

BIOCUREPHARM CORPORATION

**CONDENSED INTERIM FINANCIAL STATEMENTS
(UNAUDITED)**

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2017 AND 2016

(Expressed in Canadian Dollars)

BiocurePharm Corporation
Condensed Interim Statements of Financial Position
(Expressed in Canadian Dollars)

	Note	September 30, 2017	December 31, 2016
		(Unaudited)	(Audited)
ASSETS			
Current			
Cash		\$ 1,889,804	\$ 858,686
Receivables	3	16,768	11,103
Prepaid expenses	4	19,603	5,244
Loans receivable	6	51,460	5,596
		<u>1,977,635</u>	<u>880,629</u>
Non-current			
Equipment	5	159,746	104,864
Deposits	4	29,312	29,178
Loans receivable	6	16,325	33,576
		<u>205,383</u>	<u>167,618</u>
TOTAL ASSETS		<u>\$ 2,183,018</u>	<u>\$ 1,048,247</u>
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIENCY)			
Current			
Accounts payable and accrued liabilities	7	\$ 76,156	\$ 141,320
Due to related parties	8	3,491	5,652
Deferred income	9	-	7,834
Loans payable	10	381,711	370,393
Severance liabilities	11	147,780	151,966
		<u>609,138</u>	<u>677,165</u>
Non-current			
Preferred share liabilities	13	962,974	647,828
		<u>1,572,112</u>	<u>1,324,993</u>
Shareholders' equity (deficiency)			
Share capital	12	1,663,551	1,406,323
Share premium	12	9,838,258	6,522,752
Obligation to issue shares		-	904,862
Reserve for foreign currency translation		(666,184)	(467,219)
Deficit		(10,224,719)	(8,643,464)
		<u>610,906</u>	<u>(276,746)</u>
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIENCY)		<u>\$ 2,183,018</u>	<u>\$ 1,048,247</u>

Nature of Operations and Going Concern (Note 1)

Commitments (Note 14)

Subsequent Events (Note 15)

Approved on behalf of the Board on January *, 2018:

“Sang Mok Lee”, President & CEO

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

BiocurePharm Corporation

Condensed Interim Statements of Loss and Comprehensive Loss

For the three and nine months ended September 30, 2017 and 2016

(Expressed in Canadian Dollars)

(Unaudited)

		Three months ended		Nine months ended	
	Note	September 30,		September 30,	
		2017	2016	2017	2016
REVENUE		\$ -	\$ 5,684	\$ 8,050	\$ 5,684
EXPENSES					
Amortization	5	10,393	2,353	23,252	6,898
General and administrative		7,306	2,013	19,296	30,438
Interest		6,763	6,749	20,737	22,254
Motor vehicle expenses		1,851	991	10,248	3,479
Payroll	8	111,036	135,248	319,130	396,631
Professional fees		61,427	85,657	155,717	100,535
Rent		9,225	9,161	30,556	27,073
Research and development		190,798	22,582	420,293	66,224
Supplies		13,029	3,144	25,854	29,144
Travel and entertainment		48,528	34,273	128,350	87,500
Utilities		7,776	6,636	9,639	7,965
		(468,132)	(308,807)	(1,163,072)	(778,141)
OTHER INCOME (EXPENSES)					
Donations		-	-	-	(2,278)
Foreign exchange gain (loss)		(156)	336	(112)	986
Gain on disposal of investments		-	222	-	217
Interest income		6,927	3,448	10,635	7,198
Gain (loss) on preferred shares liabilities	13	-	38,215	(332,514)	38,215
Other income		-	-	-	(730)
Listing fees	14	2,054	-	(104,242)	-
		8,825	42,221	(426,233)	43,608
LOSS FOR THE PERIOD		(459,307)	(260,902)	(1,581,255)	(728,849)
OTHER COMPREHENSIVE INCOME (LOSS)					
Foreign currency translation		(57,319)	38,575	(198,965)	46,899
COMPREHENSIVE LOSS FOR THE PERIOD		\$ (516,626)	\$ (222,327)	\$ (1,780,220)	\$ (681,950)
BASIC AND DILUTED LOSS PER SHARE		\$ (0.13)	\$ (0.09)	\$ (0.49)	\$ (0.25)
WEIGHTED AVERAGE SHARES OUTSTANDING – BASIC AND DILUTED		3,478,196	3,001,773	3,258,712	2,880,286

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

BiocurePharm Corporation

Condensed Interim Statements of Changes in Shareholders' Equity (Deficiency)

For the nine months ended September 30, 2017 and 2016

(Expressed in Canadian Dollars)

(Unaudited)

	Number of Common Shares	Share Capital	Share Premium	Obligation to Issue Shares	Reserve For Foreign Currency Translation	Deficit	Total
January 1, 2016	2,445,250	\$ 1,005,823	\$ 3,557,842	\$ -	\$ (522,079)	\$ (6,625,753)	\$ (2,584,167)
Private placement (Note 12)	500,001	286,750	2,580,749	-	-	-	2,867,499
Conversion of preferred shares (Note 12)	100,000	59,500	440,910	-	-	-	500,410
Net loss	-	-	-	-	-	(728,849)	(728,849)
Foreign currency translation	-	-	-	-	46,899	-	46,899
September 30, 2016	3,045,251	\$ 1,352,073	\$ 6,579,501	\$ -	\$ (475,180)	\$ (7,354,602)	\$ 101,792
January 1, 2017	3,045,251	\$ 1,406,323	\$ 6,522,752	\$ 904,862	\$ (467,219)	\$ (8,643,464)	\$ (276,746)
Private placement (Note 12)	275,000	166,742	2,501,130	-	-	-	2,667,872
Issuance of shares under obligation (Note 12)	157,945	90,486	814,376	(904,862)	-	-	-
Net loss	-	-	-	-	-	(1,581,255)	(1,581,255)
Foreign currency translation	-	-	-	-	(198,965)	-	(198,965)
September 30, 2017	3,478,196	\$ 1,663,551	\$ 9,838,258	\$ -	\$ (666,184)	\$ (10,224,719)	\$ 610,906

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

BiocurePharm Corporation

Condensed Interim Statements of Cash Flows

For the nine months ended September 30,

(Expressed in Canadian Dollars)

(Unaudited)

	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss for the period	\$ (1,581,255)	\$ (728,849)
Non-cash items:		
Revenue	(8,050)	(5,684)
Amortization	23,252	6,897
Interest	20,737	20,036
Gain on disposal of investment	-	(217)
Loss (gain) on preferred shares liabilities	332,514	(38,215)
Changes in non-cash working capital items:		
Receivable	(5,665)	14,515
Investments	-	2,909
Prepaid expenses	(14,359)	(33,714)
Accounts payable and accrued liabilities	(69,350)	(10,471)
Deferred income	-	7,972
Severance liabilities	-	31,261
Net cash used in operating activities	<u>(1,302,176)</u>	<u>(733,560)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of equipment	(79,777)	(10,156)
Loan receivable	(28,613)	(22,777)
Long-term deposits	-	(4,549)
Net cash used in investing activities	<u>(108,390)</u>	<u>(37,482)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Due to related party	(2,161)	(453,347)
Proceeds from private placements	2,667,872	2,867,499
Loans payable	(9,419)	-
Repayment of debt	-	(347,345)
Net cash provided by financing activities	<u>2,656,292</u>	<u>2,066,807</u>
Effect of foreign currency translation on cash	(214,608)	41,486
NET CHANGE IN CASH	1,245,726	1,295,765
CASH, BEGINNING OF THE PERIOD	<u>858,686</u>	<u>8,382</u>
CASH, END OF THE PERIOD	<u>\$ 1,889,804</u>	<u>\$ 1,345,633</u>

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

BiocurePharm Corporation

Notes to the Condensed Interim Financial Statements
For the nine months ended September 30, 2017 and 2016
(Expressed in Canadian Dollars)
(Unaudited)

1. NATURE OF OPERATIONS AND GOING CONCERN

BiocurePharm Corporation (the “Company”), a private corporation, was incorporated on August 29, 2005 under the laws of the Republic of Korea. The Company was established to develop and commercialize several biopharmaceutical technologies relating to uses of recombinant and ranibizumab.

The Company’s registered and head office is located at S-202, Pai Chai University Daedeok Campus, 11-3 Techno 1-ro, Yuseong-gu, Daejeon, Republic of Korea.

These condensed interim 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 business for the foreseeable future. The continuing operations of the Company are dependent upon its ability to raise additional capital during the next twelve months and beyond to support current operations and planned development. As at September 30, 2017, the Company has not earned significant revenue and has an accumulated deficit of \$10,224,719 (December 31, 2016 - \$8,643,464). The Company has material financial uncertainties that may cast significant doubt upon the Company’s ability to continue as a going concern. The financial statements do not include any adjustments relating to the recoverability and classification of recorded assets and liabilities that might be necessary should the Company be unable to continue as a going concern.

On March 21, 2017, the Company entered into a merger agreement with Gravis Energy Corp. (“Gravis”), whereby Gravis will acquire 100% of the issued and outstanding common and preferred shares of the Company, in exchange for the common shares of Gravis (“Transaction”). The Transaction is subject to approval by the Canadian Securities Exchange in accordance with applicable laws and regulations.

Under the agreement:

- In May 2017, the Company issued 275,000 common shares of its own equity at a share price of \$9.70 (KRW 8,000) for gross proceeds of up to \$2,667,872 (KRW 2,200,000,000);
- Gravis will complete a consolidation of its outstanding common shares on a 6.033479 for 1 basis; and
- As consideration for acquiring 100% of the outstanding common shares of the Company, Gravis will issue 24 post-consolidated common shares for each share to the shareholders of the Company.

Subsequent to September 30, 2017, the Company received the conditional acceptance from the Canadian Securities Exchange for the Transaction.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

Statement of compliance

These condensed interim financial statements have been prepared using accounting policies consistent with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) applicable to the preparation of interim financial statements, including International Accounting Standards (“IAS”) 34 *Interim Financial Reporting* and Interpretations of Financial Reporting Interpretations Committee (“IFRIC”).

Basis of measurement

These condensed interim financial statements follow the same accounting policies and methods of application as the Company’s most recent audited annual financial statements, and should be read in conjunction with the Company’s audited annual financial statements for the year ended December 31, 2016, which were prepared in accordance with IFRS as issued by the IASB. There have also been no significant changes in judgements or estimates from those disclosed in the financial statements for the year ended December 31, 2016.

BiocurePharm Corporation

Notes to the Condensed Interim Financial Statements
For the nine months ended September 30, 2017 and 2016
(Expressed in Canadian Dollars)
(Unaudited)

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Basis of preparation (continued)

Functional and presentation currency

The functional currency, as determined by management, of the Company is the South Korean Won (“KRW”), as this is the principal currency of the economic environment in which it operates. The presentation currency of the financial statements is the Canadian Dollar.

Accounting standards issued but not yet applied

The Company has reviewed new and revised accounting pronouncements that have been issued but are not yet effective. The Company has not early adopted any of these standards and is currently evaluating the impact, if any, that these standards might have on its financial statements.

New standard IFRS 9 “Financial Instruments”

This new standard is a partial replacement of IAS 39 “Financial Instruments: Recognition and Measurement”. IFRS 9 introduces new requirements for the classification and measurement of financial assets, additional changes relating to financial liabilities, a new general hedge accounting standard which will align hedge accounting more closely with risk management. 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 with early adoption permitted.

New standard IFRS 15 “Revenue from Contracts with Customers”

This new 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 with early adoption permitted.

New standard IFRS 16 “Leases”

This new standard replaces IAS 17 “Leases” and the related interpretative guidance. IFRS 16 applies a control model to the identification of leases, distinguishing between a lease and a service contract on the basis of whether the customer controls the asset being leased. For those assets determined to meet the definition of a lease, IFRS 16 introduces significant changes to the accounting by lessees, introducing a single, on-balance sheet accounting model that is similar to current finance lease accounting, with limited exceptions for short-term leases or leases of low value assets. Lessor accounting is not substantially changed. The standard is effective for annual periods beginning on or after January 1, 2019, with early adoption permitted for entities that have adopted IFRS 15.

Other accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company’s financial statements.

3. RECEIVABLES

The Company’s receivables are wholly comprised of the value-added tax refundable. As of September 30, 2017, the Company had \$16,768 (December 31, 2016 - \$11,103) in receivables.

BiocurePharm Corporation

Notes to the Condensed Interim Financial Statements
For the nine months ended September 30, 2017 and 2016
(Expressed in Canadian Dollars)
(Unaudited)

4. PREPAID EXPENSES AND DEPOSITS

	September 30, 2017	December 31, 2016
Current:		
Prepaid expenses	\$ 19,603	\$ 5,244
Non-current:		
Deposits	29,312	29,178
Total	\$ 48,915	\$ 34,422

5. EQUIPMENT

The Company's equipment is summarized as follows:

	Furniture and Fixtures	Office Equipment	Computer Equipment	Testing Equipment	Total
Cost:					
At December 31, 2015	\$ 28,532	\$ 11,851	\$ 14,853	\$ 432,831	\$ 488,067
Additions	-	-	-	86,549	86,549
Disposals	(876)	(3,813)	(6,041)	(15,800)	(26,530)
Effect of foreign exchange	(1,381)	(496)	1,060	(22,865)	(23,682)
At December 31, 2016	\$ 26,275	\$ 7,542	\$ 9,872	\$ 480,715	\$ 524,404
Additions	22,856	-	-	56,921	79,777
Effect of foreign exchange	(725)	(209)	(272)	(13,241)	(14,447)
At September 30, 2017	\$ 48,406	\$ 7,333	\$ 9,600	\$ 524,395	\$ 589,734
Amortization:					
At December 31, 2015	\$ 28,532	\$ 9,599	\$ 12,930	\$ 405,369	\$ 456,430
Disposals	(876)	(3,813)	(6,041)	(15,800)	(26,530)
Charge	-	838	1,771	9,103	11,712
Effect of foreign exchange	(1,381)	(405)	(539)	(19,747)	(22,072)
At December 31, 2016	\$ 26,275	\$ 6,219	\$ 8,121	\$ 378,925	\$ 419,540
Charge	1,323	628	729	20,572	23,252
Effect of foreign exchange	(795)	(205)	(263)	(11,541)	(12,804)
At September 30, 2017	\$ 26,803	\$ 6,642	\$ 8,587	\$ 387,956	\$ 429,988
Net book value:					
At December 31, 2016	\$ -	\$ 1,323	\$ 1,751	\$ 101,790	\$ 104,864
At September 30, 2017	\$ 21,603	\$ 691	\$ 1,013	\$ 136,439	\$ 159,746

BiocurePharm Corporation

Notes to the Condensed Interim Financial Statements
For the nine months ended September 30, 2017 and 2016
(Expressed in Canadian Dollars)
(Unaudited)

6. LOANS RECEIVABLE

During the nine months ended September 30, 2017 and the years ended December 31, 2016 and 2015, the Company entered into four loan agreements to lend a total of \$48,976 (KRW 45,000,000) to a director of the Company. The loans receivable are unsecured and due on October 17, 2017, February 17, 2018, December 1, 2018 and April 16, 2019 respectively. The loans bear interest of 1.20% per annum. As at September 30, 2017, the principal balances of \$48,976 (December 31, 2016 - \$39,172) remains outstanding.

During the nine months ended September 30, 2017, the Company lend a total of \$18,809 (KRW 17,281,940) to Gravis Energy Corp. The loan is non-interest bearing, unsecured and due on demand.

7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	September 30, 2017	December 31, 2016
Accounts payables	\$ 18,666	\$ 61,674
Accrued liabilities	32,433	60,543
Payroll liabilities	25,057	19,103
	\$ 76,156	\$ 141,320

8. RELATED PARTIES**Key management compensation**

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of members of the Company's Board of Directors and the Chief Executive Officer ("CEO"). The remuneration of directors and key management personnel were as follows:

	Nine months ended September 30,	
	2017	2016
Salaries – CEO	\$ 80,684	\$ 84,333
Salaries – Directors of the Company	39,224	40,998
Total	\$ 119,908	\$ 125,331

Due to related parties

As at September 30, 2017, the Company had \$3,491 (December 31, 2016 - \$5,652) due to the CEO of the Company. The outstanding amounts are non-interest bearing, unsecured and due on demand.

Issuance of common shares

During the nine months ended September 30, 2016, the Company issued 250,000 common shares at \$5.73 (KRW 5,000) per share for proceeds of \$1,432,500 to the CEO of the Company, as part of the private placement on February 15, 2016 (Note 12).

Loan receivable from related party

As of September 30, 2017, the Company has a loan of \$43,534 (KRW 40,000,000) (December 31, 2016 - \$39,172) receivable from a director of the Company (Note 6).

BiocurePharm Corporation

Notes to the Condensed Interim Financial Statements
For the nine months ended September 30, 2017 and 2016
(Expressed in Canadian Dollars)
(Unaudited)

9. DEFERRED INCOME

During the nine months ended September 30, 2017, the Company completed its research term with third parties in which it received grants for research funds. As at September 30, 2017, the Company had \$Nil (December 31, 2016 - \$7,834) in deferred income.

10. LOANS PAYABLE

The following table summarizes the principal and interest amount in loans payable:

	September 30, 2017	December 31, 2016
Loans payable, unsecured:		
Interest at 5% per annum, matured on October 31, 2009	\$ 210,103	\$ 208,204
Interest at 10% per annum, matured on May 31, 2009	169,712	162,189
Interest payable	1,896	-
Total	\$ 381,711	\$ 370,393

As of the date of approval of these financial statements, the unpaid loans are past due.

11. SEVERANCE LIABILITIES

Under Korean law, the Company is required to either pay employees a severance amount at termination or contribute to a pension scheme. During the year ended December 31, 2016, the Company applied to begin making contributions to a pension scheme. The severance liability is the amount that remains payable by the Company to its employees at the time of termination and is based on a specified percentage of wages paid to date for past services.

As of September 30, 2017, the Company has a carrying balance of severance liabilities of \$147,780 (December 31, 2016 - \$151,966). During the nine months ended September 30, 2017, the Company recognized \$29,665 (year ended December 31, 2016 - \$10,255) in severance expenses.

12. SHARE CAPITAL*Authorized:*

Unlimited shares, with par value of KRW 500 per share (\$0.54).

Issued:

During the nine months ended September 30, 2017, common shares were issued as follows:

- a) On May 12, 2017, the Company issued 212,500 common shares of the company at a price of \$9.73 (KRW 8,000) per share for proceeds of \$2,067,264 (KRW 1,700,000,000).
- b) On May 24, 2017, the Company issued 157,945 common shares as consideration of the success fee in connection with a service agreement with the fair value of \$904,862.
- c) On May 26, 2017, the Company issued 62,500 common shares at a price of \$9.61 (KRW 8,000) per share for proceeds of \$600,598 (KRW 500,000,000).

BiocurePharm Corporation

Notes to the Condensed Interim Financial Statements
For the nine months ended September 30, 2017 and 2016
(Expressed in Canadian Dollars)
(Unaudited)

12. SHARE CAPITAL (Continued)

Issued (continued)

During the nine months ended September 30, 2016, common shares were issued as follows:

- a) On February 15, 2016, the Company issued 500,000 common shares of the Company at a price of \$5.73 (KRW 5,000) per share for proceeds of \$2,867,499.
- b) On August 9, 2016, the Company converted 100,000 preferred shares of the Company into 100,000 common shares of the Company.

13. PREFERRED SHARE LIABILITIES

The Company is authorized to issue an unlimited number of the preferred shares with par value of KRW 500 per share (\$0.57). The preferred shares entitle each holder a voting right and the preference on the dividends and the distribution of assets over the holder of common shares. The preferred shares are cumulative, redeemable, and convertible.

Preferred share dividends are declared upon the Company's discretion or is paid at USD 0.26 per share if the Company declares bankruptcy. As at September 30, 2017, the Company was not obligated to declare or pay any dividends.

Each preferred share is redeemable for cash at the original subscription price of the preferred share under certain conditions including a demand from the investor if the Company had failed to use the funds for their intended purpose or on the tenth anniversary of the preferred share issued. Each preferred share automatically converts into one common share on the tenth anniversary of the issuance date.

The Company issued 100,000 preferred shares at USD 3.00 per share during the year ended December 31, 2006 and 113,636 preferred shares at USD 4.40 per share during the year ended December 31, 2012.

During the year ended December 31, 2016, the CEO of the Company, a preferred share holder, converted 100,000 preferred shares issued in 2006 to 100,000 common shares of the Company. The Company recorded a transfer of \$500,410 to share capital from preferred share liabilities.

As at September 30, 2017, the Company had 113,636 (December 31, 2016 - 113,636) preferred shares issued and outstanding and recorded financial liabilities relating to preferred shares of \$962,974 (December 31, 2016 - \$647,828).

	September 30, 2017	December 31, 2016
Balance, beginning	\$ 647,828	\$ 1,201,671
Conversion of preferred shares	-	(500,410)
Change in foreign exchange	(17,368)	(28,662)
Loss (gain) on preferred share liabilities	332,514	(24,771)
Balance, ending	\$ 962,974	\$ 647,828

The preferred shares are convertible in USD which differs from the Company's functional currency. Accordingly, this conversion right is a derivative financial instrument. The Company has elected to measure the entire liability at fair value through profit or loss determined based on the value of the conversion right plus the discounted value of the conversion price. The Company estimated the discounted value of the conversion price using a discount rate of 20% based on the market discount rate for similar unsecured debt instruments. The fair value of the conversion rights were determined using the Black-Scholes option pricing model with the following assumptions:

BiocurePharm Corporation

Notes to the Condensed Interim Financial Statements
For the nine months ended September 30, 2017 and 2016
(Expressed in Canadian Dollars)
(Unaudited)

13. PREFERRED SHARE LIABILITIES (continued)

- The share price was based upon the fair value of the share price at the time of the issuance;
- The risk-free interest rate assumption is based at 1% consistent with the expected term of the option in effect at the time of the grant;
- The Company does not pay dividends on common shares and does not anticipate paying dividends on its common shares in the foreseeable future. Therefore, the expected dividend rate was 0%;
- The expected life of the preferred shares was estimated to be the difference between the valuation date and the remaining contractual term; and
- The expected volatility was based off of the historical shares prices of the Company's common share price over a period equivalent to the expected life of the warrants.

The fair value of the preferred shares issued during 2012 as at September 30, 2017 and December 31, 2016 were estimated using discounted cash flows and the Black-Scholes Option Pricing Model using the following inputs:

Expiration Date	September 30, 2017	December 31, 2016
Fair value of conversion price per share	\$ 2.29	\$ 2.17
Discount rate	20%	20%
Fair value of conversion right per share	\$ 6.44	\$ 3.53
Expected volatility	75%	75%
Expected life	5.00 years	5.50 years
Dividends	0.00%	0.00%
Risk-free interest rate	2.00%	2.00%
Total fair value per share	\$ 8.73	\$ 5.70

14. COMMITMENTS

As at September 30, 2017, the Company had the following commitments:

- a) During the year ended December 31, 2016, the Company agreed to participate in a joint research project until August 9, 2019, where it is to pay an annual participation fee of \$18,589 (KRW 17,080,000).

Year	Commitment
2017	\$ 9,740
2018	19,479
2019	11,421
Total	\$ 40,640

- b) On July 20, 2016, the Company entered into a Canadian Listing Services agreement ("Services Agreement") with an arm's length party. On February 8, 2017, the Services Agreement was amended. The amended term of the agreement is 18 months from July 20, 2016 and automatically renews for an additional 12 months unless earlier terminated. The Company is required to make the payments as follows:

- Milestone payments:
 - USD 10,000 payable at the time of the engagement (paid);
 - USD 20,000 payable within one month of retaining a lawyer and an auditor (paid);
 - USD 20,000 payable at the time of the setup of the Canadian entity (paid);
 - USD 20,000 payable at the time of completion of the merger (paid); and
 - USD 20,000 payable at the time that the merged entity's shares are listed and trading on a stock exchange.

BiocurePharm Corporation

Notes to the Condensed Interim Financial Statements
For the nine months ended September 30, 2017 and 2016
(Expressed in Canadian Dollars)
(Unaudited)

14. COMMITMENTS (Continued)

- Shell company costs:
 - USD 100,000 over the term of the agreement as invoiced by the third party (paid).
- Success fees
 - Right to purchase stock – 5% of total shares of the Company at the market price at the time of engagement to be purchased prior to trading;
 - Stock compensation – 5% of total shares of the Company at the time of establishing a Canadian entity (issued); and
 - Stock options – 5% of total shares of the Company at the time of trading with a one year exercise period.

15. SUBSEQUENT EVENTS

On November 27, 2017, the Company completed the merger agreement with Gravis Energy Corp. (“Gravis”) whereby Gravis acquired 100% of the issued and outstanding common and preferred shares of the Company, in exchange for the common shares of Gravis.