GLANCE TECHNOLOGIES INC.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

May 31, 2016

Stated in Canadian dollars

Glance Technologies Inc.
Consolidated Statements of Financial Position

(stated in Canadian dollars)

ASSETS	Note	May 31, 2016 $	November 30, 2015 $
		(unaudited)	
Current assets			
Cash		**207,661**	106,821
Restricted cash	4	**-**	329,600
GST receivable		**14,537**	897
Prepaid expenses and deposits	5	**44,866**	6,271
Total current assets		**267,064**	443,589
Non-current assets			
Computer equipment		**5,741**	2,846
Intangible assets	6	**590,192**	584,900
Total non-current assets		**595,933**	587,746
Total assets		**862,997**	1,031,335
LIABILITIES			
Current			
Accounts payable and accrued liabilities	9	**52,119**	49,121
Advances payable	8	**-**	10,500
Total liabilities		**52,119**	59,621
SHAREHOLDERS' EQUITY			
Share capital		**1,505,294**	1,505,294
Special Warrants	8	**187,400**	-
Reserves – Options	7	**221,642**	5,197
Deficit		**(1,103,458)**	(538,777)
Total shareholders' equity		**810,878**	971,714
Total liabilities and shareholders' equity		**862,997**	1,031,335

Nature of Operations and Going Concern (Note 1)
Commitments (Note 11)
Subsequent Events (Note 12)

"Penny Green", Director

"Desmond Griffin", Director

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

Glance Technologies Inc.

Consolidated Statements of Operations and Comprehensive Loss

Unaudited

(stated in Canadian dollars)

	Note	**For the three months ended May 31, 2016 $**	For the three months ended May 31, 2015 $	**For the six months ended May 31, 2016 $**	For the six months ended May 31, 2015 $
Expenses					
Consulting fees		**-**	-	**6,511**	-
Depreciation		**621**	-	**1,028**	-
Management fees	9	**65,000**	3,000	**72,000**	5,000
Marketing	9	**48,450**	-	**51,485**	-
Office and miscellaneous	9	**21,575**	1,810	**23,127**	1,810
Professional fees	9	**44,127**	-	**70,271**	-
Rent	9	**16,787**	-	**21,074**	-
Stock option-based payments	7	**193,024**	-	**216,445**	-
Software research and development	9	**48,093**	21,362	**101,574**	35,362
Travel		**1,166**	-	**1,166**	-
Net loss and comprehensive loss for the period		**(438,843)**	(26,172)	**(564,681)**	(42,172)
Net loss per share					
Basic and diluted		**(0.01)**	(0.00)	**(0.01)**	(0.00)
Weighted average number of common shares outstanding		**46,691,666**	30,634,615	**46,691,666**	25,293,874

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

Glance Technologies Inc.
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

Unaudited

(stated in Canadian dollars)

	Share capital (Number of shares)	Share capital $	Special Warrants $	Reserves - Options $	Deficit $	Total $
Balance, November 30, 2014	2,985,000	14,925	-	-	(352)	14,573
Shares issued in settlement of debt	15,000	300	-	-	-	300
Shares issued for intangible assets	28,500,000	570,000	-	-	-	570,000
Net loss for the period	-	-	-	-	(42,172)	(42,172)
Balance, May 31, 2015	**31,500,000**	**585,225**	-	-	**(42,524)**	**542,701**

	Share capital (Number of shares)	Share capital $	Special Warrants $	Reserves - Options $	Deficit $	Total $
Balance, November 30, 2015	46,691,666	1,505,294	-	5,197	(538,777)	971,714
Special Warrants issued for cash	-	-	78,000	-	-	78,000
Special Warrants issued for services	-	-	99,400	-	-	99,400
Special Warrants issued for settlement of debt	-	-	10,000	-	-	10,000
Stock option based payments	-	-	-	216,445	-	216,445
Net loss for the period	-	-	-	-	(564,681)	(564,681)
Balance, May 31, 2016	**46,691,666**	**1,505,294**	**187,400**	**221,642**	**(1,103,458)**	**810,878**

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

Glance Technologies Inc.
Consolidated Statements of Cash Flows

Unaudited
(stated in Canadian dollars)

	For the six months ended May 31, 2016 $	For the six months ended May 31, 2015 $
Cash flows provided by (used in)		
Operating activities		
Net loss	**(564,681)**	(42,172)
Items not affecting cash:		
Depreciation	**1,028**	-
Stock option based payments	**216,445**	-
Special warrants issued for services	**99,400**	-
Changes in non-cash working capital:		
GST receivable	**(13,640)**	-
Prepaid expenses and deposits	**(38,595)**	(1,465)
Accounts payable and accrued liabilities	**12,998**	62,285
	(287,045)	18,648
Investing activities		
Patent cost	**(5,292)**	-
Purchase of computer equipment	**(3,923)**	-
Restricted cash	**329,600**	-
	320,385	-
Financing activities		
Cash received on issuance of Special Warrants	**67,500**	-
	67,500	-
Net change in cash	**100,840**	18,648
Cash - beginning of period	**106,821**	-
Cash - end of period	**207,661**	18,648
Non-cash investing and financing activities:		
Common shares issued for acquisition of intangible assets	**-**	570,000
Common shares issued to settle accounts payable	**-**	300
Special warrants issued to settle accounts payable	**10,000**	**-**
Supplemental disclosures:		
Interest paid	**-**	-
Income taxes paid	**-**	-

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

1. Nature of Operations and Going Concern

Glance Technologies Inc. (formerly Left Bank Capital Corp.) ("Glance Technologies" or the "Company") was incorporated under the laws of the province of British Columbia, Canada, on October 24, 2014. The Company began limited operations and has not yet realized any revenues from its planned operations. The Company's registered office is located at Suite 1820, 925 West Georgia Street, Vancouver, British Columbia, V6C 3L2.

On August 28, 2015, the Company completed a share exchange agreement (the "Transaction") with Glance Pay Inc. (formerly, Clover Acquisitions Inc. and Glance Mobile Inc.) ("Glance Pay"). Glance Pay was incorporated on November 12, 2014 under the laws of the province of British Columbia, Canada. Glance Pay is a Canadian development stage financial technology company involved in the business of developing mobile payment processing software and smart phone applications. The Company aims to enhance the payment process for both consumers and merchants online, and brick-and-mortar environments, using proprietary technology that combines mobile technologies and traditional payment processing.

Under the terms of the Transaction, the shareholders of Glance Pay each received one common share of Glance Technologies ("Glance Technologies Shares") in exchange for one common share of Glance Pay ("Glance Pay Shares"). As a result, the shareholders of Glance Pay obtained 67.5% of Glance Technologies. Glance Technologies' board of directors and senior management were reconstituted and consist of directors and senior management of Glance Pay. The Transaction was accounted as a reverse acquisition and the comparative information in these condensed interim consolidated financial statements represent the financial statements of Glance Pay.

These condensed interim consolidated financial statements have been prepared on the basis that the Company will continue as a going concern, which assumes that the Company will be able to realize its assets and satisfy its liabilities in the normal course of business for the foreseeable future. Management is aware, in making its going concern assessment, of material uncertainties related to events and conditions that may cast significant doubt upon the Company's ability to continue as a going concern. As at May 31, 2016, the Company has an accumulated deficit of $1,103,458. The Company is in an early stage of development and has not yet generated any revenue from operations. Whether and when the Company can generate sufficient operating cash flows to pay for its expenditures and settle its obligations as they fall due subsequent to May 31, 2016 is uncertain. These condensed interim consolidated financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and statement of financial position classifications that would be necessary were the going concern assumption inappropriate. These adjustments could be material.

2. Basis of Presentation

a) Statement of Compliance

These condensed interim consolidated financial statements of the Company have been prepared in accordance with International Accounting Standards ("IAS") 34, Interim Financial Reporting, and based on the principles of International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). These condensed interim consolidated financial statements should be read in conjunction with the Company's annual consolidated financial statements for the year ended November 30, 2015, which include the Company's significant accounting policies, and have been prepared in accordance with the same methods of application.

The Board of Directors approved the condensed interim consolidated financial statements for issuance on July 19, 2016.

b) Basis of Measurement

These condensed interim consolidated financial statements have been prepared under the historical cost convention and are presented in Canadian dollars, which is the functional currency of the Company. In addition, these condensed interim consolidated financial statements have been prepared using the accrual basis of accounting except for the cash flow information.

2. Basis of Presentation (continued)

c) Reclassifications

Certain of the prior period figures have been reclassified to conform to the current year's presentation.

d) Significant Accounting Estimates and Judgments

The preparation of financial statements in accordance with IFRS requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

In preparing these condensed interim consolidated financial statements, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those applied to the consolidated financial statements for the year ended November 30, 2015.

3. Acquisition of Glance Pay Inc.

On August 28, 2015, the Company completed the Transaction (refer to Note 1) with Glance Pay. Under the terms of the Transaction, the Company issued one common share in exchange for one common share of Glance Pay. Subsequent to the Transaction, the Company completed a financing (the "Financing") issuing 4,941,666 units of the Company at a price of $0.15 per unit for proceeds of $741,250. Each unit was comprised of one common share and one half of a share purchase warrant to purchase one additional common share of the Company.

Upon closing of the Transaction and the Financing, the former shareholders of Glance Pay owned 75.4% of the combined entity, Glance Technologies. Glance Technologies' board of directors and senior management were reconstituted and consist of the directors and senior management of Glance Pay. Given the majority ownership of the common shares of the Company and the majority representation on the Company's Board of Directors are held by the former shareholders and directors of Glance Pay, Glance Pay has the power to govern the financial and operating policies so as to obtain benefits from the activities of the Company. The Transaction constitutes a reverse acquisition where Glance Pay is considered the accounting acquirer of Glance Technologies.

Given the limited operations and inactive status of Glance Technologies at the date of the Transaction, the Company did not meet the definition of a business under IFRS 3, Business Combinations. The acquisition was therefore considered the issuance of shares by Glance Pay for the net assets of Glance Technologies, accompanied by recapitalization, and therefore fell under the scope of IFRS 2, Share-based Payments. As a result of reverse acquisition accounting, the consolidated financial statements of the Company represent a continuation of Glance Pay's financial statements and the acquisition of Glance Technologies.

(stated in Canadian dollars)

3. Acquisition of Glance Pay Inc. (continued)

The fair value of the 10,250,000 common shares of the Company that were deemed to have been issued and retained by the former shareholders of Glance Technologies was $178,819, which was determined based on the fair value of net assets and liabilities of Glance Mobile on the date of the Transaction as follows:

Prepaid expenses	$	3,761
Intangible assets		584,900
Accounts payable and accrued liabilities		(39,119)
Net assets of Glance Mobile, at date of acquisition	$	549,542
Number of shares issued and outstanding of Glance Mobile, at date of acquisition		31,500,000
Per share value of Glance Mobile, at date of acquisition	$	0.0174
Number of Glance Mobile shares issued to former shareholders of Glance Technologies		10,250,000
Fair value of Glance Mobile shares issued to former shareholders of Glance Technologies	$	178,819

The fair value of all consideration given up to acquire Glance Technologies is as follows:

	$
Less fair value of identifiable assets and liabilities of Glance Technologies acquired:	
Advance payable	5,000
Due to related parties	29,900
Net liabilities acquired	34,900
Fair value of Glance Mobile shares issued to former shareholders of Glance Technologies	178,819
Restructuring cost	213,719

4. Restricted Cash

As at November 30, 2015, the Company held $329,600 in a trust account which was held in escrow. The restricted cash can be released upon the earliest of the following:

a) Listing of the Company’s common shares on a Canadian Stock exchange;

b) January 31, 2016, if the Company has not raised at least $75,000 pursuant to a new special warrant offering by that date;

c) Receipt of a court order; or

d) May 1, 2016.

On January 31, 2016, the restricted cash of $329,600 was released from escrow and became accessible to the Company’s use.

(stated in Canadian dollars)

5. Prepaid Expenses and Deposits

The Company has commenced efforts for an initial public offering of up to 4,600,000 units at $0.15 per unit for gross proceeds of $690,000. Each unit consists of one common share of the Company and one-half of one share purchase warrant, with each full share purchase warrant entitling the holder to purchase one common share of the Company at an exercise price of $0.25 per share for a period of one year. The offering is subject to a minimum subscription of 3,600,000 units. The agent will be paid a commission of 8% of the gross proceeds of the offering, a corporate finance fee of $35,000, of which $6,250 is non-refundable and is payable upon the agent's acceptance, $6,250 is payable on or before thirty days from the agent's acceptance, and the remainder is deducted from the proceeds of the offering, and all other expenses and costs related to the issuance. In addition, the Company will grant agent’s options equal to 8% of the number of shares sold exercisable at $0.15 per share for a period of two years from the date of issuance.

During the six months ended May 31, 2016, the Company paid a deposit of $12,500 to the Agent towards the corporate finance fees and also paid a further $25,000 as retainer towards the Agent’s out-of-pocket expenses. The Company also incurred $5,000 of professional fees with respect to the Offering.

6. Intangible Assets

A continuity of the intangible assets acquired is as follows:

	Computer Software $	Payment Processing Applications $	Patent $	Total $
Balance, November 30, 2015	554,900	30,000	-	584,900
Additions	-	-	5,292	5,292
Balance, May 31, 2016	**554,900**	**30,000**	**5,292**	**590,192**

On March 31, 2016, the Company filed a provisional application in the United States to patent its wireless electronic transaction system.

During the period ended May 31, 2016, the Company did not record amortization on the intangible assets as they have not been placed in use.

7. Stock Options

Pursuant to the Company’s stock option plan, directors may, from time to time, authorize the issuance of options to directors, officers, employees, and consultants of the Company. The terms of the granted stock options as well as the vesting conditions are at the sole discretion of the directors.

On January 15, 2016, the Company modified the exercise price of 400,000 stock options granted during the year ended November 30, 2015 from $0.20 per share to $0.15 per share, resulting in an increase of share-based payments of $1,505. A total of 200,000 of these stock options were subsequently cancelled due to the termination of an officer of the Company.

(stated in Canadian dollars)

7. Stock Options (continued)

During the period ended May 31, 2016, the Company granted 2,340,000 stock options with an exercise price of $0.15 per common share of the Company, with terms ranging between one and five years. A total of 1,327,500 of these stock options vested immediately, while a further 462,500 stock options vest in their entirety between one and two years. The remaining 550,000 stock options were granted pursuant to certain marketing and design contracts, the vesting of which depends on specific performance conditions such as a target for the number of the restaurant sign-ups for the use of the Company's payment processing application and the completion of the Company's website design and logos. The Company expects these performance conditions and the related vesting of the stock options to be completed over the next two and a half years.

A continuity schedule of the incentive stock options is as follows:

	Number of options	**Weighted average exercise price $**
Outstanding, November 30, 2015	550,000	0.14
Granted	2,340,000	0.15
Cancelled	(200,000)	0.15
Outstanding, May 31, 2016	**2,690,000**	**0.15**

Additional information regarding stock options outstanding as at May 31, 2016 is as follows:

		Outstanding	
Range of exercise prices $	Number of options	Weighted average remaining contractual life (years)	Weighted average exercise price $
0.10	150,000	4.42	0.01
0.15	2,540,000	4.33	0.14
	2,690,000	4.33	0.15

The fair value of options granted during the period was estimated on the date of grant using the Black-Scholes option pricing model assuming no expected dividends and the following assumptions:

	2016	**2015**
Expected stock price volatility	125%	N/A
Risk-free interest rate	0.71%	N/A
Expected life of options (years)	4.89	N/A
Expected forfeiture rate	0%	N/A

As at May 31, 2016, 1,432,500 stock options (November 30, 2015 – nil) had vested. The weighted average fair value of options outstanding was $0.13 (November 30, 2015 - $0.12) per option. During the six months ended May 31, 2016, the Company recognized share-based payment due to options granted of $216,445 (2015 - $nil).

(stated in Canadian dollars)

8. Share Purchase Warrants

	Number of warrants	Weighted average exercise price $
Balance, November 30, 2015 and May 31, 2016	2,470,833	0.25

Special Warrants

During the period ended May 31, 2016, the Company issued 1,249,336 share purchase warrants at a price of $0.15 per warrant (the "Special Warrants") for $187,400, of which $78,000 was received in cash, $99,400 were issued for services, and $10,000 were issued to settle debt. Each Special Warrant is convertible into one common share of the Company without any additional consideration by the earlier of: (i) the first business day following the day upon a final prospectus being received by a provincial securities regulatory authority; and (ii) the third anniversary of the date of issuance of the Special Warrants.

A continuity schedule of the Special Warrants is as follows:

	Number of Special Warrants	Amount $
Outstanding, November 30, 2015	-	-
Issued for cash (i)	519,999	78,000
Issued for services (ii)	662,671	99,400
Issued in settlement of debt (iii)	66,666	10,000
Outstanding, May 31, 2016	**1,249,336**	**187,400**

(i) Cash of $10,500 was received prior to November 30, 2015. These included 16,750 Special Warrants issued to the Chief Financial Officer of the Company for proceeds of $2,513.

(ii) 624,751 total Special Warrants were issued to related parties for services with a fair value of $93,787.

(iii) Issued to a company where the Chief Financial Officer is a Principal for services rendered during the year ended November 30, 2015.

9. Related Party Transactions

a) As at May 31, 2016, the Company owed $20,519 (November 30, 2015 - $17,808) to the President of the Company and a company controlled by the spouse of the President of the Company, which is included in accounts payable and accrued liabilities. The amount due was unsecured, non-interest bearing, and due on demand.

b) As at May 31, 2016, the Company owed $12,300 (November 30, 2015 - $15,900) to a company where the Chief Financial Officer of the Company is a principal, which is included in accounts payable and accrued liabilities. The amount due was unsecured, non-interest bearing, and due on demand.

c) As at May 31, 2016, the Company owed $2,824 (November 30, 2015 - $nil) to the Chief Operating Officer of the Company, which is included in accounts payable and accrued liabilities. The amount due was unsecured, non-interest bearing, and due on demand.

d) As at May 31, 2016, the Company owed $3,557 (November 30, 2015 - $nil) to the Chief Marketing Officer and parties designated to receive compensation on behalf of the company controlled by the Chief Marketing Officer, which is included in accounts payable and accrued liabilities. The amount due was unsecured, non-interest bearing, and due on demand.

9. Related Party Transactions (continued)

e) On January 6, 2015, Glance Pay entered into a services agreement with the President of the Company and a company controlled by the spouse of the President of the Company for services at a rate of $8,000 per month. On December 1, 2015, the agreement was amended to $15,000 per month. On February 1, 2016, the agreement was amended to $10,000 per month. During the six months ended May 31, 2016, the Company incurred software research and development costs of $68,000 (2015 - $35,000) and management fees of $47,000 (2015 - $5,000) to the President of the Company and a company controlled by the spouse of the President of the Company.

f) During the six months ended May 31, 2016, the Company incurred management fees of $25,000 (2015 – $nil) to the Chief Operating Officer of the Company.

g) During the six months ended May 31, 2016, the Company incurred accounting fees of $3,750 (2015 – $nil), marketing expense of $2,500 (2015 – $nil), office expense of $12,500 (2015 – $nil), and rent of $12,500 (2015 – $nil) to a company controlled by the Chief Operating Officer of the Company.

h) During the six months ended May 31, 2016, the Company incurred accounting fees of $22,600 (2015 – $nil) to the company where the Chief Financial Officer of the Company is a principal.

i) During the six months ended May 31, 2016, the Company incurred marketing expenses of $5,900 (2015 - $nil) to the Chief Marketing Officer of the Company, and marketing expenses of $20,000 (2015 - $nil) to the company controlled by the Chief Marketing Officer of the Company.

j) During the six months ended May 31, 2016, the Company incurred share-based compensation of $190,347 (2015 - $nil) to officers and directors of the Company. Refer to Note 7.

k) During the six months ended May 31, 2016, the Company issued 624,751 Special Warrants to officers and directors of the Company for services with a fair value of $93,787. In addition, the Company also issued 16,750 Special Warrants to the Chief Financial Officer of the Company for proceeds of $2,513, and issued 66,666 Special Warrants to a company for which the Chief Financial Officer of the Company is a principal, for settlement of accounts payable of $10,000. Refer to Note 8.

10. Segmented Information

The Company’s business consists of one reportable segment and all of the Company’s assets are located in Canada. The Company has not generated any revenue to date**.**

11. Commitments

a) On February 1, 2015, the Company entered into a management agreement with the Chief Operating Officer of the Company for consulting services. The officer will be compensated a monthly fee of $5,000, payable in cash or common shares of the Company at the officer's discretion. The officer may terminate the agreement by providing 30 days' written notice. The Company may terminate the agreement by providing two months' written notice.

On October 28, 2015, the management agreement was amended whereby the officer shall be compensated a salary only subsequent to the Company having raised a minimum of $1,000,000 in new equity financing.

On February 7, 2016, the management agreement was amended whereby the officer shall be compensated a monthly fee of $5,000 upon the Company having raised a minimum of $500,000 in new equity financing.

On March 15, 2016, the management agreement was amended whereby the officer shall be compensated a monthly fee of $10,000 beginning March 15, 2016, payable in common shares of the Company.

11. Commitments (continued)

b) On November 1, 2014, the Company entered into a services agreement with a company owned by the Chief Operating Officer of the Company for an initial fee of $50,000, payable on December 1, 2014 (paid), and then $10,000 per month beginning on February 1, 2015 until the termination of the agreement. The term of the agreement is 12 months, renewable on an annual basis.

On October 28, 2015, the Company entered into an amendment agreement with the company owned by the Chief Operating Officer of the Company. Pursuant to the amendment, the company owned by the Chief Operating Officer shall be compensated a monthly fee of $10,000 subsequent to the Company: a) having raised a minimum of $500,000 in new equity financing after October 28, 2015; or b) having generated gross revenues of $100,000 or more.

On March 15, 2016, the Company amended the services agreement with a company owned by the Chief Operating Officer of the Company. Pursuant to the amended agreement, the company owned by the Chief Operating Officer of the Company shall provide various services to the Company including leased office premises, administration, accounting and business development services work of the Company. The company owned by the Chief Operating Officer of the Company shall be compensated by a monthly fee of $12,500 payable in common shares of the Company.

c) On November 1, 2015, the Company entered into a management agreement with the Chief Executive Officer of the Company for consulting services. The officer will be compensated by amounts to be invoiced monthly to the Company. The officer or the Company may terminate the agreement by providing two months' written notice.

On February 1, 2016, the management agreement was amended whereby the officer shall be compensated a monthly fee of $5,000.

On March 15, 2016, the management agreement was amended whereby the officer shall be compensated a monthly fee of $15,000 beginning March 15, 2016, $10,000 of which is payable in cash and $5,000 of which is payable in common shares of the Company.

d) On March 18, 2016, the Company entered into a consulting agreement for legal services in exchange for monthly compensation of $6,000, of which $4,000 is payable in cash and $2,000 is payable in common shares of the Company. The consultant or the Company may terminate the agreement by providing 45 days written notice.

e) On April 15, 2016, the Company appointed a Chief Marketing Officer of the Company and entered into a management agreement with the Chief Marketing Officer whereby the Chief Marketing Officer will provide services consistent with that position for monthly compensation of $2,500, of which $300 is payable in cash and $2,150 is payable in common shares of the Company. Furthermore, the Company will pay a commission of $200 for each new restaurant the Chief Marketing Officer signs up to use the Company’s mobile payments app or trains to use the Company’s mobile payments app, and $25 for each new restaurant that a marketing representative signed up by the Chief Marketing Officer signs up to use the Company’s mobile payments app. If the Company raises a minimum of $3,000,000 in new equity financing, the Chief Marketing Officer may elect for the Company to pay any portion of the service fee in cash instead of compensation shares by providing written notice. If the Company raises a minimum of $2,000,000 in new equity financing, the Chief Marketing Officer may elect for the Company to pay up to two-thirds of the service fee in cash instead of compensation shares by providing written notice. If the Company raises a minimum of $1,000,000 in new equity financing, the Chief Marketing Officer may elect for the Company to pay up to one-third of the service fee in cash instead of compensation shares by providing written notice. The officer may terminate the agreement by providing 30 days written notice, while the Company may terminate the agreement by providing 3 months’ written notice.

11. Commitments (continued)

f) On April 15, 2016, the Company entered into a services agreement with ROMD Marketing and Design Inc. ("ROMD") for marketing and design services for monthly compensation of $10,000, of which $1,350 is payable in cash to ROMD's nominees and $8,650 is payable to ROMD's nominees in common shares of the Company. If the Company raises a minimum of $3,000,000 in new equity financing, ROMD may elect for the Company to pay any portion of the service fee in cash instead of common shares by providing written notice. If the Company raises a minimum of $2,000,000 in new equity financing, ROMD may elect for the Company to pay up to two-thirds of the service fee in cash instead of common shares by providing written notice. If the Company raises a minimum of $1,000,000 in new equity financing, ROMD may elect for the Company to pay up to one-third of the service fee in cash instead of common shares by providing written notice. The agreement is to be effective for a term of 12 months, and the officer and the Company may terminate the agreement by providing 3 months' written notice. The agreement, however, may not be terminated within the first six months following the effective date.

12. Subsequent Events

a) On June 9, 2016, the Company granted 100,000 stock options to an employee of the Company at an exercise price of $0.15 per share which are exercisable for a period of 5 years from the date of grant, and will vest according to the following schedule: 30% of the options vested on June 9, 2016; 30% will vest on December 9, 2016; and 40% will vest on June 9, 2017.

b) On June 9, 2016, the Company granted 50,000 stock options to a consultant of the Company at an exercise price of $0.15 per share which are exercisable for a period of 5 years from the date of grant. The options vested immediately upon grant.

c) On June 15, 2016, the Company granted 175,000 stock options to various consultants and directors of the Company, of which 100,000 stock options were granted to the directors of the Company, at an exercise price of $0.15 per share which are exercisable for a period of 5 years from the date of grant. The options vested immediately upon grant.

d) On June 30, 2016, the Company issued an aggregate of 471,998 Special Warrants at $0.15 per Special Warrant as follows: 29,166 to the President of the Company, 70,000 to the Chief Operating Officer, 57,666 to ROMD's nominees, 87,500 to a company controlled by the Chief Operating Officer of the Company, 14,333 to the Chief Marketing Officer, and 213,333 to non-related parties.

e) On June 30, 2016, the Company granted 50,000 stock options to a consultant of the Company at an exercise price of $0.15 per share which are exercisable for a period of 5 years from the date of grant, and will vest according to the following schedule: 50% of the options will vest on August 30, 2016, and 50% will vest on December 30, 2016.

f) On July 8, 2016, the Company granted 100,000 incentive stock options to a consultant of the Company with an exercise price of $0.15 per share exercisable for a period of 5 years from the grant date, which options vest as follows: 25% on the issuance date, 25% six months after the issuance date, 25% 12 months after the issuance date, and the remainder 18 months after the issuance date.

g) On July 8, 2016, the Company granted 57,000 incentive stock options with an exercise price of $0.15 per share exercisable for a period of 5 years from the grant date to various consultants and an employee of the Company, which options vested immediately.

12. Subsequent Events (continued)

h) On July 8, 2016, the Company granted 500,000 incentive stock options with an exercise price of $0.15 per share exercisable for a period of 5 years from the grant date to companies controlled by an officer of the Company. The stock options vests as follows: 20% on the issuance date, 20% vest six months after the issuance date, 20% vest 12 months after the issuance date, 20% vest 18 months after the issuance date, and the remainder vest 24 months after the issuance date.

i) On July 8, 2016, the Company granted 100,000 incentive stock options with an exercise price of $0.15 per share exercisable for a period of 5 years from the grant date to a consultant of the Company. The stock options vests as follows: 30% on the issuance date, 30% vest six months after the issuance date, and the remainder vest 12 months after the issuance date.

j) The Company is proposing to offer to the public, by prospectus, 4,600,000 units at $0.15 per unit for gross proceeds of $690,000. Each unit consists of one common share of the Company and one-half of one share purchase warrants, with each full share purchase warrant entitling the holder to purchase one common share of the Company at an exercise price of $0.25 per share for a period of one year. The offering is subject to a minimum subscription of 3,600,000 units. The agent will be paid a commission of 8% of the gross proceeds of the offering, a corporate finance fee of $35,000, of which $6,250 is non-refundable and is payable upon the agent's acceptance, $6,250 is payable on or before thirty days from the agent's acceptance, and the remainder is deducted from the proceeds of the offering, and all other expenses and costs related to the issuance. In addition, the Company will grant agent’s options equal to 8% of the number of shares sold exercisable at $0.15 per share for a period of two years from the date of issuance. As at May 31, 2016, the Company paid $12,500 for the corporate finance fee and $25,000 for prepayment of expected costs relating to the issuance.