Carpincho Capital Corp.

Financial Statements
(Expressed in Canadian Dollars)

For the Years Ended June 30, 2015 and 2014

Abraham Chan LLP
Chartered Accountants

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Independent Auditor's Report

To the Shareholders of
Carpincho Capital Corp.

We have audited the accompanying financial statements of Carpincho Capital Corp. which comprise the statements of financial position as at June 30, 2015 and June 30, 2014 and the statements of loss and comprehensive loss, changes in equity 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 International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of the 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 evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, 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 in our audits 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 Carpincho Capital Corp., as at June 30, 2015 and 2014 and its financial performance and its 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 financial statements which describes that the Company will require additional financing in order to fund its planned activities. This condition, along with other matters set out in note 1, indicates the existence of material uncertainties that may cast significant doubt upon the Company's ability to continue as a going concern.

"Abraham Chan LLP"

Toronto, Canada
October 27, 2015

Abraham Chan LLP
Chartered Accountants
Licensed Public Accountants

Carpincho Capital Corp.

Statements of Financial Position
(Expressed in Canadian Dollars)

As at		June 30, 2015		June 30, 2014
Assets				
Current assets				
Cash	**$**	**1,863**	$	977
Sale taxes recoverable		**331**		1,330
Total Assets	**$**	**2,194**	$	2,307
Liabilities				
Current liabilities				
Accrued liabilities (Note 5)	**$**	**58,318**	$	48,447
Shareholder loan (Note 5)		**32,500**		30,000
Total Liabilities		**90,818**		78,447
Equity (Deficiency)				
Share capital (Note 7)		**1,000**		1,000
Deficit		**(89,624)**		(77,140)
Total Deficiency		**(88,624)**		(76,140)
Total Liabilities and Deficiency	**$**	**2,194**	$	2,307

Nature of Operations and Going Concern (Note 1)

Approved by the Board ***"Lonnie Kirsh"*** ***"Robyn Levine"***

Director Director

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

Carpincho Capital Corp.
Statements of Loss and Comprehensive Loss
(Expressed in Canadian Dollars)

Years Ended June 30,		2015		2014
Expenses				
General and administrative	**$**	**68**	$	69
Professional fees		**2,046**		3,100
Shareholder reporting fees (Note 5)		**3,242**		3,127
Legal fees (Note 5)		**7,128**		7,177
		12,484		13,473
Net loss and comprehensive loss	**$**	**(12,484)**	$	(13,473)
Basic and diluted loss per share	**$**	**(0.00)**	$	(0.00)
Weighted average number of common shares outstanding – Basic and diluted (Note 7)		**5,000,000**		5,000,000

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

Carpincho Capital Corp.
Statements of Changes in Equity
(Expressed in Canadian Dollars)

		Share Capital		Deficit		Total
Balance at June 30, 2014	**$**	**1,000**	**$**	**(77,140)**	**$**	**(76,140)**
Net loss for the year		-		(12,484)		(12,484)
Balance at June 30, 2015	**$**	**1,000**	**$**	**(89,624)**	**$**	**(88,624)**

		Share Capital		Deficit		Total
Balance at June 30, 2013	$	1,000	$	(63,667)	$	(62,667)
Net loss for the year		-		(13,473)		(13,473)
Balance at June 30, 2014	$	1,000	$	(77,140)	$	(76,140)

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

Carpincho Capital Corp.
Statements of Cash Flows
(Expressed in Canadian Dollars)

Years Ended June 30,		2015		2014
Cash provided by (used in)				
Operations				
Net loss	**$**	**(12,484)**	$	(13,473)
Net changes in non-cash working capital:				
Sale taxes recoverable		**999**		1,105
Accrued liabilities		**9,871**		6,576
		(1,614)		(5,792)
Financing				
Shareholder loan		**2,500**		5,000
Net change in cash		**886**		(792)
Cash, beginning of year		**977**		1,769
Cash, end of year	**$**	**1,863**	$	977

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

1. NATURE OF OPERATIONS AND GOING CONCERN

Carpincho Capital Corp. (the “Company”) was incorporated under the Canada Business Corporations Act on April 26, 2002 and is engaged in venture capital activities. The Company intends to identify and evaluate opportunities for the acquisition of an interest in properties, assets or businesses, and once identified and evaluated, to negotiate an acquisition thereof, merger with or participation therein.

While these financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") on a going concern basis that presumes the realization of assets and discharge of liabilities in the normal course of business, there are material uncertainties related to adverse conditions and events that cast significant doubt on the Company's ability to continue as a going concern.

During the year ended June 30, 2015, the Company incurred a loss of $12,484 (2014 - $13,473) and, as of that date, the Company had an accumulated deficit of $89,624 (2014 - $77,140), a working capital deficiency of $88,624 (2014 - $76,140) and negative cash flows from operations of $1,614 (2014 - $5,792). These factors create material uncertainties that may cast significant doubt upon the Company's ability to continue as a going concern.

There is no assurance that the Company will identify a business or asset that warrants acquisition or participation or once identified, conclude a merger or acquisition transaction. Furthermore, the Company has limited working capital to pursue such opportunities. The ability of the Company to continue as a going concern is dependent upon, among other things, being able to obtain adequate financing, and maintaining positive operating cash flows. Additionally, if the Company requires additional cash resources to fund current operations, there is no assurance that it will be able to obtain these required cash resources. However, management has assessed the Company’s ability to continue as a going concern and determined that the Company will continue for the foreseeable future subject to the material uncertainties listed above.

These financial statements do not include any adjustments to the amounts and classification of assets and liabilities that might be necessary should the Company be unable to continue operations. Such adjustments would be material.

The registered office of the Company is located at 181 University Avenue, Suite 800, Toronto, Ontario, M5H 2X7.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Statement of Compliance

The financial statements have been prepared in accordance with IFRS as issued by the International Accounting Standards Board (“IASB”) and the interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”).

The financial statements of the Company were approved by the Board of Directors on October 27, 2015.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Basis of Presentation

These financial statements have been prepared on a historical cost basis except for financial instruments classified as financial instruments at fair value through profit or loss, which are stated at fair value. In addition, these financial statements have been prepared using the accrual basis of accounting except for cash flow information. The accounting policies have been applied consistently throughout the entire period presented in these financial statements.

Functional and Presentation Currency

These financial statements have been prepared in Canadian dollars, which is the Company's functional and presentation currency.

Loss Per Share

The Company presents basic and diluted loss per share data for its common shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted loss per share is determined by adjusting the loss attributable to common shareholders and the weighted average number of common shares outstanding for the effects of all warrants and options outstanding, if any, that may add to the total number of common shares.

Income Taxes

Income tax on the profit or loss for the periods presented comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: goodwill not deductible for tax purposes and the initial recognition of assets or liabilities that affect neither accounting nor taxable profit. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the financial position reporting date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. To the extent that the Company does not consider it probable that a deferred tax asset will be recovered, it does not record that excess.

Under the provisions of the Income Tax Act, the Company is required to pay certain income taxes with respect to its investment income and taxable dividends received which are potentially refundable. These refundable taxes are charged to retained earnings as incurred.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Financial Instruments

Financial assets classified as fair value through profit or loss ("FVTPL") are measured at fair value with any resultant gain or loss recognized in profit or loss. Financial assets classified as available-for-sale are measured at fair value with any resultant gain or loss being recognized directly under other comprehensive income. When available-for-sale financial assets are derecognized, the cumulative gain or loss previously recognized directly in equity is recognized in profit or loss. Financial assets classified as loans and receivables and held to maturity, are measured at amortized cost using the effective interest rate method.

All financial liabilities are recognized initially at fair value plus, in the case of loans and borrowings, directly attributable transaction costs. Financial liabilities are classified as other financial liabilities, and are subsequently measured at amortized cost using effective interest rate method.

The Company's financial assets include cash and sale taxes recoverable while the Company's financial liabilities include accrued liabilities and shareholder loan. Classification of these financial instruments is as follows:

Financial Instrument	Classification	Measurement
Cash	FVTPL	Fair value
Sale taxes recoverable	Loans and receivables	Amortized cost
Accrued liabilities	Other financial liabilities	Amortized cost
Shareholder loan	Other financial liabilities	Amortized cost

Financial instruments recorded at fair value on the statement of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. There are three levels of the fair value hierarchy as follows:

- Level 1: Values based on unadjusted quoted prices in active markets that are accessible at the measurement date for identical assets or liabilities.
- Level 2: Values based on quoted prices in markets that are not active or model inputs that are observable either directly or indirectly for substantially the full term of the asset or liability.
- Level 3: Values based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement.

The Company's financial instruments measured at fair value on the statement of financial position consist of cash. Cash is measured at level 1 of the fair value hierarchy.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Significant Accounting Judgments and Estimates

The preparation of these financial statements using accounting policies consistent with IFRS requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities. The estimates and associated assumptions are based on anticipations and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. Information regarding significant areas of estimation, uncertainty and critical judgments made in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements relate to accrued liabilities, the recognition of deferred income taxes and the appropriateness of the going concern assumption.

Change in accounting policies

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods after July 1, 2014. The following new standards have been adopted:

(i) IAS 32 – Financial Instruments: Presentations ("IAS 32") clarifies some of the requirements for offsetting financial assets and financial liabilities on the statement of financial position. The amendment to IAS 32 is effective for annual periods beginning on or after January 1, 2014. At July 1, 2014, the Company adopted this pronouncement and there was no material impact on the Company's financial statements.

(ii) IFRIC 21 - 'Levies' ("IFRIC 21") is effective for the Company beginning on January 1, 2014. The interpretation addresses the accounting for a liability to pay a levy if that liability is within the scope of IAS 37 - Provisions, Contingent Liabilities and Contingent Assets, as well as addressing what the obligating event is that gives rise to pay a levy and when should a liability be recognized. At July 1, 2014, the Company adopted IFRIC 21 and there was no impact on the Company's financial statements.

(iii) 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. The Company adopted the amendments and there was no material impact on the Company's financial statements.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Change in accounting policies (cont'd)

(iv) 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. At July 1, 2014, the Company adopted this pronouncement and there was no material impact on the Company's financial statements.

Recent accounting pronouncements

The following have not yet been adopted and are being evaluated to determine their impact on the Company. Various other accounting pronouncements that have no material impact to the Company are not listed below:

(i) IFRS 9 – Financial Instruments ("IFRS 9") was issued by the IASB in November 2009 and will replace IAS 39 - Financial Instruments: Recognition and Measurement ("IAS 39"). IFRS 9 replaces the multiple rules in IAS 39 with a single approach to determine whether a financial asset is measured at amortized cost or fair value and a new mixed measurement model for debt instruments having only two categories: amortized cost and fair value. 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. This standard also requires an expected loss impairment method to be used, replacing the incurred loss model.

In October 2010, the IASB added requirements for financial liabilities to IFRS 9. These requirements were largely carried forward from the existing requirements in IAS 39, however, fair value changes due to credit risk for liabilities designated at fair value through profit and loss are to be recorded in other comprehensive income.

In November 2013, the IASB amended IFRS 9 to include a new general hedge accounting model. The amendment also removed the January 1, 2015 effective date.

In July 2014, the IASB issued the final version IFRS 9 that supersedes the requirements of earlier versions of the standard. The new standard will replace both IAS 39 and IFRIC 9 - Reassessment of Embedded Derivatives. The standard will retain the classification and measurements requirements and new hedge accounting model introduced by the previous versions while introducing a single forward-looking expected credit loss impairment model. The final version of this new standard is effective for annual periods beginning on or after January 1, 2018. However, an entity may elect to apply the earlier versions of this new standard to annual periods beginning before January 1, 2018 if, and only if, its initial application date is before February 1, 2015.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Recent accounting pronouncements (cont'd)

(ii) IFRS 11 - Joint Arrangements ("IFRS 11") was amended in May 2014 to require business combination accounting to be applied to acquisitions of interests in a joint operation that constitute a business. The amendments are effective for annual periods beginning on or after January 1, 2016. Earlier adoption permitted. The Company does not expect the amendment to IFRS 11 will have significant impact on the Company's financial statements.

(iii) IAS 1 – Presentation of Financial Statements ("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 still in the process of assessing the impact of this pronouncement.

3. CAPITAL RISK MANAGEMENT

The Company includes equity, comprised of issued share capital and deficit, in the definition of capital, amounting to $88,624 (2014 - $76,140). The Company's primary objective with respect to its capital management is to ensure that it has sufficient cash resources to fund its activities relating to identifying and evaluating assets or businesses to merge with or acquire. To secure the additional capital necessary to pursue these plans, the Company may attempt to raise additional funds through the issuance of equity or debt.

There has been no change with respect to the overall capital risk management strategy during the year ended June 30, 2015. The Company is not subject to any capital requirements imposed by a lending institution.

4. FINANCIAL RISK MANAGEMENT

As at June 30, 2015 and 2014, the fair value of Company's financial instruments consisting of cash, sale taxes recoverable, accrued liabilities and shareholder loan, approximates the carrying value due to the relatively short-term maturities of the instruments. It is management's opinion that the Company is not exposed to significant interest rate risk, currency or credit risks arising from these financial instruments.

The Company received a loan from its shareholder during the year ended June 30, 2011 in the amount of $25,000, a further $5,000 in the year ended June 30, 2014 and a further $2,500 in the year ended June 30, 2015. These loans are non-interest bearing and repayable on demand. The fair value of the loans from the shareholder approximates its carrying amount.

As at June 30, 2015, the Company has negative working capital of $88,624 (2014 – $76,140). The Company will require additional financing to meet its ongoing obligations and its business objectives.

(Expressed in Canadian Dollars)

5. RELATED PARTY TRANSACTIONS

Transactions with related parties are incurred in the normal course of business and are measured at the fair value, which is the amount of consideration established and approved by the related parties. Related party transactions have been listed below, unless they have been disclosed elsewhere in the financial statements.

During the year ended June 30, 2015 the Company incurred legal fees of $10,370 (2014 – $10,304) to a law firm in which a director and officer of the Company practices as a sole proprietor, $7,128 (2014 – $7,177) is included in legal fees while $3,242 (2014 – $3,127) is included in shareholder reporting fees. Included in accrued liabilities is $55,818 (2014 – $45,447) owing to this law firm.

During the year ended June 30, 2011, a shareholder of the Company loaned the Company $25,000 for working capital. A further $5,000 was loaned during 2014 and $2,500 during the current year. The loans are unsecured, non-interest bearing and repayable on demand. No amounts were repaid during the current year.

6. INCOME TAX

The following table reconciles income taxes calculated at combined Canadian federal/provincial tax rates with the income tax expense in the financial statements. There is no tax expense at the fiscal reporting periods.

		2015		2014
Loss before income taxes	**$**	**(12,484)**	$	(13,473)
Statutory rate		**26.50%**		26.50%
Expected income tax expense (recovery)		**(3,308)**		(3,570)
Increase (decrease) resulting from:				
Change in deferred tax asset not recognized		**3,308**		3,570
Income tax expense	**$**	**-**	$	-

		2015		2014
Non-capital loss carry forward	**$**	**1,111,652**	$	1,099,168
Future tax rate		**26.50%**		26.50%
Deferred income tax asset		**294,588**		291,279
Less: Deferred tax asset not recognized		**(294,588)**		(291,279)
Net deferred income tax asset	**$**	**-**	$	-

(Expressed in Canadian Dollars)

6. INCOME TAX (Cont'd)

Loss and Tax Credit Carry forwards

The Company has non-capital losses of $1,111,652 available to apply against future taxable income. If not utilized, the non-capital losses will expire as follows:

2028	$	945,899
2030		47,860
2031		56,540
2032		18,086
2033		17,310
2034		13,473
2035		12,484
	$	**1,111,652**

Deferred tax benefits which may arise as a result of these non-capital losses have not been recognized in these financial statements due to the uncertainty of their realization.

7. AUTHORIZED AND ISSUED SHARE CAPITAL

Authorized Share Capital

An unlimited number of common shares with no par value.

Issued Share Capital

The issued share capital as at June 30, 2015 was 5,000,000 Common Shares (2014 – 5,000,000 Common Shares).

On January 20, 2011 the articles of the Company were amended to: (i) change the name of the Company to "Carpincho Capital Corp." from "High Income Preferred Shares Corporation"; (ii) eliminate all classes of share capital of the Company and replace them with one class of Common Shares; and (iii) reclassify each issued and outstanding Class A Share as 5,000 Common Shares.

8. SEGMENTED INFORMATION

The Company's operations comprise a single reporting segment engaged in identifying suitable assets or businesses to acquire. As the operations comprise a single reporting segment, amounts disclosed in the financial statements also represent segment amounts.