

DARIEN BUSINESS DEVELOPMENT CORP.

CONDENSED INTERIM FINANCIAL STATEMENTS
(Unaudited - expressed in Canadian Dollars)
For the Three Months Ended March 31, 2017 and 2016

**NOTICE OF NO AUDITOR REVIEW OF
CONDENSED 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 the financial statements have not been reviewed by an auditor.

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

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

DARIEN BUSINESS DEVELOPMENT CORP.
CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION
(Unaudited - expressed in Canadian Dollars)

	Notes	March 31, 2017 \$	December 31, 2016 \$
ASSETS			
Current assets			
Cash		3,704	2,856
GST recoverable		10,059	9,141
Prepaid expenses		2,250	1,000
		<u>16,013</u>	<u>12,997</u>
Equipment	3	2,235	2,364
Total assets		<u>18,248</u>	<u>15,361</u>
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities	4,7	89,991	78,212
Advances payable	5	165,800	148,800
Total liabilities		<u>255,791</u>	<u>227,012</u>
DEFICIT			
Share capital	6	14,410,726	14,410,726
Contributed surplus		1,236,455	1,236,455
Deficit		(15,884,724)	(15,858,832)
Total (deficit)		<u>(237,543)</u>	<u>(211,651)</u>
Total liabilities and (deficit)		<u>18,248</u>	<u>15,361</u>

Organization and nature of operations and going concern (Note 1)

Approved by the Board of Directors

"Gunther Roehlig" Director

"Rob McMorran" Director

DARIEN BUSINESS DEVELOPMENT CORP.
CONDENSED INTERIM STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS

For the three months ended March 31, 2017 and 2016

(Unaudited - expressed in Canadian Dollars)

	Notes	2017 \$	2016 \$
General and administrative expenses			
Accounting and audit	7	3,257	1,160
Amortization	3	129	164
Consulting fees	7	15,000	15,000
Legal		1,380	1,219
Office and miscellaneous		6,126	3,244
Loss before other items		(25,892)	(20,787)
Foreign exchange gain		-	368
Comprehensive loss for the period		(25,892)	(20,419)
Basic and diluted loss per share		(0.00)	(0.00)
Weighted average number of shares outstanding		6,455,815	6,455,815

DARIEN BUSINESS DEVELOPMENT CORP.
CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY

For the three months ended March 31, 2017 and 2016
(Unaudited - expressed in Canadian Dollars)

	Number of shares	Amount \$	Contributed Surplus \$	Deficit \$	Total \$
Balance, December 31, 2015	6,455,815	14,410,726	1,236,455	(15,713,919)	(66,738)
Net and comprehensive loss for the period	-	-	-	(20,419)	(20,419)
Balance, March 31, 2016	6,455,815	14,410,726	1,236,455	(15,734,338)	(87,157)
Net and comprehensive loss for the period	-	-	-	(124,494)	(124,494)
Balance, December 31, 2016	6,455,815	14,410,726	1,236,455	(15,858,832)	(211,651)
Net and comprehensive loss for the period	-	-	-	(25,892)	(25,892)
Balance, March 31, 2017	6,455,815	14,410,726	1,236,455	(15,884,724)	(237,543)

DARIEN BUSINESS DEVELOPMENT CORP.
CONDENSED INTERIM STATEMENTS OF CASH FLOWS

For the three months ended March 31, 2017 and 2016

(Unaudited - expressed in Canadian Dollars)

	2017	2016
	\$	\$
<hr/>		
Cash flow provided by (used in)		
Operating activities		
Loss for the period	(25,892)	(20,419)
Add non-cash items:		
Amortization	129	164
	<hr/> (25,763)	<hr/> (20,255)
Changes in non-cash working capital items		
GST recoverable	(918)	(279)
Prepaid expenses	(1,250)	-
Accounts payable and accrued liabilities	11,779	19,661
	<hr/> (16,152)	<hr/> (873)
Financing activity		
Proceeds from advances payable	17,000	-
	<hr/> 848	<hr/> (873)
Increase (Decrease) in cash during the period		
Cash – beginning of the period	2,856	2,353
	<hr/> 3,704	<hr/> 1,480
Cash – end of the period		

DARIEN BUSINESS DEVELOPMENT CORP.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the three months ended March 31, 2017 and 2016
(Unaudited - expressed in Canadian Dollars)

1. ORGANIZATION AND NATURE OF OPERATIONS AND GOING CONCERN

Darien Business Development Corp. (“Darien” or the “Company”) was incorporated under the Alberta Business Corporations Act on November 23, 2004. Effective March 14, 2017 the Company consolidated its common shares on the basis of one new common share for every ten old common shares issued and outstanding. All references to share and per share amounts in these condensed interim financial statements have been retroactively restated to reflect the share consolidation. The Company’s main activities during the three months ended March 31, 2017 were maintaining its public listing and pursuing potential business opportunities as they arise. The Company is listed on the TSX Venture Exchange’s NEX board under the trading symbol “DBD.H”. The Company’s head office is located at Suite 200, 550 Denman Street, Vancouver, BC.

These condensed interim financial statements have been prepared assuming the Company will continue as a going concern, which contemplates the realization of assets and satisfaction of liabilities in the normal course of business. At March 31, 2017, the Company had a working capital deficiency of \$239,778 and accumulated losses of \$15,884,724 since its inception and expects to incur further losses in the development of its business. For the three months ended March 31, 2017 the Company used \$16,152 of cash in operations. These factors indicate a material uncertainty that casts significant doubt upon the Company’s ability to continue as a going concern and, therefore, that it may be unable to discharge its liabilities in the normal course of business.

Management has determined that the Company will not have enough cash on hand to continue operations for the next twelve months. The continuation of the Company is dependent upon obtaining necessary financing to meet its ongoing levels of corporate overhead.

While management has been successful in securing financing in the past, there can be no assurance it will be able to do so in the future or that financing will be available on terms which are acceptable to the Company. These condensed interim financial statements do not give effect to any adjustments to the amounts and classifications of assets and liabilities which might be necessary should the Company be unable to continue its operations as a going concern.

2. BASIS OF PRESENTATION

These condensed interim financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by International Accounting Standards Board (“IASB”) applicable to the preparation of interim financial statements, including IAS 34, Interim Financial Reporting. The condensed interim financial statements should be read in conjunction with the annual financial statements for the year ended December 31, 2016, which have been prepared in accordance with IFRS as issued by IASB.

The Company uses the same accounting policies and methods of computation as in the annual financial statements for the year ended December 31, 2016. These condensed interim financial statements were approved by the board of directors for use on May 26, 2017.

DARIEN BUSINESS DEVELOPMENT CORP.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For three months ended March 31, 2017 and 2016
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3. EQUIPMENT

	Office Equipment \$	Computer Equipment \$	Total \$
Asset cost			
Balance at December 31, 2016	3,146	1,152	4,298
Accumulated amortization			
Balance at December 31, 2016	1,340	594	1,934
Amortization	88	41	129
Balance at March 31, 2017	1,428	635	2,063
Carrying amounts			
At December 31, 2016	1,806	558	2,364
At March 31, 2017	1,718	517	2,235

4. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	March 31, 2017 \$	December 31, 2016 \$
Trade payables	46,327	46,933
Amounts due to related parties (Note 7)	43,664	31,279
	89,991	78,212

DARIEN BUSINESS DEVELOPMENT CORP.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For three months ended March 31, 2017 and 2016
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5. ADVANCES PAYABLE

As at March 31, 2017 the Company had \$165,800 (December 31, 2016 - \$148,800) in advances payable outstanding, including \$80,000 (December 31, 2016 - \$68,000) from a director of the Company. The amounts owing are unsecured, non-interest bearing and due on demand.

6. SHARE CAPITAL

- a) Authorized: Unlimited common shares without par value.
Unlimited preferred shares issuable in series.

Effective March 14, 2017 the Company consolidated its common shares on the basis of one new common share for every ten old common shares issued and outstanding. All references to share and per share amounts in these condensed interim financial statements have been retroactively restated to reflect the share consolidation.

- b) Options:

The Company established a stock option plan in accordance with the policies of the TSX Venture Exchange under which it was authorized to grant share purchase options up to 10% of its outstanding shares. During the year ended December 31, 2014 the Company discontinued its stock option plan. Such discontinuance did not adversely affect the rights of any Optionee under the options granted pursuant to the stock option plan. The exercise price of options granted is greater than or equal to the market price of the Company's shares on the date of the grant. The options are for a maximum term of five years. All options vest on the date of grant, unless otherwise indicated.

A summary of the status of the Company's stock option plan as of March 31, 2017 and December 31, 2016 and the changes during the periods then ended is presented below:

	Number of options	Weighted average exercise price \$
<u>Balance outstanding - December 31, 2016 and March 31, 2017</u>	250,000	1.00

Details of the options outstanding as at March 31, 2017, is as follows:

<u>Expiry date</u>	<u>Exercise price \$</u>	<u>Options outstanding</u>
February 21, 2019	1.00	250,000

DARIEN BUSINESS DEVELOPMENT CORP.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For three months ended March 31, 2017 and 2016
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7. RELATED PARTY TRANSACTIONS

The Company incurred the following charges with directors and officers of the Company and/or companies controlled by them during the three months ended March 31, 2017 and 2016:

	2017	2016
	\$	\$
Accounting fees	3,257	1,160
Consulting fees	7,500	7,500
	<hr/>	<hr/>
	10,757	8,660

Included in accounts payable and accrued liabilities as at March 31, 2017 is \$43,664 (December 31, 2016 - \$31,279) due to current directors and officers of the Company and/or companies controlled by them. The amounts owing are unsecured, non-interest bearing and due on demand.

During the three months ended March 31, 2017 the Company received \$12,000 in advances payable from a director of the Company. As at March 31, 2017 the Company had \$80,000 (December 31, 2016 - \$68,000) in advances payable owing to a director of the Company, the amounts are unsecured, non-interest bearing and due on demand (Note 5).

Key management includes the directors of the Company. The compensation paid or payable to key management for services during the three months ended March 31, 2017 and 2016 is identical to the table above.