WEE-CIG INTERNATIONAL CORPORATION

CONSOLIDATED FINANCIAL STATEMENTS

SEPTEMBER 30, 2016

(UNAUDITED)

WEE-CIG INTERNATIONAL CORPORATION
CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited)

	September 30, 2016	December 31, 2015
CURRENT ASSETS		
Cash	$ 43,473	$ 8,080
Accounts Receivable	172	3,470
Inventory	3,761	18,361
Prepaid Expenses	6,939	6,939
TOTAL CURRENT ASSETS	54,345	36,850
LEASHOLD IMPROVEMENTS, net of depreciation of $67,630 (2015 - $52,521)	51,876	58,351
OTHER INTANGIBLE ASSETS, net of amortization of $147,021 (2015 - $145,607)	5,854	6,460
OTHER INTANGIBLE ASSETS, net of amortization of $225,000 (2015 - $75,000)	2,250,000	2,325,000
OTHER INTANGIBLE ASSETS, net of amortization of $73,049 (2015 - $ Nil)	1,164,451	1,203,124
TOTAL ASSETS	$ 3,526,526	$ 3,629,785

LIABILITIES AND STOCKHOLDERS' EQUITY

	September 30, 2016	December 31, 2015
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	$ 35,007	$ 50,724
Due to related parties	502,434	449,924
TOTAL CURRENT LIABILITIES	$ 537,441	500,648
COMMITMENTS AND CONTINGENCIES		
STOCKHOLDERS' EQUITY		
Common stock, $.0001 par value, 500,000,000 shares authorized		
Issued and outstanding: 119,872,398 (2015 – 90,872,398) common shares	11,987	9,087
Additional paid-in capital	9,378,003	9,314,673
Deferred compensation	(43,750)	(25,000)
Deficit accumulated during the development stage	(6,357,155)	(6,169,623)
TOTAL STOCKHOLDERS' EQUITY	2,989,085	3,129,137
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$ 3,526,526	$ 3,629,785

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

WEE-CIG INTERNATIONAL CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

	Three months ended September 30 ,		Nine months ended September 30,	
	2016	2015	2016	2015
REVENUES				
E-Cigarette and Vaporizer Sales	$ 20,050	$ 12,251	$ 47,577	$ 44,887
Vapor Spirit Novelty Products	-	1,957	1,256	3,111
TOTAL REVENUES	20,050	14,208	48,833	47,998
COST OF GOODS SOLD				
E-Cigarette and Vaporizers	8,220	6,574	19,405	23,154
Vapor Spirit Novelty Products	-	272	138	534
TOTAL COST OF GOODS SOLD	8,200	6,846	19,543	23,688
GROSS PROFIT	11,830	7,362	29,290	24,310
GENERAL&ADMINISTRATIVE EXPENSES				
Investor relations	-	6,424	10,181	19,222
Consulting	14,800	11,479	30,672	33,780
Depreciation and Amortization	40,251	40,251	120,754	103,566
Management Fees	-	-	-	1,981
Office and General	13,983	17,573	49,092	54,686
Professional Fees	-	3,387	967	20,138
Travel and accommodation	-	983	3,176	8,556
Interest on settlement of debt	1,980	-	1,980	-
Wages and salaries	-	-	-	3,000
TOTAL EXPENSES	71,014	80,097	216,822	244,929
LOSS BEFORE INCOME TAXES	(59,184)	(72,735)	(187,532)	(220,619)
Income Tax Provision	-	-	-	-
NET LOSS	$ (59,184)	$ (72,735)	$ (187,532)	$ (220,619)
BASIC AND DILUTED INCOME (LOSS) PER SHARE	$ (0.00)	$ (0.00)	$ (0.01)	$ (0.00)
WEIGHTED AVG. COMMON SHARES OUTSTANDING - BASIC AND DILUTED	112,437,615	90,872,398	91,397,945	71,092,178

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

WEE-CIG INTERNATIONAL CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

	Nine months ended September 30, 2016	Nine months ended September 30, 2015
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss	$ (187,532)	$ (220,619)
Items to reconcile net loss to net cash (used in) operating activities:		
- depreciation and amortization	120,754	103,566
- fees and services paid with shares	37,500	46,875
- interest on settlement of debt	1,980	-
- net changes in working capital items	(4,419)	4,982
- inventory	14,600	(4,228)
NET CASH FLOWS (USED IN) OPERATING ACTIVITIES	(17,117)	(69,424)
CASH FLOWS FROM INVESTING ACTIVITIES		
NET CASH FLOWS USED IN INVESTING ACTIVITIES		-
CASH FLOWS FROM FINANCING ACTIVITIES		
Net advances from related parties	52,510	67,363
NET CASH FLOWS PROVIDED BY FINANCING ACTIVITIES	52,510	67,363
NET INCREASE (DECREASE) IN CASH	35,393	(2,061)
CASH, BEGINNING OF PERIOD	8,080	10,363
CASH, END OF PERIOD	$ 43,473	$ 8,302

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

NOTE 1 – NATURE OF OPERATIONS AND BASIS OF PRESENTATION

Wee-Cig International Corporation (formerly Platinum Group Inc.) (the "Company") was incorporated on February 19, 1999 in the State of Nevada as Power Direct Tech.com. On February 23, 1999, the Company changed its name to PD Tech.com and on June 8, 1999 the Company changed its name to Cardstakes.com to reflect management's decision to shift the Company's focus to internet-based business development. On January 13, 2004, the Company changed its name to Legacy Wine & Spirits International Ltd. to reflect management's decision to shift the Company's focus to mineral exploration and development. In 2007, the Company filed a Registration Statement Form SB-2/A to become a fully reporting Company on the OTC: BB and on October 30, 2007, began trading under the symbol "LEYM". In 2008, due to uncertainties in the financing of mineral exploration and development, management decided to shift the Company focus to the wine & spirits industry. On May 2, 2008, the Company changed its name to Legacy Wine & Spirits International Ltd. and on May 27, 2008, the Company began trading under the symbol "LWSP". On November 30, 2011, 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 Markets under same symbol LWSP. On March 15, 2013, the Company changed its name to Legacy Platinum Group Inc. and continues to trade under the symbol "LWSP". On November 15, 2013, the Company changed its common stock structure via a 1:9 reverse stock split. There was no name change and the Company will continue to trade under the symbol "LWSP". On May 20, 2014 the Company changed its name to Wee-Cig International Corporation and trades under the new symbol "WCIG". On March 14, 2014, the Company signed an agreement with Wee-Cig (USA) Ltd. ("WCIG USA") a Nevada based Company in the e-cigarette and vaporizer product industry. The Company is in the business of designing, developing, manufacturing and marketing high quality e-cigarettes and vaporizers which are self-branded using state-of-the-art electronic technology. The Company entered into a related party intellectual property assignment agreement dated April 27, 2015 with Golden Star Enterprises Ltd. (Golden Star), an alcohol vaporization products company, whereby the Company 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 branded alcohol vaporizing product line. The Company and Golden Star are affiliated companies due to their common directors

Going concern

These financial statements have been prepared in accordance with generally accepted accounting principles in the United States of America applicable to a going concern which contemplates the realization of assets and the satisfaction of liabilities and commitments in the normal course of business. The Company is a development stage company and its general business is the operation of a wine store in Tianjin, China. The Company will depend almost exclusively on shareholder loans or outside capital through the issuance of common shares to finance ongoing operating losses and to fund the wine operations. The Company is also in the business of designing, developing, manufacturing and marketing high quality e-cigarettes and vaporizers which are self-branded using state-of-the-art electronic technology. The Company is generating revenues from the sale of e-cigarette products, but will continue to raise outside capital through shareholder loans or the issuance of common shares to finance ongoing operating losses and to partially fund the e-cigarette operations. The Company has incurred losses of $6,357,155 from inception to September 30, 2016 and has a working capital deficiency of $483,096. The ability of the Company to continue as a going concern is dependent on raising additional capital and ultimately on generating future profitable operations. There can be no assurance that the Company will be able to raise the necessary funds when needed to finance its ongoing costs.

The Company's future capital requirements will depend on many factors, including cash flow from operations, costs to complete property development, if warranted, and competition and global market conditions. The Company's anticipated recurring operating losses and growing working capital needs will require that it obtain additional capital to operate its business. Given the Company's limited operating history in its current business of electronic cigarettes and vaporizers where cumulative sales to September 30, 2016 totalled $174,928 and its operating losses totalled $6,357,155, there can be no assurance that it will be able to achieve or maintain profitability. Accordingly, these factors raise substantial doubt about the Company's ability to continue as a going concern.

NOTE 1 – NATURE OF OPERATIONS AND BASIS OF PRESENTATION (con't.)

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 September 30, 2016 should be read in conjunction with the audited consolidated financial statements for the period ended December 31, 2015 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 nine months ended September 30, 2016 are not necessarily indicative of the results that may be expected for the year ending December 31, 2016.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Principles of Consolidation
The financial statements include the accounts of the Company and its subsidiary, a 100% interest in Tianjin Legacy Wine Trading Co. Ltd. All significant inter-company transactions and balances have been eliminated in consolidation.

Basis of Presentation
The accompanying financial statements are presented in United States dollars and are prepared in accordance with accounting principles generally accepted in the United States.

Use of Estimates and Assumptions
Preparation of the Company's financial statements in conformity with United States generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Equipment
Equipment is carried at acquisition cost less accumulated depreciation. Depreciation is provided over the estimated useful lives of the assets on a straight line basis.

Leasehold Improvements
Leasehold Improvements is carried at acquisition cost less accumulated depreciation. Depreciation is provided over the shorter of the lease term, which generally includes reasonably assured option periods, or the estimated useful lives of the assets on straight line basis per annum.

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 the license to import and distribute wine & liquor products and various brands and labels. The Company determined that the intangible assets relating to the wine business have an estimated useful life of 15 years and will be reviewed annually for impairment. The Company determined that the intangible assets relating to the electronic cigarette and vaporizer business have an estimated useful life of 25 years and will be reviewed annually for impairment. The Company determined that the intangible assets relating to the Vapor Spirits Novelty Products business have an estimated useful life remaining of 24 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 December 2008 for the wine operations, April 2014 for the e-cigarette operations and April, 2015 for the Vapor Spirits novelty products. 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.

Definite life intangible assets are tested for recoverability whenever events or changes in circumstances indicate that the carrying amounts may not be recoverable. These tests involve the use of estimates and assumptions appropriate in the circumstances. In assessing fair value, valuation models are used that include discounted cash flows. The models use assumptions that include levels of growth in assets under management from net sales and market, pricing and margin changes, synergies achieved on acquisition, discount rates, and observable data for comparable transactions. In 2010, the Company believed there was an impairment of its intangible assets relating to the wine business and recorded a write-down in the value of the intangible in the amount of $872,225.

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, inventory, prepaid expenses, accounts payable and amounts due to related parties approximate their carrying value due to the short-term maturity of the instruments.

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 favourable, 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 September 30, 2016, $172 (2015- $3,470) is in accounts receivable from the sale of e-cigarette and vaporizer products.

Foreign Currency Translation
The financial position and results of operations of the Tianjin Wine Trading Co. Ltd. operations are measured using the parent's currency as the functional currency. Non-monetary assets and liabilities of these operations are translated at the exchange rate in effect at the transaction date. Monetary assets and liabilities of these operations are translated at the exchange rate in effect at the balance sheet date. Income statement accounts, with the exception of amortized assets or liabilities, are translated at the average exchange rate during the period. Translation adjustments arising from the use of differing exchange rates from period to period are included in exchange gain or loss in the income statement. Gains and losses that result from foreign currency transactions are included in the calculation of net income (loss).

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (con't.)

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.

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 adopted this pronouncement

NOTE 3 – REFUNDABLE DEPOSITS

A Letter of Intent ("LOI") dated February 7, 2013 was signed with Mojave Gold Corporation ("Mojave") of Largo, Florida. The LOI allows for Legacy to have the right to earn up to a 30% interest in Target #1(Kaburi Anorthosite) of Mojave's PGM Project in their Platinum/Palladium licenses in Guyana. The arrangement also calls for an exchange of shares for both companies and a cash commitment from Legacy to Mojave for the Target #1 work program. A refundable deposit of $25,000 was paid to Mojave and the Company has decided it will not pursue this project and has written off the deposit as at December 31, 2015.

NOTE 4 – INTANGIBLE ASSETS

Wine Sector

On May 5, 2008, the Company signed an agreement with Legacy Wine and Spirits Merchants Ltd ("Legacy Merchants") a Hong Kong based Company, for the rights to a fifteen (15) year general license to import, bottle, blend, manufacture, and distribute wine and spirits in China. The agreement did not take effect until the Company completed its name change, which was completed on May 27, 2008. Legacy Merchants was issued 1,000,000 restricted shares of the Company's Rule 144 stock valued at $960,000 for the rights to the aforementioned license through its agreement with Beijing Nine Dragons Winery Co. Ltd ("Nine Dragons") a China based company.

Through Legacy Merchants and its agreement with Crown Star Holdings Ltd, an alcoholic beverage sourcing company with offices in Canada and Hong Kong, the Company has access to a wide selection of fine wine and spirits.

The Company opened one wine and spirits retail stores to be located in Tianjin, China in December, 2008. The store is approximately 1,900 sq. ft. and named "Legacy Wine and Spirits" and will initially stock imported red and white wines as well as a selection of spirits from Bronco winery in California, USA. This initial store will be a flagship model for a franchising plan designed to further broaden the Company's distribution facilities and gain further market awareness and penetration of the Legacy brand. Once the Legacy retail stores have been established, the Company will exercise its First Right of Refusal to start-up its manufacturing facility in Beijing through Legacy Merchants agreement with Nine Dragons.

Intangible assets include the following:

Description	September 30, 2016	December 31, 2015
15 year general license to acquire & distribute wine & spirits in China	$ 960,000	$ 960,000
Website development, branding and labelling costs incurred	65,100	65,100
Less: accumulated amortization	(147,021)	(146,415)
	878,079	878,685
Less: write-down of intangible assets	(872,225)	(872,225)
Adjusted balance	$ 5,854	$ 6,460

E-Cigarette and Vaporizer Sector

On March 14, 2014, the Company signed an agreement with Wee-Cig (USA) Ltd. ("WCIG USA") a Nevada based Company in the e-cigarette and vaporizer product industry, for the rights to a twenty-five (25) year general license to manufacture and market the entire Wee-Cig product line worldwide and in exchange, Wee-Cig issued 25,000,000 restricted common shares of the Company's common stock valued at $2,500,000 to Wee-Cig and/or its nominees. The Company also has the option to retain WeeCig's sales force and prospective customer list at a later date, the terms to be determined at that time.

Wee-Cig is in the business of designing, developing, manufacturing and marketing high quality e-cigarettes and vaporizers which are self-branded using state-of-the-art electronic technology. The Wee-Cig products will allow consumers to vaporize dried herbs such as mullein, raspberry leaves, cat nip, and sage. E-cig mixtures can be very vague, but they have tremendous possibilities. All of the possible additives such as natural herbs, tobacco, nicotine, and flavoring can be liquefied in order to produce a mixture of your choosing for taste and enjoyment. These cartridges also have the ability to strengthen or weaken the nicotine content to the user's preference or to leave it out completely. Two primary products of Wee-Cig are the Wee-C and the Wee-T which are both very sleek looking, clean to use and more powerful and economical than its competitors.

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 in April, 2014, once the economic benefits of the assets began to be consumed and the related revenues are recorded.

NOTE 4 – INTANGIBLE ASSETS (con't.)

Intangible assets include the following:

Description	September 30, 2016	December 31, 2015
25 year general license to manufacture and market the entire Wee-Cig product line worldwide	$ 2,500,000	$ 2,500,000
Less: accumulated amortization	(250,000)	(175,000)
Adjusted balance	$ 2,250,000	$ 2,325,000

Vapor Spirits Novelty Products Sector

On April 27, 2015, the Company entered into a related party intellectual property assignment agreement with Golden Star Enterprises Ltd. (Golden Star), an alcohol vaporization products company, whereby the Company 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 branded alcohol vaporizing product line. The acquisition is valued at $1,237,500 and Wee-Cig and Golden Star are affiliated companies due to their common directors Golden Star will effectively be the largest shareholder of the Company with a 49.5% interest. The Company must adhere to the provisions of the original licensing agreement dated April 4, 2014, between Golden Star and Vapor Spirit International Corporation

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 remaining useful life of 24 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 April 2015. Amortization will be recorded over the estimated useful life of the assets using the straight-line method for financial statement purposes.

Intangible assets include the following:

Description	September 30, 2016	December 31, 2015
24 year general license to design, manufacture and market the entire Vapor Spirit product line worldwide	$ 1,237,500	$ 1,237,500
Less: accumulated amortization	(73,049)	(34,376)
Balance	$ 1,164,451	$ 1,203,124

NOTE 5 – DEFERRED COMPENSATION

On March 15, 2014 the Company entered into an agreement with Compte de Sierge Accomodative Corp. Ltd., ("Compte") a private company owned by a significant shareholder of the Company whereby Compte will provide investor relations services to the Company (valued at $30,000) in exchange for 300,000 restricted shares of the Company's common stock. During the six months ended June 30, 2016, $5,000 was expensed (December 31, 2015 - $12,500).

On March 15, 2014, the Company entered into an agreement with Arcade Investments Ltd., ("Arcade") a private company owned by a significant shareholder of the Company whereby Arcade will provide investor relations services to the Company (valued at $30,000) in exchange for 300,000 restricted shares of the Company's common stock. During the six months ended June 30, 2016, $5,000 was expensed (December 31, 2015 - $12,500).

On March 15, 2014, the Company entered into an agreement with 1063244 Alberta Ltd., ("1063244") a private company owned by a significant shareholder of the Company whereby Domain will provide investment banking

NOTE 5 – DEFERRED COMPENSATION (con't.)

services to the Company (valued at $30,000) in exchange for 300,000 restricted shares of the Company's common stock. During the six months ended June 30, 2016, $5,000 was expensed (December 31, 2014 - $12,500).

On March 15, 2014, the Company entered into an agreement with Charlton Investments Limited ("Charlton"), a private company controlled by a significant shareholder whereby Charlton will provide consulting services to the Company (valued at $30,000) in exchange for 300,000 restricted shares of the Company's common stock. During the six months ended June 30, 2016, $5,000 was expensed (December 31, 2015 - $12,500).

On March 15, 2014, the Company entered into an agreement with a consultant whereby the consultant will provide consulting services to the Company (valued at $30,000) in exchange for 300,000 restricted shares of the Company's common stock. During the six months ended June 30, 2016, $5,000 was expensed (December 31, 2015 - $12,500).

As at September 30, 2016, the unamortized portion of the above deferred compensation contracts totalled $ Nil (December 31, 2015 -$25,000).

On June 1, 2016 the Company entered into four (4) separate agreements consultants whereby the consultants will provide consulting and marketing services to the Company (valued at $50,000) in exchange for 20,000,000 restricted shares of the Company's common stock. The shares were issued June 27, 2016 and during this quarter ended September 30, 2016, amortization began and $6,250 was expensed (December 31, 2015 - $Nil).

As at September 30, 2016, the unamortized portion of the new deferred compensation contracts totalled $ 43,750.

NOTE 6 – STOCKHOLDERS' EQUITY

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.

2016 Stock Transactions - During the nine months ended September 30, 2016:
The Company issued 20,000,000 restricted common shares valued at $50,000 to four consultants pursuant to deferred compensation contracts. (See Note 5).
The Company issued 9,000,000 common shares of the Company's stock valued at $14,250 pursuant to a debt settlement agreement dated May 10, 2016. The common shares were issued on September 14, 2016 at a discount to the market price resulting in an interest expense on the debt settlement of $1,980.

2015 Stock Transactions - During the nine months ended September 30, 2015:
The Company issued 45 million restricted common shares of its $0.0001 par value shares to Golden Star Enterprises Ltd. in exchange for 100% of the worldwide manufacturing and distribution rights of Vapor Spirits. The value of the transaction, with directors in common is $1,237,500.

NOTE 7 – RELATED PARTY TRANSACTIONS

During the nine months ended September 30, 2016, the Company incurred expenses for consulting and management fees of $Nil (2015 - $16,327) to significant shareholders.

During the nine months ended September 30, 2016, the Company incurred expenses for services of $37,500 (2015 - $46,875) to various consultants and companies controlled by a significant shareholders pursuant to service contracts (See Note 5).

During the nine months ended September 30, 2016, the Company incurred expenses for rent of $29,772 (2015 - $32,408) to a Companies controlled by a significant shareholder.

The following amounts are due to related parties:

	September 30, 2016	December 31, 2015
Significant shareholders	$ 502,434	$ 449,924

All related party transactions are in the normal course of business and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties. All amounts owed to the above related parties are unsecured, non-interest bearing and have no specific terms of repayment.

NOTE 8 – INCOME TAXES

Potential benefits of United States Federal income tax losses are not recognized in the accounts until realization is more likely than not. As of June 30, 2016, the Company has combined net operating losses carried forward totalling approximately 6,357,000 for tax purposes which expire through 2036. Availability of loss usage is subject to change of ownership limitations under Internal Revenue Code 382 for 2002 and prior year's losses. Pursuant to SFAS No. 109, the Company is required to compute tax asset benefits for net operating losses carried forward. 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 carry forwards.

NOTE 10 – COMMITMENTS AND CONTINGENCIES

As of August 1, 2015, 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, 2015, 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:

2016	2017	2018	2019	2020
$43,650	$43,650	$43,650	$43,650	$43,650

NOTE 11 – SUBSEQUENT EVENTS

In accordance with SFAS 165 (ASC 855-10) the Company has analyzed its operations subsequent to September 30, 2016 to the date these financial statements were issued on November 19, 2016, and has determined that it does not have any material subsequent events to disclose in these financial statements.

Prior to the year ended December 31, 2016, the Company will prepare the necessary documents to approve a one-for-ten (1:10) reverse split of the Company's issued and outstanding common stock with $0.0001 par value per share. There will be no change to the authorized capital of the Company.