Nanosphere Health Sciences LLC

Financial Statements

(Expressed in U.S. Dollars)

For the period ended September 30, 2017 and the years ended December 31, 2016, 2015 and 2014

The accompanying unaudited interim condensed financial statements of Nanosphere Health Sciences LLC (the "Company") have been prepared in accordance with International Financial Reporting Standards and are the responsibility of the Company's management.

The Company's independent auditors, Davidson & Company LLP, have not performed a review of these unaudited interim condensed 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.

Nanosphere Health Sciences LLC
(Expressed in U.S. Dollars)
Statements of Financial Position

	September 30, 2017 (Unaudited)	December 31, 2016 (Audited)	2015	2014
Assets				
Current				
Cash	**$ 8,536**	$ 436,383	$ 38,626	$ 12,251
Contributions Receivable (note 6)	**-**	75,000	-	-
Total Current Assets	**8,536**	511,383	38,626	12,251
Line of Credit Agreement (note 9)	**55,728**	-	-	-
Equipment, net (note 4)	**9,289**	5,112	6,325	7,536
Total Assets	**$ 73,553**	$ 516,495	$ 44,951	$ 19,787
Liabilities and Members' Equity (Deficiency)				
Current				
Accounts Payables and accrued liabilities	**$ 101,229**	$ 214,330	$ -	$ 20,294
Notes Payable (note 10)	**344,679**	-	-	-
Due to Canosphere, LLC (note 11)	**-**	60,000	60,000	-
Due to Williston Trust Group, LLC (note 5)	**505,814**	571,514	405,149	297,864
Total Liabilities	**$ 951,722**	$ 845,844	$ 465,149	$ 318,158
Members' Equity				
Members contributions (note 6)	**$ 1,409,000**	$ 1,334,000	$ 729,000	$ 375,000
Contributed Surplus (note 6)	**533,040**	533,040	533,040	-
Accumulated Deficit	**(2,820,209)**	(2,196,389)	(1,682,238)	(673,371)
Total Equity (Deficiency)	**(878,169)**	(329,349)	(420,198)	(298,371)
Total Liabilities and Members' Equity	**$ 73,553**	$ 516,495	$ 44,951	$ 19,787

Subsequent Events (note 13)

Approved by the Manager on February 15, 2018

"Robert Sutton" Manager

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

Nanosphere Health Sciences LLC
(Expressed in U.S. Dollars)
Statements of Operations

	Nine month Period Ended September 30, 2017 (Unaudited)	Three month Period Ended September 30, 2017 (Unaudited)	Years ended December 31, 2016 (Audited)	2015 (Audited)	2014 (Audited)
Revenues					
Product Sales	$ -	$ -	$ -	$ 15,324	$ 6,240
Depreciation	909	303	1,212	1,212	945
Debt forgiveness (Note 11)	(60,000)	-	-	-	-
Foreign exchange	8,387	-	-	-	-
Labor	292,677	84,171	267,626	285,979	216,481
Legal and professional fees	112,855	67,166	92,640	25,839	62,730
Office and general	136,466	51,873	26,357	54,571	60,644
Product development	-	-	-	-	90,383
Rent	47,269	18,207	65,176	60,116	49,993
Stock-based compensation (note 6)	-	-	-	533,040	-
Supplies and Materials	47,937	29,779	41,200	45,739	30,709
Travel	37,320	3,096	19,940	17,695	22,454
Total expenses	623,820	254,595	514,151	1,024,191	534,339
Loss for the period	$ (623,820)	$ (254,595)	$ (514,151)	$ (1,008,867)	$ (528,099)

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

Nanosphere Health Sciences LLC
(Expressed in U.S. Dollars)
Statements of Cash Flows

		Nine month Period Ended September 30, 2017 (Unaudited)	Year Ended Decemb 2016	2015 (Audited)
Cash used in operating activities				
Loss for the period	$	**(623,820)**	$(514,151)	$(1,008,867)
Adjustment to reconcile net loss to net cash used in operating activities:				
Depreciation		**909**	1,212	1,212
Debt forgiveness (Note 11)		**(60,000)**	-	-
Foreign exchange		**8,387**	-	-
Stock-based compensation		**-**	-	533,040
Change in liabities:				
Accounts payables and accrued liabilities		**(113,102)**	214,330	(20,294)
Cash used in operating activities		**(787,626)**	(298,609)	(494,909)
Financing activities				
Advances (Repayment) of loan payable to Williston Trust		**(65,700)**	166,366	107,284
Due to Canosphere, LLC (note 11)		**-**	-	60,000
Line of credit advance		**(55,728)**	-	-
Notes payable borrowings		**336,292**	-	-
Member contributions		**150,000**	530,000	354,000
Cash provided by financing activities		**364,864**	696,366	521,284
Investing activities				
Purchase of property, plant and equipment		**(5,085)**	-	-
Cash used in for investing activities		**(5,085)**	-	-
Total (decrease) increase in cash		**(427,847)**	397,757	26,375
Cash, beginning of period		**436,383**	38,626	12,251
Cash, end of period	$	**8,536**	$ 436,383	$ 38,626

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

Nanosphere Health Sciences LLC

(Expressed in U.S. Dollars)

Statements of Changes in Members' Equity (Deficiency)

	Members' contributions	Contributed Surplus	Accumulated Deficit	Total
Balance, December 31, 2013	$ 175,000	$ -	$ (145,272)	$ 29,728
Contributions	200,000	-	-	200,000
Loss for the year	-	-	(528,099)	(528,099)
Balance, December 31, 2014	375,000	-	(673,371)	(298,371)
Contributions:	354,000	-	-	354,000
Stock-based compensation	-	533,040	-	533,040
Loss for the year	-	-	(1,008,867)	(1,008,867)
Balance, December 31, 2015	729,000	533,040	(1,682,238)	(420,198)
Contributions	605,000	-	-	605,000
Loss for the year	-	-	(514,151)	(514,151)
Balance, December 31, 2016	1,334,000	533,040	(2,196,389)	(329,349)
Contributions	75,000	-	-	75,000
Loss for the period	-	-	(623,820)	(623,820)
Balance, September 30, 2017 (Unaudited)	**$ 1,409,000**	**$ 533,040**	**$ (2,820,209)**	**$ (878,169)**

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

1. NATURE OF OPERATIONS AND GOING CONCERN

Nanosphere Health Sciences, LLC, (the "Company") is organized and registered as an LLC in the State of Colorado. The Company is a nano-biotechnology company focused on providing next generation delivery of nutritive elements and medicants. The Company is headquartered in Greenwood Village, Colorado.

These financial statements have been prepared by management on a going concern basis with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation.

The Company has incurred ongoing losses from its inception through September 30, 2017, and as of September 30, 2017, has a working capital deficiency of $943,186 and an accumulated deficit of $2,820,209. The Company has funded these losses primarily with support of creditors and through private placements of debt and equity securities.

As of September 30, 2017, the Company's cash balance was $8,536. In December 2017, upon the completion of a three-corner merger which included the reverse acquisition of Corazon Gold Corp., and the subsequent listing on the Canadian Stock Exchange, the Company completed a private placement for net proceeds of approximately $4.6 million. Given the Company's existing cash balance and the completion of the private placement in December 2017, the Company believes it will have sufficient liquidity to fund its operating activities, capital expenditures, debt service and working capital needs for at least twelve months from September 30, 2017.

2. BASIS OF PRESENTATION

Statement of Compliance

These financial statements for the Company have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and Interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC"). They have been prepared on a historical cost basis, except for certain financial instruments which may be measured at fair value. The Company does not have any financial instruments measured at fair value. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information, and are presented in United States dollars unless otherwise noted.

Significant Accounting Estimates and Judgements

The preparation of these financial statements requires management to make certain estimates, judgements and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported expenses during the period. Actual results could differ from these estimates.

Assessment of the Company's ability to continue as a going concern requires estimates of future cash flows and includes the consideration of other factors, the outcome of which is uncertain. Significant factors considered in the Company's assessment of its ability to continue as a going concern are disclosed in Note 1.

(Expressed in U.S. Dollars)

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below were applied consistently to all periods presented in these financial statements, unless otherwise indicated.

Functional and presentation currency

The functional currency is the currency of the primary economic environment in which the entity operates and has been determined to be the U.S. dollar for the Company. Transactions in currencies other than the U.S. dollar are recorded at exchange rates prevailing on the dates of the transactions. At the end of each reporting period, the monetary assets and liabilities of the Company that are denominated in a currency other than the U.S. dollar are translated at the exchange rate at the reporting date, while non-monetary assets and liabilities are translated at historical rates. Revenues and expenses are translated at the exchange rates approximating those in effect on the date of the transactions. Exchange gains and losses arising on translation are included in the statement of loss and comprehensive loss in the year in which they arise.

Equipment

Property and equipment is stated at cost. Depreciation is computed primarily by the straight-line method over the following estimated useful lives:

Machinery and Equipment	7 years

Depreciation expense for the period ended September 30, 2017 was $909 and for the years ended December 31, 2016, 2015 and 2014 was $1,212, $1,212 and $945, respectively. Normal maintenance and repairs are charged to operations as incurred.

Financial instruments

Financial assets

The Company classifies its financial assets into one of the following categories, depending on the purpose for which the asset was acquired. The Company's accounting policy for each category is as follows:

Fair value through profit or loss - This category comprises derivatives, or assets acquired or incurred principally for the purpose of selling or repurchasing it in the near term. They are carried in the statement of financial position at fair value with changes in fair value recognized in the statement of loss and comprehensive loss.

Loans and receivables - These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are carried at cost less any provision for impairment. Individually significant receivables are considered for impairment when they are past due or when other objective evidence is received that a specific counterparty will default.

Held-to-maturity investments - These assets are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Company's management has the positive intention and ability to hold to maturity. These assets are measured at amortized cost using the effective interest method. If there is objective evidence that the investment is impaired, determined by reference to external credit ratings and other relevant indicators, the financial asset is measured at the present value of estimated future cash flows. Any changes to the carrying amount of the investment, including impairment losses, are recognized in the statement of loss and comprehensive loss.

3. SIGNIFICANT ACCOUNTING POLICIES *(cont'd…)*

Financial instruments *(cont'd…)*

Financial assets *(cont'd…)*

Available-for-sale - Non-derivative financial assets not included in the above categories are classified as available-for-sale. They are carried at fair value with changes in fair value recognized directly in member's equity (deficiency). Where a decline in the fair value of an available-for-sale financial asset constitutes objective evidence of impairment, the amount of the loss is removed from member's equity (deficiency) and recognized in the statement of operations.

All financial assets except for those at fair value through profit or loss are subject to review for impairment at least at each reporting date. Financial assets are impaired when there is any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets, which are described above.

Financial liabilities

The Company classifies its financial liabilities into one of two categories, depending on the purpose for which the liability was incurred. The Company's accounting policy for each category is as follows:

Fair value through profit or loss - This category comprises derivatives, or liabilities acquired or incurred principally for the purpose of selling or repurchasing it in the near term. They are carried in the statement of financial position at fair value with changes in fair value recognized in the statement of operations.

Other financial liabilities: This category includes amounts due to the Williston Trust Group LLC and accounts payables and accrued liabilities, all of which are recognized at amortized cost.

The Company has classified its cash as fair value through profit or loss.

Financial instruments measured at fair value are classified into one of the 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.

Impairment of assets

The carrying amount of the Company's assets is reviewed at each reporting date to determine whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognized in the statement of operations.

3. SIGNIFICANT ACCOUNTING POLICIES (*cont'd…)*

Impairment of assets (*cont'd…)*

The recoverable amount of an asset is the greater of an asset's fair value less cost to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. 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 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, however, not to an amount higher than the carrying amount that would have been determined had no impairment loss been recognized in previous years. A reversal of an impairment loss is recognized immediately in the statement of operations.

Assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment.

Revenue Recognition

Revenue is recognized upon the delivery of products to retail locations within the State of Colorado. Initial licensing fees are charged to licensees outside the State of Colorado and recognized upon the execution of the license agreement. Royalties are recognized when received.

Income Taxes

The Company is organized and registered as an LLC in the State of Colorado, and has elected to be taxed as a Partnership under the Internal Revenue Code for federal and state income tax reporting purposes. Accordingly, no provision for income taxes has been included in the accompanying financial statements since the Members report the earnings or loss of the Company on their respective income tax returns.

New Accounting Standards not yet adopted

The following standards are issued but not yet effective. The Company is currently assessing the impact these standards will have on its financial statements:

i) IFRS 9: New standard that replaced IAS 39 for classification and measurement of financial assets, effective for annual periods beginning on or after January 1, 2018.

ii) IFRS 15: New standard to establish principles for reporting the nature, amount, timing, and uncertainty of revenue and cash flows arising from an entity's contracts with customers. It provides a single model in order to depict the transfer of promised goods or services to customers. IFRS 15 supersedes IAS 11, *Construction Contracts*, IAS 18, *Revenue*, IFRIC 13, *Customer Loyalty Programs*, IFRIC 15, *Agreements for the Construction of Real Estate*, IFRIC 18, *Transfers of Assets from Customers*, and SIC-31, *Revenue – Barter Transactions involving Advertising Service*. IFRS 15 is to be applied on either a full or modified retrospective approach and is effective for annual periods beginning on or after January 1, 2018. The Company is currently assessing the impact of adopting IFRS 15.

(Expressed in U.S. Dollars)

3. SIGNIFICANT ACCOUNTING POLICIES (*cont'd…)*

New Accounting Standards not yet adopted *(cont'd…)*

iii) IFRS 16 is a new standard that sets out the principles for recognition, measurement, presentation, and disclosure of leases including guidance for both parties to a contract, the lessee and the lessor. The new standard eliminates the classification of leases as either operating or finance leases as is required by IAS 17 and instead introduces a single lessee accounting model. IFRS 16 is effective for annual reporting periods beginning on or after January 1, 2019. The Company is currently assessing the impact of adopting IFRS 16.

4. EQUIPMENT

		Equipment
Cost		
Balance, September 30, 2017	$	13,566
Balance, December 31, 2014, 2015 and 2016	$	8,481
Accumulated depreciation		
Balance, December 31, 2013	$	-
Amortization		945
Balance, December 31, 2014		945
Amortization		1,212
Balance, December 31, 2015		2,157
Amortization		1,212
Balance, December 31, 2016		3,369
Amortization		909
Balance, September 30, 2017	$	4,278
Carrying amounts		
As at December 31, 2014	$	7,356
As at December 31, 2015		6,325
As at December 31, 2016		5,112
As at September 30, 2017	$	9,289

5. DUE TO WILLISTON TRUST GROUP, LLC

The Company entered into a financing agreement with Williston Trust Group, LLC ("Williston") on January 31, 2015. Under the agreement the Company promises to pay the sum of up to $550,000 together with 41,260 Class C equity units totaling 3.86%. On January 31, 2017, the agreement was amended and

(Expressed in U.S. Dollars)

5. DUE TO WILLISTON TRUST GROUP, LLC *(cont'd…)*

the requirement to deliver the 41,260 Class C equity units was eliminated. The amounts payable were unsecured and non-interest bearing. A total of $225,000 is due at the time a financing event for the Company of $1,000,000 occurs. Any remaining amounts, including any additional amounts advanced were to be paid from the profits of the Company over the course of two years with preferred distributions. The agreement was further amended and upon the completion of the Company's private placement in December 2017, the Company paid Williston $200,000 in cash and the remaining liability of approximately $320,000 was satisfied through participation in the December 2017 private placement.

6. MEMBERS' EQUITY

The Company is governed by the terms and conditions of the Second Amended and Restated Limited Liability Company Agreement dated June 1, 2015 (the "Agreement"). The Company shall continue until terminated in accordance with the terms of the Agreement or as provided by law, including events of dissolution. The Company shall dissolve upon the written determination of the manager or the written determination of a required interest of Class A members.

During fiscal 2014, the Company issued 20,000 Class B members' units for cash consideration of $200,000.

During fiscal 2015, the Company issued 25,000 Class B members' units for cash consideration of $250,000 and 7,801 Class C members' units for cash consideration of $104,000.

During fiscal 2015 the Company also granted the option to members of an advisory board to acquire a total of 53,304 Class B members' units exercisable at $0.001 expiring March 27, 2020 and June 1, 2020 in consideration for providing services to the Company. These options were valued at $533,040 based on the Black Scholes option pricing model. No options were issued during the nine-months ended September 30, 2017.

The following weighted average assumptions were used for the valuation of the options for members' units:

	December 31, 2015
Risk-free interest rate	0.73% -1.01%
Expected life of options	5 years
Annualized volatility	102.82% - 100.68%
Dividend rate	0%
Forfeiture rate	0%

During fiscal 2016, the Company issued 1,000 Class B members' units for cash consideration of $10,000 and 44,635 Class C members' units for cash consideration of $595,000, of which $75,000 was received subsequent to December 31, 2016. The subscription agreements also included the option to acquire an additional 45,000 Class B members' units exercisable at $0.001 expiring June 1, 2020 and additional 132,864 Class C members' units exercisable at $0.001 expiring December 30, 2020. The Company issued 41,260 Class A members' units to the managing director as finders fees on the issuance of the members' units.

During the nine-month period ended September 30, 2017, the Company issued 5,262 Class C members' units for cash proceeds of $75,000 and received proceeds of $75,000 pursuant to Class C members' units issued in fiscal 2016. The Company issued 564,257 Class A member units to management as a bonus.

As at September 30, 2017, members' equity consists of 1,054,760 Class A members' units, and 58,436 Class C members' units.

(Expressed in U.S. Dollars)

6. MEMBERS' EQUITY *(cont'd…)*

Options to acquire members' units are summarized as follows:

	Options to acquire members' units	
	Number of Units	Weighted Average Exercise Price
Balance, December 31, 2014 and 2013	-	$ -
Granted	53,304	0.001
Balance, December 31, 2015	53,304	$ 0.001
Granted / Issued	177,864	0.001
Balance, December 31, 2016, and September 30, 2017	231,168	$ 0.001

As at September 30, 17, options to acquire members' units were outstanding as follows:

	Number	Exercise price	Expiry date
Options to acquire members' units	45,000	$ 0.001	March 27, 2020
	53,304	0.001	June 1, 2020
	132,864	$ 0.001	December 30, 2020
	231,168		

7. LEASES

The Company leases office space in Greenwood Village under a lease agreement commencing September 1, 2015 and expiring October 31, 2017. The monthly base rental amount is $4,427. Subsequent to the expiration of the lease on October 31, 2017, the Company continued to lease the office space in Greenwood Village on a month-to-month term.

The Company also leases three photocopiers under two, 60-month non-cancellable operating leases. These leases expire in August and November 2017 and require monthly payments of $252 and $126.

Future minimum lease payments required under the operating leases that have lease terms in excess of one year are as follows:

	Total
2017	$4,679

For the years ended December 31, 2016, 2015 and 2014, total rental expense for all operating leases was $65,176, $60,116 and $49,993, respectively.

8. FINANCIAL INSTRUMENTS

Cash is carried at fair value using a level 1 fair value measurement, the carrying value of contributions receivable, accounts payable and accrued liabilities and amounts due to Williston Trust Group, LLC approximate their fair value because of the short-term nature of these instruments.

The Company's financial instruments are exposed to certain financial risks, which include currency risk, credit risk, liquidity risk and interest rate risk.

(a) Currency Risk

The Company is not exposed to the financial risk related to the fluctuation of foreign exchange rates as all its transactions are in U.S. Dollars.

(b) Credit Risk

The Company maintains cash balances at one financial institutions in the Denver metro area. Cash balances at each institution are fully insured by the Federal Deposit Insurance Corporation (FDIC) up to $250,000. As of December 31, 2016, 2015 and 2014, the Company had uninsured cash deposits $186,383, $Nil and $Nil, respectively.

(c) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due, see going concern, Note 1. The Company manages liquidity risk through the management of its capital resources as outlined in Note 10.

(d) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The Company's cash is held mainly in interest bearing bank accounts.

(e) Market Risk

Market risk is the risk that changes in market prices, such as interest rates and foreign exchange rates, affect the Company's income (loss) or the value of its assets. The Company is not exposed to market risk.

9. LINE OF CREDIT AGREEMENT

The Company entered into a revolving line of credit agreement as the lender. The maximum borrowing limit is $200,000, with an interest rate set at 5%. Interest will be paid monthly commencing January 1, 2018. The outstanding principal balance due to the Company at September 30, 2017 was $55,728. The borrower is an owner of Class C members' units and is a party to a licensing agreement with the Company.

10. NOTES PAYABLE

The Company signed a promissory note in the amount of $77,688 (CAD $100,853). The promissory note includes an interest rate of 5% and is to be repaid in full following completion of the transaction with Corazon Gold Corp. (Note 13).

10. NOTE PAYABLE *(cont'd…)*

The Company signed a promissory note in the amount of $77,688 (CAD $100,853). The promissory note includes an interest rate of 5% and is to be repaid in full following completion of the transaction with Corazon Gold Corp. (Note 13).

The Company signed a promissory note in the amount of $22,871 (CAD $30,000). The promissory note includes an interest rate of 5% and is to be repaid in full following completion of the transaction with Corazon Gold Corp. (Note 13).

The Company signed a promissory note in the amount of $10,813 (CAD $13,300). The promissory note includes an interest rate of 5% and is to be repaid in full following completion of the transaction with Corazon Gold Corp. (Note 13).

The Company signed a promissory note in the amount of $15,926 (CAD $20,000). The promissory note includes an interest rate of 5% and is to be repaid in full following completion of the transaction with Corazon Gold Corp. (Note 13).

The Company signed a promissory note in the amount of $15,926 (CAD $20,000). The promissory note includes an interest rate of 5% and is to be repaid in full following completion of the transaction with Corazon Gold Corp. (Note 13).

The Company signed a promissory note in the amount of $19,848 (CAD $25,000). The promissory note includes an interest rate of 5% and is to be repaid in full following completion of the transaction with Corazon Gold Corp. (Note 13).

The Company signed a promissory note in the amount of $38,615 (CAD $50,000). The promissory note includes an interest rate of 5% and is to be repaid in full following completion of the transaction with Corazon Gold Corp. (Note 13).

The Company signed a promissory note in the amount of $50,000 (CAD $62,500). The promissory note includes an interest rate of 5% and is to be repaid in full following completion of the transaction with Corazon Gold Corp. (Note 13).

The Company signed a promissory note in the amount of $15,304 (CAD $20,000). The promissory note includes an interest rate of 5% and is to be repaid in full following completion of the transaction with Corazon Gold Corp. (Note 13).

11. RELATED PARTY TRANSACTIONS

During the year ended December 31, 2016, the Company paid $96,000 (2015 - $90,000, 2014 - $84,000), $84,000 (2015 - $60,000, 2014 - $60,000), and $78,000 (2015 - $66,000, 2014 - $66,000) for labour to the Manager, Chief Science Officer, and Chief Marketing Officer, respectively, of the Company.

During the year ended December 31, 2015, the Company received advances of $60,000 from Canosphere, LLC, a company controlled by the directors of the Company. The advances are unsecured, non-interest bearing and have been forgiven by Canosphere, LLC during the period ended September 30, 2017.

12. MANAGEMENT OF CAPITAL

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the delivery of nutritive elements and medicants. The Company monitors the existing working capital to ensure that there are sufficient funds on hand to meet ongoing obligations. The Company's investment policy is to negotiate premium interest rates on savings accounts. The Company did not change the ways in which it manages its capital during the period ended September 30, 2017.

13. SUBSEQUENT EVENTS

Subsequent to September 30, 2017, the Company:

a) on December 22, 2016, with Corazon Gold Corp. ("Corazon"), the Company signed a letter of intent ("LOI"), setting out the proposed terms of the Corazon's acquisition of 100% of the issued and outstanding members units shares of the Company. Corazon is company listed on the TSX Venture Exchange under the symbol "CWG".

   In November 2017, the Company became wholly owned by Corazon, now named NanoSphere Health Sciences Inc., pursuant to a three-corner merger in which the former members of the Company, received an aggregate of 59,000,000 common shares of NanoSphere Health Sciences Inc. in a reverse acquisition of Corazon. As part of the merger all outstanding options were exercised and NanoSphere Health Sciences Inc. issued 11,811,370 subscription receipts which were converted into 11,811,370 common shares upon the satisfaction of certain escrow release conditions for net proceeds of approximately $4.6 million.

b) received proceeds of CAD $215,040 from the issuance of promissory notes. The promissory notes bear interest at 5% and are to be repaid in full following completion of the transaction with Corazon (see above).

c) granted options to acquire 154,000 members' units exercisable at $0.001 expiring December 30, 2020 in consideration for providing services to the Company.