

**MAXTECH VENTURES INC.**

**Condensed Consolidated Interim Financial Statements**

**Six Months Ended January 31, 2017**

(Unaudited -Expressed in Canadian Dollars)

**NOTICE OF NO AUDITOR REVIEW OF  
INTERIM FINANCIAL STATEMENTS**

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 accompanied by a notice indicating that an auditor has not reviewed the financial statements.

The accompanying unaudited interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these financial statements in accordance with standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

## Maxtech Ventures Inc.

### Condensed Consolidated Interim Statements of Financial Position

(Unaudited - Expressed in Canadian Dollars)

	January 31, 2017	July 31, 2016
	\$	\$
<b>Assets</b>		
<b>Current Assets</b>		
Cash	440,940	8,863
Marketable securities (Note 4)	-	50,000
Other receivables (Note 5)	2,716	1,643
	<b>443,656</b>	<b>60,506</b>
Exploration and evaluation expenditures (Note 8)	56,620	-
<b>Total</b>	<b>500,276</b>	<b>60,506</b>
<b>Liabilities and Shareholders' Equity</b>		
<b>Current Liabilities</b>		
Accounts payable and accrued liabilities (Note 6)	40,704	90,274
Notes payable (Note 7)	-	-
	<b>40,704</b>	<b>90,274</b>
<b>Shareholders' Equity</b>		
Share capital (Note 9)	8,852,500	8,330,000
Reserves (Note 9)	5,349,127	5,354,127
Deficit	(13,742,055)	(13,713,895)
<b>Total Shareholders' Equity (Deficiency)</b>	<b>459,572</b>	<b>(29,768)</b>
<b>Total Liabilities and Shareholders' Equity</b>	<b>500,276</b>	<b>60,506</b>

*Nature of operations and going concern (Note 1)*

*Subsequent events (Note 12)*

"Peter Wilson"

Director

"Eugene Hodgson"

Director

*See accompanying notes to the condensed consolidated interim financial statements*

**Maxtech Ventures Inc.**  
**Condensed Consolidated Interim Statements of Comprehensive Loss**  
(Unaudited - Expressed in Canadian Dollars)

	Three months ended January 31,		Six months ended January 31,	
	2017	2016	2017	2015
	\$	\$	\$	\$
<b>Expenses</b>				
Consulting	2,400	37,066	24,000	64,266
Office facilities and administration	16,101	(1,136)	16,732	6,589
Professional fees	3,890	16,380	5,890	18,130
Property investigation	20,000	-	28,676	-
Transfer agent and listing fees	4,429	3,460	8,792	6,613
<b>Loss before the following</b>	<b>(46,820)</b>	<b>(55,500)</b>	<b>(84,090)</b>	<b>(95,598)</b>
Gain (loss) on marketable securities	(5,000)	-	(5,070)	-
Recovery of note receivable previously written off	-	-	56,000	-
<b>Income (loss) for the period</b>	<b>(51,820)</b>	<b>(55,500)</b>	<b>(33,160)</b>	<b>(95,598)</b>
<b>Other comprehensive income (loss):</b>				
Fair value adjustment - marketable securities	10,000	(21,358)	5,000	(5,000)
<b>Comprehensive income (loss)</b>	<b>(41,820)</b>	<b>(77,128)</b>	<b>(28,160)</b>	<b>(100,958)</b>
<b>Basic and diluted earnings (loss) per share-continued operations</b>	<b>(0.00)</b>	<b>(0.00)</b>	<b>(0.00)</b>	<b>(0.00)</b>
<b>Weighted average number of common shares outstanding</b>	<b>45,762,535</b>	<b>44,605,470</b>	<b>45,705,741</b>	<b>42,127,209</b>

*See accompanying notes to the consolidated condensed interim financial statements*

# MAXTECH VENTURES INC.

## Condensed Consolidated Interim Statements of Cash Flows

(Unaudited - Expressed in Canadian Dollars)

	Six months ended	
	January 31,	
Cash provided by (used in)	2017	2016
	\$	\$
<b>Operating activities</b>		
Net income (loss) for the period	(28,160)	(95,598)
Loss (gain) on marketable securities	5,070	-
Unrealized loss on marketable securities	(5,000)	-
Changes in non-cash operating working capital		
Other receivables	(1,073)	(861)
Accounts payable and accrued liabilities	(49,570)	8,677
Cash used in operating activities	(78,733)	(87,782)
<b>Investing activities</b>		
Exploration and evaluation expenditures	(56,620)	-
Proceeds realized on disposition of marketable securities	44,930	-
Cash provided by investing activities	(11,690)	-
<b>Financing activities</b>		
Exercise of warrants		100,000
Proceeds intended for private placement	522,500	-
Cash provided by financing activities	522,500	100,000
<b>Increase(decrease) in cash</b>	<b>432,077</b>	<b>12,218</b>
<b>Cash, beginning of period</b>	<b>8,863</b>	<b>3,353</b>
<b>Cash, end of period</b>	<b>440,940</b>	<b>15,571</b>

*See accompanying notes to the consolidated condensed interim financial statements*

## Maxtech Ventures Inc.

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

(Unaudited - Expressed in Canadian Dollars)

	Share capital		Reserves			Deficit	Total
	Number	Amount	Foreign translation reserve	Share-based payment reserve	Investment revaluation reserve		
		\$	\$	\$	\$	\$	\$
Balance, July 31, 2015	39,648,948	8,230,000	(3,904)	5,349,127	-	(13,573,639)	1,584
Exercise of warrants	2,000,000	100,000	-	-	-	-	100,000
Fair value adjustment of marketable securities	-	-	-	-	(5,000)	-	(5,000)
Net loss	-	-	-	-	-	(95,598)	(95,598)
Balance, January 31, 2016	39,648,948	8,230,000	(3,904)	5,349,127	-	(13,669,237)	986
<b>Balance, July 31, 2016</b>	<b>45,648,948</b>	<b>8,330,000</b>	<b>-</b>	<b>5,349,127</b>	<b>5,000</b>	<b>(13,713,895)</b>	<b>(29,768)</b>
Fair value adjustment of marketable securities	-	-	-	-	(5,000)	-	(5,000)
Proceeds intended for private placement	-	522,500	-	-	-	-	522,500
Net loss	-	-	-	-	-	(28,160)	(28,160)
<b>Balance, January 31, 2017</b>	<b>45,648,948</b>	<b>8,852,500</b>	<b>-</b>	<b>5,349,127</b>	<b>-</b>	<b>(13,742,055)</b>	<b>459,572</b>

See accompanying notes to the consolidated condensed interim financial statements

## **Maxtech Ventures Inc.**

### Notes to the condensed consolidated interim financial statements Six months ended January 31, 2017 (Unaudited - Expressed in Canadian dollars)

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#### **1. NATURE OF OPERATIONS AND GOING CONCERN**

Maxtech Ventures Inc. (the “Company” or “Maxtech”) was incorporated on April 19, 2000 under the laws of the province of British Columbia, Canada. The Company’s shares are traded on the Canadian Securities Exchange (the “CSE”) under the symbol “MVT”. The Company is currently seeking business opportunities.

The head office, principal address and records office of the Company are located at 702 – 595 Howe Street, Vancouver, BC V6C 2T5.

These condensed consolidated interim financial statements for the six months ended January 31, 2017 have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. As at January, 2017, the Company is not able to finance day to day activities through operations and had recurring losses since inception. 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 uncertainties cast significant doubt about the Company’s ability to continue as a going concern. Management intends to finance operating costs over the next twelve months with the private placements of common shares.

#### **2. STATEMENT OF COMPLIANCE**

These consolidated condensed interim financial statements, including comparatives within, have been prepared in accordance with International Accounting Standards 34, “Interim Financial Reporting” (“IAS 34”), using accounting policies consistent with the International Financial Report Standards (“IFRS”) issued by the International Accounting Standards Board (“IASB”) and interpretations of the International Financial Reporting Interpretations Committee. Any subsequent changes to IFRS that are given effect to in the Company’s annual consolidated financial statements for the year ending July 31, 2017 could result in revisions to these interim financial statements.

These consolidated condensed interim financial statements do not include all of the information required of a full annual financial report and is 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 consolidated condensed interim financial statements be read in conjunction with the audited annual consolidated financial statements of the Company for the most recent year ended July 31, 2016.

These consolidated condensed interim financial statements were approved and authorized by the Board of Directors on March 31, 2017.

## Maxtech Ventures Inc.

Notes to the condensed consolidated interim financial statements  
Six months ended January 31, 2017  
(Unaudited - Expressed in Canadian dollars)

### 3. SIGNIFICANT ACCOUNTING POLICIES

#### Basis of preparation

These condensed consolidated interim financial statements have been prepared on an accrual basis and are based on historical costs, except for financial instruments measured at their fair value. The condensed consolidated interim financial statements are presented in Canadian dollars, unless otherwise noted.

#### Consolidation

These condensed consolidated interim financial statements for the six months ended January 31, 2017 include the accounts of the Company and its controlled subsidiaries:

Name	Status	Ownership	Place of incorporation
Emerging Minerals Corp. ("Emerging Minerals")	Inactive	53%	BC, Canada
Eotheme International Ltd ("Eotheme")	Inactive	100%	Wyoming, USA

#### Consolidation (continued)

All intercompany balances and transactions between the Company and its subsidiaries have been eliminated on consolidation.

#### Adoption of new accounting policies and accounting standards issued but not yet applied

The Company has not adopted new accounting policies since its recent year ended July 31, 2016.

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods beginning after July 31, 2016 or later periods.

These new accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's consolidated financial statements.

### 4. MARKETABLE SECURITIES

The Company's marketable securities may comprise of investments in shares and share purchase warrants of Canadian public companies.

During the six months ended year ended January 31, 2017, the Company disposed all the marketable securities and recorded a loss of \$5,070 on the disposition and received proceeds of \$44,930.

### 5. OTHER RECEIVABLE

	January 31, 2017	July 31, 2016
	\$	\$
Goods and services tax recoverable	2,716	1,643

### 6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	January 31, 2017	July 31, 2016
	\$	\$
Trade payables	40,704	53,274
Accrued liabilities	-	37,000
	40,704	90,274



## Maxtech Ventures Inc.

Notes to the condensed consolidated interim financial statements  
Six months ended January 31, 2017  
(Unaudited - Expressed in Canadian dollars)

### 7. NOTES RECEIVABLE (PAYABLE)

As at July 31, 2016, the Company had the following notes receivable outstanding:

Borrower	Principal \$	Term	Interest	Security
Chimata (i) Provision	56,000 (56,000)	On-demand	5% per annum	Unsecured
	-			

(i) Chimata Gold Corp. ("Chimata") is a former subsidiary of the Company. Chimata fully repaid \$56,000 during the period ended January 31, 2017. As a result, a recovery of \$56,000 has been recorded.

As at January 31, 2017, the Company had repaid the following promissory notes:

Borrower	Principal \$	Term	Interest	Security
Grandpeak Capital Corp. (ii)	12,000	On-demand	3% per annum Prime + 1%	unsecured
Can-ameri Agri Co. (ii)	8,676	On-demand	per annum	unsecured
	20,676			

(ii) Grandpeak Capital Corp. and Can-ameri Agri Co. are Canadian public companies.

During period ended January 31, 2017, the Company entered into a loan agreement with Innovative Properties Inc. ("Innovative"), whereby Innovative agreed to lend the Company \$50,000 which was fully repaid during the period.

### 8. EXPLORATION AND EVALUATION EXPENDITURES

#### Moto Grosse Brazil Project

In November 2016, the Company entered an arms-length letter of intent to acquire 2 mineral claims comprising 20,000 hectares with indications of manganese in the State of Mato Grosse, Brazil. The terms of the acquisition include the payment of US\$10,000 and the issuance of 200,000 common shares of the Company, the transaction is subject to the CSE and other regulatory approvals. The Company plans to complete the negotiation of signing a definitive agreement and to complete due diligence by March 30, 2017.

	Moto Grosse Brazil \$
Balance, July 31, 2016	-
Administration	15,00
Geologist	25,620
Travel	16,000
<b>Balance, January 31, 2017</b>	<b>56,620</b>

## Maxtech Ventures Inc.

### Notes to the condensed consolidated interim financial statements Six months ended January 31, 2017 (Unaudited - Expressed in Canadian dollars)

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#### 9. SHARE CAPITAL

##### Authorized

Unlimited number of common shares without par value.

##### Period Ended January 31, 2017

On January 27, 2017, the Company closed the first tranche of a private placement totaling 2,612,500 Units for total proceeds of \$522,500. Each Unit comprised one common share and one share purchase warrant exercisable for two years from date of closing at an exercise of \$0.30 for the first year and \$0.40 for the second year thereafter. The second tranche was closed subsequent to the period end (Note 12).

##### Stock options

The Company has adopted an incentive stock option plan (the "Plan"). The essential elements of the Plan provide that the aggregate number of shares of the Company's capital stock issuable pursuant to options granted under the Plan may not exceed 20% of the outstanding shares. Options granted under the Plan may have a maximum term of 5 years. The exercise price of options granted under the Plan will not be less than the closing price of the Company's shares on the CSE on the trading day immediately before the date of grant, less the discount permitted. The options vest at the discretion of the Board of Directors. As at January 31, 2017, the Company did not have any share purchase options outstanding.

##### Share purchase warrants

As at January 31, 2017, the Company had 2,612,500 warrants issued and outstanding relating to the closing on January 27, 2017. Each Unit comprised one common share and one share purchase warrant exercisable for two years from date of closing at an exercise of \$0.30 for the first year and \$0.40 for the second year thereafter. The second tranche was closed subsequent to the period end (Note 12).

##### Share-based payment reserve

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

##### Foreign currency translation reserve

The foreign currency translation reserve records unrealized exchange differences arising on translation of foreign operations that have a functional currency other than the Company's reporting currency.

##### Investment revaluation reserve

The investment revaluation reserve records unrealized gain or loss arising on change in the fair value of available-for-sale financial assets.

#### 10. RELATED PARTY TRANSACTIONS

##### Transactions with key management and directors

The Company paid \$51,000 to a private company controlled by the CEO of the Company. The fees have been included in exploration and evaluation expenditures as they directly relate to mineral property activity.

## Maxtech Ventures Inc.

Notes to the condensed consolidated interim financial statements  
Six months ended January 31, 2017  
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### 11. FINANCIAL INSTRUMENTS

#### *Classification of financial instruments*

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

	January 31, 2017	July 31, 2016
	\$	\$
Fair value through profit and loss:		
Cash	440,940	8,863
Available-for-sale financial assets:		
Marketable securities	-	50,000
	440,940	58,863

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

	January 31, 2017	July 31, 2016
	\$	\$
Non-derivative financial liabilities:		
Trade payables	40,704	53,274
Notes payable	-	-
	40,704	53,274

#### *Fair value*

The fair value of the Company's financial assets and liabilities approximates the carrying amount as at January 31, 2017 and July 31, 2016 due to their short-term nature.

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.

Cash and marketable securities are recorded at fair value based on level 1 inputs.

### 12. SUBSEQUENT EVENTS

On February 24, 2017, the Company closed the second tranche of a private placement totaling 525,000 Units for total proceeds of \$105,000. Each Unit comprised one common share and one share purchase warrant exercisable for two years from date of closing at an exercise of \$0.30 for the first year and \$0.40 for the second year thereafter.

In the March 3, 2017, the Company issued 1,500,000 share purchase options to officers and directors of the Company. These options entitle the holder to purchase one share for \$0.47 for five years from the date of grant. These options issued had a fair value of \$516,421 using the Black Scholes model with the following inputs: i) exercise price: \$0.47; ii) share price: \$0.44; iii) term: 5 years; iv) volatility: 111%; v) discount rate: 0.66%.

In the March 16, 2017, the Company issued 1,500,000 share purchase options to officers and directors of the Company. These options entitle the holder to purchase one share for \$0.47 for five years from the date of grant. These options issued had a fair value of \$516,421 using the Black Scholes model with the following inputs: i) exercise price: \$0.47; ii) share price: \$0.44; iii) term: 5 years; iv) volatility: 111%; v) discount rate: 0.66%.

**Maxtech Ventures Inc.**

Notes to the condensed consolidated interim financial statements

Six months ended January 31, 2017

(Unaudited - Expressed in Canadian dollars)

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On March 23, 2017, the Company acquired two additional mineral claims in Brazil. The terms of the acquisition include payment of US\$10,000 and the issuance of 200,000 common shares of the Company. The transaction is subject to regulatory approval.