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**HE-5 RESOURCES CORPORATION**

**FINANCIAL STATEMENTS**

For the 2nd quarter ended August 31, 2016  
**(Unaudited)**

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## **HE-5 RESOURCES CORPORATION**

### **MANAGEMENT REPORT**

For the 2nd quarter ended August 31, 2016

**(Unaudited)**

#### Management's Certification

HE-5 Resources Corporation's Management certifies that all corporate actions are performed in conformity with the Securities Exchange Commission policies and Pink Sheets disclosure policies, and that the Company is currently in good standing and up to date in its corporate reports in compliance with all applicable laws.

The accompanying consolidated unaudited financial statements and the notes thereto, present fairly, in all material respects, the financial position of HE-5 Resources Corporation and the results of its operations and cash flows for the periods presented, in conformity with accounting principles generally accepted in the United States, consistently applied.

These statements were produced internally and published for the benefit of the shareholders.

(Signature in file)

G.P. Molinaro

CEO

15-Oct-16

## HE-5 RESOURCES CORPORATION

### CONSOLIDATED BALANCE SHEETS

For the 2nd quarter ended August 31, 2016

	31-Aug 2016 \$	29-Feb 2016 \$
<b>ASSETS</b>		
<b>Current</b>		
Cash or equivalent	-	-
	-	-
<b>Long Term Assets</b>		
	-	-
<b>TOTAL ASSETS</b>	-	-
<b>LIABILITIES</b>		
<b>Current</b>		
Accounts payable and accrued liabilities	20,700	78,230
	20,700	78,230
<b>Long term liabilities</b>		
Notes payable	756,361	678,131
	756,361	678,131
<b>SHAREHOLDERS' EQUITY</b>		
Capital stock	4,064,137	4,133,467
Accumulated deficit	(4,841,198)	(4,889,828)
Additional paid in capital	-	-
	(777,061)	(756,361)
	-	-

## HE-5 RESOURCES CORPORATION

### STATEMENT OF EARNINGS

For the 2nd quarter ended August 31, 2016

(Unaudited)

	<b>31-Aug</b>	<b>29-Feb</b>
	<b>2016</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
<b>INCOME</b>	-	-
<b>COST OF REVENUES</b>	-	-
<b>GROSS PROFIT</b>	-	-
<b>EXPENSES</b>		
Lease	6,000	10,000
Travel Expense	480	1,640
Office & Administration	930	1,190
Telephone	390	650
Transfer Agent Fees	2,100	4,200
Legal Expense	800	5,500
Professional Fees	5,000	39,450
Taxes & Licenses	5,000	6,700
<b>TOTAL EXPENSES</b>	<b>20,700</b>	<b>69,330</b>
Write-off of License	-	-
<b>LOSS FROM OPERATION</b>	<b>20,700</b>	<b>69,330</b>
<b>NET EARNINGS/LOSS BEFORE INCOME TAXES</b>	<b>(20,700)</b>	<b>(69,330)</b>

See accompanying notes.

## HE-5 RESOURCES CORPORATION

### STATEMENT OF CASHFLOWS

For the 2nd quarter ended August 31, 2016

(Unaudited)

	<b>31-Aug</b>	<b>29-Feb</b>
	<b>2016</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
<b>Cash flows from operating activities</b>		
Net income (loss)	(20,700)	(69,330)
Depreciation	-	-
Write-off Master License	-	-
<b>Net cash provided (used) by operating activities</b>	<b>(20,700)</b>	<b>(69,330)</b>
<b>Net cash provided (used) investing activities</b>	<b>-</b>	<b>-</b>
<b>Net cash provided (Used) in financing activities</b>	<b>20,700</b>	<b>69,330</b>
<b>Increase (decrease) in cash during period</b>	<b>-</b>	<b>-</b>
<b>Cash Balance at the beginning of the period</b>	<b>-</b>	<b>-</b>
<b>Cash Balance at the end of the period</b>	<b>-</b>	<b>-</b>

## **HE-5 RESOURCES CORPORATION**

### **NOTES TO FINANCIAL STATEMENTS**

For the 2nd quarter ended August 31, 2016

(Unaudited)

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#### **1. BASIS OF PRESENTATION**

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America by the Issuer and in the opinion of management, include all adjustments consisting only of normal recurring accruals considered necessary to present fairly the Company's financial position at August 31, 2016 and the results of operations for the 2nd quarter ended August 31, 2016. Moreover, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements.

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

#### **2. NATURE OF BUSINESS**

##### **Inactivity**

The company had become inactive during the last 1<sup>st</sup> quarter of the Financial year 2011.

##### **Activity**

The company has resumed financial operations as of the beginning of the first quarter of 2012.

#### **3. AMORTIZATION**

Amortization is recorded at rates designed to amortize the cost of capital assets over their estimated useful lives.

Amortization rates used are as follows:

Software	20% declining balance
Computer equipment	