Compel Capital Inc.

Financial Statements

For the Years Ended December 31, 2010 and 2009

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INDEPENDENT AUDITORS' REPORT

To the Shareholders of Compel Capital Inc.

We have audited the accompanying financial statements of Compel Capital Inc. which comprise the balance sheets as at December 31, 2010 and 2009 and the statements of operations and deficit, and cash flows for the years then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian generally accepted accounting principles, and for such internal control as management determines is necessary to enable the preparation of 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 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 audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 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 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 financial statements present fairly, in all material respects, the financial position of Compel Capital Inc. as at December 31, 2010 and 2009, and its financial performance and its cash flows for the years then ended in accordance with Canadian generally accepted accounting principles.

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 1 in the financial statements which indicates that the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

Collins Barrow Toronto LLP

Licensed Public Accountants
Chartered Accountants
April 27, 2011
Toronto, Ontario

Compel Capital Inc.
Balance Sheets
As at December 31, 2010 and 2009

		2010		2009
Assets	**$**	**-**	$	-
Liabilities				
Current				
Accounts payable and accrued liabilities (Note 4)	**$**	**12,258**	$	73,915
Loans payable (Note 4)		**-**		63,883
		12,258		137,798
Shareholders' Deficiency				
Capital stock (Note 5)		**308,165**		158,699
Deficit		**(320,423)**		(296,497)
		(12,258)		(137,798)
	$	**-**	$	-

GOING CONCERN ***(Note 1)***

Approved by the Board **"Rob Saltsman"** Director **(Signed)** **"Michael Frank"** Director **(Signed)**

Compel Capital Inc.
Statements of Operations and Deficit
Years Ended December 31, 2010 and 2009

	2010	2009
Expenses		
Transfer agent and filing fees	$ 4,348	$ 2,756
General and administrative (Note 4)	19,578	51,746
	23,926	54,502
Net loss	(23,926)	(54,502)
Deficit, beginning of year	(296,497)	(241,995)
Deficit, end of year	$ (320,423)	$ (296,497)

	2010	2009
Loss per common share:		
Basic and fully diluted	$ (0.02)	$ (0.09)

	2010	2009
Weighted average number of common shares outstanding		
Basic and diluted	1,361,531	632,628

Compel Capital Inc.
Statements of Cash Flows
Years Ended December 31, 2010 and 2009

		2010		2009
Cash provided by (used in)				
Operations				
Net loss	**$**	**(23,926)**	$	(54,502)
Net changes in non-cash working capital				
Accounts payable and accrued liabilities		**921**		44,008
		(23,005)		(10,494)
Financing				
Loans payable		**23,005**		10,494
Net change in cash, and cash at beginning and end of year	**$**	**-**	$	-

See accompanying notes

1. GOING CONCERN

Compel Capital Inc. (the "Company") is incorporated under the laws of the Province of Ontario and has been inactive for several years.

On July 30, 2008, the Company changed its name from Slocan-Rambler Mines (1947) Limited to Compel Capital Inc.

These financial statements have been prepared in accordance with generally accepted accounting principles applicable to a going concern. This assumes that the Company will realize its net assets in the normal course of business. The Company has incurred significant losses for the past several years and has no assets and that creates doubts as to its ability to continue as a going concern. Management is in the process of identifying sources for additional financing for working capital and to fund the development of business and management proposals to develop plans to continue the business as a going concern.

2. SIGNIFICANT ACCOUNTING POLICIES

Income Taxes

The Company uses the asset and liability method to account for income taxes. Under this method, future income tax assets and liabilities are determined based on the difference between the carrying value and the tax basis of the assets and liabilities. Any change in the net amount of future income tax assets and liabilities is included in income. Future income tax assets and liabilities are determined based on enacted or substantively enacted tax rates and laws which are expected to apply to the Company's taxable income for the periods in which the assets and liabilities will be recovered. Future income tax assets are recognized when it is more likely than not that they will be realized.

Loss Per Share

Basic loss per share is calculated based on the weighted average number of shares outstanding. The treasury stock method is used to compute the dilutive effect of options, warrants and similar instruments.

Use of Estimates

The preparation of the financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. The significant area requiring the use of management's judgments relates to the recording of accruals. These estimates are reviewed periodically, and as adjustments become necessary, they are reported in earnings in the period in which they become known.

2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Financial Instruments

All financial instruments are recorded initially at fair value. In subsequent periods, all financial instruments are measured based on the classification adopted for the financial instrument: held-to-maturity, loans and receivables, held for trading, available-for-sale or other liability.

Financial Assets

Held for trading assets are subsequently measured at fair value with the change in the fair value recognized in net income during the period.

Held-to-maturity assets are subsequently measured at amortized cost using the effective interest rate method.

Loans and receivables are subsequently measured at amortized cost using the effective interest rate method.

Available-for-sale assets are subsequently measured at fair value with the changes in fair value recorded in other comprehensive income, except for equity instruments without a quoted market price which are measured at cost.

Financial Liabilities

Held for trading liabilities are subsequently measured at fair value with the change in the fair value recognized in net income during the period.

Other liabilities are subsequently measured at amortized cost using the effective interest rate method.

The Company has classified its financial instruments as follows:

Financial Instrument	Classification
Accounts payable and accrued liabilities	Other liabilities
Loans payable	Other liabilities

Comprehensive Income

Comprehensive income measures net earnings for the period plus other comprehensive income. Other comprehensive income consists of changes to unrealized gains and losses on available-for-sale financial assets, changes to unrealized gains and losses on the effective portion of cash flow hedges and changes to foreign currency translation adjustments of self-sustaining foreign operations during the period. Amounts reported as other comprehensive income are accumulated in a separate component of shareholders' equity as Accumulated Other Comprehensive Income. To date there has not been any other comprehensive income and accordingly a statement of comprehensive income has not been presented.

2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

International Financial Reporting Standards ("IFRS")

In February 2008, the Accounting Standards Board confirmed that Canadian publicly accountable enterprises will be required to adopt IFRS for fiscal years beginning on or after January 1, 2011, with earlier adoption permitted. Accordingly, the conversion to IFRS will be applicable to the Company's reporting no later than in the first quarter of 2011, with restatement of comparative information presented. The conversion to IFRS will impact the Company's accounting policies, internal control over financial reporting, and disclosure controls and procedures. The Company is currently assessing the future impact of IFRS on its financial statements.

3. FINANCIAL RISK MANAGEMENT

Risk management is the responsibility of management who is of the opinion that the Company is not exposed to financial risks by virtue of its inactivity. The Company is not exposed to currency risk, credit risk or interest rate risk.

Liquidity risk is the risk that the Company will not be able to meet its obligations as they fall due. As at December 31, 2010, the Company has current liabilities of $12,258 (2009 - $137,798) and no assets (2009 - $NIL). As a result, the Company is dependent on obtaining additional financing to meet its current obligations.

4. RELATED PARTY TRANSACTIONS

Transactions with related parties are incurred in the normal course of business and are measured at the exchange amount. Related party transactions have been listed below, unless they have been disclosed elsewhere in the financial statements.

(a) Loans payable

On July 6, 2010, all outstanding loans payable to a significant shareholder have been converted to common shares of the company as described in Note 5. The loans were interest-free, unsecured and had no fixed terms of repayment.

(b) Consulting fees

Included in general and administrative expenses in 2009 was $50,000 relating to consulting fees charged by an officer and director of the Company and consulting fees charged by a company controlled by an officer and a director of the Company. This amount was outstanding in accounts payable and accrued liabilities at the end of 2009 and was converted into common shares of the Company on July 6, 2010 as described in Note 5.

5. CAPITAL STOCK

Authorized
unlimited common shares

Issued

	Number of Shares	Amount
Balance at December 31, 2008 and 2009	632,628	$ 158,699
Shares issued during the year[i]	1,494,660	149,466
Balance at December 31, 2010	**2,127,288**	**$ 308,165**

(i) On July 6, 2010, the Company issued a total of 1,494,660 common shares to settle outstanding debt totalling $149,466 to various debt holders.

6. INCOME TAXES

(a) Income Tax Expense

The following table reconciles income taxes calculated at combined Canadian federal and provincial tax rates with the income tax expense in these financial statements:

	2010	2009
Loss before income taxes	**$ (23,926)**	$ (54,502)
Statutory rate	**31.0 %**	33.0 %
Expected income tax recovery	**$ (7,417)**	$ (17,986)
Impact on tax rate differential	**1,435**	7,343
Change in valuation allowance	**5,982**	10,643
Income tax expense	$ -	$ -

(b) Future Income Taxes

The temporary differences that give rise to future income tax assets are presented below:

	2010	2009
Future tax assets		
Non-capital loss carry forwards	**$ 38,250**	$ 32,269
Less: Valuation allowance	**(38,250)**	(32,269)
Future income tax assets	**$ -**	$ -

6. INCOME TAXES (Cont'd)

(c) Future Income Taxes and Losses

The Company has non-capital losses of approximately $153,000 to apply against future taxable income. If not utilized, the non-capital losses will expire as follows:

2027	$ 22,000
2028	52,600
2029	54,500
2030	23,900
	$ 153,000

The potential tax benefit relating to these losses has not been reflected in these financial statements.

7. CAPITAL RISK MANAGEMENT

The Company considers capital stock and deficit to represent capital. As at December 31, 2010, the Company has a negative capital balance and management's objective is to maintain its ability to continue as a going concern by identifying sources for additional financing for working capital and to fund the development of a business.

The Company is not subject to externally imposed capital requirements and there has been no change with respect to the overall capital risk management strategy during the year ended December 31, 2010.