GUNPOWDER CAPITAL CORP.

(Formerly Silver Shield Resources Corp.)

UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2017 AND 2016

November 27, 2017

Gunpowder Capital Corp. (CSE:GPC) (CSE:GPC.PR.A) (OTCQB:GNPWF)
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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 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 unaudited CONDENSED INTERIM 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.

GUNPOWDER CAPITAL CORP.
(Formerly Silver Shield Resources Corp.)
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian Dollars)

	Notes		**September 30, 2017**		December 31, 2016
ASSETS					
CURRENT					
Cash		**$**	**2,124,895**	$	127,619
Accounts and other receivables	4, 5		**65,184**		563,640
Prepaid expenses	9		**181,899**		15,849
Notes receivable	5		**919,038**		389,461
US real estate properties	6		**331,057**		-
Total current assets			**3,622,073**		1,096,569
LONG TERM PREPAIDS			**-**		30,350
EQUIPMENT	8		**32,693**		33,886
BUILDINGS AND IMPROVEMENTS	9		**2,193,316**		770,166
LOANS RECEIVABLE	15		**809,400**		-
LONG-TERM NOTES RECEIVABLE	5		**464,228**		611,740
LONG-TERM INVESTMENTS	10		**618,262**		295,876
TOTAL ASSETS		**$**	**7,739,972**	$	2,838,587
LIABILITIES					
CURRENT					
Accounts payable and accrued liabilities		**$**	**828,506**	$	255,760
Due to related parties	15		**5,374**		5,374
Mortgage payable - current portion	11		**35,485**		13,105
Loans payable - current portion	12		**56,303**		-
Total current liabilities			**925,668**		274,239
LONG-TERM MORTGAGE PAYABLE	11		**1,274,546**		409,042
LONG-TERM LOANS PAYABLE	12		**117,244**		-
TOTAL LIABILITIES			**2,317,458**		683,281
SHAREHOLDERS' EQUITY					
Preferred shares	13(a)		**5,603,445**		2,047,400
Common shares	13(a)		**6,745,695**		6,500,868
Contributed surplus	13(c)		**1,570,047**		1,539,047
Warrants	13(b)		**314,711**		239,438
Deficit	13(d)		**(8,811,384)**		(8,171,447)
TOTAL SHAREHOLDERS' EQUITY			**5,422,515**		2,155,306
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**$**	**7,739,972**	$	2,838,587

Description of business (Note 1)
Going concern (Note 2(d))
Subsequent events (Note 21)

APPROVED ON BEHALF OF THE BOARD:

Signed "Frank Kordy" Signed "Stephen Mlot"
DIRECTOR DIRECTOR

The accompanying notes are integral part to these condensed interim consolidated financial statements.

GUNPOWDER CAPITAL CORP.
(Formerly Silver Shield Resources Corp.)
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(Expressed in Canadian Dollars)

	Notes	Three months ended September 30, **2017**	Three months ended September 30, 2016	Nine months ended September 30, **2017**	Nine months ended September 30, 2016
INCOME					
Rental		**$ 42,724**	$ 8,451	**$ 99,129**	$ 8,451
Advisory services		**422,500**	15,649	**492,516**	39,774
Payment processing services		**113,955**	-	**204,022**	-
Interest		**101,322**	21,236	**234,209**	31,500
TOTAL INCOME		**680,501**	45,336	**1,029,876**	79,725
EXPENSES					
Management fees	15	**80,800**	28,653	**290,050**	171,000
Consulting and other professional fees		**84,682**	16,162	**207,952**	181,120
General, office and administrative		**52,440**	55,854	**164,846**	74,179
Transfer agent and filing fees		**47,725**	4,632	**100,023**	52,775
Property taxes and maintenance		**26,025**	662	**70,989**	2,055
Legal and audit fees		**22,582**	5,650	**61,653**	18,634
Marketing and investor relations		**22,228**	19,328	**39,986**	69,183
Non-recoverable input tax credits	4	**1,619**	-	**35,835**	-
Mortgage and loan interest		**15,907**	2,189	**33,879**	2,189
Share-based compensation	15	**-**	14,100	**31,000**	121,800
Travel and accomodations		**5,998**	10,685	**26,657**	48,149
Business development		**7,997**	-	**7,997**	-
Bank service charges		**1,796**	923	**5,189**	1,434
NET INCOME (LOSS) BEFORE OTHER ITEMS		**310,702**	(113,502)	**(46,180)**	(662,793)
Amortization		**(14,840)**	(7,107)	**(36,920)**	(7,584)
(Write-off)/recovery of mineral properties		**-**	(510,442)	**-**	(510,442)
Realized gain on investments	10	**66,667**	-	**66,667**	-
Unrealized loss on investments	10	**(223,921)**	-	**(208,853)**	-
Accretion on notes receivable	5	**11,379**	-	**34,076**	-
Foreign exchange (loss) gain		**(21,855)**	1,802	**(38,130)**	(5,527)
TOTAL OTHER ITEMS		**(182,570)**	(515,747)	**(183,160)**	(523,553)
INCOME (LOSS) AND COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD		**$ 128,132**	$ (629,249)	**$ (229,340)**	$ (1,186,346)
Weighted average number of shares outstanding - basic and diluted		**30,910,256**	24,909,256	**29,169,827**	8,763,915
Basic and diluted loss per share	14	**0.00**	(0.03)	**(0.01)**	(0.14)

The accompanying notes are integral part to these condensed interim consolidated financial statements.

GUNPOWDER CAPITAL CORP.
(Formerly Silver Shield Resources Corp.)
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(Expressed in Canadian Dollars)

	Notes	Number of shares	Preferred shares	Common shares	Contributed surplus	Warrants	Deficit	Total
Balance, December 31, 2015		**17,304,954**	**$ -**	**$ 5,992,533**	**$ 1,203,760**	**$ 190,939**	**$ (6,746,478)**	**$ 640,754**
Issuance of preferred shares	13	71,796	717,960	-	-	-	-	717,960
Issuance of common shares (net of share issue costs)	13	6,738,127	-	613,398	-	-	-	613,398
Common shares issued for debt	13	866,175	-	96,618	-	-	-	96,618
Issuance of warrants		-	-	(187,186)	-	187,186	-	-
Share-based compensation		-	-	-	121,800	-	-	121,800
Expiry of warrants		-	-	-	118,943	(118,943)	-	-
Dividends	13	-	-	-	-	-	(16,492)	(16,492)
Net loss for the period		-	-	-	-	-	(1,186,346)	(1,186,346)
Balance, September 30, 2016		**24,981,052**	**$ 717,960**	**$ 6,515,363**	**$ 1,444,503**	**$ 259,182**	**$ (7,949,316)**	**$ 987,692**
Issuance of preferred shares		132,944	1,329,440	-	-	-	-	1,329,440
Issuance of common shares (net of share issue costs)		2,500,000	-	(14,495)	-		-	(14,495)
Share-based compensation		-	-	-	74,800	-	-	74,800
Expiry of warrants		-	-	-	19,744	(19,744)	-	-
Dividends		-	-	-	-	-	(14,359)	(14,359)
Net loss for the period		-	-	-	-	-	(207,771)	(207,771)
Balance, December 31, 2016		**27,613,996**	**$ 2,047,400**	**$ 6,500,868**	**$ 1,539,047**	**$ 239,438**	**$ (8,171,446)**	**$ 2,155,307**
Issuance of common shares (net of share issue costs)	13	3,001,000	-	270,100	-	-	-	270,100
Issuance of warrants		-	-	(75,273)	-	75,273	-	-
Issuance of preferred shares (net of share issue costs)	13	391,640	3,556,045	-	-	-	-	3,556,045
Common shares issued for debt	13	500,000		50,000	-	-	-	50,000
Share-based compensation		-	-	-	31,000	-	-	31,000
Dividends	13	-	-	-	-	-	(410,598)	(410,598)
Net loss for the period		-	-	-	-	-	(229,340)	(229,340)
Balance, September 30, 2017		**31,506,636**	**$ 5,603,445**	**$ 6,745,695**	**$ 1,570,047**	**$ 314,711**	**$ (8,811,384)**	**$ 5,422,514**

The accompanying notes are integral part to these condensed interim consolidated financial statements.

GUNPOWDER CAPITAL CORP.
(Formerly Silver Shield Resources Corp.)
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in Canadian Dollars)

	Three months ended September 30,		Nine months ended September 30,	
	2017	2016	**2017**	2016
CASH FLOW PROVIDED BY (USED IN) OPERATING ACTIVITIES				
Gain (loss) for the period	**$ 128,132**	$ (629,249)	**$ (229,340)**	$ (1,186,346)
Items not involving cash:				
Amortization	**14,840**	7,107	**36,920**	7,584
Write-off / recovery of mineral properties	**-**	510,442	**-**	510,442
Non-cash consulting income	**(420,000)**	-	**(481,611)**	-
Bad debt expense	**-**	-	**10,831**	-
Share-based compensation	**-**	14,100	**31,000**	121,800
Unrealized loss on investments	**223,921**	-	**208,853**	-
Realized gain on investments	**(66,667)**	-	**(66,667)**	-
Accretion on notes receivable	**(11,378)**	-	**(34,076)**	-
Foreign exchange	**19,071**	12,094	**29,475**	21,274
Changes in working capital items other than cash:				
US real estate properties	**(331,057)**	-	**(331,057)**	-
Accounts and other receivables	**11,816**	(77,390)	**399,539**	(62,495)
Prepaid expenses	**(98,269)**	(6,670)	**(166,051)**	(18,736)
Accounts payable and accrued liabilities	**207,384**	(112,588)	**623,143**	(114,153)
CASH (USED IN) PROVIDED BY OPERATING ACTIVITIES	**(322,206)**	(282,154)	**30,960**	(720,630)
CASH FLOWS PROVIDED BY (USED IN) FINANCING ACTIVITIES				
Proceeds from issuance of preferred shares	**1,937,000**	165,500	**3,678,400**	717,960
Share issue costs	**(146,960)**	(22,000)	**(390,355)**	(22,000)
Proceeds from issuance of common shares	**-**	54,408	**300,100**	732,016
Cash dividends paid to preferred shareholders	**(80,536)**	(11,490)	**(193,931)**	(16,492)
Proceeds from loan payable	**124,654**	(983)	**174,654**	278,518
Repayment of loan payable	**(1,107)**	-	**(1,107)**	-
Repayment of mortgages payable	**(8,837)**	-	**(19,466)**	-
Due to related parties	**-**	84,417	**-**	-
CASH PROVIDED BY FINANCING ACTIVITIES	**1,824,214**	269,852	**3,548,295**	1,690,002
CASH FLOWS PROVIDED BY (USED IN) INVESTING ACTIVITIES				
Funds loaned for notes receivable	**(218,538)**	(18,369)	**(393,141)**	(228,427)
Repayments received for notes receivable	**65,554**	-	**192,134**	-
Funds loaned for loans receivable	**(63,728)**	-	**(809,400)**	-
Purchase of investments	**(50,000)**	(50,670)	**(50,000)**	(50,670)
Purchase of buildings	**(221,623)**	(47)	**(516,635)**	(464,572)
Purchase of equipment	**-**	-	**(4,937)**	-
CASH FLOWS (USED IN) INVESTING ACTIVITIES	**(488,335)**	(69,086)	**(1,581,979)**	(743,669)
CHANGE IN CASH	**1,013,673**	(81,388)	**1,997,276**	225,703
Cash, beginning of the period	**1,111,222**	479,052	**127,619**	171,961
Cash, end of the period	**$ 2,124,895**	$ 397,664	**$ 2,124,895**	$ 397,664

The accompanying notes are integral part to these condensed interim consolidated financial statements.

(Expressed in Canadian Dollars)

1. DESCRIPTION OF BUSINESS

Gunpowder Capital Corp. ("GPC" or the "Company") (formerly Silver Shield Resources Corp.) is a merchant bank and advisory services firm. In May 2016, Gunpowder Capital Corp. implemented its new business model under the leadership of a new management team.

The Company is a reporting issuer in Ontario, Alberta and British Columbia and its common shares trades under the symbol "GPC" and its "Class – A" preferred shares trades under the symbol "GPC.PR.A" on the Canadian Securities Exchange. The Company's common shares also trade on the Frankfurt Stock Exchange under "YS6N" and on the OTCQB Market under the trading symbol "GNPWF".

As a merchant bank and advisory services firm, GPC provides financial capital and capital markets advisory services. The Company offers a variety of financing options including mezzanine debt, bridge loans, convertible debentures and straight loans as well as equity financing. GPC's goal when investing is to as best as possible ensure the preservation of capital and structure upside for our stakeholders through participation opportunities such as royalties, equity or options. GPC's main focus with advisory services is to assist companies that are interested in going public, however, GPC is also involved with capital markets advisory services and advising on mergers and acquisitions.

The Company's corporate office and principal place of business is 8 King Street East, Suite 1005, Toronto, Ontario, Canada, M5C 1B5.

The condensed interim consolidated financial statements of the Company for the three and nine months ended September 30, 2017 and 2016 were authorized for issuance in accordance with a resolution of the board of directors on November 27, 2017.

2. BASIS OF PRESENTATION

(a) Basis of consolidation

These unaudited condensed interim consolidated financial statements include the accounts of the Company and its controlled subsidiaries. Subsidiaries consist of entities over which the Company is exposed to, or has rights to, variable returns as well as the ability to affect those returns through the power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date control is transferred to the Company and are de-consolidated from the date control ceases. The unaudited condensed interim consolidated financial statements include all the assets, liabilities, revenues, expenses and cash flows of the Company and its subsidiaries after eliminating inter-entity balances and transactions.

The following companies have been consolidated within the unaudited condensed interim consolidated financial statements:

Company	Registered	Principle activity
Gunpowder Capital Corp.	Canada	Parent company
GP Realty Inc. (1)	Canada	Holding company
57 Wellington St. Inc.(2)	Canada	Real estate rental company
63 Wellington Street Inc. (2)	Canada	Real estate rental company
1209 Hickory Road Inc. (2)	Canada	Real estate rental company
559 Assumption Road Inc. (2)	Canada	Real estate rental company
934 Maisonville Road Inc. (2)	Canada	Real estate rental company
1571 Hickory Road Inc. (2)	Canada	Real estate rental company
935 Albert Street Inc. (2)	Canada	Real estate rental company
663 Marentette Ave. Inc. (2)	Canada	Real estate rental company
GP Financial Services Corp.(1)	Canada	Payment processing company
GP Self Storage Inc.(1)	Canada	Storage facility rental company

(1) 100% owned by the parent company.

(2) 100% owned by GP Realty Inc.

2. BASIS OF PRESENTATION *(continued)*

(b) Statement of compliance to international financial reporting standards

These unaudited condensed interim consolidated financial statements are prepared in accordance with International Accounting Standards 34, Interim Financial Reporting ("IAS34"), as issued by the International Accounting Standards Board ("IASB") and apply the same accounting policies and application as disclosed in the annual consolidated financial statements for the year ended December 31, 2016 other than noted below. They do not include all of the information and disclosures required by IFRS for annual statements. In the opinion of management, all adjustments considered necessary for fair presentation have been included in these unaudited condensed interim consolidated financial statements. Operating results for the period ended September 30, 2017 are not necessarily indicative of the results that may be expected for the full year ended December 31, 2017. For further information, see the Company's audited consolidated financial statements including the notes thereto for the year ended December 31, 2016.

(c) Basis of measurement

These unaudited condensed interim consolidated financial statements have been prepared on a historical cost basis except for certain financial instruments, which are measured at fair value as explained in these condensed interim consolidated financial statements. These unaudited condensed interim consolidated financial statements have been prepared using the accrual basis of accounting except for cash flow information.

(d) Going concern of operations

The Company incurred a net income of $128,132 and a net loss of $229,340 during the three and nine months ended September 30, 2017 respectively (net loss for the three and nine months of 2016 - $626,249 and $1,186,346 respectively) and, as of that date the Company's deficit was $8,811,384 (December 31, 2016 - $8,171,447). In the prior year, the Company had transformed to a merchant banking model and is dependent on obtaining new clients and making profitable investments to generate profit.

These unaudited condensed interim consolidated financial statements have been prepared on the basis of accounting principles applicable to a going concern. Accordingly, they do not give effect to adjustments that would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and liquidate its liabilities and commitments in other than the normal course of business and at amounts different from those in the accompanying condensed interim consolidated financial statements. Such adjustments could be material. The Company may periodically have to raise funds to continue operations and, although it has been successful in doing so in the past, there is no assurance it will be able to do so in the future.

(e) Significant accounting estimates and judgments

The preparation of these unaudited condensed interim consolidated financial statements in accordance with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities at the date of the unaudited condensed interim consolidated financial statements and reported amounts of revenue and expenses during the reporting period. Actual outcomes could differ from these estimates. The unaudited condensed interim consolidated financial statements include estimates, which, by their nature, are uncertain. The impact of such estimates are pervasive throughout the unaudited condensed interim consolidated financial statements, and may require accounting adjustments based on future occurrences.

2. BASIS OF PRESENTATION *(continued)*

(e) Significant accounting estimates and judgments (continued)

The estimates and underlying assumptions are reviewed on a regular basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected. The areas involving a higher degree of judgment or complexity, or areas where the assumptions and estimates are significant to the financial statements were the same as those applied to the Company's audited consolidated financial statements for the year ended December 31, 2016.

3. CHANGES IN ACCOUNTING POLICIES AND PRONOUNCEMENTS

Revenue recognition

During the nine months ended September 30, 2017, the Company began provided payment processing services. Revenue earned from payment processing is recorded when earned.

Investments in associated companies

The equity method is used to account for investments in associated companies where the Company has significant influence. The share of earnings, gains and losses, realized dispositions and write downs to reflect other than temporary impairment are recognized in income. The loss in value of an investment in an associated company is considered to be other than a temporary decline when there is significant or prolonged decline in the fair value of an investment below its carrying value. The Company's proportion of dividends paid by the associated company reduces the carrying value of the investment.

Changes in accounting policies

The Company has adopted the following new standards, along with any consequential amendments, effective January 1, 2017. These changes were made in accordance with the applicable transitional provisions.

IAS 7 – Statement of Cash Flows ("IAS 7") was amended in January 2016 to clarify that disclosures shall be provided that enable users of financial statements to evaluate changes in liabilities arising from financing activities.

IAS 12 – Income Taxes ("IAS 12") was amended in January 2016 to clarify that, among other things, unrealized losses on debt instruments measured at fair value and measured at cost for tax purposes give rise to a deductible temporary difference regardless of whether the debt instrument's holder expects to recover the carrying amount of the debt instrument by sale or by use; the carrying amount of an asset does not limit the estimation of probable future taxable profits; and estimates for future taxable profits exclude tax deduction resulting from the reversal of deductible temporary differences.

Recent accounting pronouncements

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods commencing on or after January 1, 2017. Many are not applicable or do not have a significant impact to the Company and have been excluded. The following have not yet been adopted and are being evaluated to determine their impact on the Company.

3. CHANGES IN ACCOUNTING POLICIES AND PRONOUNCEMENTS– continued

Recent accounting pronouncements – continued

IFRS 2 – Share-based Payment ("IFRS 2") was amended by the IASB in June 2016 to clarify the accounting for cash-settled share-based payment transactions that include a performance condition, the classification of share-based payment transactions with net settlement features and the accounting for modifications of share-based payment transactions from cash-settled to equity-settled. The amendments are effective for annual periods beginning on or after January 1, 2018, with earlier application permitted.

IFRS 9 – Financial Instruments ("IFRS 9") was issued by the IASB as a complete standard in July 2014 and will replace IAS 39 Financial Instruments: Recognition and Measurement ("IAS 39"). IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. 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. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward unchanged to IFRS 9, except that an entity choosing to measure a financial liability at fair value will present the portion of any change in its fair value due to changes in the entity's own credit risk in other comprehensive income, rather than within profit or loss. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. IFRS 9 is effective for annual periods beginning on or after January 1, 2018. Earlier adoption is permitted.

IFRS 15 - Revenue From Contracts With Customers ("IFRS 15") proposes to replace IAS 18 - Revenue, IAS 11 - Construction contracts, and some revenue-related interpretations. The standard contains a single model that applies to contracts with customers and two approaches to recognizing revenue: at a point in time or over time. The model features a contract-based five-step analysis of transactions to determine whether, how much and when revenue is recognized. New estimates and judgmental thresholds have been introduced, which may affect the amount and/or timing of revenue recognized. IFRS 15 is effective for annual periods beginning on or after January 1, 2018. Earlier adoption is permitted.

IFRS 16 – Leases ("IFRS 16") was issued in January 2016 and replaces IAS 17 – Leases as well as some lease related interpretations. With certain exceptions for leases under twelve months in length or for assets of low value, IFRS 16 states that upon lease commencement a lessee recognises a right-of-use asset and a lease liability. The right-of-use asset is initially measured at the amount of the liability plus any initial direct costs. After lease commencement, the lessee shall measure the right-of-use asset at cost less accumulated depreciation and accumulated impairment. A lessee shall either apply IFRS 16 with full retrospective effect or alternatively not restate comparative information but recognise the cumulative effect of initially applying IFRS 16 as an adjustment to opening equity at the date of initial application. IFRS 16 requires that lessors classify each lease as an operating lease or a finance lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. Otherwise it is an operating lease. IFRS 16 is effective for annual periods beginning on or after January 1, 2019. Earlier adoption is permitted if IFRS 15 has also been applied.

(Expressed in Canadian Dollars)

4. ACCOUNTS AND OTHER RECEIVABLES

		September 30, 2017		December 31, 2016
Trade receivables (Note 5(iii)(vii))	**$**	**66,780**	$	69,546
Share subscription receviables		**-**		476,440
HST receivables (i)		**4,205**		17,654
Other receivables		**5,030**		-
Allowance for doubtful accounts		**(10,831)**		-
Total accounts and other receivables	**$**	**65,184**	$	563,640

(i) Only HST input tax credits which are deemed refundable is recorded as HST receivables. When it is reasonably estimable that a portion of the input tax credits is not eligible for refund, the amount is recorded as an expense. For the three and nine months ended September 30, 2017, $1,619 and $35,835 was recorded as a non-recoverable input tax credits expense. (three and nine months ended September 30, 2016, - $nil)

Aging analysis of other receivables:		September 30, 2017		December 31, 2016
1-30 days	**$**	**27,525**	$	13,825
31 - 60 days		**243**		1,249
61 - 90 days		**7,784**		4,253
Greater than 90 days		**31,228**		50,219
	$	**66,780**	$	69,546

5. NOTES RECEIVABLE

		September 30, 2017		December 31, 2016
Cardiff Energy Corp. (i)	**$**	**-**	$	90,079
Advantagewon Inc. (ii)		**-**		33,592
Franchise Holdings International Inc. (iii)		**190,825**		154,337
Loan portfolio (iv)		**820,054**		705,875
Eastgate Pharmaceuticals Inc. (v)		**106,592**		
PMG-Patriot, Inc. (vi)		**201,795**		
Other (vii)		**64,000**		17,318
Total notes receivable	**$**	**1,383,266**	$	1,001,201
Classification:				
Short-term notes receivable	**$**	**919,038**	$	389,461
Long-term notes receivable		**464,228**		611,740
	$	**1,383,266**	$	1,001,201

5. NOTES RECEIVABLE - continued

(i) On February 19, 2016, the Company loaned $150,000 to Cardiff Energy Corp (name changed to Cheetah Canyon Resources Corp. subsequent to June 30, 2017) ("Cardiff"). The loan was secured by a first ranking general security agreement on the assets of Cardiff including its US operations. The loan bears an interest rate of 24% per annum and is repayable in twelve equal monthly instalments beginning 30 days from the date of funding. Furthermore, Cardiff granted the Company 250,000 stock options at a price of $0.05 and a 1.25% gross overriding royalty on the Clayton #1H well located in the state of Texas.

On June 13, 2017, as repayment of the loan, Cardiff issued 1,000,000 common shares to the Company with a fair value of $80,000 based on their quoted market price on the date of issuance. Of this, $70,904 repaid accrued interest and $9,096 repaid the principal of the loan. On August 11, 2017, Cardiff issued a further 698,850 common shares to the Company with a fair value of $69,885 based on their quoted market price on the date of issuance to fully repay the loan.

(ii) On May 12, 2016, the Company loaned Advantagewon Inc. $75,000. The Company charged a lenders fee of 3% in relation to the loan and the loan bears interest at a rate of 15% per annum. The loan is repayable in twelve equal monthly instalments beginning June, 2016. At September 30, 2017, the balance has been fully repaid (December 31, 2016 - $33,592).

(iii) On July 23, 2016, the Company was engaged by Franchise Holdings International, Inc. ("FHI") to assist with the listing of FHI shares on the Canadian Securities Exchange. Upon successful completion FHI will issue 6 million common shares to the Company. As part of the relationship with FHI, the Company has agreed to loan up to $300,000 to FHI at an interest rate of 18% per annum. At September 30, 2017, the balance outstanding on this loan was $111,046 (December 31, 2016 - $56,842 plus accrued interest of $1,098). An additional amount of $14,759 outstanding from FHI was recorded as accounts and other receivables at September 30, 2017 for monthly repayment of interest which have not been repaid (December 31, 2016 - $nil).

On September 8, 2016, the Company issued a secured promissory note to Truxmart Inc., a subsidiary of FHI for USD $39,000 ($51,552) with a maturity date of September 8, 2018. On October 1, 2016, the Company issued a secured promissory note to FHI for USD $22,500 ($33,383) with a maturity date of October 1, 2018. Both of these notes bear interest at a rate of 18% per annum. At September 30, 2017, the balance outstanding on these notes was USD $64,000 ($79,778) (December 31, 2016 - $92,568 plus accrued interest of $3,829). An additional amount of $16,522 outstanding from FHI was recorded as accounts and other receivables at September 30, 2017 for monthly repayment of interest which have not been repaid (December 31, 2016 - $nil).

These loans above are secured by a general security agreement over FHI as well as a charge on the assets of the business.

(iv) On November 23, 2016, the Company entered into two purchase and sale agreements with companies to acquire loan portfolios. The portfolios included four loans with interest rates ranging from 12% to 24%. Included in these loan portfolios is a $90,000 loan to Advantagewon Oil Corporation ("AOC"), a company with a common officer as the Company. The maturity date of the loans in these loan portfolios range from August 1, 2017 to March 31, 2037. The carrying value of the loans on November 23, 2016 was $743,432. The Company issued 69,200 "Class – A" preferred shares with an estimated fair value of $10 per share for total consideration of $692,000 for the portfolio. The difference between the consideration given and the face value of the loans is related to one specific loan and has been recorded as a reduction to the fair value of the loan. This amount will be accreted to profit (loss) until April 10, 2018 when the loan matures. Accretion of $11,379 and $34,076 was recorded for the three and nine months ended September 30, 2017 (2016 - $nil) in the unaudited condensed interim consolidated statements of loss and comprehensive loss.

5. NOTES RECEIVABLE - continued

During the period ended September 30, 2017, $60,000 was repaid to the Company in relation to this loan.

On January 16, 2017, the Company entered into a purchase and sale agreement to acquire a loan portfolio. This portfolio included two loans with rates ranging from 10% to 12%. The maturity date of the loans in this loan portfolio ranged from March 31, 2018 to March 31, 2037. The carrying value of the loans on January 16, 2017 was $238,000. The Company issued 23,800 “Class – A” preferred shares with an estimated fair value of $10 per share for total consideration of $238,000 for the portfolio. During the period ended September 30, 2017, one of the loans in the portfolio was fully repaid.

At September 30, 2017, the balance outstanding on the above loan portfolios was $811,445 plus accrued interest of $8,609 (December 31, 2016 - $696,766 plus accrued interest of $9,109).

(v) On April 19, 2017, the Company loaned USD$78,000 ($102,338) to Eastgate Pharmaceuticals Inc. (“Eastgate”). The loan bears interest at a rate of 14% per annum and has a maturity date of April 10, 2018. The loan is secured by a first charge and security interest in all of the present and after-acquired personal property and assets of the borrower pursuant to a general security agreement and a personal guarantee. Until the maturity date, the Company has the right to convert all or a portion of the loan into common shares of the borrower at a conversion price of $0.05 per share. The borrower also agreed to issue 500,000 common stock purchase warrants with a life of three years to the Company. These warrants will have an exercise price of $0.05. The value of these warrants have a nominal value and has not recorded by the Company. During the period ended September 30, 2017, there were two amendments related to the loan to extend certain deadlines for an event of default and Eastgate issued 175,000 common shares to the Company in relation to these amendments. These shares have a nominal value and has not been recorded by the Company. As at September 30, 2017, the outstanding balance of this loan was $97,230 plus accrued interest of $9,362 (December 31, 2016 - $nil).

(vi) On July 4, 2017, the Company loaned USD$160,000 ($209,032) to PMG-Patriot, Inc. (“Patriot”). The loan bears interest at a rate of 18% per annum and has a maturity date of January 1, 2019. Patriot will also pay the Company a royalty of 1.5% based on gross revenue of Patriot. The loan is secured by a first charge and security interest in all of the present and after-acquired personal property and assets of the borrower pursuant to a general security agreement. As at September 30, 2017, the outstanding balance of this loan was $200,166 plus accrued interest and royalties of $1,629 (December 31, 2016 - $nil).

Subsequent to September 30, 2017, the Company entered into an agreement to acquire a secured note of Patriot with a face value of USD $138,000 ($172,023). The secured note bears interest of 5% per annum and has a maturity date of July 1, 2020. The Company has agreed to acquire the note for USD $120,000 ($149,585).

5. NOTES RECEIVABLE – continued

(vii) On June 20, 2016, the Company loaned USD$25,000 ($32,478) to a resident of the City of Houston Texas. The Company charged a lenders fee of 5% for the loan and the loan bears interest at a rate of 24% per annum. The loan is secured by shares of a private oil company. During the period ended September 30, 2017, this loan was fully repaid. At September 30, 2017, the balance outstanding on the loan was $nil. (December 31, 2016 - USD $12,898 ($17,318)).

On May 22, 2017, the Company loaned $50,000 to 2230164 Ontario Inc. ("2230164"), a company with an officer in common with FHI. The loan bears interest at a rate of 18%. and is secured by a general security agreement over 2230164 as well as a charge on the assets of the business. During the quarter ended September 30, 2017, the Company loaned 2230164 a further $10,000 with the same terms as the original loan. At September 30, 2017, the outstanding balance of this loan was $64,000 (December 31, 2016 - $nil). An additional amount of $960 outstanding from 2230164 was recorded as accounts and other receivables at September 30, 2017 for monthly repayment of interest which have not been repaid (December 31, 2016 - $nil). See Note 10(ii).

6. US REAL ESTATE PROPERTIES

During the period ended September 30, 2017, the Company invested in three rehabilitation properties in the United States for USD$52,698 ($66,782), USD$90,725 ($115,104) and USD$119,547 ($149,171), respectively. The Company intends to sell these properties in the short term.

7. MINERAL PROPERTIES

Consistent with the Company's transition to a merchant bank as described in Note 1, the Company entered into a debt settlement agreement on August 19, 2016 with a former director of the Company to dispose of its legacy mining assets. As part of the debt settlement agreement, $51,278 owing to the former director was settled with the transfer of the Company's property titles to the former director. The Company will retain a net profits interest of 5% on the property for five years commencing on the date the property titles transferred to the former director.

(a) Welsh Silver Mine, Ontario

The Welsh Silver Mine Property, consisted of one mining lease and nine mining claims is located in Mickle Township near the Town of Elk Lake in Ontario. Under the terms of the Welsh Property Option Agreement dated July 17, 2006, the Company can earn a 100% interest in the property. The Company paid the vendor a cash payment of $20,000 upon signing the agreement plus an additional $20,000 in July 2007, and has issued to the vendor 400,000 common shares valued at $46,000. The Company was also required and has satisfied the $50,000 expenditure commitment. The Company has paid the vendor an additional $40,000 and 260,000 common shares July 17, 2008. A 2% Net Returns Royalty ("NSR") is on the property with advance royalties being due of $30,000 per year commencing in 2009.

During the year ended December 31, 2015, the Company allowed 8 mining claims in Mickle Township to lapse, but value still remained on the mining lease. Management had taken an impairment charge of $114,000 of the acquisition costs and a charge of $1,136,000 against the deferred exploration costs in 2015.

During the year ended December 31, 2016, the Company allowed the mining lease and the remaining mining claims to lapse.

(Expressed in Canadian Dollars)

7. MINERAL PROPERTIES - continued

(b) Lost Dog Property, Ontario

The Company owned a 100% interest in certain mining claims in Denton Township, 30 kilometres south-west of Timmins, Ontario, subject to a 2% NSR which the Company has the right to purchase 1% NSR at any time for $1,000,000.

During the year ended December 31, 2016, the Company transferred the mining claims to a former director as part of a debt settlement agreement.

8. EQUIPMENT

	Equipment	Computers	Total
Cost as at December 31, 2016	$ 50,031	$ 9,196	$ 59,227
Additions	3,225	1,712	4,937
Cost as at September 30, 2017	53,256	10,908	64,164
Accumulated depreciation as at December 31, 2016	(18,404)	(6,937)	(25,341)
Charge for the period	(5,029)	(1,101)	(6,130)
Accumulated depreciation as at September 30, 2017	**(23,433)**	**(8,038)**	**(31,471)**
Net book value as at December 31, 2016	31,627	2,259	33,886
Net book value as at September 30, 2017	**$ 29,823**	**$ 2,870**	**$ 32,693**

9. BUILDINGS AND IMPROVEMENTS

	57 Wellington	63 Wellington	1209 Hickory	559 Assumption	1571 Hickory	935 Albert	Madoc Self Storage	Total
Cost as at December 31, 2016	$ 469,782	$ -	$ -	$ -	$ -	$ -	$ 308,071	$ 777,853
Additions	4,485	788,388	144,958	155,734	205,579	154,796	-	1,453,940
Cost as at September 30, 2017	**474,267**	**788,388**	**144,958**	**155,734**	**205,579**	**154,796**	**308,071**	**2,231,793**
Accumulated depreciation as at December 31, 2016	(5,872)	-	-	-	-	-	(1,815)	(7,687)
Charge for the period	(8,822)	(13,068)	(1,193)	(993)	(620)	(318)	(5,776)	(30,790)
Acc. depreciation as at September 30, 2017	**(14,694)**	**(13,068)**	**(1,193)**	**(993)**	**(620)**	**(318)**	**(7,591)**	**(38,477)**
Net book value as at December 31, 2016	$ 463,910	$ -	$ -	$ -	$ -	$ -	$ 306,256	$ 770,166
Net book value as at September 30, 2017	**$ 459,573**	**$ 775,320**	**$ 143,765**	**$ 154,741**	**$ 204,959**	**$ 154,478**	**$ 300,480**	**$2,193,316**

During the year ended December 31, 2016, the Company formed GP Realty Inc. and purchased its first property, 57 Wellington St., a fully tenanted residential rental property located in London, Ontario.

During the year ended December 31, 2016, the Company formed GP Self Storage Inc. and purchased its first self-storage facility in Madoc, Ontario.

During the period ended September 30, 2017, the Company formed 63 Wellington Street Inc. and on January 31, 2017, completed the purchase of its second residential rental property, 63 Wellington Street, located in London, Ontario.

(Expressed in Canadian Dollars)

During the period ended September 30, 2017, the Company formed 1209 Hickory Road Inc., 559 Assumption Road Inc., 1571 Hickory Road Inc. and 935 Albert Street Inc. and completed the purchase of its third, fourth, fifth and sixth residential rental properties, located in Windsor, Ontario.

9. BUILDINGS AND IMPROVEMENTS – continued

Deposits to additional properties not yet acquired are included in prepaid expenses. As at September 30, 2017, these deposits amounted to $154,809 (December 31, 2016 - $1,350).

The cost and other capitalized expenses of each property is as follows:

	Date of purchase	Cost	Other capitalized expenses	Total capitalized costs
57 Wellington Street	6/28/2016	$ 430,000	$ 44,267	$ 474,267
63 Wellington Street	1/31/2017	725,000	63,388	788,388
1209 Hickory Road	5/24/2017	135,000	9,958	144,958
559 Assumption Road	6/29/2017	149,900	5,834	155,734
1571 Hickory Road	8/16/2017	199,900	5,679	205,579
935 Albert Street	8/31/2017	150,000	4,796	154,796
Madoc Self Storage	10/6/2016	299,000	9,071	308,071
		$ 2,088,800	**$ 142,993**	**$ 2,231,793**

10. LONG-TERM INVESTMENTS

	September 30, 2017		December 31, 2016	
	# of shares	**Fair market value**	**# of shares**	**Fair market value**
Cannabis Royalties & Holdings Corp. (i)	28,850	72,125	28,850	95,205
Franchise Holdings International Inc. (ii)	1,627,287	50,712	50,000	671
Payfare Inc. (iii)	333,334	50,000	333,334	50,000
Advantagewon Oil Corp. (iv)	3,000,000	285,000	1,666,667	150,000
Cheetah Canyon Resources Corp. (v)	1,698,850	110,425	-	-
Meryllion Resources Corporation (vi)	2,000,000	50,000	-	-
Total long-term investments		$ 618,262		$ 295,876

(i) On July 26, 2015, the Company had an agreement with Rock Vapor Technologies Inc. ("RVT") to purchase 80,000 shares of RVT at a cost of USD$1.25 per share for a total purchase price of USD$100,000 ($138,000). These shares were sold by RVT in pursuant to the terms of Regulation S of the Securities Act of 1933, as amended. The shares will be restricted indefinitely until Rock Vapor Technologies Inc. takes the necessary steps to become a publicly traded entity, at which time the restrictions may only be lifted pursuant to an effective registration statement or exemption statement or an exemption to the registration requirements. While restricted, the shares may not be traded in the United States or in Canada.

During the year ended December 31, 2016, RVT entered into an agreement with Cannabis Royalties & Holdings Corp. ("CRHC") (CSE:CRZ) to sell certain assets of RVT to CRHC for 375,000 common shares of CRHC. As a result of this agreement, the Company's RVT shares were swapped for 28,850 common shares of CRHC. The fair market value of these shares was estimated at $72,125 based on CRHC's quoted market share price as at September 30, 2017 (December 31, 2016 - $95,205). As such, an unrealized gain of $4,328 and unrealized loss of $23,080 on investments was recorded for the three and nine months ended September 30, 2017, respectively (three and nine months ended September 30, 2016 - $nil).

10. LONG-TERM INVESTMENTS – continued

(ii) On September 16, 2016, the Company acquired 50,000 common shares of FHI as part of a capital market consulting agreement with FHI for $nil cost to the Company. These shares had an estimated fair value of USD $7,500 ($9,675) on the date of acquisition based on the quoted market share price of FHI on the date of acquisition. As at September 30, 2017, FHI's quoted share price was USD $0.025 ($0.03). As a result, an unrealized loss of $1,039 and unrealized gain of $887 on investments was recorded for the three and nine months ended September 30, 2017, respectively (three and nine months ended September 30, 2016 - $nil).

In relation to the note receivable described in Note 5(vii), FHI issued 1,577,287 shares of FHI to the Company at a subscription price of USD$0.001 ($0.00134). The fair market value of these shares was estimated at USD$47,319 ($63,735) on the date of acquisition based on the quoted market share price of FHI on the date of acquisition and $61,611 was recorded as consulting income for the nine months ended in September 30, 2017 (2016 - $nil). As at September 30, 2017, FHI's quoted share price was USD $0.025 ($0.03). As a result, an unrealized loss of $32,750 and $12,200 was recorded for the three and nine months ended September 30, 2017, respectively (three and nine months ended September 30, 2016 - $nil).

(iii) On August 30, 2016, the Company acquired 333,334 common shares of Payfare Inc. for $50,000, a private company in the business of payment processing. There was no material change in the value of the shares as at September 30, 2017 due to the short amount of time that had passed since the purchase of the shares.

(iv) On October 20, 2016, the Company acquired 1,666,667 common shares of Advantagewon Oil Corporation ("AOC") for consideration of 2,500,000 common shares of the Company. The estimated fair value of the investment on the date of purchase was $112,500 based the closing quoted market share price of the Company's common shares on the day before the transaction. As at December 31, 2016, AOC's shares were valued at $150,000 based on the share price from a private placement occurring near December 31, 2016. AOC has two officers and one Director in common with the Company. AOC completed its process of going public and upon completion of the process on July 14, 2017, these shares were distributed to shareholders of the Company as a dividend. The dividend was valued at $216,667 based on the quoted market price of the AOC shares on the day the shares were distributed. As such, realized gain of $66,667 was recorded for the three and nine months ended September 30, 2017.

As part of the service agreement between AOC and the Company, AOC issued 3,000,000 common shares to the Company upon completion of its going public process. The fair market value of these shares was estimated at $420,000 on the date of acquisition based on the quoted market share price of AOC on the date of acquisition and $420,000 was recorded as consulting income for the nine months ended in September 30, 2017 (2016 - $nil). As at September 30, 2017, AOC's quoted share price was $0.095. As a result, an unrealized loss of $135,000 and was recorded for the three and nine months ended September 30, 2017 (three and nine months ended September 30, 2016 - $nil).

(Expressed in Canadian Dollars)

10. LONG-TERM INVESTMENTS – continued

(v) On June 13, 2017, Cardiff Energy Corp. (name changed to Cheetah Canyon Resources Corp. subsequent to June 30, 2017) (“Cardiff”, “Cheetah”) (TSXV:CHTA) issued 1,000,000 common shares of Cardiff to the Company as part the loan repayment described in Note 5(i) with a fair value of $80,000 based on their quoted market price on the date of issuance. On July 12, 2017, a further 698,850 shares of Cheetah with a fair value of $69,885 based on their quoted market price on the day of issuance to fully repay the loan describe in Note 5(i). As at September 30, 2017, Cardiff’s quoted share price was $0.065. As a result, an unrealized loss of $59,460 and $39,460 was recorded for the three and nine months ended September 30, 2017, respectively (2016 - $nil).

(vi) On August 1, 2017, the Company subscribed to 2,000,000 units of Meryllion Resources Corporation (“Meryllion”) (CSE: MYR) at $0.025 per unit. Each unit is comprised of one common share of Meryllion and one half common share purchase warrant. Each whole warrant entitles the Company to acquire one common share of Meryllion for $0.05 for a period of 18 months form the date of acquisition. As at September 30, 2017, Meryllion quoted share price was $0.02 and the warrants were valued at $0.01 using the Black-Scholes valuation method. As a result, no gain or loss was recorded for the three and nine months ended September 30, 2017.

11. MORTGAGES PAYABLE

		September 30, 2017		December 31, 2016
57 Wellington Street, London, Ontario	**$**	**272,455**	$	277,028
63 Wellington Street, London, Ontario		**536,445**		-
1209 Hickory Road, Windsor, Ontario		**100,586**		-
559 Assumption Road, Windsor, Ontario		**111,688**		-
1571 Hickory Road, Windsor, Ontario		**148,937**		
Madoc storage facility		**139,920**		145,119
Total mortgages payable	**$**	**1,310,031**	$	422,147
Classification:				
Short-term mortgages payable	**$**	**35,485**	$	13,105
Long-term mortgages payable		**1,274,546**		409,042
	$	**1,310,031**	$	422,147

57 Wellington Street, London, Ontario
On June 29, 2016, the Company obtained a mortgage payable to Equitable Bank for a principal amount of $279,500. The mortgage bears interest of 4.75% per annum, compounded semi-annually for a term of 36 months. The amortization life of the mortgage is 300 months.

63 Wellington Street, London, Ontario
On January 31, 2017, the Company obtained a mortgage payable to Equitable Bank for a principal amount of $543,750. The mortgage bears interest of 4.20% per annum, compounded semi-annually for a term of 60 months. The amortization life of the mortgage is 300 months.

11. MORTGAGES PAYABLE - continued

<u>1209 Hickory Road, Windsor, Ontario</u>
On June 7, 2017, the Company obtained a mortgage payable to the TD Canada Trust for a principal amount of $101,250. The mortgage bears interest of 3.20% per annum, compounded semi-annually for a term of 12 months. The amortization life of the mortgage is 300 months.

<u>559 Assumption Road, Windsor, Ontario</u>
On June 24, 2017, the Company obtained a mortgage payable to the TD Canada Trust for a principal amount of $112,425. The mortgage bears interest of 3.20% per annum, compounded semi-annually for a term of 12 months. The amortization life of the mortgage is 300 months.

<u>1571 Hickory Road, Windsor, Ontario</u>
On August 16, 2017, the Company obtained a mortgage payable to the TD Canada Trust for a principal amount of $149,925. The mortgage bears interest of 3.45% per annum, compounded semi-annually for a term of 12 months. The amortization life of the mortgage is 300 months.

<u>Madoc storage facility</u>
On October 1, 2016, the Company obtained a mortgage payable to the Royal Bank of Canada for a principal amount of $146,250. The mortgage bears interest of 4.63% per annum, compounded semi-annually for a term of 60 months. The amortization life of the mortgage is 180 months.

Mortgages payable are secured by general security agreements constituting a first ranking security interest in all assets, a collateral mortgage in the amount of $1,333,100 over real property, and a first position security interest over accounts receivable.

12. LOANS PAYABLE

On June 1, 2017, 1209 Hickory Road Inc. borrowed $50,000 from an unrelated party. The secured promissory note bears interest of 8% per annum and has a maturity of May 31, 2022. The note is secured by a mortgage charge on the 1209 Hickory Road property. As at September 30, 2017, the carrying value of loan is $48,893 (December 31, 2016 - $nil).

On July 10, 2017, the Company borrowed USD $100,000 ($128,888) from an unrelated party. The secured promissory note bears interest of 8% per annum and has a maturity of October 1, 2019. The note is secured by a first charge and security interest in all of the present and after-acquired property and assets of the Company pursuant to a general security agreement. As at September 30, 2017, the carrying value of this loan is $124,654 (December 31, 2016 - $nil).

(Expressed in Canadian Dollars)

13. SHAREHOLDERS' EQUITY

a) Preferred shares and common shares

As at September 30, 2017, the Company's authorized share capital consisted of an unlimited number of voting common shares and a combined total of 2,740,925 non-voting, cumulative, "Class – A" preferred shares and "Class – B" preferred shares that are redeemable at the option of the Company at fair value.

Preferred shares

Class-A	**# of shares**	**Value of shares**	
Balance, December 31, 2016	204,740	$	2,047,400
"Class - A" shares issued (i)	358,090		3,580,900
Share issue costs	-		(303,715)
Balance, September 30, 2017	**562,830**	**$**	**5,324,585**

Class-A	**# of shares**	**Value of shares**	
Balance, December 31, 2015	-	$	-
"Class - A" shares issued (ii)	132,944		1,329,440
Balance, September 30, 2016	**132,944**	**$**	**1,329,440**

(i) On January 16, 2017, the Company issued 23,800 "Class – A" preferred shares at $10 per share to acquire a loan portfolio from a company with a common officer with the Company. See Note 5(iv).

During the nine months ended September 30, 2017, the Company issued a total of 334,290 "Class – A" preferred shares at $10 per share for total proceeds of $3,342,900.

Share issue costs of $303,715 were incurred in relation to the issuances in the nine-month period ended September 30, 2017.

(ii) During the nine months ended September 30, 2016, the Company issued a total of 132,944 "Class – A" preferred shares at $10 per share for total proceeds of $1,329,440.

Class-B	**# of shares**	**Value of shares**	
Balance, March 31, 2016 and December 31, 2016	-	$	-
"Class - B" shares issued in private placement (i)	33,550		335,500
Share issue costs	-		(56,640)
Balance, September 30, 2017	**33,550**	**$**	**278,860**

(i) During the nine months ended September 30, 2017, the Company issued a total of 33,550 "Class – B" preferred shares at $10 per share for total proceeds of $335,500.

Share issue costs of $56,640 were incurred in relation to this issuance.

(Expressed in Canadian Dollars)

13. SHAREHOLDERS' EQUITY - continued

a) Preferred shares and common shares - continued

Common shares

	# of shares	Value of shares
Balance, December 31, 2016	27,409,256	$ 6,500,868
Common shares issued for debt (i)	500,000	50,000
Common shares issued in private placement (i)	3,001,000	300,100
Value of warrants granted in private placements (i)	-	(75,273)
Cost of issue	-	(30,000)
Balance, September 30, 2017	**30,910,256**	**$ 6,745,695**

	# of shares	Value of shares
Balance, December 31, 2015	17,304,954	$ 5,992,533
Common shares issued for debt (ii)	866,175	96,618
Common shares issued in private placement (ii)	6,738,127	635,598
Value of warrants granted in private placements (ii)	-	(187,186)
Cost of issue	-	(22,200)
Balance, September 30, 2016	**24,909,256**	**$ 6,515,363**

(i) The Company issued an aggregate of 500,000 common shares with an estimated fair value of $0.10 per share to settle debts owed to an officer and a consultant of the Company.

During the nine months ended September 30, 2017, the Company closed a non-brokered private placement raising gross proceeds of $300,100 through the issuance of 3,001,000 units at $0.10 per unit. Each unit is comprised of one common share of the Company plus one common share warrant. Each warrant entitles the holder to acquire one common share of the Corporation for $0.15 for a period of 36 months from the closing date. The fair value of the 3,001,000 warrants was estimated as $75,273 using the Black-Scholes option pricing model with the following assumptions: 135% expected volatility; a risk-free interest rate of 0.72%; an expected dividend yield of Nil%; and 36 months expected term. A corporation controlled by an officer of the Company subscribed to 1,000 of the units of this private placement.

A total of $30,000 of share issue costs were incurred in relation to the common shares issued above.

(ii) The Company issued an aggregate of 866,175 common shares with an estimated fair value of $0.10 and $0.20 per share to settle debts owed to an officer, an ex-director and a consultant of the Company.

During the nine months ended September 30, 2016, the Company closed a number of non-brokered private placements raising gross proceeds of $635,598 through the issuance of 6,355,980 units at $0.10 per unit. Each unit is comprised of one common share of the Company plus one-half of one common share warrant. Each whole warrant entitles the holder to acquire one common share of the Corporation for $0.15 for a period of 36 months from the closing date. The fair value of the 3,177,990 warrants was estimated as $187,186 using the Black-Scholes option pricing model with the following assumptions: 181% expected volatility; a risk-free interest rate of 0.98%; an expected dividend yield of Nil%; and 36 months expected term. A corporation controlled by an officer of the Company subscribed to 800,000 of the units during this period. During the year ended December 31, 2016, an additional 382,147 common shares were issued to subscribers of one of these private placements at no additional cost.

(Expressed in Canadian Dollars)

A total of $22,200 of share issue costs were incurred in relation to the common shares issued above.

13. SHAREHOLDERS' EQUITY - continued

b) Warrants

	# of warrants		Fair value of warrants		Weighted average exercise price
Balance, December 31, 2016 and March 31, 2017	**3,560,137**	**$**	**239,438**	**$**	**0.161**
Granted (Note 13(a)(i))	3,001,000		75,273		0.150
Balance, September 30, 2017	**6,561,137**	**$**	**314,711**	**$**	**0.156**

	# of warrants		Fair value of warrants		Weighted average exercise price
Balance, December 31, 2015	**2,859,647**	**$**	**190,939**	**$**	**0.163**
Granted (Note 13(a)(ii))	3,177,990		187,186		0.150
Balance, Setpember 30, 2016	**6,037,637**	**$**	**378,125**	**$**	**0.156**

The following warrants were in existence as at September 30, 2017:

# of warrants		Fair value of warrants	Weighted average exercise price	Expiry Date
179,500	$	10,573	0.15	February 28, 2019
25,000		1,472	0.15	March 29, 2019
192,500		11,338	0.15	April 19, 2019
1,537,500		90,559	0.15	April 29, 2019
1,193,490		70,298	0.15	May 16, 2019
50,000		2,945	0.15	May 24, 2019
382,147		52,253	0.25	December 21, 2019
3,001,000		75,273	0.15	May 17, 2020
6,561,137	$	314,711		

c) Contributed surplus

Balance, December 31, 2016	**$**	**1,539,047**
Share-based compensation		31,000
Balance, September 30, 2017	**$**	**1,570,047**

Balance, December 31, 2014 and 2015	**$**	**1,203,760**
Share-based compensation		121,800
Warrant expiry		118,943
Balance, September 30, 2016	**$**	**1,444,503**

(Expressed in Canadian Dollars)

13. SHAREHOLDERS' EQUITY - continued

c) Contributed surplus - continued

Stock options

As at September 30, 2017, the Company's outstanding stock options are as follows:

# of options outstanding and exercisable	Fair value at grant date	Exercise price	Expiry Date	Expected volatility	Expected life (years)	Expected dividend yield	Risk-free interest rate
200,000	$ 14,100	0.10	July 11, 2021	161%	5	0%	0.53%
100,000	3,500	0.10	December 1, 2021	156%	5	0%	1.07%
1,550,000	179,000	0.12	May 5, 2026	143%	10	0%	0.98%
400,000	31,000	0.10	44,731.000	131%	10	0%	1.54%
2,250,000	$ 227,600						

<u>Employee share option plan</u>

The shareholders of the Company approved the Company's existing stock option plan, the "Plan", to be administered by the directors of the Company. Under the Plan, the Company may grant to directors, officers, employees and consultants options to purchase shares of the Company. The Plan provides for the issuance of stock options to acquire up to 10% of the Company's issued and outstanding capital. The plan is a rolling plan as the number of shares reserved for issuance pursuant to the grant of stock options will increase as the Company's issued and outstanding share capital increases.

The fair value at grant date is determined using a Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option. The Company grants all employee stock options with an exercise price equal to or greater than the market value of the underlying common shares on the date of grant.

d) Dividends

On January 3, 2017, the Company declared and paid a dividend of $0.20 per share for each "Class – A" preferred share. On April 3, 2017 and July 3, 2017, the Company declared and paid a dividend of $0.20 per shares for each "Class – A" and "Class – B" preferred share. On July 24, 2017, the Company declared and paid a dividend in kind of $216,667 as described in Note 10(iv). The total dividend paid during the nine months ended September 30, 2017 was $410,598 (2016 - $16,492).

Subsequent to September 30, 2017, the Company declared and paid a dividend of $0.20 per "Class – A" preferred shares and "Class – B" preferred shares for a total of $119,276.

(Expressed in Canadian Dollars)

14. BASIC AND DILUTED LOSS PER SHARE

Diluted income (loss) per share is calculated only on shares outstanding and does not assume conversion of outstanding stock options and warrants, as the exercise price of the options and warrants was greater than the Company's common share market price. Thus, the effect of options and warrants outstanding is not dilutive.

15. RELATED PARTY TRANSACTIONS

JIT Financial Inc.

During the nine months ended September 30, 2017, the Company loaned $31,538 to JIT Financial Inc. ("JIT"), which the Company acquired a 12.5% ownership stake and as a result of this stake, appointed one of its officers to the Board of Directors, through a promissory note and a number of amendments of the promissory note. JIT is in the cash clearing business. The loan bears interest at a rate of 10% per annum and the Company charges a royalty of $0.05 per transaction on certain transactions processed by JIT. The loan is repayable on a basis of $0.25 per transaction on certain transactions processed by JIT. The loan is secured by a first charge and security interest in all of the present and after-acquired personal property and assets of the borrower pursuant to a general security agreement.

During the nine months ended September 30, 2017, the Company loaned $1,000,000 to JIT, through a promissory note and a number of amendments of the promissory note. The loan bears interest at a rate of $0.30 per transaction on certain transactions processed by JIT. The loan is secured by a first charge and security interest in all of the present and after-acquired personal property and assets of the borrower pursuant to a general security agreement.

The amounts loaned to JIT are used for JIT's cash clearing business, which uses GP Financial Services Corp.'s ("GPFS") bank accounts to hold unused funds. As at September 30, 2017, GPFS held $694,920 on behalf of JIT's unused funds and therefore had a net receivable of $336,618 from JIT (December 31, 2016 - $nil).

Other related parties

During the three and nine months ended September 30, 2017 and 2016, the Company entered into the following transactions in the ordinary course of business with related parties that are not subsidiaries of the Company.

Compensation of key management personnel of the Company
The remuneration of directors and other members of key management personnel during the period was as follows:

	Three months ended Septemeber 30,		Nine months ended September 30,	
	2017	**2016**	**2017**	**2016**
Short-term benefits	**$ 22,500**	$ 15,000	**$ 177,500**	$ 108,000
Share-based payments	**-**	7,050	**15,500**	58,252

In accordance with IAS 24, key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly, including any directors (executive and non-executive) of the Company.

As at September 30, 2017, the Company owed $5,374 (December 31, 2016 - $5,374) to an officer of the Company. These amounts are unsecured, non-interest bearing with no fixed terms of repayment.

See Notes 5(iv), 10(iv).

(Expressed in Canadian Dollars)

16. SEGMENTED INFORMATION

In 2016, the Company changed its business to merchant banking as described in Note 1. As at December 31, 2016, the Company has four reportable segments; corporate, merchant banking, real estate and consulting and advisory. The merchant banking segment provides loans to third parties and earns interest income. The real estate segment acquires rental properties for capital appreciation and earns rental income. The consulting and advisory segment provides advisory services to third party corporations and earns service income. The corporate segment is responsible for the overall operations of the Company including all overhead costs. During the nine months ended September 30, 2017, the Company entered into an additional segment – payment processing. This segment provides payment processing services and earns fees as incurred.

September 30, 2017	Corporate	Merchant banking	Real estate	Consulting and advisory	Payment processing	Total
Assets						
Canada	$ 650,956	$ 42,666	$ 2,193,316	$ -	$ 809,400	$ 3,696,337
US	-	421,562	-	-	-	421,562
Non-current assets	$ 650,956	$ 464,228	$ 2,193,316	$ -	$ 809,400	$ 4,117,899

December 31, 2016	Corporate	Merchant banking	Real estate	Consulting and advisory	Total
Assets					
Canada	$ 329,762	$ 438,061	$ 800,516	$ -	$ 1,568,339
US	-	173,679	-	-	173,679
Non-current assets	$ 329,762	$ 611,740	$ 800,516	$ -	$ 1,742,018

	Three months ended September 30,		Nine months ended September 30,	
Revenues	2017	2016	2017	2016
Corporate	$ -	$ -	$ -	$ -
Merchant banking	101,322	21,236	234,209	31,500
Payment processing	113,955	-	204,022	-
Real estate	42,723	8,451	99,129	8,451
Consulting and advisory	422,500	15,649	492,516	39,774
	$ 680,500	$ 45,336	$ 1,029,875	$ 79,725

17. CAPITAL MANAGEMENT

The Company considers its capital to be shareholders' equity, which is comprised of preferred shares, common shares, contributed surplus, warrants and deficit. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. The Company's objective when managing capital are:

a) to allow the Company to respond to changes in economic and/or marketplace conditions by maintaining the Company's ability to purchase new investments;
b) to give shareholders sustained growth in value by increasing shareholders' equity; while
c) taking a conservative approach towards financial leverage and management of financial risks.

(Expressed in Canadian Dollars)

17. CAPITAL MANAGEMENT - continued

The Company's management reviews its capital structure on an on-going basis and makes adjustments to it in light of changes in economic conditions and the risk characteristics of its underlying investments. The Company's current capital is composed of its shareholders' equity and, to-date, has adjusted or maintained its level of capital by:

a) raising capital through equity financings; and
b) realizing proceeds from the disposition of its investments

The Company raises capital, as necessary, to meet its needs and take advantage of perceived opportunities and, therefore, does not have a numeric target for its capital structure. Funds are primarily secured through equity capital raised by way of private placements. There can be no assurance that the Company will be able to continue raising equity capital in this manner.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. The Company invests all capital that is surplus to its immediate operational needs in short term, liquid and highly rated financial instruments, such as cash, and short-term guarantee deposits, all held with major Canadian financial institutions. The Company and its subsidiaries is not subject to externally imposed capital requirements. There were no changes in the Company's approach to capital management during the nine months ended September 30, 2017 and the year ended December 31, 2016.

18. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial assets and financial liabilities as at September 30, 2017 and December 31, 2016 are as follows:

	Assets & liabilities at amortized cost	Assets & liabilities at fair value through profit and loss	Total
September 30, 2017			
Cash	$ 2,124,895	$ -	$ 2,124,895
Accounts and other receivables	60,979	-	60,979
Notes receivable	1,383,266	-	1,383,266
Investments	-	618,262	618,262
Accounts payable and accrued liabilities	(828,506)	-	(828,506)
Mortgages payable	(1,310,031)	-	(1,310,031)
December 31, 2016			
Cash	$ 127,619	$ -	$ 127,619
Accounts and other receivables	476,440	-	476,440
Notes receivable	1,001,201	-	1,001,201
Investments	-	295,876	295,876
Accounts payable and accrued liabilities	(255,760)	-	(255,760)
Mortgages payable	(422,147)	-	(422,147)

(Expressed in Canadian Dollars)

18. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT – continued

The Company's has loans receivable outstanding and a significant portion of the Company's assets are currently comprised of financial instruments which can expose it to several risks, including market, liquidity, credit and currency risks. As a result of the change in business, there are new risks, objectives, policies and procedures compared to the previous year as discussed below. A discussion of the Company's use of financial instruments and their associated risks is provided below:

Market risk

Market risk is the risk that the fair value of, or future cash flows from, the Company's financial instruments will significantly fluctuate because of changes in market prices. The Company is exposed to market risk in trading its investments and unfavourable market conditions could result in dispositions of investments at less than favorable prices. In addition, a significant portion of the Company's investments are in the resource sector. The Company mitigates this risk by attempting to have a portfolio which is not singularly exposed to any one issuer, with exception to the Company having one position as at September 30, 2017 which made up of approximately 46% (December 31, 2016 – 51%) of the total equity portfolio. (See Note 10).

For the three and nine months ended September 30, 2017, a 10% decrease in the closing price of this concentrated position would result in an estimated increase in net loss of $28,500 (2016 - $15,000).

For the three and nine months ended September 30, 2017, a 10% decrease (increase) in the closing prices of its other portfolio investments would result in an estimated increase (decrease) in net loss of $33,300 (2016 - $14,600).

Liquidity Risk

Liquidity risk is the risk that the Company is not able to meet its financial obligations as they fall due. The Company manages liquidity risk through the management of its capital structure and financial leverage. As at September 30, 2017, the Company's current liabilities totaled $925,668 and cash totaled $2,124,895. The Company generates cash flow from advisory fees, loan interest payment processing services, and rental income.

The Company manages liquidity risk by reviewing the amount of cash available, to ensure that it can meet its current obligations. There is no guarantee that the Company will be able to continue to meet its current obligations. See Note 2.

	Carrying amount	Contractual cash flows	Year 1	Year 2-3	Year 4-5	Greater than 5 years
Accounts payable and accrued liabilities	$ 828,506	$ 828,506	$ 828,506	$ -	$ -	$ -
Mortgages payable	1,310,031	2,051,296	88,994	177,988	177,988	1,606,327
Loan payable	173,547	202,447	68,234	94,355	16,800	23,058
Total	$ 2,312,084	$ 3,082,249	$ 985,734	$ 272,343	$ 194,788	$ 1,629,385

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's accounts and other receivables and notes receivable.

18. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT – continued

The Company monitors the credit risk and credit standing of its customers on a regular basis. See Note 4 for an aging analysis of other receivables. At December 31, 2016, the Company's share subscription receivables consist of receivables from a small number of the Company's "Class – A" preferred share subscribers. Three subscribers make up 46%, 29% and 10% respectively of the amount owing. The full amount of share subscription receivables was received during the nine months ended September 30, 2017.

Security was obtained against specific assets of the counterparty, in case of non-performance on the notes receivable. The total carrying value of these financial instruments at September 30, 2017 was $1,383,266 (December 31, 2016 - $1,001,201). Three of the largest lendees make up 32%, 16% and 15% of the Company's notes receivable balance, respectively, at September 30, 2017 (December 31, 2016 – 47%, 8% and 15%, respectively). Management considered the potential impairment of loans and receivables and concluded that an impairment was not necessary for the nine months ended September 30, 2017. (2016 - $nil).

The Company's consulting fee revenues are primarily derived from one customer. (2016 consulting fees revenue – $nil). There can be no assurance that all or any of the Company's customers will continue to engage in the Company's services. The Company's payment processing revenues are primarily derived from one customer. (2016 payment processing revenue - $nil) The loss of any such customer may have a materially negative impact on the Company business conditions and financial results.

<u>Currency Risk</u>

The Company is exposed to the financial risk related to the fluctuation of foreign exchange rates. The Company operates in Canada and a portion of its loans receivable and investments are in United States dollars. A significant change in the currency exchange rates between the United States dollar relative to the Canadian dollar could have an effect on the Company's results of operations, financial position or cash flows. The Company has not hedged its exposure to currency fluctuations.

Fair value of financial instruments

The Company has determined the carrying values of its financial instruments as follows:

i. The carrying values of cash, accounts receivable, and accounts payable and accrual liabilities approximate their fair values due to the short-term nature of these instruments.
ii. Notes receivable, long-term notes receivable and long-term investments are carried at amounts in accordance with the Company's accounting policies.
iii. Mortgages payable approximate their fair values due to the short time since they were received.
iv. Prior to maturity, the outstanding notes receivable are carried at their discounted value. Following their maturity, loans receivable are carried at their estimated realizable value.

(Expressed in Canadian Dollars)

18. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT – continued

The following table illustrates the classification and hierarchy of the Company's financial instruments, measured at fair value in the consolidated statements of financial position as at September 30, 2017 and December 31, 2016:

Investments, fair value	Level 1 (Quoted market price)	Level 2 (Valuation technique - observable market inputs)	Level 3 (Valuation technique - non-observable market inputs)	Total
Publicly traded investments	$ 568,262	$ -	$ -	$ 568,262
Private investments	-	-	50,000	50,000
September 30, 2017	$ 568,262	$ -	$ 50,000	$ 618,262
Publicly traded investments	$ 95,876	$ -	$ -	$ 95,876
Private investments	-	-	200,000	200,000
December 31, 2016	$ 95,876	$ -	$ 200,000	$ 295,876

Level 3 Hierarchy

The following table presents the changes in fair value measurements of financial instruments classified as Level 3 for the nine months ended September 30, 2017 and year ended December 31, 2016. These financial instruments are measured at fair value utilizing non-observable market inputs. The net realized losses and net unrealized gains are recognized in the consolidated statements of loss.

Investments classfied as Level 3, fair value	Nine months ended September 30, 2017	Year ended December 31, 2016
Balance, beginning of year	$ 200,000	$ 138,000
Purchase at cost - shares	-	162,500
Exchanged for Level 1 investments	-	(95,205)
Distributed as dividend in kind (note 10(iv))	(150,000)	-
Unrealized (loss)/gain	-	3,710
Foreign exchange loss	-	(9,005)
Balance, end of period	$ 50,000	$ 200,000

Within Level 3, the Company includes private company investments which are not quoted on an exchange. The key assumptions used in the valuation of these instruments include (but are not limited to) the value at which a recent financing was done by the investee, company-specific information, trends in general market conditions and the share performance of comparable publicly-traded companies. The fair values of all of the private company investments held by the Company were determined by recent financings done by the investee other than that described in Note 10(iii).

As valuations of investments for which market quotations are not readily available, are inherently uncertain, may fluctuate within short periods of time and are based on estimates, determination of fair value may differ materially from the values that would have resulted if a ready market existed for the investments. Given the size of the private investment portfolio, such changes may have a significant impact on the Company's financial condition or operating results.

(Expressed in Canadian Dollars)

18. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT – continued

For those investments valued based on a recent financing or transaction price, management has determined that there are no reasonably possible alternative assumptions that would change the fair value significantly as at September 30, 2017 and December 31, 2016. A +/- 25% change in the fair value of these Level 3 investments as at September 30, 2017 will result in a corresponding +/- $nil (December 31, 2016 - +/- $50.000). While this illustrates the overall effect of changing the values of the unobservable inputs by a set percentage, the significance of the impact and the range of reasonably possible alternative assumptions may differ significantly between investments, given their different terms and circumstances. The sensitivity analysis is intended to reflect the significant uncertainty inherent in the valuation of private investments under current market conditions, and the results cannot be extrapolated due to non-linear effects that changes in valuation assumptions may have on the estimated fair value of these investments. Furthermore, the analysis does not indicate a probability of changes occurring and it does not necessarily represent the Company's view of expected future changes in the fair value of these investments. Any management actions that may be taken to mitigate the inherent risks are not reflected in this analysis.

19. SUPPLEMENTAL CASH FLOW INFORMATION

	Three months ended September 30,		Nine months ended September 30,	
	2017	**2016**	**2017**	**2016**
Interest paid	**$ 26,764**	$ -	**$ 33,879**	$ -
Common shares issued for debt settlement	**-**	-	**50,000**	96,618
Preferred shares issued to acquire notes receivable	**-**	-	**238,000**	-

20. CONTINGENCIES

The Company is party to certain management contracts. These contracts contain aggregate minimum commitments of approximately $300,000 (December 31, 2016 - $300,000) ranging from 12 to 18 months and additional contingent payments of up to approximately $240,000 (December 31, 2016 - $240,000) upon the occurrence of a change of control. As a triggering event has not taken place, the contingent payments have not been reflected in these condensed interim consolidated financial statements.

The Company has discontinued mining operations in various jurisdictions and has written down the carrying value of the related assets to nominal amounts. An estimate of the total liability, it any, for which the Company might become obligated as a result of its role as operator, guarantor or indemnifier, is not determinable, nor expected to be material, and no amount has been provided for in these condensed interim consolidated financial statements.

The Company leases its office under a lease agreement which commenced October 1, 2016, the following is a summary of its lease commitments for the term of the lease:

Lease	
< 1 year from reporting date	$ 43,400
1 to 2 years from reporting date	3,761
2 to 3 years from reporting date	45,136
3 to 4 years from reporting date	45,136
	$ 137,433

21. SUBSEQUENT EVENTS

Subsequent to September 30, 2017, the Company purchased its seventh residential rental property at 663 Marentette Avenue, Windsor, Ontario. Total purchase price of the property was $300,000 and an aggregate $29,318 of capitalized expenses such as legal fees and other costs connected with the property purchase.

Subsequent to September 30, 2017, the Company invested in an additional rehabilitation property in the United States for USD$119,547 ($149,171).

Subsequent to September 30, 2017, the Company entered into a loan agreement with an unrelated party where the Company loaned a total of $175,000. The loan bears interest at a rate of 24% per annum has a maturity date of October 1, 2018. The loan is secured first by a second mortgage charge on the building owned by the borrower, a general security agreement and a charge against the assets of the borrower. The Company also received 116,500 common shares of the borrower.

Subsequent to September 30, 2017, the Company entered into a loan agreement with AOC where the Company loaned AOC a total of USD $200,500 ($256,961). The loan bears interest at a rate of 1% per month and is to be repaid from the net proceeds of AOC's current fundraising. The loan is secured by a first charge and security interest in all of the present and after-acquired property of the borrower and a general security agreement provided by the borrower.

Subsequent to September 30, 2017, the Company obtained a mortgage payable to a credit union in Windsor, Ontario for a principal amount of $105,000. The mortgage bears interest of 4.55% per annum for a term of 60 months. The amortization life of the mortgage is 240 months.

See Notes 5(vi) 13(d).