Condensed Consolidated Interim Financial Statements
(Expressed in Canadian Dollars)

3D Signatures Inc.
(formerly Plicit Capital Corp.)

Three and nine months ended March 31, 2017
(Unaudited)

3D SIGNATURES

Condensed Consolidated Interim Statements of Financial Position
(expressed in Canadian dollars)
(unaudited)

	Note	March 31, 2017	June 30, 2016
Assets			
Current assets:			
Cash		**$ 2,552,822**	$ 38,663
Goods and services taxes receivable		**241,620**	42,459
Prepaid expenses	6	**1,059,112**	44,313
Total current assets		**3,853,554**	125,435
Non-current assets:			
Prepaid expenses	6	**540,411**	-
Equipment		**281,744**	123,772
Intangible assets		**636,951**	650,012
Total non-current assets		**1,459,106**	773,784
Total assets		**$ 5,312,660**	$ 899,219
Liabilities and Equity (Deficiency)			
Current liabilities:			
Accounts payable and accrued liabilities		**$ 638,357**	$ 758,739
Notes payable		**-**	345,330
Total liabilities		**638,357**	1,104,069
Equity (Deficiency):			
Share capital	7(b)	**10,301,460**	1,463,659
Contributed surplus		**3,714,470**	524,612
Deficit		**(9,341,627)**	(2,193,121)
Total equity (deficiency)		**4,674,303**	(204,850)
Total liabilities and equity (deficiency)		**$ 5,312,660**	$ 899,219

Commitments *(Note 9)*
Going concern *(Note 3)*
Subsequent events *(Note 11)*

Approved on behalf of the board

Signed Jason Flowerday
Director

Signed Bruce Colwill
Director

See accompanying notes to the condensed consolidated interim financial statements.

Condensed Consolidated Interim Statements of Net Loss and Comprehensive Loss
(expressed in Canadian dollars)
(unaudited)

	Note	Three months ended March 31, 2017	Three months ended March 31, 2016	Nine months ended March 31, 2017	Nine months ended March 31, 2016
Expenses					
General and administrative		$ 1,928,733	$ 438,294	$ 4,633,746	$ 858,799
Research and development		234,636	124,376	641,059	372,711
		2,163,369	562,670	5,274,805	1,231,510
Other expense:					
Listing costs	5	-	-	1,859,107	-
Finance expense, net		8,453	7,779	14,594	16,332
		8,453	7,779	1,873,701	16,332
Net loss and comprehensive loss		$ (2,171,822)	$ (570,449)	$ (7,148,506)	$ (1,247,842)
Basic and diluted loss per share		$ (0.04)	$ (0.02)	$ (0.16)	$ (0.05)
Weighted average number of common shares used in computing basic and diluted loss per share		52,847,817	24,344,488	43,530,971	23,218,061

See accompanying notes to the condensed consolidated interim financial statements.

Condensed Consolidated Interim Statements of Changes in Equity (Deficiency)
(expressed in Canadian dollars)
(unaudited)

	Note	Share Capital	Contributed Surplus	Deficit	Total
Balance, June 30, 2016		**$ 1,463,659**	**$ 524,612**	**$ (2,193,121)**	**$ (204,850)**
Net loss for the nine months ended March 31, 2017		**-**	**-**	**(7,148,506)**	**(7,148,506)**
Issuance of common shares (net of costs)	**7(b)**	**6,743,758**	**2,426,081**	**-**	**9,169,839**
Shares issued to shareholders of Plicit	**5**	**1,767,500**	**-**	**-**	**1,767,500**
Stock options exercised	**7(c)**	**81,276**	**(46,286)**	**-**	**34,990**
Warrants exercised	**7(d)**	**245,267**	**(76,690)**	**-**	**168,577**
Issuance of options (net of costs)	**7(c)**	**-**	**886,753**	**-**	**886,753**
Balance, March 31, 2017		**$ 10,301,460**	**$ 3,714,470**	**$ (9,341,627)**	**$ 4,674,303**
Balance, June 30, 2015		$ 476,323	$ 255,253	$ (434,402)	$ 297,174
Net loss for the nine months ended March 31, 2016		-	-	(1,247,842)	(1,247,842)
Issuance of common shares (net of costs)		693,500	-	-	693,500
Stock options exercised	7(b)	40,000	(39,960)		40
Issuance of options (net of costs)	7(c)	-	392,236	-	392,236
Balance, March 31, 2016		$ 1,209,823	$ 607,529	$ (1,682,244)	$ 135,108

See accompanying notes to the condensed consolidated interim financial statements.

Condensed Consolidated Interim Statements of Cash Flows
(expressed in Canadian dollars)
(unaudited)

	Note	Nine months ended March 31, 2017	Nine months ended March 31, 2016
Cash (used in) provided by:			
Operating activities:			
Loss and comprehensive loss for the period		**$ (7,148,506)**	$ (1,247,842)
Non-cash listing costs	**5**	**1,310,946**	-
Share based payments	**5**	**175,000**	-
Amortization and depreciation		**69,508**	54,010
Stock-based compensation	**7(c)**	**886,753**	392,236
Accretion of notes payable		**5,777**	15,302
Changes in working capital accounts			
Goods and services taxes receivable		**(196,361)**	(63,171)
Prepaid expenses		**(1,525,210)**	(39,580)
Accounts payable and accrued liabilities		**(85,073)**	84,182
Cash used in operating activities		**(6,507,166)**	(804,863)
Financing activities:			
Proceeds from issuance of common shares	**7(b)**	**9,950,213**	705,000
Exercise of stock options	**7(c)**	**34,990**	40
Exercise of warrants	**7(d)**	**168,577**	-
Share issuance costs	**7(b)**	**(955,374)**	(11,500)
Advances of notes payable		**33,800**	250,000
Repayment of notes payable		**(101,107)**	(101,107)
Cash flows from financing activities		**9,131,099**	842,393
Investing activities:			
Purchases of equipment		**(39,529)**	(136,438)
Purchases of intangible assets		**(210,199)**	(151,519)
Cash assumed in acquisition of Plicit	**5**	**139,954**	30,165
Cash flows used in investing activities		**(109,744)**	(257,792)
Increase (decrease) in cash		**2,514,159**	(220,222)
Cash, beginning of period		**38,663**	261,417
Cash, end of period		**$ 2,552,822**	$ 41,195

See accompanying notes to the condensed consolidated interim financial statements.

1. Reporting entity

3D Signatures Inc. (the "Company"), formerly Plicit Capital Corp., was incorporated in Canada on May 25, 2011 and its shares are listed on the TSX Venture Exchange as a Tier 2 issuer under the symbol "DXD"; the OTCQB Venture Market in the United States under the symbol "TDSGF"; and the Frankfurt Stock Exchange in Germany under the symbol "3D0". The address of the Company's registered office is 211 – 175 Hargrave Street, Winnipeg, Manitoba, R3C 3R8.

The Company through its wholly owned subsidiary 3D Signatures Holdings Inc., is developing diagnostic and prognostic products that will save lives, improve the quality of life, and reduce the cost of care associated with numerous diseases that display genomic instability.

2. Basis of preparation

The condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standards 34 Interim Financial Reporting as issued by the International Accounting Standards Board ("IASB").

The same accounting policies and methods of computation were followed in the preparation of these condensed consolidated interim financial statements as disclosed in the Company's financial statements for the year ended June 30, 2016. The Company's June 30, 2016 annual financial statements include incremental annual IFRS disclosures that may be helpful to readers of the interim consolidated results and therefore should be read in conjunction with these condensed consolidated interim financial statements.

The condensed consolidated interim financial statements of the Company were approved and authorized for issue by the Audit Committee of the Board of Directors on May 23, 2017.

Basis of consolidation

These condensed consolidated interim financial statements comprise the consolidated financial statements of the Company and its subsidiaries as at March 31, 2017.

Subsidiaries are fully consolidated from the date of acquisition, being the date in which the Company obtains control, and continue to be consolidated until the date that such control ceases. The consolidated financial statements of the subsidiaries are prepared for the same reporting period as the parent company using consistent accounting policies. All intra-group balances, income and expenses, equity and dividends resulting from intra-group transactions have been eliminated upon consolidation.

The Company's subsidiaries are as follows:

3D Signatures Holdings Inc., formerly 3D Signatures Inc. (100% owned).

Basis of measurement

The condensed consolidated interim financial statements have been prepared on the historical basis except for certain financial instruments carried at fair value.

Certain of the comparative figures have been reclassified to conform with the presentation in the current year.

Functional and presentation currency

These condensed consolidated interim financial statements are presented in Canadian dollars, which is the Company's functional currency. All financial information presented in Canadian dollars has been rounded to the nearest dollar.

Significant accounting judgments estimates and assumptions

The preparation of condensed interim financial statements requires management to use judgment in applying its accounting policies and estimates and assumptions about the future. Estimates and other judgments are continuously evaluated and are based on management's experience and other factors, including expectations about future events that are believed to be reasonable under the circumstances. There were no changes to the Company's critical accounting estimates and judgments from those described in the most recent June 30, 2016 financial statements.

Management has used judgment in its assessment that Plicit Capital Corp., a capital pool company, did not constitute a business at the time of the Transaction described in Note 5.

3. Going concern

These financial statements have been prepared on a going concern basis which contemplates the realization of assets and the payment of liabilities in the ordinary course of business. Should the Company be unable to continue as a going concern, it may be unable to realize the carrying value of its assets and to meet its liabilities as they become due.

The Company is a research and development stage company and as such is primarily dependent on the funding of new investors to continue as a going concern. In the future, the Company's ability to continue as a going concern will be dependent upon its ability to attain profitable operations and generate funds there from, and to continue to obtain borrowings from third parties sufficient to meet current and future obligations and/or restructure the existing debt and payables. These financial statements do not reflect the adjustments or reclassification of assets and liabilities which would be necessary if the Company were unable to continue its operations.

4. Summary of significant accounting policies

Standards issued but not yet effective

The Company has not yet applied the following new standards, interpretations and amendments to standards that have been issued as at December 31, 2016 but are not yet effective. Unless otherwise stated, the Company does not plan to early adopt any of these new or amended standards and interpretations.

IFRS 9 Financial instruments

The final version of IFRS 9 was issued in July 2014 as a complete standard including the requirements for classification and measurement of financial instruments, the new expected loss impairment model and the new hedge accounting model. IFRS 9 (2014) will replace IAS 39 *Financial instruments: recognition and measurement*. IFRS 9 is effective for reporting periods beginning on or after January 1, 2018. The Company is currently assessing the impact of this standard on its financial statements.

IFRS 15 Revenue from contracts with customers

IFRS 15, issued in May 2014, will specify how and when entities recognize, measure, and disclose revenue. The standard will supersede all current standards dealing with revenue recognition, including IAS 11 *Construction contracts*, IAS 18 *Revenue*, IFRIC 13 *Customer loyalty programmes*, IFRIC 15 *Agreements for the construction of real estate*, IFRIC 18 *Transfers of assets from customers,* and SIC 31 *Revenue – barter transactions involving advertising services*.

IFRS 15 is effective for annual periods beginning on or after January 1, 2018. The Company is currently assessing the impact of this standard on its financial statements.

IFRS 16 Leases

On January 13, 2016, the IASB issued new IFRS 16 *Leases.* The new standard will replace IAS 17 *Leases* and is effective for annual periods beginning on or after January 1, 2019. Earlier application is permitted for entities that also apply IFRS 15 *Revenue from Contracts with Customers*. The Company is currently assessing the impact of this standard on its financial statements.

(expressed in Canadian dollars)

5. Acquisition of public listing

On September 8, 2016, 3D Signatures Inc. ("3DS"), now 3D Signatures Holdings Inc., completed a Qualifying Transaction with Plicit Capital Corp. ("Plicit"), now 3D Signatures Inc. Pursuant to the agreement, Plicit acquired all of the issued and outstanding securities of 3DS (the "Transaction"). Each shareholder of 3DS received 4.0376 Plicit common shares for each common share of the Company (the "Exchange Ratio"). The stock options of 3DS were also exchanged for stock options to acquire Plicit shares, adjusted based on the Exchange Ratio. Upon completion of the Transaction, 3DS became a wholly owned subsidiary of Plicit and Plicit changed its name to "3D Signatures Inc." (the "Company").

Concurrent with the closing of the Transaction, the Company completed a brokered private placement (Note 7). The Company also issued 500,000 common shares as a finder's fee upon closing of the Transaction, which were valued at the fair value of the shares issued during the concurrent private placement. On closing of the Transaction and brokered private placement, the shareholders of 3DS held approximately 55% of the issued and outstanding shares of the Company. As a result, the shareholders of 3DS controlled the Company and the acquisition constituted a reverse take-over of Plicit by 3DS. 3DS's assets, liabilities and operations since incorporation were included in these consolidated condensed interim financial statements at their historical carrying values. The results of operations of Plicit from the date of acquisition of September 8, 2016 were included in these consolidated condensed interim financial statements.

Since Plicit did not meet the definition of a business under IFRS 3, *Business Combinations*, the acquisition was accounted for as a purchase of Plicit's assets by 3DS. The consideration paid was determined as an equity settled share-based payment under IFRS 2, *Share-based Payments*, and measured at the fair value of the equity of the Company retained by the shareholders of Plicit based on the fair value of the shares issued in the concurrent brokered private placement.

The Company recorded listing costs of $1,859,107 in the consolidated interim statements of loss and comprehensive loss, the details of which are as follows:

5,050,000 common shares issued @ $0.35 per share	**$**	**1,767,500**
Less:		
Cash acquired		**139,954**
Note receivable acquired		**283,800**
Other current assets acquired		**32,800**
Direct listing costs		**1,310,946**
Shares issued as a finder's fee		**175,000**
Professional fees related to the Transaction		**373,161**
Total listing costs	**$**	**1,859,107**

6. Prepaid expenses

Prepaid expenses include $1,125,000 paid to a shareholder of the Company for advisory services to be rendered over a period of three years.

(expressed in Canadian dollars)

7. Share capital

(a) Authorized

The Company has authorized share capital of an unlimited number of common voting shares without par value, an unlimited number of non-voting common shares without par value, and an unlimited amount of Class A, B, C, and D shares

(b) Shares issued and outstanding

Shares issued and outstanding are as follows:

	March 31, 2017	June 30, 2016
Issued		
Common shares issued – 53,209,479 (June 30, 2016 – 6,271,836 or 25,323,161 assuming all converted)	**$ 10,301,460**	$ 1,463,659
	$ 10,301,460	$ 1,463,659

	Number	**Amount**
Balance at June 30, 2016	6,354,636	$ 1,463,659
Elimination of 3DS Shares *(Note 5)*	(6,354,636)	-
Conversion to new Plicit Shares at 4.0376 *(Note 5)*	25,323,161	-
Shares issued to Plicit shareholders *(Note 5)*	5,050,000	1,767,500
Shares issued in brokered private placement *(i)*	15,572,038	5,450,213
Shares issuance costs *(i)*	-	(473,518)
Shares issued as finder's fee *(Note 5)*	500,000	175,000
Broker warrants issued *(ii)*	-	(198,406)
Shares issued through exercise of stock options	282,632	81,276
Shares issued through exercise of warrants	481,648	245,267
Shares issued in brokered private placement *(iii)*	6,000,000	4,500,000
Share issuance costs *(iii)*	-	(481,856)
Issuance of Warrants *(iii)*	-	(2,042,759)
Broker warrants issued *(iii)*	-	(184,916)
Balance at March 31, 2017	**53,209,479**	**$ 10,301,460**

(i) Concurrent with the Transaction (Note 5), the Company issued 15,572,038 common shares at a price of $0.35 per share for gross proceeds of $5,450,213. Cash costs directly attributable to the issuance were $473,518.

(ii) In conjunction with brokered private placement (Note 7(i)), the Company issued 1,245,763 broker warrants to acquire common shares of the Company at an exercise price of $0.35 per share until September 8, 2018. The fair value of the warrants was estimated using the Black Scholes model with the following significant assumptions:

Expected life	2 years
Expected volatility	85%
Risk free rate	0.50%
Dividend yield	Nil
Underlying share price	$0.35
Strike price	$0.35

(expressed in Canadian dollars)

7. Share capital (continued)

(b) Shares issued and outstanding (continued)

(iii) On November 17, 2016, the Company announced an appointment of a syndicate of agents (the "Agents") to sell, by way of private placement on a best efforts basis, units (the "Units") of the Company at a price of $0.75 (the "Issue Price"). The offering consisted of up to 4,000,000 Units, with gross proceeds of up to $3,000,000 (the "Offering") to the Company. Each issued Unit comprised one common share in the capital of the Company (a "Share") and one Share purchase warrant (a "Warrant"). Each warrant entitles the hold to purchase one Share for a period of two years from the closing date of the Offering at an exercise price of $0.92 per share. The warrants are subject to an acceleration clause such that in the event the trading price of the Shares of the Company is at or above $1.35 per Share for 20 consecutive trading days at any time that is six months after the closing date of the Offering, the Company will have the right to accelerate the expiry date of the Warrants to the date which is 30 days after notice is provided to the Warrant holders. Additionally, the Agents were granted the option (the "Agents' Option") to sell up to an additional 2,000,000 Units at $0.75 per Unit pursuant to the Offering, exercisable in whole or in part an any time up to 48 hours prior to the closing of the Offering.

Units sold in the offering were conducted in three tranches, and included the exercise of the Agents' Option, as permitted by the over-allotment option. On December 16, 2016, the Company announced the issuance of 5,187,618 Units for gross proceeds to the Company of $3,890,714. On December 22, 2016, the Company announced the issuance of 215,300 Units for gross proceeds to the Company of $161,475. On January 6, 2017, the Company announced the issuance of 597,082 Units for gross proceeds to the Company of $447,812.

The fair value of warrants issued in the Offering was estimated using the following Black-Scholes Model assumptions:

Expected life	2 years
Expected volatility	85%
Risk free rate	0.50% - 0.76%
Dividend yield	Nil
Underlying share price	$0.75 - $0.97
Strike price	$0.92

Cash costs directly attributable to the Offering were $481,856. The agents also received 480,000 warrants ("Broker Warrants") an amount equal to 8% of the Units issued in the Offering. The fair value of the Broker Warrants issued in the Offering was estimated using the following Black-Scholes Model assumptions:

Expected life	2 years
Expected volatility	85%
Risk free rate	0.50% - 0.76%
Dividend yield	Nil
Underlying share price	$0.75 - $0.97
Strike price	$0.75

(expressed in Canadian dollars)

7. Share capital (continued)

(c) Stock option plan

The Company has an incentive stock option plan (the "Plan") whereby the Company may grant to directors, officers, employees and contractors options to purchase voting common shares of the Company. The terms and conditions of each option granted under the Plan are determined by the Board of Directors.

The fair value of the options issued during the nine months ended March 31, 2017 was estimated using the Black Scholes model with the following significant assumptions:

Expected life	10 years
Expected volatility	85%
Risk free rate	1.10% - 1.70%
Dividend yield	Nil
Underlying share price	\$0.52 - \$0.79
Strike price	\$0.52 - \$0.79

Expected volatility was estimated by reference to comparable listed entities. Stock based compensation expense for the three and nine months ended December 31, 2016 totalled \$54,832 and \$886,753, respectively (2015 - \$217,841 and \$392,236) was recorded in general and administrative expenses during the period.

Changes in the number of options outstanding during the nine months ended March 31, 2017 and 2016, adjusted for the Exchange Ratio (Note 5) are as follows:

	March 31, 2017			March 31, 2016	
	Number of options		**Weighted average exercise price**	Number of options	Weighted average exercise price
Balance, beginning of period	**3,317,558**	**\$**	**0.14**	3,008,012	0.13
Granted	**2,086,155**		**0.68**	809,546	0.09
Exercised	**(282,632)**		**(0.12)**	(403,760)	(0.00)
Forfeited, cancelled or expired	**-**		**-**	-	-
Balance, end of period	**5,121,081**	**\$**	**0.36**	3,413,798	0.13
Options exercisable, end of period	**4,562,956**	**\$**	**0.31**	3,413,798	0.13

(expressed in Canadian dollars)

7. Share capital (continued)

(c) Stock option plan (continued)

The following is a summary of the 5,121,081 outstanding options issued under the Plan:

Date Issued	Exercise price	Expiry date	Remaining Contractual life (years)	Outstanding and exercisable	Unvested	Remaining vesting period (years)
May 5, 2015	$ 0.12	May 4, 2025	8.1	2,685,004	-	-
June 16, 2015	$ 0.25	June 16, 2025	8.2	40,376	-	-
August 7, 2015	$ 0.25	August 7, 2025	8.4	40,376	-	-
October 13, 2015	$ 0.25	October 13, 2025	8.5	269,170	-	-
September 26, 2016	$ 0.68	September 26, 2026	9.5	1,083,030	-	-
October 27, 2016	$ 0.52	October 27, 2026	9.6	320,000	-	-
December 9, 2016	$ 0.78	December 9, 2026	9.7	125,000	85,000	0.9
January 6, 2017	$ 0.75	January 6, 2027	9.8	-	220,000	2.1
January 18, 2017	$ 0.79	January 18, 2027	9.8	-	253,125	1.3
				4,562,956	**558,125**	-

(d) Warrants

Changes in the number of warrants outstanding during the nine months ended March 31, 2017 are as follows:

	Number of warrants	Weighted average exercise price
Balance, beginning of period	-	$ -
Granted	7,725,763	0.82
Exercised	(481,648)	(0.35)
Balance, end of period	7,244,115	$ 0.85

8. Loss per share

Loss per share is the loss for the period divided by the weighted average number of shares outstanding during the period. Diluted loss per share is computed in accordance with the treasury stock method and based on weighted average number of shares and dilutive share equivalents. Shares reserved for issue were included in the weighted average number of shares. The number of shares outstanding prior to the Transaction (Note 5) has been adjusted for the Exchange Ratio. The outstanding stock options were excluded from the calculation of diluted loss per share because their effect was anti-dilutive.

(expressed in Canadian dollars)

9. Commitments

As at March 31, 2017, and in the normal course of business, the Company has obligations to make future payments representing contracts and other commitments that are known and committed as follows:

Contractual obligations payment due by fiscal period ending June 30:		
2017 remaining	$	21,305
2018		70,875
2019		12,600
2020		13,125
Thereafter		13,125
	$	131,030

10. Key management personnel compensation

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company. The Board of Directors, Chief Executive Officer, Chief Financial Officer, VP Finance, and beginning January 1, 2017, the Chief Business Officer are key management personnel.

In addition to their salaries, the Company also provides non-cash benefits and participation in the Stock Option Plan. The following table details the compensation paid to key management personnel:

	Three months ended March 31, 2017	Three months ended March 31, 2016	**Nine months ended March 31, 2017**	Nine months ended March 31, 2016
Salaries, fees and short-term benefits	**$ 223,466**	$ 43,002	**$ 577,477**	$ 131,009
Stock-based compensation	**52,139**	99,916	**833,270**	115,442
	$ 275,605	$ 142,918	**$ 1,410,747**	$ 246,451

Certain directors and key management personnel control 33% of the voting shares of the Company as at March 31, 2017 (June 30, 2016 – 66%).

11. Subsequent events

On April 11, 2017, the Company announced the appointment of Dr. Kevin Little as its Chief Scientific Officer. Upon hiring, the Company granted the officer 25,000 stock options exercisable at $0.74 per share. The options will vest in two tranches of 10,000 on April 10, 2018 and 15,000 on April 10, 2019. All options issued to the officer expire April 10, 2027.

Additionally, on April 11, 2017, the Company announced it has granted 33,000 stock options exercisable at $0.74 per share to recently hired employees. The options are subject to vesting periods in which 16,500 options will vest during each of April 2018 and April 2019.

On April 18, 2017, the Company announced the relocation of its corporate offices to the MaRS Discovery District, located in Toronto. The new address of registered office of the Company is: MaRS Centre, South Tower, 101 College Street, Suite 200, Toronto ON, M5G 1L7.

Subsequent to March 31, 2017, in connection with the warrants issued in note 7(ii), the Agents exercised 199,301 warrants at $0.35 per warrant for proceeds to the Company of $69,755.