

**FINEQIA INTERNATIONAL INC.**  
**(FORMERLY NANOSTRUCK TECHNOLOGIES INC.)**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL RESULTS**  
**FOR THE THREE MONTHS ENDED DECEMBER 31, 2016**

*The following management's discussion and analysis ("MD&A") should be read in conjunction with the condensed financial statements for the three months ended December 31, 2016 and the condensed annual audited financial statements, including the notes attached thereto for the years ended September 30, 2016 and 2015. Additional information relating to Fineqia International Inc. (formerly NanoStruck Technologies Inc.) ("Fineqia" or the "Company") is available on SEDAR at [www.sedar.com](http://www.sedar.com). This MD&A is prepared as of February 28, 2017, and has been approved by the Company's Board of Directors. All currency amounts are in Canadian dollars unless otherwise noted.*

**FORWARD-LOOKING INFORMATION**

Certain statements included in this document constitute "forward-looking statements". All statements, other than statements of historical fact, included herein, including but not limited to, statements regarding future anticipated development activities, the nature of future anticipated scientific research programs and the results thereof, business and financing plans and business trends, are forward-looking statements. Although the Company believes that such statements are reasonable, it can give no assurance that such expectations will prove to be correct.

Forward-looking statements are typically identified by words such as: believe, expect, anticipate, intend, estimate, postulate and similar expressions, or which by their nature refer to future events. The Company cautions investors that any forward-looking statements by the Company are not guarantees of future performance, and that actual results may differ materially from those in forward looking statements as a result of various factors, including, but not limited to, variations in the market for, and pricing of, any products the Company may produce or plan to produce, the Company's inability to obtain any necessary permits, consents or authorizations required for its activities, the Company's inability to produce products successfully or profitably, to continue its projected growth, to raise the necessary capital or to be fully able to implement its business strategies, and other risks and uncertainties identified herein under "Risks and uncertainties".

Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in any of those forward-looking statements. For this reason, investors should not attribute undue certainty to or place undue reliance on forward-looking statements.

Historical results of operations and trends that may be inferred from the following discussion and analysis may not necessarily indicate future results from operations. In particular, the current state of the global securities markets may cause significant fluctuations in the price of the Company's securities and render it difficult or impossible for the Company to raise the funds necessary to develop any of its present or future mineral properties.

**OVERVIEW**

Fineqia International Inc. (formerly known as Nanostruck Technologies Inc. and Blue Gold Water Technologies Ltd.) (the "Company"), was incorporated in British Columbia under the Business Corporations Act on June 20, 2006 under the name Golden Cross Resources Inc. On May 29, 2013, Golden Cross Acquisition Inc. ("Golden Cross"), a subsidiary of Golden Cross Resources Inc. and Blue Gold Tailing Technologies Inc. ("Tailing") amalgamated. The amalgamated company was then named Blue Gold Tailings Technologies Ltd. ("Tailings") and is a legal subsidiary of the Company. As a result of this amalgamation, the former shareholders of Tailing were considered to have acquired control of the Company as a result of their controlling share ownership in the resulting entity, the assumption of management of the Company by Tailing's management team and as a result of Tailing's control of the Company's Board of Directors post amalgamation.

The Company's main focus has previously been the business of water remediation and tailings processing, using nanotechnology solutions to clean wastewater and recover precious metals from mine tailings.

On October 1, 2015 the Company completed a debt settlement in which a creditor agreed to accept shares in the Company for past consulting services provided to the Company totaling \$15,625 by the issuance of 312,500 common shares of the Company at a deemed price of \$0.05 per share.

During December 2015 the Company confirmed that the license to use the patent held by the University of Saskatchewan would not be renewed.

### **Change of Business**

On March 31, 2016 the Company announced that it had received conditional approval of the CSE for its proposed change of business, subject to majority shareholder approval.

On April 26, 2016 the Company announced that it had received the approval of the CSE to increase the size of the financing by an additional 200,000,000 units to 400,000,000 units to raise up to \$4,000,000, of which 157,900,000 units were issued on the first tranche closing on August 11, 2015, raising gross proceeds of \$1,579,000, with up to an additional 242,100,000 units to be issued on the final tranche closing, and to include a warrant acceleration provision.

The private placement consists of units to be issued at a price of CAD\$0.01 per unit, with each unit consisting of one common share and one warrant exercisable at CAD\$0.05 per share for a period of five years, provided that in the event that the closing price of the Company's common shares on the CSE (or such other exchange on which the Company's common shares may become traded) is CAD\$0.20 or greater per common share during any 20 consecutive trading day period at any time subsequent to four months and one day after the closing date, the warrants will expire at 4:00 p.m. (Vancouver time) on the 30<sup>th</sup> day after the date on which the Company provides notice of such accelerated expiry to the warrant-holders, and the warrant-holder will have no further rights to acquire any shares of the Company under the warrant.

In addition, the Company planned to complete a concurrent debt settlement pursuant to which a maximum of 100,000,000 common shares of the Company may be issued in settlement of existing debts at a price of \$0.01 per share to non-insiders and at a price of \$0.05 per share to insiders of the Company.

On May 6, 2016 the Company announced that it had received the approval of the CSE to further increase the size of the financing by an additional 100,000,000 units to 500,000,000 units to raise up to \$5,000,000, of which 157,900,000 units were issued on the first tranche closing on August 11, 2015, raising gross proceeds of \$1,579,000, with up to an additional 342,100,000 units to be issued in subsequent closings.

On June 28, 2016, the Company terminated the consulting agreement with Raj Kurichh, after providing him with a 30 day notice of termination.

On August 2, 2016 the Company announced majority shareholder approval for the change of business to become a platform for the emerging area of alternative finance known as crowdfunding and discontinue its water remediation and tailings processing business. The decision to implement the change of business has been the result of extensive in-house and external research. The Company's management deems the change of business to be necessary to deliver improved shareholder returns and long-term shareholder value.

On August 2, 2016 the Company changed its name to Fineqia International Inc.

On August 3, 2016 the Company acquired 100% of the equity of Fineqia Limited, a newly incorporated UK company, which will operate a regulated crowdfunding platform focused on debt instruments, specifically referred to as minibonds. The platform will allow individuals and financial institutions to discover and invest in high yield debt securities that meet U.K. crowdfunding regulatory guidelines.

The Company's strategic focus will be to provide a platform and associated services to support security issuances and manage administration of debt securities such as minibonds. The platform will bring an issuing company's minibonds to market, by distributing and marketing minibonds to the crowd, as well as transparently highlighting the risks and objectively outlining opportunities involved. Fineqia Limited will be the counterparty to contracts with new staff, IT and Compliance partners as well as UK legal advisers and marketing firms, Fineqia Limited will complete the development work to launch a new platform in the market.

On August 22, 2016 the Company filed its Form 2A Listing Statement on SEDAR and, with the CSE which details the change of business.

On October 28, 2016, the Company closed a non-brokered private placement (the “Private Placement”) of 359,218,450 units (“Units”) issued at a price of CAD\$0.01 per Unit, raising gross proceeds of CAD\$3,592,185 in an oversubscribed round. Concurrently with the closing of the Private Placement, the Issuer completed debt settlements in which various creditors agreed to accept common shares of the Issuer for past consulting services provided to the Issuer totaling CAD\$277,220 by the issuance of a total of 20,224,000 common shares of the Issuer at deemed prices of CAD\$0.01 per share (for non-insiders) and CAD\$0.05 per share (for insiders).

In addition, a finder’s fee of 22,599,066 units were issued. Each finder’s fee unit was comprised of one common share and one non-transferable common share purchase warrant exercisable at \$0.05 for a period of five years.

Following closing of the Private Placement and debt settlements, the Company now has 661,752,416 common shares issued and outstanding. All securities issued pursuant to the debt settlements are subject to a four-month hold period.

Trading of the Company’s common shares remained halted during the private placement. Thereafter, the Company’s common shares resumed trading under its new CUSIP/ISIN numbers and new stock ticker symbol, FNQ.

On November 9, 2016, the Company announced the appointment of Karolina Komarnicka as Chief Marketing Officer of the Company.

On December 22, 2016, the Company announced that it has arranged a Private Placement of up to 66,666,666 Units of the Issuer to be sold at a price of \$0.015 per Unit to raise gross proceeds of up to \$1,000,000, subject to regulatory approval. Each Unit consists of one common share and one share purchase warrant exercisable for five years at \$0.05 per share, provided that in the event the closing price is \$0.20 or greater per share during any 20 consecutive trading day period at any time subsequent to four months and one day after the closing date, the warrants will expire on the 30th day after the date on which the Issuer provides notice of such accelerated expiry to the warrant holders.

On December 22, 2016, the Company announced that, subject to regulatory approval, certain creditors have agreed to accept common shares of the Issuer for past consulting and other services provided to the Issuer, totaling approximately \$250,000 by the issuance of common shares at a deemed price of \$0.05 per common share to insiders and \$0.015 per common share to third parties.

On January 20, 2017 the Company requested, and was granted, an additional 45 day extension for the private placement price protection initially granted on December 15, 2016. The price protection for the private placement and debt settlement originally expired on January 29, 2017.

On January 24, 2017, the Company announced a change in transfer agents from Computershare Investor Services Inc. to National Issuer Services Ltd.

On February 27<sup>th</sup>, 2017 the Company announced the appointment of Martin Graham as Chairman.

The Company has completed substantial market research and development of products and services to cater to the emerging market for issuing debt and equity securities via an online platform.

The funds are being applied to prepare the Company for the change of business as follows:

The major components of the work so far undertaken by management and external consultants in respect of the change of business includes:

1. Investigation of the UK regulatory framework
2. Legal advice on regulatory authorization as well as mini-bond structures
3. Analysis and negotiation with IT platform providers
4. UK market analysis including market growth and competitive landscape
5. Investigation of market for potential for mini-bond deal origination
6. Investigation of market for deal syndication including appetite for placement among debt purchasers

7. Research on potential staff hires and associated costs
8. Beta website for issuing and managing debt and equity securities
9. Marketing and PR plans of new platform as well as mini-bonds issued on it
10. Preparation of marketing multimedia elements and merchandise material
11. Financial modelling with key assumptions obtained from market research
12. Testing of financial model assumptions and outcomes with third party consultants

## **SELECTED ANNUAL INFORMATION**

### **Summary of Quarterly results**

The following table sets forth selected audited financial information for the Company's eight most recent quarters ending with the last quarter for the three months ending December 31, 2016.

\$	For the Three Months Ended							
	Dec 31, 2016	Sep 30, 2016	Jun 30, 2016	Mar 31, 2016	Dec 31, 2015	Sep 30, 2015	Jun 30, 2015	Mar 31, 2015
Revenue	-	-	-	-	-	-	-	-
Income (loss) from continuing operations	(286,283)	(110,342)	(341,551)	(463,243)	(473,576)	132,643	(13,966)	(450,489)
Net Income (Loss)	(286,283)	(110,342)	(341,551)	(463,243)	(473,576)	132,643	(13,966)	(450,489)
Income (loss) from continuing operations per share -basic and diluted	(0.001)	(0.000)	(0.001)	(0.002)	(0.002)	0.000	(0.001)	(0.005)
Income (loss) per share -basic and diluted	(0.001)	(0.000)	(0.001)	(0.002)	(0.002)	0.000	(0.001)	(0.005)

As the Company continues in the market research, development and promotion stage, the Company continues to incur operating losses. In the three months ended December 31, 2016, however, the running costs increased at a far lower rate as all non-essential expenditure was curtailed. The Company channeled available resources to external review of the change of business and has completed substantial market research and development of products and services to cater to the emerging market for issuing debt and equity securities via an online platform.

In addition, the Company has been in discussion with the majority of significant creditors and has been able to negotiate mutually acceptable terms for payment. The Company, however, expects that losses will continue in the short term whilst the new crowd funding business ramps up.

#### **For the three months ended December 31, 2016**

The Company's net loss for the period was \$286,283 compared to the loss of \$473,576 for the three months ended December 31, 2015. The net decrease in loss of \$187,293 was primarily due to the following:

- a) Professional fees, consulting and advisory decreased by \$224,601 from \$296,853 in 2015 to \$72,252 in 2016. The decreased expenditure is due to a reduction in external consultants contracted for market research and development of products and services for the crowd funding business for issuing debt and equity securities via the online platform, as the business now gets set to commence. This decrease is offset by a small increase in Salaries and wages; and
- b) Salaries and wages increased by \$11,549 from \$151,000 in 2015 to \$162,549 in 2016. The increase was mainly due to the Company increasing the in-house resource to focus on the new business; and

- c) Travel costs reduced by \$24,393 from \$24,393 in 2016 to \$nil in 2016. The decrease was due to the reduced number of employees, the cut back of entertaining and greater control of costs; and
- d) Advertising and promotion costs increased by \$35,764 from \$nil in 2015 to \$35,764 in 2016. The increase was due to developing crowd funding promotion and marketing activities for the Company; and
- e) Gain on debt conversion reduced by \$26,980 from \$26,980 credit in 2015 to \$nil credit in 2016. The reduction is due to gains made in 2015 only from converting debt at \$0.05 versus the prevailing stock market price; and
- f) Office and laboratory costs decreased by \$600 from \$600 in 2015 to \$nil in 2016. The decrease is totally due to the Company having closed the Mississauga premises, including office and laboratory in May 2015, to avoid unnecessary expenditure; and
- g) Secretarial services costs has increased by \$3,139 from \$17,127 in 2015 to \$20,266 in 2016. This is as a result of additional requirements in respect of the finalisation of the private placement; and
- h) Interest income increased by \$6,319 from \$nil in 2015 to \$6,319 in 2016. The interest relates to the charge to IXL Holdings Ltd at 2% commencing October 1, 2016.

## **LIQUIDITY AND CAPITAL RESOURCES**

The financial statements have been prepared on a going-concern basis, which assumes the realization of assets and liquidation of liabilities in the normal course of business. Continuing operations, as intended, are dependent on management's ability to raise required funding through future equity issuances, its ability to acquire resource property or business interests and develop profitable operations or a combination thereof, which is not assured, given today's volatile and uncertain financial markets. The Company may revise commercialization and development programs depending on its working capital position.

Issued and outstanding warrants at December 31, 2016 were 561,016,720 with exercise prices of \$0.05, \$0.13 and \$0.20 (post consolidated). This includes 164,738,854 with exercise price of \$0.05 issued in the private placement in August 2015 and 381,819,016 with exercise price of \$0.05 issued in the private placement in October 2016.

All outstanding 4,320,000 options were cancelled/expired in the year ended September 30, 2016.

At December 31, 2016, the Company's net working capital surplus was \$1,921,094 (September 30, 2016 surplus of \$1,280,727). As of the date of this MD&A, the Company has no outstanding commitments other than its on-going trade payable and has not pledged any of its assets as security for loans, or otherwise and is not subject to any debt covenants. The Company recognizes the need to obtain equity financing to meet its obligations and fund its development programs. The Company is in discussion with potential investors, however, at this time potential investors have made no written commitments.

## TRANSACTIONS WITH RELATED PARTIES

The Company has entered into certain transactions with related parties during the three months ended December 31, 2016, a description of these related parties' transactions are as follows:

- (a) The following is the detail of remuneration/ consulting paid / accrued (excluding out of pocket expense) to related parties: (See Subsequent events)

Name of Officer/ Director	Position	Nature of Payment	Oct 1, 2016 - Dec 31, 2016 Fees Accrued/Paid (\$)
Bundeep S. Rangar	Chairman, CEO	Consulting/Board Fees	64,000
Steve McCann	CFO, Chair of Audit Committee	Consulting/Board Fees	46,000
Brij Chadda	Director	Board Fees	6,000
Marty Bernholtz	Director	Board Fees	5,500
IndusView UK Ltd	A company with common Director	Consulting fees	7,500
			129,000

Key management personnel were not paid post-retirement benefits, termination benefits or other long-term benefits during the three months ended December 31, 2016.

The Company has made a loan of \$1,263,816 (\$1,263,816, September 30, 2016) to IXL Holdings Limited, a Company located in Malta with UK operating subsidiaries IXL PremFina Limited and PremFina Limited. IXL Holdings Limited operates a subsidiary, IXL PremFina Limited which is a newcomer to the insurance industry, providing loan administration software and funding for customers opting to pay insurance premiums by instalments.

The Company has supported the development and completion of a state-of-the-art IT platform which has taken IXL PremFina Limited to the revenue generating phase with a unique insurance industry product offering. IXL PremFina Limited is a related company to Fineqia, through common directors and shareholders, and will provide a pipeline of debt securities to be placed on the Fineqia crowdfunding platform and therefore a continuous revenue stream.

The loan is agreed to be short term and payable on demand. Interest is payable from October 1, 2016 at 2% per annum. Interest charged to December 31, 2016 is \$6,319. In addition, the Company has an option to convert the loan to an equity stake in IXL PremFina Limited.

## **CRITICAL ACCOUNTING ESTIMATES**

The preparation of the Company's financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the financial statements and reported amounts of expenses during the reporting year. Financial statements include judgments and estimates which, by their nature, are uncertain. The impacts of such judgments and estimates are pervasive throughout the financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and may affect both current and future periods.

Significant assumptions about the future and other sources of judgments and estimates that management has made at the statement of financial position date, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

1. Valuation of receivables – in assessing the valuation, management must analyse the ability of the debtor to repay the amount. This analysis includes the consideration of the assets of the debtor and consideration of the current and future expected profitability and cash flows of the debtor. Changes in the financial condition of the counterparties may result in changes to the collectability of the receivables, resulting in an impairment.
2. Impairment of property, plant & equipment and intangible assets – in assessing impairment, management must determine the level at which independent cash flows exist, the asset or an asset grouping. Estimates of the recoverable amount of each asset or cash generating unit is determined; based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.
3. Fair value measurements for share-based payments and other equity-based transactions.
4. Recognition of deferred tax assets and liabilities – the extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilized. In addition, significant judgment is required in assessing the impact of any legal or economic limits or uncertainties in various tax jurisdictions.
5. Recognition and valuation of provisions for restoration and environmental liabilities.

## **CONTRACTUAL OBLIGATIONS**

There are no future payments under operating leases for premises & equipment nor contractual payments to consultants.

Effective May 15, 2015, the Company had returned the office equipment and vacated the Mississauga, Ontario premises.

## **ACCOUNTING POLICIES**

### ***Accounting standards adopted during the year***

No additional accounting standards have been adopted since September 30, 2016. During the year ended September 30, 2015, the Company elected to change its accounting policy for the treatment of share options and warrants whereby amounts recorded for expired unexercised share options and warrants are transferred to deficit. Previously, the Company's policy was to leave such amounts in contributed surplus. This policy has been applied retrospectively. The impact of the change was a decrease to deficit and a decrease to equity settled share based payments reserve of \$713,972 at September 30, 2014 and \$nil at September 30, 2013.

### ***IFRS 34 Interim Financial Reporting - Statement of compliance***

The Company applies International Financial Reporting Standards ["IFRS"] as issued by the International Accounting Standards Board ["IASB"]. These unaudited condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting. Accordingly, they do not include all of the information required for full annual financial statements required by IFRS as issued by the IASB.

The policies applied in these unaudited condensed interim consolidated financial statements are based on IFRSs issued and outstanding as of February 28, 2017, the date the Board of Directors approved the statements. The same accounting policies and methods of computation are followed in these unaudited condensed interim consolidated financial statements as compared with the most recent annual consolidated financial statements as at and for the year ended September 30, 2016, except as noted below. Any subsequent changes to IFRS that are given effect in the Company's annual consolidated financial statements for the year ending September 30, 2017 could result in restatement of these unaudited condensed interim consolidated financial statements.

### ***Future accounting policies***

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods on or after October 1, 2015 or later periods. 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.

IFRS 9 – Financial Instruments ("IFRS 9") was issued by the IASB in November 2009 with additions in October 2010 and May 2013 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.

IAS 1 – Presentation of Financial Statements ("IAS 1") was amended in December 2014 in order to clarify, among other things, that information should not be obscured by aggregating or by providing immaterial information, that materiality consideration apply to all parts of the financial statements and that even when a standard requires a specific disclosure, materiality considerations do apply. The amendments are effective for annual periods beginning on or after January 1, 2016. Earlier adoption is permitted.

## **FINANCIAL INSTRUMENTS**

The Company's financial instruments consist of cash, accounts receivable, accounts payable and accrued liabilities. The fair value of cash, accounts receivable, accounts payable, and accrued liabilities approximate their carrying value due to their short-term nature.

## **FINANCIAL RISK MANAGEMENT**

The Company's activities may expose it to a variety of financial risks: credit risk, liquidity risk and market risk (including interest rate, foreign currency risk and commodity price risk). The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

### **Credit Risk**



Credit risk is the risk that a customer or a related party receivable will be unable to pay the Company in full when an amount becomes due. The Company does not have material exposure to customer credit risk as there has been minimal revenue generated.

#### Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its financial obligations as they become due. The Company manages its liquidity risk by forecasting cash flows from operations and anticipated investing and financing activities to ensure it has sufficient funds available to meet current and foreseeable financial requirements. As at December 31, 2016, the Company had a net working capital of \$1,921,094 (September 30, 2016: working capital of \$1,280,727). The accounts payables and accrued liabilities are due within one year.

#### Foreign currency risk

Foreign exchange risk is the risk to the Company's earnings that arises from fluctuations in foreign exchange rates and the degree of volatility of these rates. The Company has minimal business transactions in foreign currencies.

#### Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor and creditor confidence and to sustain future development of the business. The capital structure of the Company consists of equity, comprising share capital, contributed surplus, net of accumulated deficit. The Company's net capital surplus was \$1,921,094 as at December 31, 2016 (September 30, 2016 – surplus of \$1,280,727).

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristic of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue common shares or dispose of assets. Management reviews the capital structure on a regular basis to ensure that the Company's capital management objectives are achieved.

There were no changes in the Company's approach to capital management during the three months ended December 31, 2016. The Company is not subject to any externally imposed capital requirements.

The Company's objectives when managing capital are:

- a) To maintain and safeguard accumulated capital in order to provide an adequate return to shareholders by maintaining a sufficient level of funds for its operational needs.
- b) To invest cash on hand in highly liquid and highly rated financial instruments with high credit quality issuers, thereby minimizing the risk of loss of principal.
- c) To obtain the necessary financing, if and when it is required.

In the management of capital, the Company includes shareholders' equity in the definition of capital. The Company is not exposed to externally imposed capital requirements.

In order to maximize ongoing development efforts, the Company does not pay dividends. Notwithstanding the risks described in notes 1 and 2 of the financial statements, the Company expects to continue to raise funds, from time to time, to continue meeting its capital management objectives.

## **OTHER INFORMATION**

### **Off-Balance Sheet Arrangements**

The Company has no off-balance sheet arrangements.

### **Going concern**

These unaudited consolidated financial statements have been prepared on a going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of operations for

the foreseeable future. The ability of the Company to continue as a going concern is dependent upon its ability to obtain financing on reasonable terms and to attain profitable operations and further fund operations. Although the Company has been successful in the past in obtaining financing, there is no assurance that it will be able to obtain adequate additional financing in the future, in which case the Company may be unable to meet its obligations. These conditions represent a material uncertainty that may cast significant doubt regarding the Company's ability to continue as a going concern. In the event that Company is not able to secure additional financing and continue as a going concern, material adjustments would be required to the carrying value of assets and liabilities and the balance sheet classification used.

The Company had a loss of \$286,283 for the three months ended December 31, 2016 (December 31, 2015 – loss of \$473,576), a deficit as at December 31, 2016 of \$13,010,223 (September 30, 2016 – deficit of \$12,723,940) and a net working capital of \$1,921,094 as at December 31, 2016 (net working capital of \$1,280,727 – September 30, 2016). The Company does not, however, currently directly hold revenue-generating assets.

The Company, therefore, has limited expenditure to external essential costs only to develop and promote the new crowd funding business for the planned improvement in the Company's cash position going forward.

These financial statements do not contain the adjustments that would be necessary if the Company was unable to continue as a going concern. Such adjustments would include presenting assets at their recoverable amounts, which would be likely to result in further provisions to the current carrying amounts in these consolidated financial statements and to providing for further liabilities that might arise on a break up basis of preparation.

## **SUBSEQUENT EVENTS**

As at February 28, 2017 the Company is reviewing exercising the option to convert a proportion of the \$1,270,135 existing loan (and interest), receivable from IXL Holdings Limited, to an equity shareholding. The percentage shareholding of IXL PremFina Limited to be acquired is under discussion.

On January 20, 2017 the Company requested, and was granted, an additional 45 day extension for the private placement price protection initially granted on December 15, 2016. The price protection for the private placement and debt settlement originally expired on January 29, 2017.

On January 24, 2017, the Company announced a change in transfer agents from Computershare Investor Services Inc. to National Issuer Services Ltd.

On February 27<sup>th</sup>, 2017 the Company announced the appointment of Martin Graham as Chairman.

## **OUTSTANDING SHARE DATA**

As at the date of MD&A, the following securities were outstanding:

	<b>NSK</b>
<b>Common Shares</b>	661,752,416
<b>Stock Options</b>	Nil
<b>Warrants</b>	561,016,720