

JAVELLE CAPITAL CORP.

Interim Financial Statements

March 31, 2015

(Expressed in Canadian Dollars)

(Unaudited)

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MANAGEMENT'S RESPONSIBILITY FOR INTERIM FINANCIAL STATEMENTS

The accompanying unaudited interim financial statements of Javelle Capital Corp. (the "Company" or "Javelle") are the responsibility of management.

The unaudited interim financial statements have been prepared by management, on behalf of the Board of Directors, in accordance with the accounting policies disclosed in the notes to the unaudited interim financial statements. Where necessary, management has made informed judgments and estimates in accounting for transactions which were not complete at the financial position date. In the opinion of management, the unaudited interim financial statements 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 interim 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 interim financial statements and (ii) the unaudited interim financial statements fairly present in all material respects the financial condition, results of operations and cash flows of the Company, as of the date of and for the periods presented by the unaudited interim financial statements.

The Board of Directors is responsible for reviewing and approving the unaudited interim 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 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 interim 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.

JAVELLE CAPITAL CORP.
Interim Statements of Financial Position
(Expressed in Canadian Dollars)
(Unaudited)

	March 31, 2015	December 31, 2014
ASSETS		
Current Assets		
Cash and cash equivalents (Note 6)	\$ 25,224	\$ 36,140
Taxes recoverable	14,535	14,535
Total assets	\$ 39,759	\$ 50,675
LIABILITIES		
Current Liabilities		
Accounts payable and accrued liabilities (Note 7)	\$ 148,619	\$ 155,070
	148,619	155,070
SHAREHOLDERS' DEFICIT		
Share capital (Note 9)	378,907	378,907
Contributed surplus	64,106	64,106
Deficit	(551,873)	(547,408)
Total shareholders' deficit	(108,860)	(104,395)
Total liabilities and shareholders' deficit	\$ 39,759	\$ 50,675

Approved and authorized by the Board on May 28, 2015

"Donald Gee" Director

"Wan Jung" Director

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

JAVELLE CAPITAL CORP.
Interim Statements of Comprehensive Loss
(Expressed in Canadian Dollars)
(Unaudited)

	<i>Three Months</i>	<i>Three Months</i>
	<i>Ended</i>	<i>Ended</i>
	<i>March 31,</i>	<i>March 31,</i>
	<i>2015</i>	<i>2014</i>
Expenses:		
General and administrative expenses (Note 8)	\$ 1,756	\$ 4,137
Professional fees	20	1,500
Transfer agent and filing fees	<u>2,689</u>	<u>998</u>
Loss and comprehensive loss for the period	<u>(4,465)</u>	<u>(6,635)</u>
Basic and diluted loss per common share	<u>\$ (0.00)</u>	<u>\$ (0.00)</u>
Weighted average number of common shares outstanding	<u>5,496,000</u>	<u>5,496,000</u>

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

JAVELLE CAPITAL CORP.
Interim Statement of Changes in Deficiency
(Expressed in Canadian Dollars)
(Unaudited)

	<i>Share Capital</i>				
	<i>Number of Shares</i>	<i>Amount</i>	<i>Contributed Surplus</i>	<i>Deficit</i>	<i>Shareholders' Deficiency</i>
Balance, December 31, 2013	5,496,000	\$ 378,907	\$ 64,106	\$ (476,570)	\$ (33,557)
Loss for the period	-	-	-	(6,635)	(6,635)
Balance, March 31, 2014	5,496,000	378,907	64,106	(483,205)	(40,192)
Loss for the period	-	-	-	(64,203)	(64,203)
Balance, December 31, 2014	5,496,000	378,907	64,106	(547,408)	(104,395)
Loss for the period	-	-	-	(4,465)	(4,465)
Balance, March 31, 2015	5,496,000	\$ 378,907	\$ 64,106	\$ (551,873)	\$ (108,860)

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

JAVELLE CAPITAL CORP.
Interim Statements of Cash Flows
(Expressed in Canadian Dollars)
(Unaudited)

	<i>Three Months Ended March 31, 2015</i>	<i>Three Months Ended March 31, 2014</i>
Cash flows from operating activities		
Loss for the period	\$ (4,465)	\$ (6,635)
Less: Items not affecting cash		
Depreciation	-	516
Changes in non-cash working capital:		
Taxes recoverable	-	(443)
Accounts payable and accrued liabilities	(6,451)	(2,377)
Net cash used in operating activities	(10,916)	(8,939)
Cash flows from investing activities		
Purchase of equipment	-	(7,511)
Net cash used in investing activities	-	(7,511)
Change in cash	(10,916)	(16,450)
Cash, beginning of period	36,140	86,119
Cash, end of period	\$ 25,224	\$ 69,669

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

JAVELLE CAPITAL CORP.
Notes to Interim Financial Statements

March 31, 2015

(Expressed in Canadian Dollars)

(Unaudited)

1. CORPORATE INFORMATION

Javelle Capital Corp. (the “Company”) was incorporated on November 2, 2010 under the Business Corporation Act of the Province of British Columbia and is in the initial phase of the process in accordance with Policy 2.4 of TSX Venture Exchange for a Capital Pool Company (“CPC”). The Company’s common shares commenced trading on Tier 2 of the TSX Venture Exchange under the symbol “JVL-P.V” at the opening of the market on February 24, 2011.

As a CPC, the Company has no material commercial operations and no material assets other than cash. The Company’s cash will be used to identify and evaluate businesses or assets with a view to completing a Qualifying Transaction as defined by the TSX Venture Exchange (the “Exchange”).

In accordance with TSX Venture Policy 2.4, Capital Pool Companies, the Company has not completed a Qualifying Transaction within the prescribed time frame. Therefore, effective June 3, 2013, the Company’s listing has been transferred to the NEX board of the Exchange. The Company’s Tier classification changed from Tier 2 to NEX. The trading symbol for the Company changed from “JVL-P” to “JVL-H”.

The Company’s registered office is located at 6485 Gordon Avenue, Burnaby, British Columbia, Canada.

The unaudited interim financial statements of the Company are presented in Canadian dollars, which is the functional currency of the Company, unless otherwise noted.

2. BASIS OF PREPARATION

a) Statement of Compliance

These unaudited interim financial statements, including comparatives have been prepared using accounting policies consistent with International Financial Reporting Standards (“IFRS”) and in accordance with International Accounting Standard 34, Interim Financial Reporting (“IAS 34”) as issued by the International Accounting Standards Board (“IASB”).

The unaudited interim financial statements were authorized for issue by the Board of Directors on May 28, 2015.

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b) Basis of Measurement

The unaudited interim financial statements have been prepared on a historical cost basis, except for financial instruments classified as financial instruments at fair value through profit or loss, which are stated at their fair value. In addition, these unaudited interim financial statements have been prepared using the accrual basis of accounting except for cash flow information.

The preparation of these unaudited interim 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. Actual results could differ from these estimates

These unaudited interim financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the unaudited interim financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the year 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 financial position reporting date, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the inputs used in the accounting for share-based compensation expense included in profit or loss, and income taxes.

c) Going Concern of Operations

These unaudited interim financial statements have been prepared assuming the Company will continue on a going-concern basis. The Company's continuing operations as intended are dependent upon its ability to identify, evaluate and negotiate an acquisition of, a participation in or an interest in properties, assets or businesses. Such an acquisition will be subject to regulatory approval and may be subject to shareholder approval. The unaudited interim financial statements do not include any adjustments to assets or liabilities should the Company be unable to continue in existence.

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3. SIGNIFICANT ACCOUNTING POLICIES

These unaudited interim financial statements should be read in conjunction with the audited annual financial statements of the company's most recently completed year ended December 31, 2014. These statements do not include all disclosures required in annual financial statements but rather are prepared in accordance with recommendations for interim financial statements in accordance with International Accounting Standard 34, Interim Financial Reporting ("IAS 34") as issued by the International Accounting Standards Board ("IASB"). These statements follow the same accounting policies and methods of their application as those followed in the December 31, 2014 financial statements.

New standards adopted during the period

Certain pronouncements were issued by the IASB or the IFRS Interpretations Committee that are mandatory for annual periods beginning on or after January 1, 2015 or later periods.

The following new standards, amendments and interpretations were adopted and had no impact in these unaudited interim financial statements for the period ended March 31, 2015:

- i) IFRS 9 - Financial Instruments (New; to replace IAS 39 and IFRIC 9)
- ii) Annual Improvements to IFRSs 2012 - 2014 Cycle, including IFRS 7, Financial Instruments: Disclosures and IAS 34, Interim Financial Reporting.

4. CAPITAL MANAGEMENT

The Company's capital structure consists of items in shareholders' equity. The Company's objective when managing capital is to maintain adequate levels of funding to support the development of its businesses and maintain the necessary corporate and administrative functions to facilitate these activities. This is done primarily through debt and equity financing. Future financings are dependent on market conditions and there can be no assurance the Company will be able to raise funds in the future.

There were no changes to the Company's approach to capital management during the period. The Company currently has adequate sources of capital to repay its current liabilities.

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5. FINANCIAL RISK FACTORS

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

Credit Risk

The Company's credit risk is primarily attributable to cash. The Company has no significant concentration of credit risk arising from operations. Cash is held with reputable financial institutions, from which management believes the risk of loss to be remote.

Liquidity Risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at March 31, 2015, the Company had cash balances of \$25,224 (December 31, 2014 - \$36,140) and current liabilities of \$148,619 (December 31, 2014 - \$155,070).

The Company has historically relied on equity financings to satisfy its capital requirements and will continue to depend heavily upon equity capital to finance its activities. There can be no assurance the Company will be able to obtain the required financing in the future on acceptable terms. The ability of the Company to arrange additional financing in the future will depend, in part, on the prevailing market conditions. With the economy slowly recovering from recession, the Company may continue to face significant challenges in 2015.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to change in market interest rate. The Company has cash and no interest-bearing debt and therefore is not exposed to risk in the event of interest rate fluctuations.

Foreign currency risk

The Company is not exposed to foreign currency risk.

Fair value hierarchy

The three levels of the fair value hierarchy are:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and

Level 3 – Inputs that are not based on observable market data.

The fair value of cash is measured based on level 1 inputs of the fair value hierarchy.

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6. CASH AND CASH EQUIVALENTS

	March 31, 2015	December 31, 2014
Cash	\$ 19,705	\$ 30,621
Funds held in trust	5,519	5,519
	\$ 25,224	\$ 36,140

7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	March 31, 2015	December 31, 2014
Accounts payable	\$ 133,052	\$ 137,002
Accrued liabilities	15,567	18,068
	\$ 148,619	\$ 155,070

8. RELATED PARTY TRANSACTIONS

During the period ended March 31, 2015, the Company incurred rent and office expenses of \$1,200 (2014 - \$3,600) to a spouse of the President of the Company.

9. SHARE CAPITAL

Share capital comprises the following:

- Authorized:
- Unlimited common shares without par value
- Unlimited preferred shares without par value

During the period ended March 31, 2015 and 2014, there were no share transactions.

During the year ended December 31, 2013, 1,000,000 common shares were cancelled as the Company did not complete its Qualifying Transaction within the allotted period.

Stock Option Plan

On November 8, 2010, the Company adopted a “rolling” stock option plan (the “Plan”), pursuant to which a maximum of 10% of the issued and outstanding common shares at the time an option is granted, less any outstanding stock options previously granted, will be reserved for issuance as options and will be granted at the discretion of the Company’s Board of Directors to eligible optionees under the Plan. While the Plan is in effect there can never be more than 10% of the Company’s issued and outstanding common shares reserved for issuance at any point in time. All options granted under the Plan are non-assignable and non-transferable and exercisable for a period of up to 5 years.

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9. SHARE CAPITAL (continued)

A summary of the status of the Company's stock options as at March 31, 2015 and December 31, 2014, and changes during those periods are presented below:

	<i>Number of Options</i>	<i>Weighted Average Exercise Price</i>
Balance, December 31, 2014	640,000	\$ 0.10
Granted	-	-
Exercised	-	-
Forfeited / Cancelled	-	-
Balance, March 31, 2015	640,000	\$ 0.10

As at March 31, 2015, the following stock options are outstanding and exercisable:

<i>Number of Options</i>	<i>Exercise Price</i>	<i>Expiry</i>
640,000	\$ 0.10	February 24, 2016