Auxellence Health Corporation
(formerly 0924888 BC Ltd.)

Unaudited Condensed Interim Consolidated Financial Statements

Period Ended March 31, 2015

(Expressed in Canadian dollars)

Auxellence Health Corporation
(formerly 0924888 BC Ltd.)
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March 31, 2015

MANAGEMENT'S RESPONSIBILITY FOR UNAUDITED CONDENSED INTERIM FINANCIAL REPORTING

The accompanying unaudited condensed interim consolidated financial statements of Auxellence Health Corporation (formerly 0924888 BC Ltd.) [the "Company"] are the responsibility of the management and Board of Directors of the Company. The unaudited condensed interim consolidated 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 condensed interim consolidated financial statements. Where necessary, management has made informed judgments and estimates in accounting for transactions which were not complete at the balance sheet date. In the opinion of management, the unaudited condensed interim consolidated financial statements have been prepared within acceptable limits of materiality and are in accordance with International Accounting Standard 34 Interim Financial Reporting consistent with International Financial Reporting Standards appropriate in the circumstances.

Management has established systems of internal control over the financial reporting process, which are designed to provide reasonable assurance that relevant and reliable financial information is produced. 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.

Sydney Au
Chief Executive Officer

Vancouver, BC
May 27, 2015

NOTICE TO READERS

The accompanying unaudited condensed interim consolidated financial statements of the Company have been prepared by and are the responsibility of management. The unaudited condensed interim consolidated financial statements for the nine months ended March 31, 2015 have not been reviewed by the Company's auditors.

Auxellence Health Corporation
(formerly 0924888 BC Ltd.)
Consolidated Statements of Financial Position
(Expressed in Canadian dollars)

	March 31, 2015 $	June 30, 2014 $
Assets		
Current		
Cash & cash equivalents	8,911	17,804
Government remittances recoverable	2,723	2,472
Loan receivable (Note 4)	75	75
Prepaid expenses and deposit	-	12,500
	11,709	**32,851**
Intangible properties (Note 3(j))	**3,262,432**	**2,047,432**
Total Assets	**3,274,141**	**2,080,283**
Liabilities and Shareholders' Equity		
Current Liabilities:		
Accounts payable (Note 5 & 10)	2,809	8,945
Accrued liabilities	6,000	6,000
Client deposits	17,500	10,000
Loans payable (Note 7)	677,830	606,201
Convertible debt (Note 7)	-	374,017
	704,139	**1,005,163**
Loans payable (Note 7)	-	-
Note payable (Note 7)	-	-
	-	**-**
Shareholders' Equity:		
Equity portion of convertible debts	41,625	41,625
Capital stock (Note 6)	2,980,617	1,430,537
Deficit	(452,240)	(397,042)
	2,570,002	**1,075,120**
Total Liabilities and Shareholders' Equity	**3,274,141**	**2,080,283**

Nature and Continuance of Operations (Note 1)
Commitment (Note 13)
Subsequent Events (Note 14)

Approved and authorized for issue by the Board of Directors on May 27, 2015
:

"Sydney Au"
Sydney Au, Director

"Ron Ozols"
Ron Ozols, Director

The accompanying notes are an integral part of these Consolidated Financial Statements

(Expressed in Canadian dollars)

	Nine Months Ended March 31, 2015	Nine Months Ended March 31, 2014	Three Months Ended March 31, 2015	Three Months Ended March 31, 2014
Expenses				
Amortization of interest expenses	$ 14,483	$ 16,764	$ -	$ 10,264
Advertising	4,658	24	59	24
Bank charges	509	265	219	
Consulting fees	-	-	-	-
License & taxes	13,507		3632	
Office & miscellaneous	4,856	247	3778	155
Professional fees	79,455	61	14,672	88
Share-based payments	-	28,493	-	-
Transfer agent & filing fees	3,893	12,602		2,303
Listing Expenses	35,892	-	35,892	
Net loss and total comprehensive loss for the period	**$ 157,255**	**$ 58,456**	**$ 58252**	**$ 12,834**
Other Income	**$ (102,057)**	**-**	**-**	**-**
Comprehensive gain (loss) for Period	**$ (55,198)**	**(58,456)**	**(58,252)**	**(12,834)**
Basic and diluted loss per common share	**$ (0.00)**	**$ (0.00)**	**$ (0.00)**	**$ (0.00)**
Weighted average number of common shares outstanding	**105,379,284**	**41,891,845**	**105,379,284**	**42,377,684**

The accompanying notes are an integral part of these Consolidated Financial Statements

Auxellence Health Corporation
(formerly 0924888 BC Ltd.)
Consolidated Statements of Changes in Shareholders' Equity
(Expressed in Canadian dollars except the number of shares)

	Number of Outstanding Shares	Share Capital $	Equity Portion of Convertible Debts $	Reserves $	Deficit $	Total Shareholders' Equity $
Balance, June 30, 2014	**42,377,684**	**1,430,537**	**41,625**		(393,988)	**1,075,120**
Shares issued for purchase of IP	40,000,000	400,000				400,000
Shares issued for debt	23,001,600	1,150,080				1,150,080
Equity portion of convertible debts	-	-			-	41,625
Net gain (loss) and comprehensive gain (loss) for the period	-	-	-		(3,053)	3053
Balance, December 31, 2014	**105,379,284**	**2,980,617**	**41,625**		**(393,988)**	**2,669,878**

Balance, December 31, 2014	**105,379,284**	**2,980,617**	**41,625**		**(393,988)**	**2,669,878**
Shares issued for purchase of IP						
Shares issued for debt						
Equity portion of convertible debts						
Net gain (loss) and comprehensive gain (loss) for the period					**(58,252)**	**(58,252)**
Balance, March 31, 2015	**105,379,284**	**2,980,617**	**41,625**		(452,240)	**2,611,686**

The accompanying notes are an integral part of these Consolidated Financial Statements

Auxellence Health Corporation
(formerly 0924888 BC Ltd.)
Consolidated Statements of Cash Flows
(Expressed in Canadian dollars)

		Nine Months Ended March 31, 2015		Nine Months Ended March 31, 2014
Cash (used in) /provided by:				
Operating activities				
Net income (loss) for the period	**$**	**(55,198)**	**$**	**(58,456)**
Non-cash items:				
Share-based payments		-		28,493
Finance charges on convertible debt		-		
Amortization of interest expenses				16,764
Change in non-cash working capital items:				
GST receivable		(2,390)		(844)
Prepaid		-		-
Client Deposit Payable		-		-
Accounts payable & accrued liabilities		(7,828)		(10,528)
Net cash provided by operating activities		**(65,416)**		**(24,571)**
Investing activities				
Loans receivable		--		2,550
Intangible properties		(530,000)		(655,500)
Net cash used in financing activities		**(530,000)**		**(652,950)**
Financing activities				
Due to related party		-		(148,500)
Loans payable		606,629		156,500
Convertible debts				388,500
Investor deposits		-		10,000
Issuance Common shares		-		208,000
Net cash provided by financing activities		**606,629**		**614,500**
Change in cash & cash equivalents		**11,213**		**(63,021)**
Cash & cash equivalents, beginning of the period		**14,940**		**79,779**
Cash & cash equivalents, end of the period	**$**	**8,911**	**$**	**16,758**
Interest paid	**$**	**-**	**$**	**-**
Income taxes paid	**$**	**-**	**$**	**-**
Fair value of stock options granted	**$**	**-**	**$**	**-**

The accompanying notes are an integral part of these Consolidated Financial Statements

1. NATURE AND CONTINUANCE OF OPERATIONS

Auxellence Health Corporation (the “Company” or “Auxellence”), formerly 0924888 BC Ltd. (“0924888BC”), was incorporated on November 9, 2011 under the laws of British Columbia, Canada. Its head office and registered office is located at 2922 Mt. Seymour Parkway, North Vancouver, BC, V7H 1E9. The Company is a reporting issuer in the provinces of British Columbia, Ontario and Alberta. The Company’s shares are currently listed for trading on Canadian Securities Exchange (“CSE”) under the symbol “AID”.

On June 7, 2013, the Company acquired C&C Cosmeceuticals Corporation (“C&C”) through issuance of 39,825,000 of its common shares. The acquisition was accomplished through an exchange of shares which resulted in the former shareholders of C&C obtaining control of the Company. Accordingly, this transaction was recorded as a reverse assets acquisition for accounting purposes as C&C was deemed to be the acquirer and these consolidated financial statements are a continuation of the financial statements of C&C while the capital structure is that of the Company.

C&C is a private British Columbia corporation incorporated on July 20, 2011 and its intended business operations originally are to market and to sell proprietary natural skincare cosmeceuticals products to consumers. On April 30, 2012, C&C signed a licensing, development, collaboration, marketing and general servicing agreement (the “Agreement”) with Decanex Inc, (“Decanex”) of Toronto, Ontario. The Agreement states that Decanex owns certain proprietary systems, which includes an autonomous biomedical device and an expert software system with a recommender/Prescriptor engine. The Agreement grants C&C the right to use the systems exclusively in Canada the for weight management and skin care industry and non-exclusively world-wide. In order to provide the system for use by C&C, Decanex needs to customize the expert system software & Prescriptor engine to the weight management and skin care industry for C&C's use. The Agreement asks for total of $1,200,000 engineering fee on delivery of the system and C&C shall pay a monthly maintenance fee to Decanex. In addition, Decanex will also be involved with revenue sharing with C&C based on how the company will derive its revenue. C&C’s principal business following the Agreement will be the development of the proposed business models.

C&C will provide fee based subscriptions to use the expert system and Prescriptor engine services to the consumer, which is an online software application. The general public will need to pay for usage of the autonomous biomedical device on either a per reading basis or on a monthly subscription basis. In addition, the device can also perform certain therapeutic conditionings which would also be available on a per use basis or on a monthly subscription basis. The device will measure certain physiological vital signs of a person and those reading results will be fed into the expert system for analysis. The Prescriptor engine will then provide weight management and skin care corrective recommendations/advices. These advices will refer consumers to various brands of Over The Counter (“OTC”) health products and therapeutic services that they can purchase without prescription. C&C will earn revenue from different suppliers by referring consumers to different OTC consumer health products. C&C will work with different manufacturers of these OTC products and earn a referral fee or revenue sharing from website sales. The expert system will simply provide customized weight management and skin care advice to each consumer based on results from the readings of the biomedical device after being analyzed by the expert system.

C&C will initially derive revenue from three basic sources: monitoring physiological reading fees paid in relation to usage of the biomedical device, fees for therapeutic conditioning from the biomedical device, and referral fees/revenue sharing from various suppliers of OTC consumer health & natural products.

After the acquisition, the Company will adopt C&C's business models and the Company's financial success may be dependent upon the extent to which it can successfully develop and execute the business models and the economic viability of acquiring or developing any such additional products or business models.

These consolidated financial statements have been prepared on the basis of accounting principles applicable to a going concern which assumes the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. The Company's continuing operations, as intended, and its financial success, may be dependent upon the extent to which it can successfully commercialize the licensed proprietary health monitoring and therapeutic expert system and the economic viability of developing any additional products it may acquire in the future.

The commercialization of the licensed proprietary system may take many years to be in successful operation and the amount of resulting income, if any, is difficult to determine with any certainty. As a start-up company, the Company does not anticipate producing revenues for some time, other than from incidental revenue. At June 30, 2014 the Company had not yet achieved profitable operations, had recurring losses, a deficit of $397,042 (June 30 2013 - $342,579), working capital (deficiency) of ($972,312) (June 30 2013 - $67,458). At December 31, 2014, the company had some non-related income from work performed in relation to a plan of arrangement but this not from core business operations. As a result the Company had gains of $3,053 whereas it has a loss in the comparative quarter last year (December 31, 2013 - $ 45,623). The company expects to incur further losses in the development of its business, all of which cast material uncertainty about the Company's ability to continue as a going concern. At as at March 31, 2015, the company incurred a deficit of $55,198 (March 2014, $58,456).

Management has been reviewing other potential business opportunities to increase shareholder value, and on April 24, 2014, the Company signed a Letter of Intent to enter into a Plan of Arrangement. In addition, on May 13, 2014, the Company announced it had signed 3 additional Letters of Intent to enter into a Plan of Arrangement. The company is in the process of completing the Plan of Arrangement as it received shareholder and court approval.

These consolidated financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue in existence.

Subsequent to the period, the company announced its manufacturer and operator received clearances to sell the system and the TULIP™ device in Canada and Europe. The success of the commercialization will have a significant effect on the development of the business and will be critical in determining the Company's ability to continue as a going concern.

2. REVERSE ASSETS ACQUISITION

On June 7, 2013, pursuant to an amalgamation agreement dated May 21, 2013, Auxellence, C&C and the Company's wholly owned subsidiary 0961896 B.C. Ltd. completed a three-cornered amalgamation (the "Transaction") to acquire 100% ownership of C&C by issuing 39,825,000 common shares of the Company to the former common shareholders of C&C in exchange for C&C's 31,860,000 issued and outstanding common shares immediately before the Transaction. On completion of the Transaction, the former shareholders of C&C have 96.3% ownership interest of the Company and control the combined entity.

For accounting purposes, the acquisition is considered to be outside the scope of IFRS 3 *Business Combinations* ("IFRS 3") since Auxellence was a shell company whose activities, prior to the acquisition, were limited to the management of cash resources and maintenance of its reporting issuer status and did not constitute a business. The transaction is accounted for in accordance with IFRS 2 *Share-based Payment* ("IFRS 2") whereby C&C is deemed to have issued shares in exchange for the net assets of Auxellence together with its reporting issuer status at the fair value of the consideration received by C&C. The accounting for this transaction resulted in the following:

i) The consolidated financial statements of the combined entities are issued under the legal parent, Auxellence, but are considered a continuation of the financial statements of the legal subsidiary, C&C.

ii) Since C&C is deemed to be the acquirer for accounting purposes, its assets and liabilities are included in the consolidated financial statements at their historical carrying values.

iii) As part of the completion of the reverse acquisition with Auxellence to facilitate the reporting issuer status of C&C, the original shareholders of Auxellence retained 1,512,684 common shares of the Company.

Since the share and share-based consideration allocated to the former shareholders of Auxellence on closing the reverse acquisition is considered within the scope of IFRS 2, and the Company cannot identify specifically some or all of the goods or services received in return for the allocation of the shares, the value in excess of the net identifiable assets of Auxellence acquired on closing was expensed in the consolidated statement of comprehensive loss as listing expense.

The share-based compensation of $302,537 recorded as listing expense included the fair value of the 1,512,684 common shares retained by the former shareholders of Auxellence at $0.20 per share. The $0.20 value for the shares was based on the most recent effective financings completed by C&C prior to the reverse acquisition.

The fair value of the consideration given and resulting charge to listing expense comprised:

Fair value of share-based consideration allocated:	$
Deemed issuance of 1,512,684 common shares	302,537
	302,537
Identifiable assets acquired and liabilities assumed:	
Cash	7
Non-cash assets received	(244)
Liabilities assumed	2,625
	2,388
Listing expense	304,925

3. SIGNIFICANT ACCOUNTING POLICIES

The Company was incorporated on July 20, 2011. These consolidated financial statements are prepared in accordance and in compliance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). These unaudited condensed interim financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting.

These consolidated financial statements incorporate the financial statements of the Company and its wholly-owned subsidiary, C&C Cosmeceuticals Corporation (see Note 2). All inter-company transactions, balances, income and expenses have been eliminated in full on consolidation.

These consolidated financial statements are presented in Canadian dollars, which is the Company's functional and reporting currency. These consolidated financial statements are prepared on a historical cost basis except for financial instruments classified as fair value through profit or loss ("FVTPL"), which are stated at their fair value.

a. Significant accounting judgments and estimates

The preparation of these consolidated financial statements requires management to make judgments and estimates that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these judgments and estimates. The consolidated financial statements include judgments and estimates which, by their nature, are uncertain. The impacts of such judgments and estimates are pervasive throughout the consolidated financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and the revision affects both current and future periods. Accounts which require management to make material estimates and significant assumptions in determining amounts recorded include valuation of share-based transactions.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Judgments made by management that have the most significant effect on the consolidated financial statements are discussed in Notes 3d), 3e), 3f), 3i) and 3j).

b. Cash and cash equivalents

Cash and cash equivalents are comprised of cash in banks, and all short-term investments that are highly liquid in nature, cashable, and have an original maturity date of three months or less. As at March 31, 2015, there is $8,910 (2014 - $7,844) included as cash.

c. Shared-based payments

The fair value of any options granted is measured at grant date, using the Black-Scholes option pricing model, and is recognized over the period that the employees earn the options. The fair value is recognized as an expense with a corresponding increase in equity. The amount recognized as expense is adjusted to reflect the number of share options expected to vest. There are currently no options outstanding.

d. Deferred income taxes

Deferred income tax assets and liabilities are recognized for deferred income tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred income tax assets and liabilities are measured using the enacted or substantively enacted tax rates expected to apply when the asset is realized or the liability settled. The effect on deferred income tax assets and liabilities of a change in tax rates is recognized in income in the period that substantive enactment occurs. To the extent that the Company does not consider it more likely than not that a deferred income tax asset will be recovered, the deferred income tax assets is reduced. Deferred income tax assets and liabilities are offset only if a legally enforceable right exists to offset current tax assets against liabilities and the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

e. Financial instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument.

Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

Financial assets are classified into one of the following categories based on the purpose for which the asset was acquired:

- measured at amortized cost
- measured at fair value

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

The classification is determined at initial recognition and depends on the company's business model for managing financial assets and the contractual cash flow characteristics of the financial asset.

A financial asset is measured at amortized cost if the asset is held within a business model whose objective is to hold assets in order collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset is measured at fair value unless it is measured at amortized cost. The Company may, at initial recognition, irrevocably designate a financial asset as measured at fair value through profit or loss.

A financial assets is classified as held for trading if it is acquired for the purpose of selling it in the near term.

e. Financial instruments (continued)

Financial liabilities are classified into one of the following categories:

- financial liabilities measured at amortized cost using effective interest method
- financial liabilities at fair value through profit or loss
- financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies
- financial guarantee contracts
- commitments to provide a loan at a below-market interest rate

The Company can reclassify all affected financial assets only when it changes its business model for managing financial assets. The Company cannot reclassify any financial liability.

A financial asset is derecognized:

- when the contractual right to the asset's cash flows expire; or
- if the Company transfers the financial asset and substantially all risks and rewards of ownership to another entity.

Financial instruments are measured at fair value on initial recognition of the instrument. Measurement in subsequent periods depends on whether the financial instrument has been classified as "financial assets at fair value through profit or loss", "available-for-sale financial assets", "held-to-maturity investments", "loans and receivables", "financial liabilities at fair value through profit or loss", or "other financial liabilities".

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

e. Financial instruments (continued)

The Company's financial instruments are classified and subsequently measured as follows:

Asset / Liability	Classification	Subsequent measurement
Cash and cash equivalents	Fair value through profit or loss	Fair Value
Loan receivable	Loans and receivables	Amortized cost
Accounts payable	Other financial liabilities	Amortized cost
Accrued liabilities	Other financial liabilities	Amortized cost
Client deposits	Other financial liabilities	Amortized cost
Convertible debt	Other financial liabilities	Amortized cost
Loans payable	Other financial liabilities	Amortized cost
Note payable	Other financial liabilities	Amortized cost
Option component of convertible debt	Fair value through profit or loss	Fair Value
Derivative	Fair value through profit or loss	Fair Value

Financial assets and liabilities classified as fair value through profit and loss are measured at fair value with changes in those fair values recognized in net earnings.

Convertible debt, under which the Company has the right to settle all or part of the instrument in cash on the conversion date, are classified as a financial liability with an embedded derivative. The debt component of the convertible debt is presented on the Consolidated Statement of Financial Position and is initially recognized as the difference between the fair value of the financial instrument as a whole and the fair value of the embedded derivative.

The debt component is subsequently recognized at amortized cost using the effective interest rate method. The embedded derivative represents the conversion feature (option component, see Note 7) and is classified as a financial liability through profit and loss. The embedded derivative is subsequently recognized at fair value with changes in fair value recognized in net loss.

Effective interest method

The effective interest method calculates the amortized cost of a financial asset and allocates interest income over the corresponding period. The effective interest rate is the rate that discounts estimated future cash receipts over the expected life of the financial asset or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognized on an effective interest basis for debt instruments other than those financial assets classified as FVTPL.

f. Impairment of financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at each period end. Financial assets are impaired when there is objective evidence that, as a result of one

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been impacted.

Objective evidence of impairment could include the following:

- significant financial difficulty of the issuer or counterparty;
- default or delinquency in interest or principal payments; or
- it has become probable that the borrower will enter bankruptcy or financial reorganization.

For financial assets carried at amortized cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of the estimated future cash flows, discounted at the financial asset's original effective interest rate.

The carrying amount of all financial assets, excluding trade receivables, is directly reduced by the impairment loss. The carrying amount of trade receivables is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognized in profit or loss.

With the exception of AFS equity instruments, if, in a subsequent period, the amount of the impairment loss decreases and the decrease relates to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed through profit or loss. On the date of impairment reversal, the carrying amount of the financial asset cannot exceed its amortized cost had impairment not been recognized.

g. Impairment of non-financial assets

The carrying amounts of non-financial assets are reviewed for impairment at each reporting date, or whenever events or changes in circumstances indicate the carrying amounts may not be recoverable. If there are indicators of impairment, a review is undertaken to determine whether the carrying amounts are in excess of their recoverable amounts. Reviews are undertaken on an asset-by-asset basis.

If the carrying amount of a non-financial asset exceeds the recoverable amount, being the higher of its fair value less costs to sell and its value-in-use, an impairment loss is recognized in net earnings as the excess of the carrying amount over the recoverable amount.

Where the recoverable amount is assessed using discounted cash flow techniques, the resulting estimates are based on detailed mine or production plans. The mine plan is the basis for forecasting production output in each future year and for forecasting production costs. For value-in-use calculations, production costs and output in the mine plan may be revised to reflect the continued use of the asset in its present form.

Non-financial assets that have suffered an impairment are tested for a possible reversal of the impairment whenever events or changes in circumstances indicate that the impairment may have reversed. In these instances, the impairment loss is reversed to the recoverable amount

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

but not beyond the carrying amount, net of amortization, that would have arisen if the prior impairment loss had not been recognized. Goodwill impairments are not reversed.

h. Share capital

Common shares are classified as equity. Incremental costs directly attributable to the issue of common shares and share options are recognized as a deduction from equity, net of any tax effects.

Preference share capital is classified as equity if it is non-redeemable, or redeemable only at the Company's option, and any dividends are discretionary. Dividends thereon are recognized as distributions within equity upon approval by the Company's shareholders. Preference share capital is classified as a liability if it is redeemable on a specific date or at the option of the shareholders, or if dividend payments are not discretionary. Dividends thereon are recognized as interest expense in profit or loss as accrued.

i. Comprehensive loss

Comprehensive loss is the change in the Company's net assets that results from transactions, events and circumstances from sources other than the Company's shareholders and includes items that are not included in net profit. Other comprehensive loss consists of changes to unrealized gain and losses on available for sale financial assets, changes to unrealized gains and losses on the effective portion of cash flow hedges and changes to foreign currency translation adjustments of self-sustaining foreign operations during the period. Comprehensive loss measures net earnings for the period plus other comprehensive loss. Amounts reported as other

j. Loss per share

Basic loss per share is computed by dividing the net loss available to common shareholders by the weighted average number of shares outstanding during the reporting period. Diluted loss per share is computed similar to basic loss per share except that the weighted average share outstanding are increased to include additional shares for the assumed exercise of stock options and warrants, if dilutive. The number of additional shares is calculated by assuming that outstanding stock options and warrants were exercised and that the proceeds from such exercises were used to acquire common stock at the average market price during the reporting periods.

k. Provisions

Provisions are recorded when a present legal or constructive obligation exists as a result of past events where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at statement of financial position date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

flows. The increase in the obligation due to the passage of time is recognized as finance expense. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount receivable can be measured reliably.

l. Research and development costs

Research and development costs include direct salaries and benefits, administration, contracting, consulting and professional fees.

The Company recognizes expenditure on research activities as an expense in the period incurred. During the period ended June 30, 2014 and 2013, $Nil was incurred on research activities.

The Company recognizes an internally-generated intangible asset arising from development (or from the development phase of an internal project) if, and only if, it has demonstrated all of the following:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and

l. Research and development costs (continued)

- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount the Company initially recognizes for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets these recognition criteria. Subsequent to initial recognition, the Company reports these assets at cost less accumulated amortization and accumulated impairment losses.

The Company recognized the payments made to Decanex as development costs and amortization of the development costs is recognized over their useful lives, on the straight line basis over 10 years. The Company reviews the estimated useful life and amortization method at the end of each reporting period, accounting for the effect of any changes in estimate on a prospective basis.

m. Future changes in accounting policies

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods after January 1, 2013 or later periods (later periods specified below). Many are not applicable or do not have a significant impact to the Company and have been excluded from the summary below. The company has not yet begun the process of assessing the impact that the new and amended standards will have on its financial statements or whether to early adopt any of the new requirements.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

IFRS 7 *Financial Instruments – Disclosures* ("IFRS 7") was amended to enhance disclosure requirements related to offsetting of financial assets and financial liabilities. Effective for year ends beginning on or after January 1, 2015, IFRS 7 will be further amended to require additional disclosures on transition from IAS 30 to IFRS 9.

Effective for year ends beginning on or after January 1, 2015, IFRS 9 *Financial Instruments* ("IFRS 9") will replace the current standard IAS 39 *Financial Instruments: Recognition and Measurement* ("IAS 39"), replacing the current classification and measurement criteria for financial assets and liabilities with only two classification categories: amortized cost and fair value.

IFRS 10 *Consolidated Financial Statements* ("IFRS 10") requires an entity to consolidate an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Under existing IFRS, consolidation is required when an entity has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. IFRS 10 replaces SIC-12 *Consolidation—Special Purpose Entities* ("SIC-12") and parts of IAS 27 *Consolidated and Separate Financial Statements* ("IAS 27").

IFRS 11 *Joint Arrangements* ("IFRS 11") requires a venturer to classify its interest in a joint arrangement as a joint venture or joint operation. Joint ventures will be accounted for using the equity method of accounting whereas for a joint operation the venture will recognize its share of the assets, liabilities, revenue and expenses of the joint operation.

m. Future changes in accounting policies (continued)

Under existing IFRS, entities have the choice to proportionately consolidate or equity account for interests in joint ventures. IFRS 11 supersedes IAS 31 *Interests in Joint Ventures* ("IAS 31") and SIC-13 *Jointly Controlled Entities—Non-monetary Contributions by Venturers* ("SIC-13").

IFRS 12 *Disclosure of Interest in Other* Entities ("IFRS 12") establishes disclosure requirements for interests in other entities, such as joint arrangements, associates, and special purpose vehicles and off balance sheet vehicles. The standard carries forward existing disclosures and also introduces significant additional disclosure requirements that address the nature of, and risks associated with, an entity's interests in other entities.

IFRS 13 *Fair Value Measurement* ("IFRS 13") is a comprehensive standard for fair value measurement and disclosure requirements for use across all IFRSs. The new standard clarifies that fair value is the price that would be received to sell an asset, or paid to transfer a liability in an orderly transaction between market participants, at the measurement date. It also establishes disclosures about fair value measurement. Under existing IFRS, guidance on measuring and disclosing fair value is dispersed among the specific standards requiring fair value measurements and in many cases does not reflect a clear measurement basis or consistent disclosures.

(Expressed in Canadian dollars)

In addition, there have been amendments to existing standards, including IAS 27, IAS 28 *Investments in Associates and Joint Ventures* ("IAS 28") and IAS 32 *Financial Instruments – Presentation* ("IAS 32"). IAS 27 addresses accounting for subsidiaries, jointly controlled entities and associates in non-consolidated financial statements. IAS 28 has been amended to include

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

joint ventures in its scope and to address the changes in IFRS 10 through IFRS 13. IAS 32 has been amended to clarify requirements for offsetting of financial assets and financial liabilities. IAS 27 and 28 are effective for year ends beginning on or after January 1, 2013 while IAS 32 is effective for year ends beginning on or after January 1, 2014.

n. Segment reporting

A reportable segment, as defined by IFRS 8 *Operating Segments* ("IFRS 8"), is a distinguishable business or geographical component of the Company, which are subject to risks and rewards that are different from those of other segments. The Company considers its primary reporting format to be business segments. The Company considers that it has only one reportable segment, being providing health monitoring and therapeutic services to the consumer using a licensed proprietary expert system.

4. LOAN RECEIVABLE

As of March 31, 2015, Haltain owed the Company and C&C a total of $75 (March 31, 2014 - $75) as a short term non-interest bearing loan with no fixed term of repayment and its amortized cost approximates its carrying value.

5. ACCOUNTS PAYABLE

	March 31, 2015	March 31, 2014
Accounts payable to third parties *	$(7026)	$ 724
Accounts payable to related parties	7,050	2,138
	$ (24)	$ 2862

* March 31, 2015 A/P to third parties is pre-payment status due to legal retainers paid

6. CAPITAL STOCK

a. Authorized: unlimited Common shares without par value; and
unlimited Preferred shares without par value.

b. Issued and Outstanding:

C&C

One common share was issued by C&C at $1 per common share on July 20, 2011 to the incorporator. The incorporator share was cancelled on July 30, 2011.

On July 30, 2011, 1,000,000 common shares were issued by C&C at $0.00625 per share for total proceeds of $6,250. On April 30, 2012, an additional 7,000,000 common shares were issued at $0.00625 per share for total proceed of $43,750. These shares were issued as seed shares to the principals of C&C upon satisfaction of securing the Agreement with Decanex. These shares were considered as fully paid on May 2, 2012.

During the year ended June 30, 2013, C&C received an additional $461,000 advance from Sydney Au, the president and the sole director of C&C. Together with the $250,000 investor deposit from

6. CAPITAL STOCK (continued)

Sydney Au as at June 30, 2012, the Company issued a total of 22,500,000 common shares at $0.025 per share for proceeds of $562,500. $562,500 of advance and investor deposits from Sydney Au was used towards payment for subscription of these 22,500,000 shares with the remaining balance of $148,500 recorded as loan payable to shareholders. On May 1, 2013, the Company converted this shareholder loan payable into an 18 month promissory note payable to Sydney Au (see Note 6).

On September 28th, 2012, C&C closed and issued a non-brokered private placement of 650,000 common shares at $0.20 per share for proceeds of $130,000. No finder's fee was paid on this private placement.

On December 31, 2012, C&C closed and issued a non-brokered private placement of 610,000 common shares at $0.25 per share for proceeds of $152,500. No finder's fee was paid on this private placement.

On June 3, 2013, C&C closed and issued a non-brokered private placement of 100,000 common shares at $0.25 per share for proceeds of $25,000. No finder's fee was paid on this private placement.

Auxellence

One common share was issued by the Company at $1 per common share on November 9, 2011 to its former parent company, Haltain Developments Corp. ("Haltain"). The incorporator share was cancelled on May 21, 2013.

The Company issued 1,512,684 common shares to Haltain and Haltain re-distributed these shares to its shareholders as of the record date of May 13, 2013. The aggregate fair value of these shares in the amount of $2,500 was based on the fair value estimates of assets transferred from Haltain to the Company. On May 21, 2013, Haltain transferred $2,500 cash and assigned the C&C LOI valued at $Nil to the Company.

On June 7, 2013, pursuant to an amalgamation agreement dated May 21, 2013, Auxellence, C&C and the Company's wholly owned subsidiary 0961896 B.C. Ltd. completed a three-cornered amalgamation (the "Transaction") to acquire 100% ownership of C&C by issuing 39,825,000 common shares of the Company to the former common shareholders of C&C in exchange for C&C's 31,860,000 issued and outstanding common shares immediately before the Transaction.

(Expressed in Canadian dollars)

On November 5, 2013, the Company closed and issued a non-brokered private placement of 1,040,000 common shares at $0.20 per share for proceeds of $208,000. No finder's fee was paid on this private placement.

On August 18, 2014, the Company issued 40,000,000 shares for the purchase of the Intellectual Property subject to certain terms and conditions.

On September 2, 2014 the Company issued 23,001,600 shares to convert a total of $1,150,080 of debt into equity with a full warrant exercisable at $0.10 for 5 years from date of issue.

Stock Options

The Company has adopted an incentive stock option plan (the "Option Plan") which provides that the Board of Directors of the Company may from time to time, in its discretion, and in accordance with the applicable stock exchange's requirements, grant to directors, officers, employees and consultants to the Company, non-transferable options to purchase common shares. Pursuant to the Option Plan, the number of common shares reserved for issuance will not exceed 10% of the issued and outstanding common shares of the Company. Options granted under the Option Plan can have a maximum exercise term of 5 years from the date of grant. Vesting terms will be determined at the time of grant by the Board of Directors. There are no stock options outstanding.

As at March 31, 2015, the Company had no compensation and stock options granted:

Number of Options Granted	Number of Options Fully Vested	Exercise Price per Share	Expiry Date
n/a	n/a	n/a	n/a
-	-		

7. DEBTS

a. Convertible debentures

On May 1, 2013, C&C converted a related party shareholder loan in the amount of $148,500 into an 18 month promissory note payable (see Note 6 & Note 10). This promissory note is non-interest bearing and interest will, in like money, only be payable if required under income tax laws at the prescribed rate applicable by Canada Revenue Agency on the unpaid portion, from time to time, as well after as before maturity and both before and after default. This note payable is a related party payable and its amortized cost approximates its carrying value.

On November 5, 2013, the entire note payable of $148,500 was converted into a one year non-interest bearing convertible debt with conversion feature at $0.20 per common share.

(Expressed in Canadian dollars)

On November 5, 2013, the Company issued $388,500 of convertible debt that has a term of one year which is non-interest bearing with conversion feature at $0.20 per common share (Note 13). The holders of this debt may, within the specified time period, convert their debt at their discretion. The company has the right to force conversion of this debt after four months from the beginning of the debt.

An equity component of the debt, which is accounted for as an embedded derivative, of $41,625 has been reduced from the carrying value of the convertible debt at inception and recorded in shareholders' equity. The option component of this debt is re-measured at fair value at each reporting period. During the year ended June 30, 2014 the carrying value of this convertible debt has been accreted up to $374,017 and the Company recorded finance charges of $27,142.

7. DEBTS (Continued)

On August 19th, 2014 the convertibility feature of all convertible debt was cancelled and became straight debt. As a result Company recorded finance charges of $14,483.

b. Unsecured loans

As of March 31, 2015, the Company owed a total of $677,830 of loans payable to a related party that is deemed an insider by virtue of being a beneficial owner holding greater than 10% of the outstanding shares in the company.

		March 31, 2015		March 31, 2014
Amounts owing to third parties	$	43,208		n/a
Amounts owing to related parties		634,622		256,500
	$	677,830	$	256,500

8. FINANCIAL AND CAPITAL RISK MANAGEMENT

The Company is exposed to various financial instrument risks and assesses the impact and likelihood of this exposure. These risks include credit risk, liquidity risk, interest rate risk, and currency risk. Where material, these risks are reviewed and monitored by the Board of Directors.

a. Capital management

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders. The Company considers the items included in shareholders' equity and cash as capital. The Company manages the capital structure and makes adjustments to it in response to changes in economic conditions and the risk characteristics of the underlying assets. The Company's primary objective with respect to its capital management is to ensure that it has sufficient cash resources to fund the commercialization of the licensed proprietary health monitoring/therapeutic systems and the identification and evaluation of potential acquisitions.

To secure the additional capital necessary to pursue these plans, the Company intends to raise additional funds through the equity or debt financing. The Company is not subject to any capital requirements imposed by a regulator.

b. Credit risk

The Company's credit risk was primarily attributable to bank balances, HST receivable and loan receivable. The Company limits its credit exposure on cash held in bank accounts firstly by holding its key transactional bank accounts with banks of international financial institutions. HST receivable is due from Canadian Government and management believes that the credit risk to be minimal. Loan receivable is due from Haltain which has been repaid to the Company subsequent to the year end.

c. Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at March 31, 2015, the Company had cash balance of $8,911 (March 31, 2014 - $16,758) and current liabilities of $8,808 (D March 31, 2014 - $5,646). All of the Company's financial liabilities have or are treated with maturities of less than one year, and are subject to normal trade terms. Management is considering different alternatives to secure adequate debt or equity financing to meet the Company short term and long term cash requirement.

d. Interest rate risk

Interest risk is the risk that the fair value or future cash flows will fluctuate as a result of changes in market risk. The Company's sensitivity to interest rates is currently immaterial.

e. Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company holds no financial instruments that are denominated in a currency other than Canadian dollar. Accounts payable & accrued liabilities, investors deposits, convertible debts, note payable and loans payable are denominated in Canadian currency. Therefore, the Company's exposure to currency risk is minimal.

9. FAIR VALUE

The fair value measurements use a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The level in the hierarchy within which the fair value

9. FAIR VALUE (continued)

Measurement is categorized is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. The fair value hierarchy has the following levels:

(i) Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).
(ii) Inputs other than quoted prices included within Level 1 that are observable for the asset or liability either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2).

(Expressed in Canadian dollars)

(iii Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

The fair value of cash and cash equivalents are measured based on level 1 of the fair value hierarchy.

The following table illustrates the classification of the Company's financial instruments within the fair value hierarchy as at March 31, 2015 and 2014:

	March 31, 2015		March 31, 2014	
	Level 1	**Level 2**	**Level 1**	**Level 2**
Cash and cash equivalents	$ 8,911	$ -	$ 16,758	$ -

The methods of measuring each of these financial assets and liabilities have not changed during the past year. The Company does not have any financial assets or liabilities measured at fair value based on unobservable inputs (Level 3). The fair values of financial instruments measured at amortized cost approximate their carrying amounts.

10. RELATED PARTY TRANSACTIONS

Transactions with management

During the quarter ended March 31, 2015 the remuneration of the Company's key management are as follows:

	March 31, 2015	March 31, 2014
Consulting fees	$ n/a	$ n/a

As at March 31, 2015, accounts payable include $7,050 (March 31, 2014, - $2,138) owing a director of the Company.

As at March 31, 2015, included in loans payable $634,622

These transactions above are in the normal course of operations and are measured at the agreed to amounts, which is the amount of consideration established and agreed to by the related parties.

11. SEGMENTED INFORMATION

During the period ended March 31, 2015, the Company had one reportable operating segment, being the commercialization of the proprietary health management, monitoring/therapeutic systems.

12. INCOME TAXES

The Company has accumulated non-capital losses expire as follows: Tax attributes are subject to revision and potential adjustment by tax authorities. The non-capital losses will expire as follows:

2032	305,534
2033	798,008
2034	1,040,896

(Expressed in Canadian dollars)

A reconciliation of income taxes at statutory rates is as follows:

		June 30, 2014		June 30, 2013
Loss for the period before income taxes	$	(54,464)	$	(339,545)
Expected income tax recovery at 25% (2013 – 25%)		(13,616)		(84,886)
Tax effects of:				
Change in valuation allowance		13,616		84,886-
Deferred income tax recovery	$	-	$	-

The significant components of the Company's deferred income tax assets are as follows:

		June 30, 2014		June 30, 2013
Substantively enacted tax rate		25%		25%
Deferred income tax assets:				
Non-capital losses	$	270,633	$	286,921
Deferred development costs		(256,472)		(275,860)
Valuation allowance		(14,161)		(11,061)
Net deferred income tax assets	$	–	$	–

As at June 30, 2014, the Company had non-capital losses carried forward of approximately $2,144,438 (June 30, 2013 - $1,079,950) which may be utilized to reduce future years' taxable income and expire through to 2033 if not utilized.

13. COMMITMENT

As described in Note 1, the Company entered into a licensing, development, collaboration, marketing and general servicing agreement (the "Agreement") with Decanex Inc., ("Decanex") of Toronto, Ontario.

The above Agreement has been superseded by a new General Service Agreement ("GSA") dated July 24th, 2014 and announced August 26, 2014 with Decanex which requires monthly payments of $95,000 for a period of two years towards the further research and development for the services and the system described above.

14. SUBSEQUENT EVENTS

Subsequent to the period ended March 31, 2015:

Auxellence Health Corp. and Clearview Capital Inc. of Toronto, Ontario, Canada. mutually agreed to terminate a previously signed agreement in April 2015.