Starrex International Ltd.

Condensed Interim Consolidated Financial Statements (Second Restatement)

Nine and Three Months Ended September 30, 2015 and 2014

(Unaudited)

Management's Responsibility for Condensed Interim Consolidated Financial Statements

The accompanying unaudited condensed interim consolidated financial statements of Starrex International Ltd. (the "Company" or "Starrex") are the responsibility of the Board of Directors.

The unaudited condensed interim consolidated financial statements (second restatement) have been prepared by management, on behalf of the Board of Directors, in accordance with the accounting policies disclosed in the notes to the audited consolidated financial statements (restated) as at December 31, 2014. Where necessary, management has made informed judgments and estimates in accounting for transactions which were not complete at the end of the reporting period. In the opinion of management, the condensed interim consolidated financial statements (second restatement) have been prepared within acceptable limits of materiality and are in accordance with International Accounting Standard 34 Interim Financial Reporting using accounting policies consistent with International Financial Reporting Standards appropriate in the circumstances.

Management has established processes, which are in place to provide it sufficient knowledge to support management representations that it has exercised reasonable diligence that (i) the unaudited condensed interim consolidated financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of, and for the periods presented by, the unaudited condensed interim consolidated financial statements and (ii) the unaudited condensed interim consolidated financial statements fairly present in all material respects the financial condition, financial performance and cash flows of the Company, as of the date of and for the periods presented by the unaudited condensed interim consolidated financial statements.

The Board of Directors is responsible for reviewing and approving the unaudited condensed interim consolidated financial statements together with other financial information of the Company and for ensuring that management fulfills its financial reporting responsibilities. An Audit Committee assists the Board of Directors in fulfilling this responsibility. The Audit Committee meets with management to review the financial reporting process and the unaudited condensed interim consolidated financial statements together with other financial information of the Company. The Audit Committee reports its findings to the Board of Directors for its consideration in approving the unaudited condensed interim consolidated financial statements together with other financial information of the Company for issuance to the shareholders.

Management recognizes its responsibility for conducting the Company's affairs in compliance with established financial standards, and applicable laws and regulations, and for maintaining proper standards of conduct for its activities.

(Signed): *"Dr. Deborah M. Ramirez"*
Chief Financial Officer

Toronto, Canada
November 24, 2016

NOTICE TO READER

The accompanying unaudited condensed interim consolidated financial statements (second restatement) of the Company have been prepared by and are the responsibility of management. These unaudited condensed interim consolidated financial statements as at, and for the three and nine-month periods ended, September 30, 2015, have not been reviewed by the Company's auditors.

Starrex International Ltd.

Condensed Interim Consolidated Statements of Financial Position (Second Restatement)
(Unaudited) (Expressed in United States dollars)

		September 30, 2015 (Second Restatement See Note 2)		December 31, 2014 (Restated Note 2)
ASSETS				
Current Assets				
Cash and cash equivalents	**$**	**487,299**	$	1,393,987
Accounts receivable (Note 7)		**265,026**		785,032
Prepaid expenses		**32,153**		9,725
Notes receivable (Note 9)		**965,000**		-
		1,749,478		2,188,744
Non-current Assets				
Notes receivable (Note 9)		**965,000**		-
Property, plant and equipment, net of depreciation (Note 5)		**364,835**		857,899
Intangible assets (Note 6)		**760,098**		1,261,409
Goodwill (Note 8)		**621,132**		1,364,554
Total Assets	**$**	**4,460,543**	$	5,672,606
LIABILITIES				
Current Liabilities				
Accounts payable and accrued liabilities		**25,276**	$	339,412
Deferred revenue		**232,566**		90,607
Notes payable (Note 13)		**102,010**		101,124
Income taxes payable		**-**		40,161
		359,852		571,304
Long term liabilities				
Notes payable (Note 13)		**103,754**		150,204
Deferred tax liability		**267,109**		734,939
Total liabilities		**730,715**		1,456,447
Capital and reserves				
Share capital (Note 10)		**6,745,651**		6,678,321
Contributed surplus (Note 11)		**247,227**		148,204
Accumulated other comprehensive income		**(261,534)**		(261,534)
Deficit		**(3,001,516)**		(2,348,832)
Total equity		**3,729,828**		4,216,159
Total equity and liabilities	**$**	**4,460,543**	$	5,672,606

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

Starrex International Ltd.

Condensed Interim Consolidated Statements of Income and Comprehensive Income (Second Restatement)
For the periods ended September 30, 2015 and 2014
(Unaudited) (stated in United States dollars)

	Three Months Ended Sept 30		Nine Months Ended Sept 30	
	2015 (Second Restatement See Note 2)	2014	**2015 (Second Restatement See Note 2)**	2014
Income				
Revenue (Note 7)	**$ 1,504,463**	$ 620,836	**$ 4,493,494**	$ 620,836
Investment income	**417**	2,153	**966**	5,799
	1,504,880	622,989	**4,494,460**	626,635
Expenses				
Depreciation (Note 5)	**22,130**	-	**56,582**	-
Amortization (Note 6)	**30,883**	-	**85,629**	-
General and administrative (Note 7)	**300,028**	256,729	**654,091**	316,938
Interest expense	**4,208**	-	**10,144**	267
Payroll expense	**1,288,339**	500,078	**3,731,188**	500,078
Professional fees	**81,844**	96,387	**235,905**	240,818
Impairment on goodwill (Note 8)	**-**	-	**149,301**	-
Share based payments (Notes 10 and 11)	**95,316**	13,583	**99,023**	24,367
	1,822,748	866,777	**5,021,863**	1,082,468
Net loss from continuing operations	**(317,868)**	(243,788)	**(527,403)**	(455,833)
(Loss) income from discontinued operations, net of tax (Note 17)	**74,011**	68,565	**(125,281)**	68,565
Net loss before net comprehensive loss	**(243,857)**	(175,223)	**(652,684)**	(387,268)
Items that may be reclassified subsequently to loss				
Cumulative translation (loss) gain	-	4,411	-	4,411
Net comprehensive loss for the period	**$ (243,857)**	$ (170,812)	**$ (652,684)**	$ (382,857)
Basic and diluted net income (loss) per share from continuing operations	**$ (0.02)**	$ (0.03)	**$ (0.04)**	$ (0.03)
Basic and diluted net income (loss) per share from discontinued operations	**$ 0.01**	$ 0.01	**$ (0.01)**	$ -
Weighted average number of common shares outstanding	**14,447,402**	9,553,911	**14,480,827**	13,880,827

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

Starrex International Ltd.

Condensed Interim Consolidated Statements of Changes in Equity (Second Restatement)
For the nine-month periods ended September 30, 2015 and 2014
(Unaudited) (stated in United States dollars)

	Number of Shares	Value	Contributed Surplus	Deficit	Accumulated Other Comprehensive Income	Total
Balance, December 31, 2013	**8,116,870**	**$ 1,992,829**	**$ 13,600**	**$ (697,134)**	**$ 24,559**	**$ 1,333,854**
Issuance of share capital	5,763,957	4,067,133	-	-	-	$ 4,067,133
Share based payments	-	-	24,367	-	-	$ 24,367
Cumulative translation adjustment	-	-	-	-	4,411	$ 4,411
Net loss for the period	-	-	-	(382,857)	-	$ (382,857)
Balance, September 30, 2015	**13,880,827**	**$ 6,059,962**	**$ 37,967**	**$ (1,079,991)**	**$ 28,970**	**$ 5,046,908**
Balance, December 31, 2014	**14,430,827**	**$ 6,678,321**	**$ 148,204**	**$ (2,348,832)**	**$ (261,534)**	**$ 4,216,159**
Issuance of shares for acquisition	50,000	67,330	-	-	-	$ 67,330
Share based payments	-	-	99,023	-	-	$ 99,023
Net loss and comprehensive loss for the period	-	-	-	(652,684)	-	$ (652,684)
Balance, September 30, 2015	**14,480,827**	**$ 6,745,651**	**$ 247,227**	**$ (3,001,516)**	**$ (261,534)**	**$ 3,729,828**

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

Starrex International Ltd.
Condensed Interim Consolidated Statements of Cash Flows (Second Restatement)
For the three and nine-months period ending September 30, 2015 and 2014
(Unaudited) (Expressed in United States dollars)

		September 30, 2015 (Second Restatement see Note 2)		September 30, 2014
Cash flows from operating activities				
Net loss for the period	**$**	**(527,403)**	$	(455,833)
Loss on discontinued operations		**(125,281)**		68,565
Items not affecting cash:				
Impairment		**149,301**		-
Share based payments		**99,023**		24,367
Depreciation		**56,582**		-
Amortization		**85,629**		-
Unpaid interest		**10,144**		-
Net change in non-cash working capital items relating to operating activities				
Accounts receivable		**172,828**		(510,647)
Prepaid expenses		**(22,428)**		16,963
Accounts payable and accrued liabiliities		**(499,691)**		85,566
Deferred revenue		**(141,959)**		-
Cash used in operating activities		**(743,255)**		(771,019)
Net change in non-cash working capital items relating to discontinued operations		**86,026**		-
Cash flows from investing activities				
Purchase of property, plant and equipmemnt		**(77,519)**		-
Purchase of intangible assets		**(125,417)**		-
Cash used in investing activities		**(202,936)**		-
Cash flows from financing activities				
Principal repayment on notes payable		**(46,523)**		-
Received from trust		**-**		798,611
Issuance of share capital		**-**		795,089
Cash (used in) provided by financing activities		**(46,523)**		1,593,700
Effect of foreign exchange		-		4,411
(Decrease) increase in cash and equivalents		**(906,688)**		827,092
Cash and cash equivalents, beginning of period		**1,393,987**		732,491
Cash and cash equivalents, end of period	**$**	**487,299**	$	1,559,583
Supplemental disclosure of cash flow information				
Interest received	$	-	$	4,088

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

1. Business of the Company

Nature of Business

Starrex International Ltd., formerly Starrex Mining Corporation Limited ("Starrex" or the "Company") was incorporated on October 2, 1982 pursuant to the Canada Business Corporations Act under the name Starrex Mining Corporation Limited. The Company's address is 199 Bay Street, Suite 2200, Toronto, Ontario M5L 1G4. The Company's primary business is to acquire, manage and grow companies in the United States active in mortgage, real estate and other financial sectors.

These unaudited condensed interim consolidated financial statements (second restatement) were approved by the Board of Directors on November 24, 2016.

2. Restatement of Previously Issued Financial Statements

Initial Restatement

Subsequent to the original issuance of the Company's unaudited condensed interim consolidated financial statements as at September 30, 2015, the Company determined that the share consideration issued in exchange for the acquisitions completed July 9, 2014 (Note 4) was incorrectly measured using the concurrent financing price of CAD$0.50. The restated unaudited condensed interim consolidated financial statements reflected an increased value allocated to the share consideration issued in exchange for the acquisition based on the trading price of the Company's stock on the close date of the acquisitions, being CAD$0.95 per share. Furthermore, the original issuance of the September 30, 2015 unaudited condensed interim consolidated statements included an unallocated purchase price as management had not yet completed the measurement and recognition of identifiable assets and liabilities included in the purchase price allocation. The restated unaudited condensed interim consolidated financial statements included the finalized purchase price allocation which resulted in the recognition of additional intangible assets (Note 6) and amortization related thereto as well as goodwill (Note 8). The restatement of the Company's unaudited condensed interim consolidated financial statements reflected corrections in intangible assets, goodwill, deferred tax liability, share capital, and deficit as well as amortization of intangible assets. The unaudited condensed interim consolidated financial statements included adjustments to certain items in the condensed interim consolidated statement of financial position to the appropriate presentation for the discontinued operations and the condensed interim consolidated statements of loss and comprehensive loss.

For presentation purposes, deferred revenue in the original statement of financial position was included in the balances for accrued liabilities. For further clarification, deferred revenue and income taxes payable has been presented separately for comparative purposes, which flow through the consolidated statement of cash flows as appropriate and the final purchase price allocation for the acquisition of Brownlee Appraisal Services, Inc. was derecognized from intangible assets and presented in goodwill and deferred income tax liability. The Company recorded an additional $16,516 of amortization included in the net income (loss) from continuing operations.

As a result of the correction for the acquisitions noted above there was a change to the cumulative translation adjustment which has been presented as appropriate through accumulated other comprehensive income.

2. Restatement of Previously Issued Financial Statements (continued)

Subsequent Restatement

Subsequent to the date of the original issuance and initial restatement of the Company's unaudited condensed interim consolidated financial statements as at September 30, 2015, the Company determined that it held control of the net assets of One Force Staffing, LLC and Olympia Capital Management, LLC until August 18, 2015. These second restated condensed interim consolidated financial statements reflect that control had not been transferred as at the effective date May 1, 2015, as stated in the divesture agreements.

Immediately before the initial classification as available for sale, the divested entities were measured at the lower of their carrying amount and the fair value less costs to sell. As a result of this assessment, an impairment of goodwill of Olympia Capital Management, LLC was determined to be required in the amount of $149,301. The goodwill impairment should have been reflected as a part of continuing operations and not as a part of discontinued operations as previously reported. The restatement adjustment has no impact on the overall net loss for the period.

2. Restatement of Previously Issued Financial Statements (continued)

The Company has further amended the previously restated condensed interim consolidated financial statements for the three and nine month periods ended September 30, 2015.

The following tables reflect the corrections to the Company's unaudited condensed interim consolidated financial statements.

Changes to the condensed interim consolidated statements of financial position:

	September 30, 2015	Restated Adjustment	Restated September 30, 2015	Second Restatement Adjustment	Second Restatment September 30, 2015
Cash and cash equivalents	$ 487,299	$ -	$ 487,299	$ -	**$ 487,299**
Accounts receivable	265,026	-	265,026	-	**265,026**
Prepaid expenses	32,153	-	32,153	-	**32,153**
Other current assets	1,020,085	(1,020,085)	-	-	
Notes receivable	965,000	965,000	1,930,000	-	**1,930,000**
Property, plant and equipment, net of depreciation	365,916	1,599	367,515	(2,680)	**364,835**
Intangible assets	492,055	288,864	780,919	(20,821)	**760,098**
Goodwill	829,692	(255,693)	573,999	47,133	**621,132**
Total assets	$ 4,457,226	$ (20,315)	$ 4,436,911	$ 23,632	**$ 4,460,543**
Accounts payable and accrued liabilities	$ 222,130	$ (196,854)	$ 25,276	$ -	**$ 25,276**
Deferred revenue		232,566	232,566	-	**232,566**
Notes payable - current		102,010	102,010	-	**102,010**
Notes payable - long term	205,764	(102,010)	103,754	-	**103,754**
Deferred tax liability	355,420	15,522	370,942	(103,833)	**267,109**
Income taxes payable		40,161	40,161	(40,161)	-
Total liabilities	$ 783,314	$ 91,395	$ 874,709	$ (143,994)	**$ 730,715**
Share capital	$ 5,138,672	$ 1,606,979	$ 6,745,651	$ -	**$ 6,745,651**
Contributed surplus	148,203	99,024	247,227	-	**247,227**
Accumulated other comprehensive income	(181,294)	(80,240)	(261,534)	-	**(261,534)**
Deficit	(1,431,668)	(1,737,474)	(3,169,142)	167,626	**(3,001,516)**
Total equity	$ 3,673,913	$ (111,711)	$ 3,562,202	$ 167,626	**$ 3,729,828**
Total equity and liabilities	$ 4,457,226	$ (20,315)	$ 4,436,911	$ 23,632	**$ 4,460,543**

2. Restatement of Previously Issued Financial Statements (continued)

Changes to the condensed interim consolidated statements of loss and comprehensive loss:

	Three Months Ended September 30, 2015	Restated Adjustment	Restated Three Months Ended September 30, 2015	Second Restatement Adjustment	Second Restatement Three Months Ended September 30, 2015
Net income (loss) from continuing operations	$ (107,391)	$ (133,338)	$ (240,729)	$ (77,139)	**$ (317,868)**
Loss from discontinued operations	$ -	$ -	$ -	$ 74,011	**$ 74,011**
Net comprehensive loss	$ (107,391)	$ (133,338)	$ (240,729)	$ (3,128)	**$ (243,857)**
Basic and diluted loss per share from continuing operations	$ (0.01)	$ (0.01)	$ (0.02)	$ (0.00)	**$ (0.02)**
Basic and diluted loss per share from discontinuing operations	$ -	$ -	$ -	$ 0.01	**$ 0.01**

2. Restatement of Previously Issued Financial Statements (continued)

Changes to the condensed interim consolidated statements of loss and comprehensive loss:

	Nine Months Ended September 30, 2015	Restated Adjustment	Restated Nine Months Ended September 30, 2015	Second Restatement Adjustment	Second Restatement Nine Months Ended September 30, 2015
Net income (loss) from continuing operations	$ (137,872)	$ (205,616)	$ (343,488)	$ (183,915)	$ **(527,403)**
Loss from discontinued operations	$ -	$ (476,822)	$ (476,822)	$ 351,541	$ **(125,281)**
Net comprehensive loss	$ (137,872)	$ (682,438)	$ (820,310)	$ 167,626	$ **(652,684)**
Basic and diluted loss per share from continuing operations	$ (0.01)	$ (0.01)	$ (0.02)	$ (0.02)	$ **(0.04)**
Basic and diluted loss per share from discontinuing operations	$ -	$ (0.03)	$ (0.03)	$ 0.02	$ **(0.01)**

2. Restatement of Previously Issued Financial Statements (continued)

Changes to the condensed interim consolidated statements of cash flows:

		September 30, 2015		Restated Adjustment		Restated September 30, 2015		Second Restatement Adjustment		Second Restatement September 30, 2015
Net loss for the period	$	(137,872)	$	(205,616)	$	(343,488)	$	(183,915)	**$**	**(527,403)**
Loss on discontinued operations	$	-	$	(476,822)	$	(476,822)	$	351,541	**$**	**(125,281)**
Share based payments	$	-	$	99,023	$	99,023	$	-	**$**	**99,023**
Impairment on goodwill	$	-	$	-	$	-	$	149,301	**$**	**149,301**
Depreciation	$	-	$	59,052	$	59,052	$	(2,470)	**$**	**56,582**
Amortization	$	-	$	96,694	$	96,694	$	(11,065)	**$**	**85,629**
Unpaid interest	$	-	$	10,144	$	10,144	$	-	**$**	**10,144**
Accounts receivable	$	519,998	$	(347,170)	$	172,828	$	-	**$**	**172,828**
Prepaid expenses	$	(22,428)	$	-	$	(22,428)	$	-	**$**	**(22,428)**
Accounts payable and accrued liabilities	$	(248,053)	$	(251,638)	$	(499,691)	$	-	**$**	**(499,691)**
Income taxes payable	$	40,161	$	(40,161)	$	-	$	-	**$**	**-**
Deferred revenue	$	-	$	(141,959)	$	(141,959)	$	-	**$**	**(141,959)**
Net change in non-cash working capital items related to discontinued operations	$	-	$	387,418	$	387,418	$	(301,392)	**$**	**86,026**
Disposal of assets	$	491,986	$	(491,986)	$	-	$	-	**$**	**-**
Acquisition of Subsidiaries	$	573,355	$	(573,355)	$	-	$	-	**$**	**-**
Capitalized assets	$	(110,896)	$	110,896	$	-	$	-	**$**	**-**
Divesture of subsidiary	$	(1,985,085)	$	1,985,085	$	-	$	-	**$**	**-**
Purchase of property, plant and equipment	$	-	$	(77,519)	$	(77,519)	$	-	**$**	**(77,519)**
Purchase of intangible assets	$	-	$	(125,417)	$	(125,417)	$	-	**$**	**(125,417)**
Issuance of share capital	$	57,869	$	(57,869)	$	-	$	-	**$**	**-**
Principal repayment on notes payable	$	(85,723)	$	39,200	$	(46,523)	$	-	**$**	**(46,523)**

2. Significant Accounting Policies

a. *Statement of compliance*

The Company has prepared these unaudited condensed interim consolidated financial statements in accordance with International Accounting Standard 34, Interim Financial Reporting, employing all of the same accounting policies and methods of computation as disclosed in the (restated) annual financial statements as at December 31, 2014. The notes to these unaudited condensed interim consolidated financial statements are intended to provide a description of events and transactions that are significant to an understanding to the changes in the Company's financial position and performance since December 31, 2014. Certain disclosures that appear in the annual financial statements have not been produced in the unaudited condensed interim consolidated financial statements and, in this regard only, these unaudited condensed interim consolidated financial statements do not conform in all respects to the requirements of International Financial Reporting Standard ("IFRS") for annual financial statements. Accordingly, these unaudited condensed interim consolidated financial statements should be read in conjunction with the restated annual financial statements as at December 31, 2014.

b. *Standards issues or amended which will be adopted in future periods*

IFRS 9, Financial Instruments ("IFRS 9") was initially issued by the IASB on November 12, 2009 and issued in its completed version in July 2014, and will replace IAS 39, "Financial Instruments: Recognition and Measurement" ("IAS 39"). IFRS 9 replaces the multiple rules in IAS 39 with a single approach to determine whether a financial asset is measured at amortized cost or fair value and a new mixed measurement model for debt instruments having only two categories: amortized cost and fair value. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. IFRS 9 is effective for financial years beginning on or after January 1, 2018.

IFRS 15, Revenue from Contract with Customers ("IFRS 15") was issued by the IASB in May 2014 and clarifies the principles for recognizing revenue from contracts with customers. IFRS 15 will result in enhanced disclosures about revenue, provide guidance for transactions that were not previously addressed comprehensively (i.e. service revenue and contract modifications) and improve guidance for multiple-element arrangements. IFRS 15 is effective for periods beginning on or after January 1, 2018 and is to be applied retrospectively.

The Company is currently assessing the effects of these new standards and intends to adopt them on their effective dates.

3. Significant Accounting Policies – (continued)

c. ***Basis of presentation***

These unaudited condensed interim consolidated financial statements have been prepared on a historical cost basis, except for certain financial instruments that have been measured at fair value, and include all of the accounts of Starrex International Ltd. and its subsidiary (collectively, the "Company"). All significant intercompany accounts and transactions have been eliminated in consolidation.

d. ***Principles of Consolidation***

These unaudited condensed interim consolidated financial statements include the Company and its wholly-owned subsidiaries Property Interlink, LLC which was acquired July 9, 2014, and Heinen & Associates LLC, a wholly-owned subsidiary of Property Interlink, LLC, which was acquired on November 19, 2014. All subsidiaries are 100% owned and controlled by the Company. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. Subsidiaries are included in the consolidated financial statements from the date control is obtained until the date control ceases. All intercompany balances, transactions, income, expenses, profits and losses, have been eliminated upon consolidation.

e. ***Accounting Estimates and Judgments***

The preparation of these unaudited condensed interim consolidated financial statements in conformity with IFRS requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results ultimately may differ from those estimates. Areas where estimates are significant to these unaudited condensed interim consolidated financial statements are as follows:

i. Goodwill is tested for impairment annually or more frequently if there is an indication of impairment. The carrying value of intangible assets with definite lives (software, trade name and customer relationships) and equipment is reviewed each reporting period to determine whether there is any indication of impairment. If the carrying amount of an asset exceeds its recoverable amount, the asset is impaired and an impairment loss is recognized in profit or loss. The assessment of fair values requires the use of estimates and assumptions related to future operating performance and discount rates, differences in these estimates and assumptions could have a significant impact on the unaudited condensed interim consolidated financial statements. An impairment loss of $149,301 has been recorded for the periods ended September 30, 2015 in the loss from continuing operations and $960,928 impairment loss has been recorded for the year ended December 31, 2014 in the consolidated statements of loss and comprehensive loss.

3. Significant Accounting Policies – (continued)

e. *Accounting Estimates and Judgments – (continued)*

ii. Significant judgment is involved in the determination of useful life for the computation of depreciation of equipment and amortization of intangible assets. No assurance can be given that actual useful lives will not differ significantly from current assumptions.

iii. Applying the acquisition method to business combinations requires each identifiable asset and liability to be measured at its acquisition date fair value. The excess, if any, of the fair value of consideration over the fair value of the net identifiable assets acquired is recognized as goodwill. The determination of acquisition date fair values often requires management to make assumptions and estimates about future events. The assumptions with respect to fair value of intangible assets requires a high degree of judgment and include estimates for future operating performance, discount rates, technology migration factors and terminal value rates. Specifically, the purchase price allocations described in Note 4 required significant estimates.

f. *Functional currency*

On January 1, 2015, Starrex International Ltd., the parent company, changed its functional currency from the Canadian dollar ("CAD") to the U.S. dollar ("USD"). This reflects the fact that the majority of the Company's business is influenced by an economic environment denominated in U.S. currency, as well, the Company earns revenues in U.S. dollars. The change in accounting treatment was applied prospectively. In conjunction with the change in functional currency, the Company changed its presentation currency from CAD to USD.

Transactions denominated in foreign currency (other than the functional currency) are recorded on initial recognition at the exchange rate at the date of the transaction. After initial recognition, monetary assets and liabilities denominated in foreign currency are translated at the end of each reporting period into the functional currency at the exchange rate at that date. Exchange differences, other than those capitalized to qualifying assets or recorded in equity in hedging transactions, are recognized in profit or loss. Non-monetary assets and liabilities measured at cost in a foreign currency are translated at the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currency and measured at fair value are translated into the functional currency using the exchange rate prevailing at the date when the fair value was determined.

4. Business Combinations

(a) Acquisition of Property Interlink, LLC

On July 9, 2014, the Company completed the acquisition of Property Interlink, LLC, a Colorado limited liability company. The Company acquired all of the issued and outstanding shares of Property Interlink, LLC in exchange for the issuance of 1,260,000 common shares of the Company with a fair value of $1,031,814.

The following sets forth the allocation of the purchase price to assets acquired and liabilities assumed, based on estimates of fair value, including a summary of major classes of consideration transferred, and the recognized amounts of assets acquired and liabilities assumed at the acquisition date:

Consideration Paid:	
Fair value of 1,260,000 Starrex common shares issued July 9, 2014	$ 1,031,814
Allocation of purchase price:	
Cash and cash equivalents	$ 73,853
Property, plant and equipment	317,888
Accounts receivable	53,934
Accounts payable	(123,065)
Deferred income tax	(305,723)
Intangible assets	454,137
Goodwill	560,790
	$ 1,031,814

4. Business Combinations – (continued)

(b) ***Acquisition of One Force Staffing, Inc.***

On July 9, 2014, the Company completed the acquisition of One Force Staffing, Inc., a Texas corporation. The Company acquired all of the issued and outstanding shares of Once Force Staffing, Inc. in exchange for the issuance of 1,260,000 common shares of the Company with a fair value of $1,031,814.

The following sets forth the allocation of the purchase price to assets acquired and liabilities assumed, based on estimates of fair value, including a summary of major classes of consideration transferred, and the recognized amounts of assets acquired and liabilities assumed at the acquisition date:

Consideration Paid:		
Fair value of 1,260,000 Starrex common shares issued July 9, 2014	$	1,031,814
Allocation of purchase price:		
Accounts receivable	$	18,007
Property, plant and equipment		300,485
Deferred income tax		(178,122)
Intangible assets		208,434
Goodwill		683,010
	$	1,031,814

(c) ***Acquisition of Olympia Capital Management, Inc.***

On July 9, 2014, the Company completed the acquisition of Olympia Capital Management, Inc., a Florida corporation. The Company acquired all of the issued and outstanding shares of Property Interlink, LLC in exchange for the issuance of 1,260,000 common shares of the Company with a fair value of $1,031,814.

The following sets forth the allocation of the purchase price to assets acquired and liabilities assumed, based on estimates of fair value, including a summary of major classes of consideration transferred, and the recognized amounts of assets acquired and liabilities assumed at the acquisition date:

4. Business Combinations – (continued)

(c) ***Acquisition of Olympia Capital Management, Inc. (continued)***

Consideration Paid:		
Fair value of 1,260,000 Starrex common shares issued July 9, 2014	$	1,031,814
Allocation of purchase price:		
Cash	$	3,399
Accounts receivable		14,748
Accounts payable		(17,122)
Intangible assets		324,585
Deferred income tax		(251,095)
Property, plant and equipment		295,402
Goodwill		661,897
	$	1,031,814

(d) ***Acquisition of Heinen & Associates***

On November 19, 2014, Property Interlink, LLC, a wholly-owned subsidiary of Starrex International Ltd., completed the acquisition of Heinen & Associates, LLC a United States based entity. All of the membership interest of Heinen & Associates, LLC were exchanged in consideration of $623,235, which was satisfied by: (i) payment of $48,737 in cash; (ii) issuance of a promissory note by Property Interlink, LLC in the aggregate amount of $243,688 (*Note 13*); (iii) rental reimbursement obligation of $24,369; and (iv) issuance of 450,000 common shares of Starrex with a fair value of $306,441.

The following sets forth the allocation of the purchase price to assets acquired and liabilities assumed, based on estimates of fair value, including a summary of major classes of consideration transferred, and the recognized amounts of assets acquired and liabilities assumed at the acquisition date:

4. Business Combinations – (continued)

(d) ***Acquisition of Heinen & Associates (continued)***

Consideration Paid:		
Promissory note	$	243,688
Heinen rental reimbursement		24,369
Cash payment		48,737
Fair value of 450,000 Starrex common shares issued November 19, 2014		306,441
	$	623,235
Allocation of purchase price:		
Property, plant and equipment	$	94,291
Intangible assets		147,402
Goodwill		381,542
	$	623,235

(e) ***Acquisition of Brownlee Appraisal Services, Inc.***

On June 1, 2015, Property Interlink, LLC, a wholly-owned subsidiary of Starrex International Ltd. completed the acquisition of Brownlee Appraisal Services, Inc., a United States based entity. All of the membership interest of Brownlee Appraisal Services, Inc. were exchanged for consideration of $67,330, which was satisfied by the issuance of 50,000 common shares of Starrex with a fair value of $67,330.

The following sets forth the final allocation of the purchase price to assets acquired and liabilities assumed, based on estimates of fair value, including a summary of major classes of consideration transferred, and the recognized amounts of assets acquired and liabilities assumed at the acquisition date:

Consideration Paid:		
Fair value of 50,000 Starrex common shares issued June 1, 2015	$	67,330
Allocation of purchase price:		
Intangible assets	$	33,439
Deferred income tax		(13,242)
Goodwill		47,133
	$	67,330

5. Property, Plant and Equipment

	Furniture & Equipment	Leasehold Improvements	Total
Cost			
As at January 1, 2014	$ 11,313	$ -	$ 11,313
Additions	753,199	173,831	927,030
As at December 31, 2014	764,512	173,831	938,343
Additions	75,319	2,200	77,519
Divestitures	(449,851)	(103,830)	(553,681)
As at September 30, 2015	**$ 389,980**	**$ 72,201**	**$ 462,181**
Accumulated depreciation			
As at January 1, 2014	$ 11,313	$ -	$ 11,313
Expense	57,283	14,242	71,525
Effect of currency translation	1,086	(3,480)	(2,394)
As at December 31, 2014	69,682	10,762	80,444
Expense	87,031	14,978	102,009
Divestitures	(74,515)	(10,592)	(85,107)
As at September 30, 2015	**$ 82,198**	**$ 15,148**	**$ 97,346**
Net book value			
As at December 31, 2014	$ 694,830	$ 163,069	$ 857,899
As at June 30, 2015	**$ 307,782**	**$ 57,053**	**$ 364,835**

6. Intangible Assets

	Business Software & Website (1)	Proprietary Software (2)	Non-Compete Agreements	Customer Relationships	Total
Cost					
As at January 1, 2014	$ -	$ -	$	$	$ -
Additions	169,281	55,151	360,195	774,363	1,358,990
As at December 31, 2014	169,281	55,151	360,195	774,363	1,358,990
Additions	-	125,417	-	-	125,417
Acquistion	-	-	-	33,439	33,439
Divestitures	(102,168)	-	(217,352)	(315,667)	(635,187)
As at September 30, 2015	$ **67,113**	**$ 180,568**	**$ 142,843**	**$ 492,135**	**$ 882,659**
Accumulated depreciation					
As at January 1, 2014	$ -	$ -	$ -	$ -	$ -
Expense	16,373	-	40,351	62,148	118,872
Effect of currency translation	(126)	-	(8,663)	(12,502)	(21,291)
As at December 31, 2014	16,247	-	31,688	49,646	97,581
Expense	17,320	18,983	35,778	55,238	127,319
Divestitures	(15,887)	-	(35,253)	(51,199)	(102,339)
As at September 30, 2015	**$ 17,680**	**$ 18,983**	**$ 32,213**	**$ 53,685**	**$ 122,561**
Net Book Value					
As at December 31, 2014	$ 153,034	$ 55,151	$ 328,507	$ 724,717	$ 1,261,409
As at September 30, 2015	**$ 49,433**	**$ 161,585**	**$ 110,630**	**$ 438,450**	**$ 760,098**

(1) The Company has engaged software development companies to develop appraisal management software, general business software, and a website to be used by the Company to generate further revenues. The business software and website are depreciated under a straight line method over five years.

(2) Property Interlink, LLC engaged a software development company to develop proprietary software in support of Property Interlink's appraisal activities.

7. Related party transactions

AmCap Mortgage Ltd., a customer related by common management, the Chief Executive Officer, accounted for $3,703,448 (September 30, 2014 - $234,905) in revenue to the Company. As at September 30, 2015, $58,905 (December 31, 2014 - $494,594) is included in accounts receivable on the restated condensed interim consolidated statement of financial position. As at September 30, 2015, $275,000 (December 31, 2014 - $275,000) is included in disposal group on the condensed consolidated interim statement of financial position.

7. Related party transactions – (continued)

The Company had the following transactions with officers and directors of the Company and private companies controlled by officers and directors of the Company for management consulting and other services required by the Company:

a. The Company incurred $188,838 in management fees during the nine months ended September 30, 2015 (September 30, 2014 - $54,000) to the COO, CFO and Senior Vice President for services provided to the Company. All amounts have been paid accordingly.

8. Goodwill

The change in goodwill for the year ended December 31, 2014 and period ended September 30, 2015 was as follows:

	Property Interlink, LLC	One Force Staffing Inc.	Olympia Capital Management, Inc.	Total
Acquisitions July 9, 2014	$ 560,790	$ 683,010	$ 661,897	$ 1,905,697
Initial impariment	(152,992)	(436,121)	(141,149)	(730,262)
Acquisition November 19, 2014	381,542	-	-	381,542
Impairment	(225,534)	-	-	(225,534)
Additional impairment	(5,033)	-	-	(5,033)
Effective currency translation	15,226	17,314	5,604	38,144
Balance, December 31, 2014	573,999	264,203	526,352	1,364,554
Acquisition June 1, 2015	47,133	-	-	47,133
Impairment	-	-	(149,301)	(149,301)
Divestitures	-	(264,203)	(377,051)	(641,254)
Balance, September 30, 2015	$ 621,132	$ -	$ -	$ 621,132

9. Notes Receivable

The Company entered into agreements effective May 1, 2015, to divest Olympia Capital Management, Inc. and One Force Staffing, Inc. which closed on August 18, 2015. Promissory notes for $1,100,000 and $830,000 were received for Olympia Capital Management and One Force Staffing, Inc., respectively. The promissory notes carry a 5% interest rate compounded monthly. The promissory notes are repayable in equal installments of $965,000 commencing November 30, 2015 with the full balance due May 31, 2016. Subsequent to year end the Company has not received any principal repayments on the promissory notes. As a result the Company is in the process of renegotiating the repayment terms. As at December 31, 2014, Olympia Capital Management, Inc. and One Force Staffing Inc. were each a separate reportable segment (Note 16). The current portion of these promissory notes is $965,000 with the remaining $965,000 due after one year.

10. Share Capital

Authorized
The Company is authorized to issue an unlimited number of common shares.

Issued	Number of common shares		Amount
Balance December 31, 2013 and September 30, 2014	**8,116,870**	**$**	**1,992,829**
Private placement, net (i)	1,983,957		911,544
Acquistions (Note 4)	4,234,000		3,685,180
Issuance of shares to management (ii)	100,000		88,768
Balance December 31, 2014	**14,434,827**		**6,678,321**
Acquistions (iii)	50,000		67,330
Balance September 30, 2015	**14,484,827**	**$**	**6,745,651**

i) During July 2014, the Company completed a private placement of 1,983,957 common shares, at CAD $0.50 per share, for gross proceeds of $930,576. The Company incurred issuance costs of $19,032.

ii) During December 2014, the Company issued 100,000 common shares as compensation to a member of management, income valued at $88,768 and included in share-based payments in the consolidated statements of loss and comprehensive loss.

iii) During June 2015, the Company issued 50,000 common shares valued at $67,330 as consideration for the acquisition of Brownlee Appraisal Services, Inc.

11. Share-based payments

The Company has a stock option plan (the "Plan") that enables its directors, officers, employees, consultants, and advisors to acquire common shares of the Company. Options are granted at the discretion of the Board of Directors. Under the terms of the Plan, options totaling up to 10% of the common shares outstanding from time to time are issuable. The vesting period and expiration period are fixed at the time of grant at the discretion of the Board of Directors.

Details of options outstanding, all amounts in CAD:

	Number of options	Weighted average exercise price $
Outstanding, January 1, 2014	50,000	0.17
Granted	700,000	0.23
Outstanding, December 31, 2014	750,000	0.23
Cancelled	(100,000)	0.25
Granted	100,000	1.70
Outstanding, September 30, 2015	**750,000**	**0.46**

	Common Shares Under option	Number of Options Vested		Exercise Price	Expiry Date
Granted May 21, 2013	50,000 [(1)]	50,000	$	0.16 [(5)]	May 21, 2018
Granted April 17, 2014	550,000 [(2)]	550,000		0.20 [(6)]	April 16, 2019
Granted May 29, 2014	50,000 [(3)]	50,000		0.45 [(7)]	May 29, 2019
Granted September 1, 2015	100,000 [(4)]	100,000		1.28 [(8)]	September 1, 2020

(1) A Director of the Company holds these options. One half of the options vested May 21, 2014. The remaining options vested on May 21, 2015.
(2) Directors of the Company hold these options. They are fully vested. Of the options originally granted to directors on April 17, 2014, 100,000 options held by a director were cancelled on September 14, 2015, 90 days following his ceasing to hold office.
(3) A Consultant of the Company holds these options. They are fully vested.
(4) An Executive Officer of the Company holds these options. They are fully vested.
(5) The exercise price is CAD $0.20.
(6) The exercise price is CAD $0.25.
(7) The exercise price is CAD $0.57.
(8) The exercise price is CAD $1.70.

11. Share-based payments – (continued)

The following weighted average assumptions were used to calculate the fair value of the stock options granted during the period:

	September 30 2015	December 31 2014
Dividend yield	**Nil**	Nil
Risk free interest rate (%)	**0.64**	1.03-1.06
Expected stock volatility (%)	**101**	80.32-100.76
Expected life (years)	**5**	5

12. Net income (loss) per share

Basic and diluted income (loss) per share has been calculated based on the weighted average number of common shares outstanding of 14,480,827 for the nine months ended September 30, 2015 (2014 – 13,880,827) and 14,447,402 for the three month period (2014 – 9,553,911).

13. Notes Payable

On November 19, 2014, Property Interlink, LLC, a subsidiary of Starrex International Ltd. completed the acquisition of Heinen & Associates, LLC (*Note 4 (d)),* for consideration which included the issuance of a promissory note in the aggregate amount of $250,000. The promissory note has an interest rate of 4.5% per annum with semi-annual principal payments of $50,000 and applicable interest starting May 1, 2015 and ending May 1, 2017.

As of September 30, 2015, $102,010 of the outstanding balance is due within 1 year and $103,754 of the balance is due after 1 year. During the period ended September 30, 2015, the Company recorded interest expense of $10,144 (2014 – $ Nil) on the promissory note, which is unpaid and included in the value of the note payable on the statement of financial position at the end of the period.

14. Capital Disclosures

The Company's objective when managing capital is to maintain its ability to continue as a going concern in order to provide return for shareholders and to ensure sufficient resources are available to meet day to day operating requirements.

The Company considers the items included in shareholders' equity as capital, which totals $3,729,828 as at September 30, 2015 (December 31, 2014 - $4,216,159). The Company manages its capital structure and makes adjustments to it, in order to have funds available to support its corporate activities. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

The Company is not subject to externally imposed capital requirements and there has been no change in the overall capital risk management strategy during the nine months ended September 30, 2015.

15. Financial Risk Factors

The Company's financial instruments consist of cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities and note payable. As at September 30, 2015, the carrying values and fair values of the Company's financial instruments are approximately the same.

The Company is exposed in varying degrees to a variety of financial instrument related risks:

Credit Risk

Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. For financial assets, this is typically the gross carrying amount, net of any amounts offset and any impairment losses. In the normal course of business, the Company is exposed to credit risk from its customers and the related accounts receivable are subject to normal industry credit risk. As at September 30, 2015 (December 31, 2014 – Nil), no allowance for doubtful accounts was recorded.

Liquidity 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 working capital to meet its liquidity requirements. At September 30, 2015, the Company had cash and cash equivalents of $487,299 (December 31, 2014 - $1,393,987) available to settle current financial liabilities of $359,852 (December 31, 2014 - $571,304).

Interest Rate Risk

The Company is exposed to interest rate risk to the extent that the cash maintained at financial institutions is subject to a floating rate of interest. The interest rate risks on cash and on the Company's obligations are not considered significant.

Future Impairments

The Company is considered to be at risk for a future impairment of its goodwill in the event of a decline in general economic, market or business conditions or any significant unfavorable changes in the Company's forecasted revenue, expenses, cash flows, weight-average cost of capital and/or market transaction multiples. For the nine months ended September 30, 2015, there were no changes in the factors described above that would significantly impact the fair value of the Company and suggest an impairment review should be performed. The Company will continue to monitor events and circumstances that could negatively impact the key assumptions in determining its fair value.

16. Segmented Disclosures

The Company organizes its reporting structure into two reportable segments. For management purposes, the Company is organized into segments based on their products and services provided. Management monitors the operating results of each segment separately for the purpose of making decisions about resource allocation and performance assessment.

The two reportable operating segments are as follows:

i) Property Interlink, LLC manages appraisal companies and maintains all of the ordering, tracking, administrative duties, and details and ensures the timeliness of appraisals that are handled during a real estate mortgage transaction. Heinen & Associates LLC, which was acquired during the 2014 year and Brownlee Appraisal Services, Inc., which was acquired during the current year, are integrated with the Property Interlink segment.

ii) Starrex International Ltd, or Corporate, manages the wholly-owned subsidiaries, as well as shareholder services and corporate governance.

Select financial information as at September 30, 2015 is presented as follows:

	Property Interlink, LLC	Corporate	Total
Current assets	$ 342,056	$ 1,407,422	$ 1,749,478
Notes recievable	965,000	-	965,000
Property and equipment	364,835	-	364,835
Intangible assets	760,098	-	760,098
Goodwill	621,132	-	621,132
Total Assets	$ 3,053,121	$ 1,407,422	$ 4,460,543
Current liabilities	$ 351,201	$ 8,651	$ 359,852
Long-term liabilities	370,863		370,863
Total liabilities	$ 722,064	$ 8,651	$ 730,715
Revenues	$ 4,493,494	$ 966	$ 4,494,460
Expenses	$ 4,524,140	$ 497,723	$ 5,021,863
Net loss from continuing operations	$ (30,646)	$ (496,757)	$ (527,403)

17. Discontinued Operations

Starrex International Ltd. completed an agreement in August 2015 to divest Olympia Capital Management, Inc., a consulting and software solutions corporation, along with One Force Staffing, Inc., its staffing and recruitment agency, with an effective date of May 1, 2015 in exchange for promissory notes receivable of $1,100,000 and $830,000, respectively.

In addition, after further analysis of the dates of approval on the divestiture agreements for One Force Staffing, Inc. and Olympia Capital Management, Inc., the Company determined that control have not be transferred as at the effective date May 1, 215, as stated in the divesture agreements. The Company held control of the net assets of One Force Staffing, Inc. and Olympia Capital Management, Inc. until August 18, 2015.

All revenue and expenses associated with our Olympia Capital Management, Inc. and One Force Staffing, Inc. operations have been classified as discontinued operations. Our operating results from discontinued operations in Olympia Capital Management, Inc. and One Force Staffing, Inc. are summarized as follows:

For the period ending September 30, 2015	Olympia Capital Management, Inc.	One Force Staffing, Inc.	Total
Income			
Revenue	**$ 94,434**	**$ 124,006**	**$ 218,440**
Investment income	-	-	-
	94,434	**124,006**	**218,440**
Expenses			
Depreciation	**28,526**	**16,901**	**45,427**
Amortization	**25,788**	**15,902**	**41,690**
General and administrative	**52,319**	**36,638**	**88,957**
Payroll expense	**177,313**	**87,496**	**264,809**
Professional fees	-	**49,388**	**49,388**
	283,946	**206,325**	**490,271**
Operating loss from discontinued operations before for provision for income tax	**(189,511)**	**(82,319)**	**(271,830)**
Income tax on operations	**72,275**	**28,812**	**101,087**
Operating loss from discontinued operations	**(117,236)**	**(53,507)**	**(170,743)**
(Loss) gain on disposal of subsidiaries before provision for income tax	**(8,233)**	**53,696**	**45,463**
Provison for income taxes	-	-	-
(Loss) gain on disposal of subsidiaries	**(8,233)**	**53,696**	**45,463**
(Loss) income from discontinued operations	**$ (125,470)**	**$ 189**	**$ (125,281)**

The carrying value of Olympia Capital Management Inc., was $1,108,233 at the date of sale. Proceeds on the sale were $1,100,000 resulting in a loss on disposition of $8,233. The carrying value of One Force Staffing, Inc. was $776,304 at the date of sale. Proceeds on the sale were $830,000 resulting in a gain on disposition of $53,696

17. Discontinued Operations – (continued)

For the period ending September 30, 2014	Olympia Capital Management, Inc.	One Force Staffing, Inc.	Total
Income			
Revenue	$ 256,890	$ 90,286	$ 347,176
Investment income	-	-	-
	256,890	90,286	347,176
Expenses			
Depreciation	-	-	-
Amortization	-	-	-
General and administrative	227,575	29,506	257,081
Payroll expense	-	21,530	21,530
Professional fees	-	-	-
	227,575	51,036	278,611
Operating loss from discontinued operations	29,315	39,250	68,565
Income tax on operations	-	-	-
Operating loss from discontinued operations	29,315	39,250	68,565
Gain (loss) on disposal of subsidiaries before provision for income tax	-	-	-
Provison for income taxes	-	-	-
(Loss) from discontinued operations	$ 29,315	$ 39,250	$ 68,565

18. Subsequent Events

Promissory notes receivables

On April 15, 2016, the Company amended the notes receivable, in the amounts of $1,100,000 and $830,000, for the divestitures of One Force Staffing, Inc. and Olympia Capital Management, Inc. respectively. The amended notes carry a 5% interest rate compounded monthly, with interest payments due quarterly commencing July 14, 2016, with the full principal balance and any outstanding interest due April 14, 2017. Upon the occurrence and during the continuance of any event of default the promissory notes receivable shall bear interest at a rate of 8%.