
SENTERNET PHI GAMMA INC.
CONDENSED INTERIM FINANCIAL STATEMENTS
THREE MONTHS ENDED MARCH 31, 2019
(EXPRESSED IN CANADIAN DOLLARS)
(UNAUDITED)

Notice To Reader

The accompanying unaudited condensed interim financial statements of Senternet Phi Gamma Inc. (the "Company") have been prepared by and are the responsibility of management. The unaudited condensed interim financial statements have not been reviewed by the Company's auditors.

Senternet Phi Gamma Inc.
Condensed Interim Statements of Financial Position
(Expressed in Canadian Dollars)
Unaudited

	As at March 31, 2019	As at December 31, 2018
ASSETS		
Current assets		
Cash	\$ 89,544	\$ 105,724
Marketable securities	1	1
Total assets	\$ 89,545	\$ 105,725
LIABILITIES AND EQUITY (DEFICIENCY)		
Current liabilities		
Accounts payable and accrued liabilities	\$ 73,005	\$ 59,281
Sales tax payable	38,217	39,795
Total liabilities	111,222	99,076
Equity (Deficiency)		
Share capital (note 3)	3,845,851	3,845,851
Equity reserves (note 5)	82,538	82,538
Deficit	(3,950,066)	(3,921,740)
Total equity (deficiency)	(21,677)	6,649
Total liabilities and equity (deficiency)	\$ 89,545	\$ 105,725

The accompanying notes to the unaudited condensed interim financial statements are an integral part of these statements.

Nature of operations and going concern (note 1)

Subsequent event (note 8)

Senternet Phi Gamma Inc.**Condensed Interim Statements of Loss and Comprehensive Loss****(Expressed in Canadian Dollars)****Unaudited**

	Three Months Ended March 31, 2019	Three Months Ended March 31, 2018
Operating expenses		
Professional fees and corporate services	\$ 27,118	\$ 8,290
Transfer agent's fees and expenses (note 7)	1,208	1,200
	(28,326)	(9,490)
Net loss and comprehensive loss for the period	\$ (28,326)	\$ (9,490)
Basic and diluted net loss per share (note 6)	\$ (0.00)	\$ (0.00)
Weighted average number of common shares outstanding	500,485,248	55,485,248

The accompanying notes to the unaudited condensed interim financial statements are an integral part of these statements.

Senternet Phi Gamma Inc.
Condensed Interim Statements of Cash Flows
(Expressed in Canadian Dollars)
Unaudited

	Three Months Ended March 31, 2019	Three Months Ended March 31, 2018
Operating activities		
Net loss for the period	\$ (28,326)	\$ (9,490)
Adjustments for:		
Changes in non-cash working capital items:		
Amounts receivable	-	(1,228)
Accounts payable and accrued liabilities	13,724	9,323
Sales tax payable	(1,578)	-
Net cash used in operating activities	(16,180)	(1,395)
Financing activities		
Advances from (repayments to) related parties	-	3,574
Net cash provided by financing activities	-	3,574
Net change in cash	(16,180)	2,179
Cash, beginning of period	105,724	29
Cash, end of period	\$ 89,544	\$ 2,208

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Senternet Phi Gamma Inc.

Condensed Interim Statements of Changes in Shareholders' Equity (Deficiency)

(Expressed in Canadian Dollars)

Unaudited

	Share Capital		Equity	Deficit	Total
	Number	Amount	reserve		
Balance, December 31, 2017	55,485,248	\$ 3,490,889	\$ -	\$ (3,650,458)	\$ (159,569)
Net (loss) and comprehensive (loss) for the period	-	-	-	(9,490)	(9,490)
Balance, March 31, 2018	55,485,248	\$ 3,490,889	\$ -	\$ (3,659,948)	\$ (169,059)
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Balance, December 31, 2018	500,485,248	\$ 3,845,851	\$ 82,538	\$ (3,921,740)	\$ 6,649
Net (loss) and comprehensive (loss) for the period	-	-	-	(28,326)	(28,326)
Balance, March 31, 2019	500,485,248	\$ 3,845,851	\$ 82,538	\$ (3,950,066)	\$ (21,677)

The accompanying notes to the unaudited condensed interim financial statements are an integral part of these statements.

Senternet Phi Gamma Inc.
Notes to Condensed Interim Financial Statements
Three Months Ended March 31, 2019
(Expressed in Canadian Dollars)
Unaudited

1. Nature of operations and going concern

Senternet Phi Gamma Inc. (the "Company") was incorporated under the Business Corporations Act (Ontario) on March 28, 1967 as Northville Explorations Ltd. On January 22, 2014 the Company changed its name to its present name. The Company currently has no business activity and is focused on identifying a new project. The head office of the Company is located at 501-80 Richmond Street West, Toronto, Ontario M5H 2A4.

The financial statements have been prepared on the basis of the going concern assumption, meaning the Company will be able to realize its assets and discharge its liabilities in the normal course of operations. The Company incurred a net loss of \$28,326 for the three months ended March 31, 2019 and as of that date the Company had cash of \$89,544, and a deficit of \$3,950,066.

Given that the Company has not generated any ongoing income nor cash flows from operations, there is significant doubt regarding the Company's ability to continue as a going concern. The Company's ability to continue as a going concern is dependent upon its ability to raise additional financing and to establish profitable operations (see note 8). The carrying amount of assets, liabilities, revenues and expenses presented in the financial statements have not been adjusted as would be required if the going concern assumption was not appropriate.

2. Significant accounting policies

Statement of compliance

The Company applies International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC"). These unaudited condensed interim financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting. Accordingly, they do not include all of the information required for full annual financial statements required by IFRS as issued by IASB and interpretations issued by IFRIC.

The policies applied in these unaudited condensed interim financial statements are based on IFRSs issued and outstanding as of May 30, 2019, the date the Board of Directors approved the statements. The same accounting policies and methods of computation are followed in these unaudited condensed interim financial statements as compared with the most recent annual financial statements as at and for the year ended December 31, 2018, except as noted below. Any subsequent changes to IFRS that are given effect in the Company's annual financial statements for the year ending December 31, 2019 could result in restatement of these unaudited condensed interim financial statements.

Senternet Phi Gamma Inc.
Notes to Condensed Interim Financial Statements
Three Months Ended March 31, 2019
(Expressed in Canadian Dollars)
Unaudited

2. Significant accounting policies (continued)

Adoption of new accounting standards

IFRS 16 Leases (“IFRS 16”)

IFRS 16 was issued in January 2016 and it replaces IAS 17 Leases. IFRS 16 requires entities to recognize lease assets and lease obligations on the balance sheet. IFRS 16 eliminates the classification of leases as either operating leases or finance leases for a lessee. Instead leases are “capitalized” by recognizing the present value of the lease payments and showing them either as lease assets (right-of-use assets) or together with property, plant and equipment. If lease payments are made over time, a company also recognizes a financial liability representing its obligations to make future lease payments. IFRS 16 is effective for fiscal periods beginning on or after January 1, 2019. Based on the Company's assessment, the Company has determined that this standard did not have a significant impact on its financial statements.

IFRIC 23 – Uncertainty Over Income Tax Treatments (“IFRIC 23”)

IFRIC 23 was issued in June 2017 and clarifies the accounting for uncertainties in income taxes. The interpretation committee concluded that an entity shall consider whether it is probable that a taxation authority will accept an uncertain tax treatment. If an entity concludes it is probable that the taxation authority will accept an uncertain tax treatment, then the entity shall determine taxable profit (tax loss), tax bases, unused tax losses and credits or tax rates consistently with the tax treatment used or planned to be used in its income tax filings. If an entity concludes it is not probable that the taxation authority will accept an uncertain tax treatment, the entity shall reflect the effect of uncertainty in determining the related taxable profit (tax loss), tax bases, unused tax losses and credits or tax rates. IFRIC 23 is effective for annual periods beginning on or after January 1, 2019. Based on the Company's assessment, the Company has determined that this interpretation did not have a significant impact on its financial statements.

New standards not yet adopted and interpretations issued but not yet effective

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods commencing on or after January 1, 2019. Many are not applicable or do not have a significant impact to the Company and have been excluded. The following have not yet been adopted and are being evaluated to determine their impact on the Company.

IAS 1 – Presentation of Financial Statements (“IAS 1”) and IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors (“IAS 8”) were amended in October 2018 to refine the definition of materiality and clarify its characteristics. The revised definition focuses on the idea that information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements. The amendments are effective for annual reporting periods beginning on or after January 1, 2020. Earlier adoption is permitted. Based on the Company's assessment, the Company has determined that this standard will not have a significant impact on its financial statements.

Senternet Phi Gamma Inc.
Notes to Condensed Interim Financial Statements
Three Months Ended March 31, 2019
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3. Share capital

a) Authorized share capital

The authorized share capital consisted of unlimited number of common shares.

b) Common shares issued

	Number of common shares	Amount
Balance, December 31, 2017 and March 31, 2018	55,485,248	\$ 3,490,889
Balance, December 31, 2018 and March 31, 2019	500,485,248	\$ 3,845,851

4. Stock options

The Company maintains a share option plan (the "Plan") for the benefit of management, directors, officers, employees, and service providers. The Plan provides that the aggregate number of common shares available for issuance pursuant to options granted under the Plan is limited to 5,000,000 common shares. In general, the maximum number of common shares reserved for issuance in respect of any one individual may not exceed 5% or in respect of insiders of the Company, may not exceed 10% of the number of common shares issued and outstanding.

Options are granted under the Plan at the discretion of the Board of Directors at exercise prices determined as trading prices of the Company's common shares on the day preceding the effective date of the grant. In general, options granted under the Plan vest over a period of up to a maximum of five years from the grant date and expire no later than the fifth anniversary of the grant date

	Number of stock options	Weighted average exercise price
Balance, December 31, 2017, March 31, 2018 and March 31, 2019	1,500,000	\$ 0.05

Senternet Phi Gamma Inc.
Notes to Condensed Interim Financial Statements
Three Months Ended March 31, 2019
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4. Stock options

The following table reflects the actual stock options issued and outstanding as of March 31, 2019:

Expiry date	Exercise price (\$)	Weighted average remaining contractual life (years)	Number of options outstanding	Number of options vested (exercisable)
April 7, 2019	0.05	0.02	1,500,000	1,500,000

The 1,500,000 options were issued to a service provider at an exercise price of \$0.05 expiring on April 7, 2019. 375,000 options vested in equal amounts on April 7, 2014, October 7, 2014 and April 7, 2015 and a further 375,000 options vested on October 7, 2015. These options are currently outstanding as of the financial statement date and the value of these options have been determined to have only nominal value.

The share options were priced using the Black-Scholes option-pricing model as at the date of the grant assuming a five year term to maturity with an expected volatility 103%, an expected dividend yield of 0% and a risk free interest rate of 0.59%.

5. Warrants

	Number of warrants	Amount
Balance, December 31, 2017 and March 31, 2018	-	\$ -
Balance, December 31, 2018 and March 31, 2019	445,000,000	\$ 82,538

The following table reflects the warrants issued and outstanding as of March 31, 2019:

Expiry date	Exercise price (\$)	Number of warrants
November 4, 2019	0.002	445,000,000

Senternet Phi Gamma Inc.
Notes to Condensed Interim Financial Statements
Three Months Ended March 31, 2019
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6. Income (loss) per share

For the three months ended March 31, 2019, basic and diluted income (loss) per share has been calculated based on the loss attributable to common shareholders of \$28,326 (three months ended March 31, 2018 - loss of \$9,490) and the weighted average number of common shares outstanding of 500,485,248 (three months ended March 31, 2018 - 55,485,248). Diluted loss per share did not include the effect of stock options and warrants as they are antidilutive for the three months ended March 31, 2019.

7. Related party transactions

The following are balances with related parties:

(i) Heritage Transfer Agency Inc., a company controlled by a former director of the Company, had advances due on demand, and were unsecured and non-interest bearing. The amount of \$99,729 was fully repaid during the year ended December 31, 2018.

(ii) The advances from a former director were unsecured with no stated terms of repayment. The amount of \$49,208 was fully repaid during the year ended December 31, 2018.

For the three months ended March 31, 2019, the Company incurred \$nil (three months ended March 31, 2018- \$1,200) with Heritage for transfer agency services and corporate services.

8. Subsequent events

(i) On January 8, 2019, the Company entered into a non-binding letter of intent with Cura Partners, Inc. ("Cura Partners") (the "LOI"). The LOI outlines certain mutual understandings and principal terms and conditions pursuant to which the Company and Cura Partners intend to effect a possible transaction that will result in a reverse takeover of the Company by the shareholders of Cura Partners and the listing of the Company's common shares on the Canadian Securities Exchange (the "CSE") (the "Transaction"). Subsequent to the period ended March 31, 2019, the LOI was cancelled.

(ii) On April 7, 2019, the 1,500,000 outstanding stock options expired unexercised.