stock options.

	Three Months Ended March 31, 2016		Year Ended December 31, 2015	
	Number of Options	Weighted Average Exercise Price $	Number of Options	Weighted Average Exercise Price $
Outstanding – beginning of period	1,545,000	2.57	4,492,700	1.95
Granted	–	–	–	–
Expired	(185,000)	4.21	(1,839,550)	1.92
Exercised	–	–	(1,108,150)	1.12
Outstanding – end of period	1,360,000	2.35	1,545,000	2.57
Exercisable – end of period	1,360,000	2.35	1,520,000	2.58

11. Stock Options (continued)

The following table summarizes information about stock options outstanding and exercisable as at March 31, 2016.

Exercise Price $	Expiry Date	Number of Options Outstanding	Number of Options Exercisable	Weighted Average Remaining Contracted Life (Years)
2.35	December 23, 2019	1,360,000	1,360,000	3.73
		1,360,000	1,360,000	3.73

The fair value of stock options granted was determined using the Black-Scholes option pricing model. During the three months ended March 31, 2016, the Company did not grant any stock options. During the three months ended March 31, 2016, the Company capitalized $2,414 as website development costs and expensed $5,224 for the vesting of previously granted stock options. During the three months ended March 31, 2015, the Company did not grant any stock options. During the three months ended March 31, 2015, the Company capitalized $28,888 as website development costs and expensed $94,919 for the vesting of previously granted stock options. The weighted average exercise price for stock options exercised was $nil (2015 - $1.03). The Company did not grant stock options during the period ended March 31, 2016 or 2015.

12. Commitments and Contingencies

The Company had no significant commitments or contractual obligations with any parties respecting executive compensation, consulting arrangements, or other matters other than disclosed below. Management services provided are on a month-to-month basis.

a) The Company has entered into leases for the provision of facility space until July 31, 2016. The Company's future minimum lease payments for the premise leases are as follows:

Fiscal year ending December 31, 2016	$	30,245
Total:	$	30,245

b) The Company has entered into two leases for Company vehicles until October 28, 2018 and September 21, 2019. The Company's future minimum lease payments for the vehicle leases are as follows:

Fiscal year ending December 31, 2016	$	15,161
Fiscal year ending December 31, 2017		20,214
Fiscal year ending December 31, 2018		17,393
Fiscal year ending December 31, 2019		5,954
Total:	$	58,722

13. Financial Instruments and Risk Management

The Company is exposed in varying degrees to a variety of financial instrument and related risks. Those risks and management's approach to mitigating those risks are as follows:

(a) Fair Values

The fair values of financial instruments, which include cash and cash equivalents, amounts receivable, accounts payable and accrued liabilities approximate their carrying values due to the relatively short-term maturity of these instruments.

(b) Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's exposure to credit risk is in its cash and receivables. Cash is held with major banks in Canada, which are high credit quality financial institutions as determined by rating agencies. The carrying amount of financial assets represents the maximum credit exposure.

Amounts Receivable

Amounts receivable consists of GST refunds which are due from the Government of Canada and at March 31, 2016, $15,158 of trade receivables is owed from a single customer.

The following table represents the customers that represented 10% or more of total revenue for the three months ended March 31, 2016:

	2016
Customer A	37%
Customer B	29%
Customer C	14%

Revenue for the three months ended March 31, 2015 was immaterial.

(c) Currency Risk

The Company's functional currency is the Canadian dollar. Currency risk is the risk that the fair value of the Company's financial instruments will fluctuate because of changes in foreign currency exchange rates. The Company's head office and operating expenses are mainly denominated in Canadian dollars. A large portion of the Company's revenue is denominated in US dollars. If the US dollar depreciates compared to the Canadian dollar revenue would decrease in Canadian dollars. There is low foreign exchange risk to the Company as the Company still has a minimal amount of revenue.

(d) Interest Rate Risk

The Company's exposure to interest rate risk relates to its ability to earn interest income on cash balances at variable rates and its short-term term deposits at prescribed market rates. The fair value of the Company's cash is not significantly affected by changes in short-term interest rates. The income earned from the bank accounts and short-term term deposits is subject to movements in interest rates.

13. Financial Instruments and Risk Management (continued)

(e) Liquidity and Funding Risk

Liquidity risk arises through the excess of financial obligations over available financial assets due at any point in time. The Company's objective in managing liquidity risk is to maintain sufficient readily available capital in order to meet its liquidity requirements. Management maintains sufficient cash to satisfy short-term liabilities in highly liquid investments.

Funding risk is the risk that market conditions will impact the Company's ability to raise capital through equity markets under acceptable terms and conditions.

As at March 31, 2016	Carrying amount $	Contractual cash flows $	1 year or less $	1 -5 Years $
Trade and other payables	243,771	243,771	243,771	-
Obligations under finance lease	4,350	5,119	3,167	1,952
	248,121	248,890	246,938	1,952

14. Subsequent Event

On May 2, 2016, the Company granted 2,863,950 stock options exercisable at $2.00 for five years after the date of grant and 922,000 stock options exercisable at $2.50 for five years after the date of grant.