AAN Ventures Inc.

Condensed Interim Consolidated Financial Statements

For the Three and Nine Months Ended June 30, 2016

(Unaudited - Expressed in Canadian Dollars)

NOTICE TO READER

Under National Instrument 51-102, Part 4, subsection 4.3(3) (a), if an auditor has not performed a review of the interim financial statements, they must be accomplished by a notice indicating that the interim financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim financial statements of the Company have been prepared by the Company's management, and have not been reviewed by the Company's independent auditor.

AAN Ventures Inc.
Condensed interim consolidated statements of financial position
(Unaudited - Expressed in Canadian Dollars)

	Note	June 30, 2016	September 30, 2015
		$	$
ASSETS			
Current Assets			
Cash		87,413	15,005
Receivables	4	770	618
		88,183	15,623
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current Liabilities			
Accounts payable and accrued liabilities		1,121	39,173
Due to related parties	6	-	1,050
		1,121	40,223
Shareholders' Equity			
Share capital	5	23,309,240	23,109,240
Reserves		6,380,384	6,380,384
Deficit		(29,602,562)	(29,514,224)
Total Equity		87,062	(24,600)
Total Equity and Liabilities		88,183	15,623

Nature and continuance of operations (Note 1)
Statement of Compliance (Note 2)

APPROVED BY THE DIRECTORS ON August 28, 2016:

"Lewis Dillman"
Director

"Rajen Janda"
Director

See accompanying notes to the financial statements

AAN Ventures Inc.
Condensed interim consolidated statements of comprehensive loss
For the three and nine months ended June 30, 2016 and 2015
(Unaudited - Expressed in Canadian Dollars)

		For the Three Months Ending		For the Nine Months Ending	
	Note	June 30, 2016	June 30, 2015	June 30, 2016	June 30, 2015
Revenue					
Oil Sales		-	-	-	741
		-	**-**	**-**	**741**
Expenses					
Bank charges and interests		90	87	462	246
Foreign exchange		71	532	441	(3,052)
Management fee		-	-	45,000	5,000
Office and miscellaneous		251	396	430	545
Professional fees		1,800	2,350	2,080	5,808
Rent and administration		9,000	14,500	27,000	32,500
Transfer agent and regulatory fees		4,698	2,818	12,925	11,728
		15,910	**20,683**	**88,338**	**52,775**
Other items					
Other income		-	-	-	-
		-	**-**	-	-
Comprehensive loss		**(15,910)**	**(20,683)**	**(88,338)**	**(52,034)**
Basic and diluted loss per share		**-**	**-**	**-**	**-**
Weighted average shares outstanding					
-basic and diluted		**46,753,079**	**36,753,079**	**46,368,464**	**36,753,079**

See accompanying notes to the financial statements

AAN Ventures Inc.
Condensed interim consolidated statement of changes in equity (deficiency)
For the nine months ended June 30, 2016 and 2015
(Expressed in Canadian Dollars)

	Share Capital		Reserves			
	Number of shares	Share capital	Stock Based reserve	Forex reserve	Deficit	TOTAL
	#	$	$	$	$	$
Balance as at September 30, 2014	36,753,079	23,109,240	6,372,363	2,383	(29,409,233)	74,753
Shares issued for cash			-	-	-	-
Comprehensive loss for the period	-	-	-	-	(52,034)	(52,034)
Balance as at June 30, 2015	36,753,079	23,109,240	6,372,363	2,383	(29,461,267)	22,719
Shares issued for cash		-				
Translation gain				5,638		5,638
Comprehensive loss for the period					(52,957)	(52,957)
Balance as at Sept 30, 2015	36,753,079	23,109,240	6,372,363	8,021	(29,514,224)	(24,600)
Shares issued for cash	10,000,000	200,000	-	-	-	200,000
Comprehensive loss for the period	-	-	-	-	(88,338)	(88,338)
Balance as at June 30, 2016	46,753,079	23,309,240	6,372,363	8,021	(29,602,562)	87,062

See accompanying notes to the financial statements

AAN Ventures Inc.
Condensed interim consolidated statements of cash flows
For the nine months ended June 30, 2016 and 2015
(Unaudited - Expressed in Canadian Dollars)

		For the Nine Months Ending	
	Note	June 30, 2016	June 30, 2015
Operating activities			
Net loss		(88,338)	(52,034)
Changes in non-cash working capital items			
Accounts receivable		(152)	2,394
Accounts payable		(38,052)	838
Net cash flows used in operating activities		**(126,542)**	**(48,802)**
Investing activities			
Exploration and evaluation assets			
Net cash flows used in investing activities			**-**
Financing activities			
Loan receivable		-	(24,980)
Due to related party		(1,050)	5,000
Increase in share capital			
Cash share capital received		200,000	
Net cash flowsprovided by financing activities		**198,950**	**(19,980)**
Change in cash		72,408	(68,782)
Cash, begining		15,005	83,043
Cash, ending		**87,413**	**14,261**

See accompanying notes to the financial statements

(Unaudited and Expressed in Canadian Dollars)

1. Nature and continuance of operations

AAN Ventures Inc. was incorporated under the Business Corporation Act of Alberta on August 31, 1998 and was continued to British Columbia on January 30, 2006. The Company changed its name from Ona Power Corp. to AAN Ventures Inc. on April 9, 2012. The Company's shares are publicly traded on the Frankfurt Exchange and Canadian Stock Exchange (the "CSE") under the symbol "ANN".

The head office, principal address and records office of the Company are located at 8338 – 120th Street, Surrey, British Columbia, Canada, V3W 3N4.

These consolidated financial statements have been prepared on the basis of accounting principles applicable to a going concern which assumes the Company will be able to realize its assets and discharge its liabilities in the normal course of operations. As at June 30, 2016, the Company was not able to finance day to day activities through operations.

The Company's continuation as a going concern is dependent upon its ability to attain profitable operations and generate funds there from and/or raise equity capital or borrowings sufficient to meet current and future obligations. These factors indicate the existence of a material uncertainty that cast significant doubt about the Company's ability to continue as a going concern.

	June 30, 2016 $	September 30, 2015 $
Current assets	88,183	15,623
Current liabilities	(1,121)	(40,223)
Working capital	87,062	(24,600)

Management intends to finance operating costs with loans from directors and companies controlled by directors and or the private placement of common shares. If the Company is unable to continue as a going concern, the net realizable value of its assets may be materially less than the amounts on its statement of financial position.

2. Statement of compliance and basis of preparation

These condensed consolidated interim financial statements were approved and authorized for issue by the Board of Directors on August 28, 2016.

Statement of compliance

These condensed consolidated interim financial statements have been prepared using the same accounting policies and methods of computation as were applied in our most recent audited annual financial statements for the year ended September 30, 2015.

These condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standards ("IAS") 34 "Interim Financial Reporting" using accounting policies consistent with the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

These condensed consolidated interim financial statements do not include all of the information required of a full annual financial report and are intended to provide users with an update in relation to events and transactions that are significant to an understanding of the changes in financial position and performance of the Company since the end of the last annual reporting period. It is therefore recommended that these condensed interim financial statements be read in conjunction with the most recent audited annual financial statements of the Company for the year ended September 30, 2015.

2. Statement of compliance and basis of preparation (continued)

Basis of preparation

The consolidated financial statements of the Company have been prepared on an accrual basis and are based on historical costs, modified where applicable. The financial statements are presented in Canadian dollars unless otherwise noted.

3. Significant accounting policies

Basis of consolidation

These consolidated financial statements include the accounts of the Company and its wholly-owned subsidiary. Intercompany balances and transactions were eliminated in preparing the consolidated financial statements.

Entity	Incorporation	Status	Functional Currency
Ona Power Oil & Gas Corp	United States	Active	Canadian Dollar

Loss per share

Basic loss per share is calculated by dividing the loss attributable to common shareholders by the weighted average number of common shares outstanding in the period. For all periods presented, the loss attributable to common shareholders equals the reported loss attributable to owners of the Company. Diluted loss per share is calculated using the treasury stock method. Under the treasury stock method, the weighted average number of common shares outstanding for the calculation of diluted loss per share assumes that the proceeds to be received on the exercise of dilutive share options and warrants are used to repurchase common shares at the average market price during the period.

Share-based payments

The Company operates an employee stock option plan. Share-based payments to employees are measured at the fair value of the instruments issued and amortized over the vesting periods. Share-based payments to non-employees are measured at the fair value of goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. The corresponding amount is recorded to the option reserve. The fair value of options is determined using the Black–Scholes Option Pricing Model. The number of shares and options expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognized for services received as consideration for the equity instruments granted shall be based on the number of equity instruments that eventually vest.

Foreign currency translation

The functional currency of each of the Company's entities is measured using the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Canadian dollars which is also the functional currency of the Company and its subsidiary.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the period-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Foreign exchange gains and losses resulting from the settlement of foreign currency transactions and from the translation of monetary assets and liabilities denominated in currencies other than an entity's functional currency are recognized in the consolidated statement of loss and comprehensive loss in "other items".

3. Significant accounting policies (continued)

Joint arrangements

The Company conducts many of its petroleum activities through jointly controlled operations and the financial statements reflect only the Company's proportionate interest in such activities.

Joint control exists for contractual arrangements governing the Company's assets whereby the Company has less than 100 percent working interest, all of the partners have control of the arrangement collectively, and spending on the project requires unanimous consent of all parties that collectively control the arrangement and share the associate risks. The Company does not have any joint arrangements that are structured through joint venture arrangements.

Oil properties

Oil properties are stated at cost, less accumulated depletion and accumulated impairment losses.

The initial cost of an asset comprises its purchase price or construction cost, any costs directly attributable to bringing the asset into operation and decommissioning costs. The purchase price or construction cost is the aggregate amount paid and the fair value of any other consideration given to acquire the asset.

Where commercial production in an area of interest has commenced, oil properties are depleted on a unit-of-production basis over the proved reserves of the field concerned, except in the case of assets whose useful life is shorter than the lifetime of the field, in which case the straight-line method is applied. Rights and concessions are depleted on the unit-of-production basis over the total proved reserves of the relevant area. The unit-of-production rate for the depletion of field development costs takes into account expenditures incurred to date, together with future development expenditures to develop the proved reserves. Changes in factors such as estimates of proved reserves that affect unit-of-production calculations are dealt with on a prospective basis.

Revenue

Revenue from the sale of oil is recorded when the significant risks and rewards of ownership of the product is transferred to the buyer, which is usually when legal title passes to the external party, sales prices and costs can be reasonably measured, and it is probable that future economic benefits will flow to the entity. For crude oil, this is generally at the time the product reaches a trucking terminal or pipeline. Revenue is measured net of discounts.

Financial instruments

The Company recognizes financial assets and liabilities on the statement of financial position when the Company becomes a party to the contractual provisions of the instrument. All financial assets recognized on the Company's statement of financial position are classified as loans or receivables.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are initially recognized at fair value and subsequently measured at amortized cost. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets.

All financial liabilities recognized on the Company's statement of financial position are initially recognized at fair value and subsequently measured at amortized cost.

At each reporting date, the Company assesses whether there is objective evidence that a financial instrument has been impaired.

Cash and cash equivalents

Cash and cash equivalents include demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less.

3. Significant accounting policies (continued)

Impairment of long lived assets

The carrying amount of the Company's assets is reviewed for impairment when indicators of such impairment exist. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. The recoverable amount of assets is the greater of an asset's fair value less cost to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. If an impairment loss exists, then it is recorded as an expense immediately.

An impairment loss is only reversed if there is an indication that the impairment loss may no longer exist and there has been a change in the estimates used to determine the recoverable amount. An impairment loss cannot be reversed to an amount higher than the carrying amount that would have been determined had no impairment loss been recognized in previous years.

Income taxes

Income tax is recognized in the consolidated statement of loss and comprehensive loss except to the extent that it relates to items recognized directly in equity.

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date, in the jurisdictions where the Company operates and generates taxable income. The tax rate used is the rate that is enacted or substantively enacted.

Deferred income tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

The carrying amount of deferred income tax assets is reviewed at the end of each reporting period and recognized only to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred income tax assets and deferred income tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority.

Decommissioning provisions

The Company recognizes liabilities for statutory, contractual, constructive or legal obligations associated with the retirement of long-term assets, when those obligations result from the acquisition, construction, development or normal operation of the assets. The net present value of future restoration cost estimates arising from the decommissioning of well sites is capitalized to oil and gas properties along with a corresponding increase in the restoration provision in the period incurred. Discount rates using a pre-tax rate that reflect the time value of money are used to calculate the net present value. The restoration asset will be depreciated on the same basis as other oil and gas properties.

The Company's estimates of restoration costs could change as a result of changes in regulatory requirements, discount rates and assumptions regarding the amount and timing of the future expenditures. These changes are recorded directly to oil and gas properties with a corresponding entry to the restoration provision. The Company's estimates are reviewed annually for changes in regulatory requirements, discount rates, effects of inflation and changes in estimates.

3. Significant accounting policies (continued)

The restoration provisions are accreted to full value over time through charges to operating expenses on the consolidated statement of loss and comprehensive loss.

The net present value of restoration costs arising from subsequent site damage that is incurred on an ongoing basis during production are charged to profit or loss in the period incurred. The costs of restoration projects that were included in the provision are recorded against the provision as incurred.

Changes in significant accounting policies

IFRS 9 – Financial Instruments
IFRS 9, *Financial Instruments,* was issued in November 2009 and addresses classification and measurement of financial assets. It replaces the multiple category and measurement models in IAS 39 for debt instruments with a new mixed measurement model having only two categories: amortized cost and fair value through profit or loss. IFRS 9 also replaces the models for measuring equity instruments. Such instruments are either recognized at fair value through profit or loss or at fair value through other comprehensive income. Where equity instruments are measured at fair value through other comprehensive income, dividends are recognized in profit or loss to the extent that they do not clearly represent a return of investment; however, other gains and losses (including impairments) associated with such instruments remain in accumulated comprehensive income indefinitely. Requirements for financial liabilities were added to IFRS 9 in October 2010 and largely carried forward existing requirements in IAS 39, *Financial Instruments – Recognition and Measurement,* except that fair value changes due to credit risk for liabilities designated at fair value through profit and loss are generally recorded in other comprehensive income. The effective date of IFRS 9 was deferred in November 2013, a new effective date has not yet been published. The Company has not yet completed an assessment of the impact of adopting IFRS 9.

Significant accounting judgments, estimates and assumptions

The preparation of the Company's consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the consolidated financial statements and reported amounts of revenues and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates. The following areas requires a significant degree of estimation and judgment.

Reserve base
The oil and gas properties are depreciated on a unit of production ("UOP") basis at a rate calculated by reference to prove reserves determined in accordance with National Instrument 51-101 "Standards of Disclosure for Oil and Gas Activities" and incorporate the estimated future cost of developing and extracting those reserves. Proved reserves are determined using estimates of oil in place, recovery factors and future prices. Future development costs are estimated using assumptions as to number of wells required to produce the reserves, the cost of such wells and associated production facilities and other capital costs. Proved reserves are estimated using independent reserve engineer reports and represent the estimated quantities of oil which geological, geophysical and engineering data demonstrate with a specified degree of certainty to be recoverable in future years from known reservoirs and which are considered commercially producible. Proved reserves are those reserves that can be estimated with a high degree of certainty to be recoverable.

Depletion of oil assets
Oil properties are depleted using the UOP method over proved reserves. The calculation of the UOP rate of depletion could be impacted to the extent that actual production in the future is different from current forecast

(Unaudited and Expressed in Canadian Dollars)

3. Significant accounting policies (continued)

production based on proved reserves. This would generally result from significant changes in any of the factors or assumptions used in estimating reserves (Note 8).

Determination of cash generating units
Oil properties are grouped into cash generating units for purposes of impairment testing. Management has evaluated the oil properties of the Company, and grouped the properties into cash generating units on the basis of their ability to generate independent cash inflows, similar reserve characteristics, geographical location, and shared infrastructure.

Impairment indicators and calculation of impairment
At each reporting date, the Company assesses whether or not there are circumstances that indicate a possibility that the carrying values of oil properties and equipment are not recoverable, or impaired. Such circumstances include incidents of deterioration of commodity prices, changes in the regulatory environment, or a reduction in estimates of proved and probable reserves. When management judges that circumstances clearly indicate impairment, property and equipment are tested for impairment by comparing the carrying values to their recoverable amounts. The recoverable amounts of cash generating units are determined based on the higher of value in use calculations and fair values less costs to sell. These calculations require the use of estimates and assumptions that are subject to changes as new information becomes available including information on future commodity prices, expected production volumes, quantity of reserves, discount rates, as well as future development and operating costs.

Decommissioning provisions
Restoration costs will be incurred by the Company at the end of the operating life of the Company's oil properties. The ultimate restoration liability is uncertain and can vary in response to many factors including changes to relevant legal requirements, the emergence of new restoration techniques, experience at other production sites, or changes in the risk-free discount rate. The expected timing and amount of expenditure can also change in response to changes in reserves or changes in laws and regulations or their interpretation. As a result, there could be significant adjustments to the provisions established which would affect future financial results.

4. Receivables and Loans Receivable

		June 30, 2016		September 30, 2015
GST receivable	$	770	$	618
	$	770	$	618

On December 8, 2014, the Company entered into a loan agreement with Keblo whereby the Company advanced US$20,000 to Keblo. Due to the unlikely collectability of the loan, a provision was recorded against the loan receivable as at year ended September 30, 2015.

5. Share capital

Authorized share capital

Unlimited number of common shares without par value

Issuances

On January 8, 2016, the Company closed a non-brokered private placement, raising $200,000 from the issue of $10,000,000 units at $0.02 per unit. Each unit consists of one common share and one share purchase warrant, exercisable at $0.05 for two years.

Issued share capital

On June 30, 2016, there were a total of 46,753,079 common shares issued and outstanding (September 30, 2015 - $36,753,079).

(Unaudited and Expressed in Canadian Dollars)

5. Share capital (continued)

Stock options

The Company has adopted a stock option plan whereby the Company may from time to grant to directors, officers, employees and consultants options to purchase common shares of the Company provided that the number of options granted, including all options granted by the Company to date, does not exceed 10% of the Company's common shares issued and outstanding at the time of granting stock options. Options may be exercised no later than 90 days following cessation of the optionee's position with the Company or 30 days following cessation of an optionee conducting investor relations activities' position.

The Company did not grant any options during the nine months period ended June 30, 2016 or during the year ended September 30, 2015.

There were no options outstanding at June 30, 2016. There were $241,667 outstanding at the year ended September 30, 2015 and expired on March 1, 2016.

Share Purchase Warrants

On January 7, 2016, there were 2,666,666 warrants expired. On January 8, 2016, the Company closed a non-brokered private placement, issued 10,000,000 units and each unit consists of one common share and one share purchase warrant.

As at June 30, 2016, there were 10,000,000 new warrants outstanding with the exercise price $0.05, and a weighted average remaining life of 1.52 year, will expire on January 7, 2018.

Reserves

Stock option reserve

The stock option reserve records items recognized as stock-based compensation expense until such time that the stock options are exercised, at which time the corresponding amount will be transferred to share capital.

Warrant reserve

The warrant reserve records items recognized as warrants until such time that they are exercised, at which time the corresponding amount will be transferred to share capital.

6. Related party transactions

Related party transactions

The Company incurred the following transactions for the nine months ended, with a Company controlled by the former CEO, Lucky Janda:

		June 30, 2016		**June 30, 2015**
Rent and administration		27,000		32,500
	$	27,000	$	32,500

Key management personnel compensation

During the nine months ended June 30, 2016, $45,000 management fee (June 30, 2015 - $5,000) was paid to a company controlled by the former Chief Executive Officer ("CEO"), Lucky Janda.

During the nine months ended June 30, 2016, the Company incurred $Nil (June 30, 2015 - $1,350) for accounting services to a company controlled by the current or former Chief Financial Officer ("CFO"), Jamie Lewin.

Related parties balance

As at June 30, 2016, $296 (June 30, 2015 -$16,735) was owing to the Company controlled by the former Chief Executive Officer ("CEO).

(Unaudited and Expressed in Canadian Dollars)

7. Income Taxes

As at September 30, 2015, the Company's has $4,836,868 non-capital losses which expire as follows:

Year		Amount
2026		610,913
2027		677,234
2028		1,352,301
2029		1,203,313
2030		571,354
2031		73,625
2032		124,322
2033		69,272
2034		76,536
2035		77,998
Total	$	4,836,868

8. Financial instruments and risk management

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counter party limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its cash held in bank accounts. As most of the Company's cash is held by one bank there is a concentration of credit risk. This risk is managed by using a major bank that is high credit quality of financial institutions as determined by rating agencies. The Company's secondary exposure to risk is on its sales tax receivable, which is due from the Government of Canada. The risk is determined to be low.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. The Company ensures that there are sufficient funds to meet its short-term business requirements, taking into account its anticipated cash flows from operations and its holdings of cash and cash equivalents.

Historically, the Company's sole source of funding has been the issuance of equity securities for cash, primarily through private placements. The Company's access to financing is always uncertain. There can be no assurance of continued access to significant equity funding.

Foreign exchange risk

Foreign currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. The Company is not exposed to significant foreign exchange risk.

(Unaudited and Expressed in Canadian Dollars)

8. Financial instruments and risk management (continued)

Interest rate risk
Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to interest rate risk.

The Company's policy is to maintain a strong capital base so as to maintain investor and creditor confidence and to sustain future development of the business. The capital structure of the Company consists of cash and share capital.

There were no changes in the Company's approach to capital management during the year. The Company is not subject to any externally imposed capital requirements.

Classification of financial instruments

Financial assets included in the statement of financial position are as follows:

		June 30, 2016		September 30, 2015
Cash	$	87,413	$	15,005
Accounts receivable		770		618
		88,183		15,623

Financial liabilities included in the statement of financial position are as follows:

		June 30, 2016		September 30, 2015
Non-derivative financial liabilities:				
Accounts payable	$	1,121	$	29,173
Accrued liabilities		-		10,000
	$	1,121	$	39,173

Fair value

The fair value of the Company's financial assets and liabilities approximates their carrying amount.

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

The following is an analysis of the Company's financial assets measured at fair value as at June 30, 2016 and September 30, 2015:

	As at June 30, 2016					
		Level 1		Level 2		Level 3
Cash	$	87,413	$	-	$	-

	As at September 30, 2015					
Cash	$	15,005	$	-	$	-