PUDO INC.

(formerly "Grandview Gold Inc.")

CONSOLIDATED FINANCIAL STATEMENTS

YEARS ENDED MAY 31, 2015 AND 2014

McGovern, Hurley, Cunningham, LLP
Chartered Accountants

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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of PUDO Inc. (formerly "Grandview Gold Inc.")

We have audited the accompanying consolidated financial statements of PUDO Inc. and its subsidiaries, which comprise the consolidated statements of financial position as at May 31, 2015 and 2014, and the consolidated statements of loss and comprehensive loss, consolidated statements of changes in shareholders' deficit and consolidated statements of cash flows for the years then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of PUDO Inc. and its subsidiaries as at May 31, 2015 and 2014, and their financial performance and cash flows for the years then ended in accordance with International Financial Reporting Standards.

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 1 in the consolidated financial statements which indicates that the Company had continuing losses during the year ended May 31, 2015 and a working capital deficit as at May 31, 2015. These conditions along with other matters set forth in Note 1 indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

McGOVERN, HURLEY, CUNNINGHAM, LLP

McGovern, Hurley, Cunningham, LLP

Chartered Accountants
Licensed Public Accountants

TORONTO, Canada
September 16, 2015

Pudo Inc.

(formerly "Grandview Gold Inc.")

Consolidated Statements of Financial Position

(Expressed in Canadian Dollars)

As at	May 31, 2015	May 31, 2014
Assets		
Current		
Cash	**$ 14,703**	$ 13
HST and sundry receivables	**1,310**	8,554
Exploration and evaluation assets held for sale (Note 5)	**110,000**	-
Total assets	**$ 126,013**	$ 8,567
Liabilities		
Current		
Accounts payable and accrued liabilities (Notes 6 and 12)	**$ 288,732**	$ 200,019
Advances payable (Note 7)	**118,784**	11,025
Total liabilities	**407,516**	211,044
Shareholders' deficit	**(281,503)**	(202,477)
Total liabilities and shareholders' deficit	**$ 126,013**	$ 8,567

Nature of operations and going concern (Note 1)
Contingencies (Note 15)
Subsequent events (Note 16)

Approved by the Board of Directors:

"Richard Cooper"
Director

"Tom Bijou"
Director

The accompanying notes are an integral part of these consolidated financial statements.

Pudo Inc.

(formerly "Grandview Gold Inc.")

Consolidated Statements of Loss and Comprehensive Loss

(Expressed in Canadian Dollars)

	Year Ended May 31, 2015	Year Ended May 31, 2014
Expenses		
General and administration (Note 13)	**$ 189,026**	$ 114,953
Reversal of impairment of exploration and evaluation assets (Note 5)	**(110,000)**	-
Net loss and comprehensive loss for the year	**$ (79,026)**	$ (114,953)
Loss per share - basic and diluted (Note 10)	**$ (0.02)**	$ (0.03)
Weighted average number of shares outstanding - basic and diluted	**4,058,152**	4,058,152

The accompanying notes are an integral part of these consolidated financial statements.

Pudo Inc.

(formerly "Grandview Gold Inc.")

Consolidated Statements of Changes in Shareholders' Deficit

(Expressed in Canadian Dollars)

	Share Capital (Note 8)	Equity Settled Share Based Payments Reserve (Note 9)	Deficit	Total
Balance, May 31, 2013	**$ 16,533,842**	**$ 8,982,005**	**$ (25,603,371)**	**$ (87,524)**
Net loss for the year	-	-	(114,953)	(114,953)
Balance, May 31, 2014	**16,533,842**	**8,982,005**	**(25,718,324)**	**(202,477)**
Net loss for the year	-	-	(79,026)	(79,026)
Balance, May 31, 2015	**$ 16,533,842**	**$ 8,982,005**	**$ (25,797,350)**	**$ (281,503)**

The accompanying notes are an integral part of these consolidated financial statements.

Pudo Inc.

(formerly "Grandview Gold Inc.")

Consolidated Statements of Cash Flows

(Expressed in Canadian Dollars)

	Year Ended May 31, 2015	Year Ended May 31, 2014
Cash flows used in operating activities		
Net loss for the year	**$ (79,026)**	$ (114,953)
Reversal of impairment of exploration and evaluation assets	**(110,000)**	-
Net change in non-cash working capital:		
HST and sundry receivables	**7,244**	(484)
Accounts payable and accrued liabilities	**88,713**	87,238
Cash flows used in operating activities	**(93,069)**	(28,199)
Cash flows provided by financing activity		
Advances payable	**107,759**	11,025
Cash flows provided by financing activity	**107,759**	11,025
Change in cash during the year	**14,690**	(17,174)
Cash, beginning of year	**13**	17,187
Cash, end of year	**$ 14,703**	$ 13

The accompanying notes are an integral part of these consolidated financial statements.

1. Nature of Operations and Going Concern

Pudo Inc. (formerly "Grandview Gold Inc. (the "Company") was a gold exploration company focused on exploring and developing gold properties in gold camps of North and South America. The Company was incorporated under the laws of the Province of Ontario. To date, the Company has not earned significant revenues from gold exploration and was considered to be in the exploration and evaluation stage. Subsequent to May 31, 2015, the Company acquired all of the shares of My Courier Depot Inc. ("MCD") and will carry on the business of providing courier services (see Note 16). The primary office of the Company is located at 400 Brunel Road, Mississauga, Ontario, L4Z 2C2.

The consolidated financial statements were approved by the Board of Directors on September 16, 2015.

These consolidated financial statements were prepared on a going concern basis of presentation, which assumes that the Company will continue operations for the foreseeable future and be able to realize the carrying value of its assets and discharge its liabilities and commitments in the normal course of business. To date, the Company has not earned revenue and has an accumulated deficit of $25,797,350 as at May 31, 2015 (May 31, 2014 - $25,718,324). As at May 31, 2015, the Company had cash of $14,703 (May 31, 2014 - $13) and a working capital deficit of $281,503 (May 31, 2014 - working capital deficit of $202,477). The Company’s ability to continue as a going concern is dependent upon its ability to obtain additional financing and or achieve profitable operations in the future. Management is aware, in making its assessment, of material uncertainties related to events or conditions that cast significant doubt upon the Company's ability to continue as a going concern. These consolidated financial statements do not reflect adjustments that would be necessary if the going concern assumption were not appropriate. These adjustments could be material.

Management is actively pursuing funding options, being financing and alternative funding options, required to meet the Company's requirements on an ongoing basis. To meet the challenges of the current climate in the financial markets, the Company has been minimizing its expenditures.

2. Significant Accounting Policies

Statement of Compliance

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board (“IASB”) and interpretations issued by the IFRS Interpretations Committee of the IASB ("IFRIC"). The policies set out below have been consistently applied to all periods presented, except where disclosed below. These consolidated financial statements have been prepared on a historical cost basis. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting except for cash flow information.

Basis of Consolidation

The consolidated financial statements incorporate the financial statements of the Company and its wholly owned subsidiaries, Grandview Gold (USA) Inc. ("Grandview USA"), and Recuperacion Realzada S.A.C. ("Recuperacion"). All intercompany transactions, balances, income and expenses are eliminated upon consolidation. Subsidiaries consist of entities over which the Company is exposed to, or has rights to, variable returns as well as the ability to affect those returns through the power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date control is transferred to the Company and are de-consolidated from the date control ceases.

2. Significant Accounting Policies (Continued)

Financial Instruments

Financial Assets
All financial assets are recognized and derecognized on the trade date where the purchase or sale of a financial asset is under a contract whose terms require delivery of the financial asset within the time frame established by the market concerned, and are initially measured at fair value, plus transaction costs, except for financial assets classified as at fair value through profit or loss where transaction costs are expensed as incurred.

Financial assets are classified into the following categories: financial assets at 'fair value through profit or loss' ("FVTPL") and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Financial assets are classified as FVTPL when acquired principally for the purpose of trading, if so designated by management (fair value option), or if they are derivative assets that are not part of an effective and designated hedging relationship. Financial assets classified as FVTPL are measured at fair value, with changes recognized in the consolidated statements of loss.

Loans and receivables are non-derivative financial assets that have fixed or determinable payments and are not quoted in an active market. Subsequent to initial recognition, loans and receivables are carried at amortized cost using the effective interest method.

Impairment of financial assets:
Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial assets, the estimated future cash flows of the investments have been negatively impacted. Evidence of impairment could include: significant financial difficulty of the issuer or counterparty; or default or delinquency in interest or principal payments; or the likelihood that the borrower will enter bankruptcy or financial reorganization.

Financial Liabilities
Financial liabilities are classified as 'other financial liabilities' and are initially measured at fair value, net of transaction costs. Financial liabilities are subsequently measured at amortized cost using the effective interest method, with interest recognized on an effective yield basis.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest costs over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability or to the net carrying amount on initial recognition.

De-recognition of financial liabilities:
The Company derecognizes financial liabilities when the obligations are discharged, cancelled or expire.

2. Significant Accounting Policies (Continued)

Financial Instruments (Continued)

The Company's financial instruments consist of the following:

Financial Assets:	Classification:
Cash	Loans and receivables
Sundry receivables	Loans and receivables

Financial Liabilities:	Classification:
Accounts payable and accrued liabilities	Other financial liabilities
Advances payable	Other financial liabilities

Financial Instruments Recorded at Fair Value
Financial instruments recorded at fair value on the consolidated statements of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels: Level 1 - valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities; Level 2 - valuation techniques based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and Level 3 - valuation techniques using inputs for the asset or liability that are not based on observable market data (unobservable inputs). As at May 31, 2015 and 2014, the Company did not have any financial instrument recorded at fair value.

Exploration and Evaluation Property Interests

The Company is in the exploration and evaluation stage with respect to its investment in exploration and evaluation properties and accordingly follows the policy of capitalizing costs relating to the acquisition of, exploration for and evaluation of mineral properties. Such costs include, but are not exclusive to, geological, geophysical studies, exploratory drilling and sampling. Exploration and evaluation costs incurred before the Company has a legal right to explore are expensed as incurred. The aggregate costs related to abandoned exploration and evaluation properties are charged to operations at the time of any abandonment or when it has been determined that there is evidence of impairment. An impairment charge relating to an exploration and evaluation property is subsequently reversed when new exploration results or actual or potential proceeds on sale or farmout of the property result in a revised estimate of the recoverable amount but only to the extent that this does not exceed the original carrying value of the property that would have resulted if no impairment had been recognized.

Impairment indicators for exploration and evaluation assets include the ending of rights to explore, abandoning plans to explore a mineral property, a lack of discovery of economically recoverable reserves on completion of exploration and evaluation activities and on future production or proceeds of disposition.

All capitalized exploration and evaluation expenditures are monitored for indications of impairment. Where a potential impairment is indicated, assessments are performed for each area of interest. To the extent that exploration expenditures are not expected to be recovered, it is charged to the results of operations. Exploration areas where reserves have been discovered, but require major capital expenditure before production can begin, are continually evaluated to ensure that commercial quantities of reserves exist or to ensure that additional exploration work is carried out.

2. Significant Accounting Policies (Continued)

Assets held for sale

Non-current assets are classified as held-for-sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

Such assets are generally measured at the lower of their carrying amount and fair value less costs to sell. Impairment losses on initial classification as held-for-sale and subsequent gains and losses on remeasurement are recognized in operations.

Cash

Cash in the consolidated statements of financial position comprise cash at banks and on hand. The Company's cash is invested with major financial institutions in business accounts and higher yield investment and savings accounts that are available on demand by the Company for its programs.

Share Based Payment Transactions

The fair value of share options granted to employees is recognized as an expense over the vesting period with a corresponding increase in equity. An individual is classified as an employee when the individual is an employee for legal or tax purposes (direct employee) or provides services similar to those performed by a direct employee, including directors of the Company.

Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders the service.

The fair value is measured at the grant date and recognized over the period during which the options vest. The fair value of the options granted is measured using the Black-Scholes option-pricing model, taking into account the terms and conditions upon which the options were granted. At each financial position reporting date, the amount recognized as an expense is adjusted to reflect the actual number of share options that are expected to vest.

Flow Through Shares

Under Canadian income tax legislation, a company is permitted to issue flow-through shares whereby the Company agrees to incur qualifying expenditures and renounce the related income tax deductions to the investors. For accounting purposes, the proceeds from issuance of these shares are allocated between the offering of shares and the sale of tax benefits. The allocation is made based on the difference between the quoted price of the existing shares and the amount the investor pays for the shares. The resource expenditure deductions for income tax purposes related to exploration and development activities funded by flow through share arrangements are renounced to investors in accordance with tax legislation. Under the liability method of accounting for income taxes, the deferred income tax liability related to the temporary difference arising at the earlier of renunciation and when the qualifying expenditures are incurred, are recorded at that time together with a corresponding recognition of the premium in the consolidated statement of loss.

Share Issuance Costs

Share issuance costs are recorded as a reduction of share capital.

2. Significant Accounting Policies (Continued)

Income Taxes

Income tax expenses are comprised of current and deferred tax. Current tax and deferred tax are recognized in profit or loss except to the extent that it relates to a business combination, or items recognized directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future. In addition, deferred tax is not recognized for taxable temporary differences arising on the initial recognition of goodwill. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Provisions

A provision is recognized when the Company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and the amount of the obligation can be reliably estimated. Provisions are determined by discounting the expected future cash flows, required to settle the obligation at a risk-free, pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

<u>Provision for Environmental Rehabilitation</u>
A legal or constructive obligation to incur restoration, rehabilitation and environmental costs may arise when environmental disturbance is caused by the exploration, development or ongoing production of a mineral property interest. Such costs arising from the decommissioning of plant and other site preparation work, discounted to their net present value, are provided for and capitalized at the start of each project to the carrying amount of the asset, as soon as the obligation to incur such costs arises. Discount rates using a risk-free, pretax rate that reflects the time value of money are used to calculate the net present value. These costs are charged against profit or loss over the economic life of the related asset, through amortization using either a unit-of-production or the straight-line method as appropriate. The related liability is adjusted for each period for the unwinding of the discount rate and for changes to the current market based discount rate, amount or timing of the underlying cash flows needed to settle the obligation. Costs for restoration of subsequent site damage that is created on an ongoing basis during production are provided for at their net present values and charged against profits as extraction progresses.

2. Significant Accounting Policies (Continued)

Basic and Diluted Loss Per Share

Basic loss per share is computed by dividing the net loss for the year by the weighted-average number of common shares outstanding during the year, including contingently issuable shares which are included when the conditions necessary for issuance have been met. Diluted loss per share is calculated in a manner similar to basic loss per share, except the weighted-average shares outstanding are increased to include potential common shares from the assumed exercise of options and warrants, if dilutive.

Foreign Currencies

The functional currency of the Company and each of its subsidiaries, Grandview USA and Recuperacion, is determined to be the Canadian Dollar. Management makes its assessment by considering first the primary indicators (expenses) of the economic environment in which each group entity operates and, if inconclusive, assessing secondary indicators (financing activities and funds receipts are stored in). For the non-Canadian entities, expenses are in various currencies and as such, management has considered the currency of the financing of the subsidiaries as a key indicator being the Canadian dollar. The consolidated financial statements are expressed in Canadian Dollars, the presentation currency.

Transactions in currencies other than the functional currency are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the period end exchange rates are recognized in the consolidated statement of loss and comprehensive loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Equity is translated at historical rates.

Significant Accounting Judgments and Estimates

The preparation of these consolidated financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. These consolidated financial statements include estimates that, by their nature, are uncertain. The impacts of such 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 future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

2. Significant Accounting Policies (Continued)

Critical Accounting Estimates

Significant assumptions about the future that management has made that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

Recoverability of Exploration and Evaluation Property Interests
Management is required to make judgments about whether triggering events exist in relation to its exploration and evaluation property interests. Such judgments include the future plans and budgets to undertake exploration and evaluation activity. When there are indications that an asset may be impaired, management is required to estimate the asset's recoverable amount. The recoverable amount is the greater of the value in use and the fair value less selling costs. Determining the value in use requires management to estimate expected future cash flows associated with the assets and a suitable discount rate in order to calculate the present value. Determining the fair value less costs to sell requires management to estimate expected market conditions to evaluate the price at which it would be able to realize its assets in an arms length transaction. This is subject to estimates and judgmental related to mining assets in the exploration and evaluation stage including the Company's right to mine, results of exploration activities and managements planned expenditures. Based on management's assessment, the Company's non-financial assets were impaired as of May 31, 2013 and the Company had written-off its exploration and evaluation property interests in the amount of $5,235,841. During the year ended May 31, 2015, an impairment reversal in the amount of $110,000 was recorded to reflect the cash proceeds received from the sale of certain property interests subsequent to the year-end.

Share-Based Compensation and Warrants
Management is required to make certain estimates when determining the fair value of stock option awards, warrants and the number of awards that are expected to vest. These estimates affect the amount recognized as share-based compensation in the consolidated statements of loss and comprehensive loss, as well as warrants in the consolidated statements of changes in shareholders' deficit, based on estimates of forfeiture, expected lives of the underlying stock options and warrants and volatility. For the years ended May 31, 2015 and 2014, the Company recognized $nil share-based compensation expense and issued $nil in warrants.

Critical Accounting Judgments

Income Taxes and Recovery of Deferred Tax Assets
The measurement of income taxes payable and deferred income tax assets and liabilities requires management to make judgments in the interpretation and application of the relevant tax laws. The actual amount of income taxes only becomes final upon filing and acceptance of the tax return by the relevant authorities, which occurs subsequent to the issuance of the financial statements.

Going Concern
The assessment of the Company's ability to continue as a going concern involves judgment regarding future funding available for its operations and working capital requirements as discussed in Note 1.

2. Significant Accounting Policies (Continued)

New Accounting Standards and Interpretations

IAS 32 Financial Instruments: Presentation ("IAS 32")
IAS 32 was amended by the IASB in December 2011 to clarify certain aspects of the requirements on offsetting. The amendments focus on the criterion that an entity currently has a legally enforceable right to set off the recognized amounts and the criterion that an entity intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. On June 1, 2014, the Company adopted this amendment and there was no material impact on the Company's consolidated financial statements.

IAS 39 Financial Instruments: Recognition and Measurement ("IAS 39")
In June 2013, the IASB issued a narrow scope amendment to IAS 39. Under the amendment, there would be no need to discontinue hedge accounting if a hedging derivative was notated, provided that certain criteria are met. On June 1, 2014, the Company adopted this amendment and there was no material impact on the Company's consolidated financial statements.

IFRIC 21 Levies ("IFRIC 21")
The IASB issued IFRIC 21, an interpretation of IAS 37 Provisions, Contingent Liabilities and Contingent Assets ("IAS 37"), on the accounting for levies imposed by governments. IAS 37 sets out criteria for the recognition of a liability, one of which is the requirement for the entity to have a present obligation as a result of a past event ("Obligating Event"). IFRIC 21 clarifies that the Obligating Event that gives rise to a liability to pay a levy is the activity described in the relevant legislation that triggers the payment of the levy. On June 1, 2014, the Company adopted this pronouncement and there was no material impact on the Company's consolidated financial statements.

IFRS 2 Share-based Payment ("IFRS 2")
The amendments to IFRS 2, issued in December 2013 clarify the definition of "vesting conditions", and separately define a "performance condition" and a "service condition". A performance condition requires the counterparty to complete a specified period of service and to meet a specified performance target during the service period. A service condition solely requires the counterparty to complete a specified period of service. The amendments are effective for share-based payment transactions for which the grant date is on or after July 1, 2014. On June 1, 2014, the Company adopted this amendment and there was no material impact on the Company's consolidated financial statements.

Future Accounting Changes

IAS 1 – Presentation of Financial Statements ("IAS 1")
IAS 1 was amended in December 2014 in order to clarify, among other things, that information should not be obscured by aggregating or by providing immaterial information, that materiality consideration apply to all parts of the financial statements and that even when a standard requires a specific disclosure, materiality considerations do apply. The amendments are effective for annual periods beginning on or after January 1, 2016. Earlier adoption permitted. The Company is in the process of assessing the impact of this pronouncement.

IFRS 9 Financial Instruments ("IFRS 9")
IFRS 9 was issued by the IASB in October 2010 and will replace IAS 39 Financial Instruments: Recognition and Measurement ("IAS 39"). IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward unchanged to IFRS 9. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. IFRS 9 will be effective as at January 1, 2018. Earlier adoption is permitted. The Company is in the process of assessing the impact of this pronouncement.

2. Significant Accounting Policies (Continued)

Future Accounting Changes (Continued)

IFRS 13 Fair Value Measurement ("IFRS 13")
IFRS 13 is a comprehensive standard for fair value measurement and disclosure requirements for use across all IFRS standards. 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. The amendments are effective for annual periods beginning on or after July 1, 2014. The Company is in the process of assessing the impact of this pronouncement.

IAS 24 Related Party Disclosures (“IAS 24”)
The amendments to IAS 24, issued in December 2013, clarify that a management entity, or any member of a group of which it is a part, that provides key management services to a reporting entity, or its parent, is a related party of the reporting entity. The amendments also require an entity to disclose amounts incurred for key management personnel services provided by a separate management entity. This replaces the more detailed disclosure by category required for other key management personnel compensation. The amendments will only affect disclosure and are effective for annual periods beginning on or after July 1, 2014. The Company is in the process of assessing the impact of this pronouncement.

3. Capital Management

The Company considers its capital structure to consist of share capital, warrant reserve, equity settled share-based payments reserve and accumulated deficit. When managing capital, the Company’s objective is to ensure the entity continues as a going concern as well as to achieve optimal returns to shareholders and benefits for other stakeholders. Management adjusts the capital structure as necessary in order to support the acquisition, exploration and evaluation of its exploration and evaluation property interests. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management team to sustain the future development of the business.

The Company is currently in the exploration and evaluation stage. As such the Company is dependent on external financing to fund its activities. In order to carry out the planned exploration program and pay for administrative costs, the Company will spend its existing working capital and raise additional amounts when economic conditions permit it to do so. Management has chosen to mitigate the risk and uncertainty associated with raising additional capital within current economic conditions by:

i) minimizing discretionary disbursements;
ii) reducing or eliminating exploration expenditures which are of limited strategic value; and
iii) exploring alternate sources of liquidity.

In light of the above, the Company will continue to assess new properties and seek to acquire an interest in additional properties if it believes there is sufficient potential and if it has adequate financial resources to do so.

The Company's capital management objectives, policies and processes have remained unchanged during the year ended May 31, 2015. The Company is not subject to any capital requirements imposed by a lending institution.

4. Financial Risk Factors

The Company’s activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk (including interest rate, foreign currency and price risk).

Risk management is carried out by the Company's management team with guidance from the Audit Committee under policies approved by the Board of Directors. The Board of Directors also provides regular guidance for overall risk management.

Credit Risk
Credit risk is the risk of loss associated with a counterparty’s inability to fulfill its payment obligations. The Company has more exposure to credit risk associated with cash and sundry receivable. Cash is held with a Canadian chartered bank, from which management believes the risk of loss to be minimal.

Management believes that the credit risk concentration with respect to financial instruments included in sundry receivables is minimal.

Liquidity Risk
The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at May 31, 2015, the Company had a cash balance of $14,703 (2014 - $13) to settle current liabilities of $407,516 (2014 - $211,044). All of the Company's financial liabilities have contractual maturities of less than 30 days and are subject to normal trade terms. The Company is currently searching for financing alternatives.

In light of the Company's current cash levels, the Company is reducing its expenditures until financing events are realized.

Market Risk
Market risk is the risk of loss that may arise from changes in interest rates, foreign exchange rates and commodity prices.

(a) Interest Rate Risk
The Company has cash balances and no interest-bearing debt.

(b) Foreign Currency Risk
The foreign exchange risk derived from currency conversions is negligible and the Company does not hold significant balances in foreign currencies, therefore the Company does not hedge its foreign exchange risk.

(c) Price Risk
The Company is not exposed to price risk with respect to commodity prices as the Company is currently in the exploration and evaluation stage and does not earn revenues. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices, as they relate to gold to determine the appropriate course of action to be taken by the Company in the future.

4. Financial Risk Factors (Continued)

Sensitivity Analysis

As of May 31, 2015 and 2014, the carrying and fair value amounts of the Company's financial instruments are approximately equivalent, due to their short term nature.

The sensitivity analysis shown in the notes below may differ materially from actual results.

Based on management's knowledge and experience of the financial markets, the Company believes the following movements are "reasonably possible" over a twelve month period:

(i) Commodity price risk could adversely affect the Company. In particular, the Company’s future profitability and viability of development depends upon the world market price of gold. Gold has fluctuated widely in recent years. There is no assurance that, even as commercial quantities of gold may be produced in the future, a profitable market will exist for gold. A decline in the market price of gold may also require the Company to reduce its exploration and evaluation property interests, which could have a material and adverse effect on the Company’s value. As of May 31, 2015 and 2014, the Company was not a gold producer. As a result, commodity price risk may affect the completion of future equity transactions such as equity offerings and the exercise of stock options and warrants. This may also affect the Company's liquidity and its ability to meet its ongoing obligations.

5. Exploration and Evaluation Property Interests

(a) Red Lake Gold Camp, Ontario, Canada

(i) The Company owns a 100% interest in certain claims located in the Red Lake Area, District of Kenora, in Northwestern Ontario.

(ii) On October 18, 2005, the Company signed a definitive option agreement with Frontee Development Group Inc. (“Fronteer”) for Fronteer’s Dixie Lake Property (the “Dixie Lake”) located in Ontario’s Red Lake Gold District on the following terms and conditions:

(a) the Company shall earn a 51% interest in the Dixie Lake by incurring exploration expenditures of $300,000 (completed), assuming payments totaling $75,000 to the underlying property vendor; and

(b) issuing 160,000 shares of the Company at $1.25 per share for a total value of $200,000, to a third party as a finder’s fee (issued).

On October 17, 2007, the Company announced that it has fulfilled the terms of its option agreement with Fronteer relating to the Company’s right to earn an undivided 51% interest in Dixie Lake.

(Expressed in Canadian Dollars)

5. Exploration and Evaluation Property Interests (Continued)

(a) Red Lake Gold Camp, Ontario, Canada (Continued)

Under the terms of an option agreement with Fronteer, dated August 26, 2005, the Company had a right to earn an undivided 51% interest in the Dixie Lake Property by spending US$300,000 over three years, making $75,000 in cash payments and issuing 40,000 shares to the underlying vendor. The Company presented a detailed accounting of its US$1,711,000 exploration program completed to date, as well as plans for exploration moving forward. Fronteer accepted in writing, the Company's earn-in, as per the terms of the option agreement. As at May 31, 2015, the Company has earned a 67% participating interest in the Dixie Lake Property.

(iii) On September 11, 2008, the Company reported that it had incurred the expenditures required to successfully fulfill the terms of its option agreement with EMCO SA, ("EMCO") to earn a 60% undivided interest in the Sanshaw-Bonanza property.

(iv) On April 28, 2010, the Company announced that, through a series of cash and share payments it had:

1. acquired the remaining 40% interest in its Sanshaw-Bonanza property in the Red Lake Gold District of Ontario from EMCO;
2. acquired four additional claims which are contiguous to the property from Perry English ("English"); and
3. reduced the existing NSR on the property, so that the Company now holds a 100% interest in and to the property, subject only to 0.375% NSR.

On May 31, 2013, the Company decided not to proceed with exploration on the Red Lake Gold Camp properties and wrote-off $4,884,427 of project expenditures.

During the year ended May 31, 2015, an impairment reversal in the amount of $110,000 was recorded to reflect the cash proceeds received from the sale of certain property interests subsequent to the year-end.

(b) Rice Lake Gold Camp, Manitoba, Canada

During the year ended year ended May 31, 2011, the Company disposed of its 100% interest in the Bissett Property within its Rice Lake Gold Camp for $2,000. The Company received a 1% NSR on the disposed property.

As of May 31, 2015, accumulated costs with respect to the Company's exploration and evaluation property interests, consisted of the following:

Exploration and Evaluation Property Interests	
Balance, May 31, 2012	**$ 5,225,781**
Additions	10,060
Impairment of exploration and evaluation property interests	(5,235,841)
Balance, May 31, 2013 and 2014	**-**
Reversal of impairment of Red Lake Gold Camp	110,000
Balance, May 31, 2015	**$ 110,000**

(Expressed in Canadian Dollars)

6. Accounts Payable and Accrued Liabilities

Amounts payable and other liabilities of the Company are principally comprised of amounts outstanding for expenditures relating to mineral property under development, exploration and evaluation expenditures and general operating activities.

As at May 31,	**2015**	**2014**
Trade payables	**$ 167,474**	$ 157,708
Accrued liabilities	**121,258**	42,311
	$ 288,732	$ 200,019

The following is an aged analysis of the amounts payable and other liabilities:

As at May 31,	**2015**	**2014**
Less than 1 month	**$ 138,066**	$ 42,947
1 to 3 months	**14,393**	24,344
Greater than 3 months	**136,273**	132,728
	$ 288,732	$ 200,019

7. Advances Payable

a) At May 31, 2015, the Company had advances payable of $45,025 (May 31, 2014 - $11,025) from a shareholder of the Company. These advances are unsecured, non-interest bearing and due on demand. Of these advances, $30,000 were converted into common shares subsequent to the year-end (Note 16).

b) At May 31, 2015, the Company had advances payable of $73,759 (May 31, 2014 - $nil) from a private company controlled by the adult children of a shareholder of the Company. These advances are unsecured, non-interest bearing and due on demand.

8. Share Capital

(a) Authorized

Unlimited number of common shares with no par value.

Unlimited number of preference shares. The preference shares are without par value, redeemable, voting, non-participating, and are convertible into common shares at the rate of one common share for five preference shares (none currently issued and outstanding).

(b) Issued

	Number of Common Shares	**Amount**
Balance, May 31, 2013, 2014 and 2015	**4,058,152**	**$ 16,533,842**

(Expressed in Canadian Dollars)

9. Stock Options

The Company maintains an employee stock option plan under which the Board of Directors, or a committee appointed for such purpose, may from time to time grant to employees, officers, directors or consultants of the Company, options to acquire common shares in such numbers, for such terms and at such exercise prices, as may be determined by the Board of Directors or such committee.

The stock option plan provides that the maximum number of common shares in the capital of the Company that may be reserved for issuance for all purposes under the stock option plan shall be equal to 10% of the total issued and outstanding common shares and that the maximum number of common shares which may be reserved for issuance to any one optionee pursuant to share options may not exceed 5% of the common shares outstanding at the time of grant.

The options are valid for a maximum of 5 years from the date of issue and the normal vesting term is 1/4 immediately and 1/4 after 3, 6 and 9 months from the date of grant. The Company uses the graded vesting method.

The following is a continuity of stock options:

	Number of of Stock Options	Weighted Average Exercise Price
Balance, May 31, 2013 and 2014	**145,000**	**$ 3.00**
Expired	(145,000)	(3.00)
Balance, May 31, 2015	**-**	**$ -**

There are no stock options outstanding at May 31, 2015.

10. Basic and Diluted Loss Per Share

Year Ended May 31,	**2015**	**2014**
Numerator for basic loss per share	**$ (79,026)**	$ (114,953)
Numerator for diluted loss per share	**$ (79,026)**	$ (114,953)
Denominator for basic loss per share Weighted average number of common shares	**4,058,152**	4,058,152
Denominator for diluted loss per share Weighted average number of common shares	**4,058,152**	4,058,152
Basic loss per share	**$ (0.02)**	$ (0.03)
Diluted loss per share	**$ (0.02)**	$ (0.03)

The effect of outstanding stock options has not been included in the determination of diluted loss per share for the periods presented as the effect would be anti-dilutive.

Subsequent to May 31, 2015, in connection with the Share Exchange Agreement described in Note 16, the Company consolidated its share capital on a 20:1 basis. Accordingly, all shares, stock options and per share amounts in these consolidated financial statements have been retroactively restated to reflect the share consolidation.

(Expressed in Canadian Dollars)

11. Segmented Information

The Company's operations comprise a single reporting operating segment engaged in mineral exploration, which is consistent with the internal reporting reviewed by the Chief Operating Decision Maker, which is determined to be the Chief Executive Officer ("CEO"). The Company's single operating segment is separated by geographic location.

The Company's loss and comprehensive loss by geographic location are:

	Year Ended May 31, 2015	Year Ended May 31, 2014
Canada	**$ 79,026**	$ 114,953
Net loss and comprehensive loss	**$ 79,026**	$ 114,953

12. Related Party Transactions

	Notes	Year Ended May 31, 2015	Year Ended May 31, 2014
Doublewood Consulting Inc.	(i)	**$ -**	$ 19,200
Marrelli Support Services Inc.	(ii)	**$ -**	$ 44,144
DSA Corporate Services Inc.	(ii)	**$ -**	$ 2,425

i) For the year ended May 31, 2015, $nil (2014 - $19,200) was paid to Doublewood Consulting Inc. for the services of Paul T. Sarjeant to act as the President and CEO of the Company. Included in accounts payable and accrued liabilities as at May 31, 2015, is $44,226 (2014 - $44,226) in relation to consulting services rendered. Subsequent to May 31, 2015, this balance was settled for cash consideration of $22,600.

ii) For the year ended May 31, 2015, the Company expensed $nil, (2014 - $44,144) to Marrelli Support Services Inc. ("Marrelli Support") for the services of Carmelo Marrelli to act as Chief Financial Officer ("CFO") of the Company. In addition, Marrelli Support also provides bookkeeping services to the Company. Carmelo Marrelli is the President of Marrelli Support. The amounts charged by Marrelli Support are based on what Marrelli Support usually charges its clients. Carmelo Marrelli resigned as the CFO of the Company on March 26, 2014. As at May 31, 2015, Marrelli Support was owed $50,790 (2014 - $61,784) and this amount was included in accounts payable and accrued liabilities.

For the year ended May 31, 2015, the Company expensed $6,449, (2014 - $2,425) to DSA Corporate Services Inc. ("DSA") for filing fees. DSA is a private company controlled by Carmelo Marrelli, the former CFO of the Company. Carmelo Marrelli is also the corporate secretary and sole director of DSA. The amounts charged by DSA are based on what DSA usually charges its clients. The Company expects to continue to use DSA for an indefinite period. As at May 31, 2015, DSA was owed $2,846 (2014 - $nil) and this amount was included in accounts payable and accrued liabilities.

(Expressed in Canadian Dollars)

12. Related Party Transactions (Continued)

There was no other remuneration of directors or key management personnel (determined to be the CEO and CFO) for the year ended May 31, 2015 (2014 - $nil), except as noted above. The Board of Directors and select officers do not have employment or service contracts with the Company. Amounts payable to the related parties as disclosed above, are unsecured, non-interest bearing and are due on demand.

To the knowledge of the directors and senior officers of the Company, as at May 31, 2015, no person or corporation beneficially owns or exercises control over common shares of the Company carrying more than 10% of the voting rights attached to all common shares of the Company other than as set out below:

	Major Shareholder Common Shares	Percentage of Number of Outstanding Common Shares
Gordon Charles Cooper	435,382	10.73 %

None of the Company's major shareholders have different voting rights than other holders of the Company's common shares.

13. General and Administration Expenses

	Year Ended May 31, 2015	Year Ended May 31, 2014
Reporting issuer costs	**$ 24,620**	$ 12,381
Professional fees	**143,723**	64,970
Management and consulting services	**-**	31,200
Office and administration	**20,683**	3,958
Property carrying costs	**-**	2,444
	$ 189,026	$ 114,953

(Expressed in Canadian Dollars)

14. Income Taxes

(a) Provision for Income Taxes

Major items causing the Company's income tax rate to differ from the Federal statutory rate of 26.5% (2014 - 26.5%) were as follows:

	Years Ended May 31, 2015	2014
Loss before recovery of income taxes	**$ (79,026)**	$ (114,953)
Expected income tax recovery based on statutory rate	**(21,000)**	(30,000)
Benefit of tax losses not recognized	**21,000**	30,000
Deferred income tax	**$ -**	$ -

(b) Future Deductions Available

At May 31, 2015, the Company has accumulated Canadian and Foreign Exploration and Development Expenditures totaling $17,088,000 and accumulated non-capital losses totaling $6,136,000, which are available to reduce taxable income of future years. The accumulated Canadian and Foreign Exploration and Development Expenditures do not expire under current legislation.

Non-capital losses expire as follows:

2026	**$ 1,366,000**
2027	**1,685,000**
2028	**1,760,000**
2031	**566,000**
2032	**410,000**
2034	**145,000**
2035	**204,000**
	$ 6,136,000

(c) Deferred Income Tax Balances

Deferred income tax assets have not been recognized in respect of the following deductible temporary differences:

	May 31, 2015	May 31, 2014
Non-capital loss carryforwards	**$ 6,136,000**	$ 6,040,000
Share issue costs	**-**	14,000
Mineral property costs	**16,978,000**	17,088,000
	$ 23,114,000	$ 23,142,000

The Company has additional pools in Peru, which under certain circumstances can be applied against future income earned in Peru.

15. Contingencies

Environmental Contingencies

The Company's exploration activities are subject to various federal and international laws and regulations governing the protection of the environment. These laws and regulations are continually changing and are generally becoming more restrictive. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.

16. Subsequent events

The Company entered into a share exchange agreement (the "Share Exchange Agreement") dated March 18, 2015, to acquire all of the issued and outstanding securities of My Courier Depot Inc., an Ontario-based courier services company ("MCD"). Pursuant to the Share Exchange Agreement, the Company's management will be replaced with management appointed by MCD and the Company shall carry on the business of MCD under the new name of "PUDO Inc.". MCD's business provides instore over the counter pick-up services to courier companies and consumers. MCD's services are made available in convenience stores, gas stations, and other variety stores that are typically open on a "24 hours" basis, allowing registered courier companies and consumers to use these stores as pick-up locations for parcels and letters that require identification and/or signatures to release.

<u>Share Exchange</u>

Pursuant to the Share Exchange Agreement, the Company acquired all of the issued and outstanding shares of MCD ("MCD Shares") on the basis of 8,333.33 Post-Consolidation Grandview Shares (as defined below) of the Company for every one (1) MCD Share (the "Share Exchange"). The Share Exchange Agreement also contained the following conditions:

1. the consolidation of the issued and outstanding common shares of the Company on the basis of one (1) post-consolidation common share ("Post-Consolidation Grandview Shares") for each twenty (20) pre-consolidation common shares (the "Consolidation");

2. the change of the Company's name to "PUDO Inc." (the "Name Change");

3. the voluntary delisting of the Company's common shares from the NEX prior to the completion of the Share Exchange (the "Delisting"); and

4. the election of MCD nominees Richard Cooper, Tom Bijou, Howard Westerman, Kurtis Arnold and Ian A. McDougall to the Board of Directors (the "Board") of the Company (the "Election" and collectively with the Consolidation, the Name Change and the Delisting, the "Conditions").

The shareholders of the Company approved the Share Exchange and the Conditions at the April 14, 2015 annual and special meeting of the Company (the "Meeting").

At the Meeting, shareholders approved a special resolution in respect of the sale of the Company's interest in the Red Lake Gold Camp properties (Note 5) to a third party purchaser for cash proceeds of $110,000 which were used by the Company to settle certain outstanding debts of the Company.

The Share Exchange was also approved by the shareholders of the Company at the Meeting. The Company has listed its securities on the Canadian Securities Exchange (the "CSE") following the completion of the Share Exchange. The Share Exchange resulted in the shareholders of MCD owning 71% of the resulting issuer.

Immediately prior to the Share Exchange, the Company issued 120,000 common shares in settlement of advances of $30,000 payable to a shareholder of the Company (see Note 7(a)).

16. Subsequent events (Continued)

Debt Settlement
See Note 12(i).

Non-brokered Private Placement
On August 24, 2015, the Company closed a non-brokered private placement of 1,100,000 common shares at a price of $0.63 per common share for total proceeds of $693,000. A total of 90,000 finder warrants were issued in connection with the private placement, exercisable for one common share at a price of $0.63. The first 50,000 warrants are exercisable for six months and the remaining 40,000 warrants are exercisable for two years.

Stock Option Grant
Subsequent to May 31, 2015, the Company granted 1,400,000 stock options to an officer and a director of the Company. The stock options are exercisable at $0.20 per share until July 14, 2016 and vested immediately at the time of grant.