QUIKFLO HEALTH INC.
(Formerly Viper Gold Ltd.)

CONSOLIDATED FINANCIAL STATEMENTS

For Six Months Ended January 31, 2016
And for the Year Ended July 31, 2015

(Unaudited – Expressed in Canadian Dollars)

Notice to Readers:

These unaudited consolidated interim financial statements of QUIKFLO HEALTH INC. (Formerly Viper Gold Ltd. (the "Company") have not been reviewed by the auditors of the Company. This notice is being provided in accordance with Section 4.3 (3) (a) of National Instrument 51-102 - *Continuous Disclosure Obligations.*

QUIKFLO HEALTH INC.

Consolidated Interim Statement of Financial Position
(Expressed in Canadian Dollars)

	Notes	As at January 31, 2016	As at July 31, 2015
		(Unaudited) $	(Unaudited) $
ASSETS			
Current Assets			
Cash		90,772	130,558
Sales tax receivable		41,200	9,068
Prepaid expenses		19,312	10,500
Total Current Assets		151,284	150,126
Non-current Assets			
QuikFlo Technologies Inc. acquisition	*5*	2,377,446	-
Intangible asset	*5*	380,028	375,000
Total Assets		2,908,758	525,126
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current Liabilities			
Accounts payable and accrued liabilities		416,157	93,159
Total Current Liabilities		416,157	93,159
Shareholders' Equity			
Share capital	*6*	5,284,396	2,115,474
Share based payments reserve		113,492	134,862
Deficit		(2,905,286)	(1,818,369)
Total Shareholders' Equity		2,492,601	431,967
Total Liabilities and Shareholders' Equity		2,908,758	525,126

Going concern (Note 2)
Commitments and contingencies (Note 11)
Subsequent events (Note 13)

Approved on Behalf of the Board:

Director

"Signed" — George Tsafalas

"Signed" — Rick Skeith

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

QUIKFLO HEALTH INC.
Consolidated Interim Statement of Loss and Comprehensive Loss
(Expressed in Canadian Dollars)

	Notes	For Six Months period ended January 31, 2016	For Three Months period ended January 31, 2016
		$	$
Expenses			
Management and consulting fees		**357,227**	**206,032**
Filling fees and communications		**27,963**	**12,296**
Payroll		**29,103**	**24,926**
Professional fees		**554,438**	**409,739**
General and administrative expenses		**139,556**	**69,822**
Net loss and comprehensive loss for the period		**1,108,286**	**722,815**
Basic and diluted loss per share		(0.06)	(0.02)
Weighted average number of common shares		18,589,700	30,602,000

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

QUIKFLO HEALTH INC.
Consolidated Interim Statement of Cash Flow
(Expressed in Canadian Dollars)

	Notes	**Six Months Ended January 31, 2016**	**Year Ended July 31, 2015**
			$
Cash flows from operating activities:			
Operating Activities			
Net (loss) for the period		**(1,108,286)**	**(357,524)**
Changes in non-cash components of working capital			
Sales tax receivable		**(32,132)**	**(9,068)**
Prepaid expenses		**(8,812)**	**(10,500)**
Accounts payable and accrued liabilities		**587,996**	**376,966**
Net cash flows (used in) operating activities		**(561,235)**	**(125)**
Cash flows from investing activities			
Intangible assets acquisition		**(5,028)**	**-**
Net cash flows (used in) investing activities		**(5,028)**	**-**
Cash flows from financing activities			
Issue of common shares, Net		**471,477**	**67,960**
Subscription received		**-**	**-**
Due to related parties		**55,000**	**-**
Net cash flows (used in) financing activities		**526,477**	**67,960**
Increase in cash		**(39,786)**	**67,835**
Cash, beginning of the period		**130,558**	**62,723**
Cash, end of the period		**90,772**	**130,558**
S**upplemental information:**			
Common shares issued for intangible assets	*5*	**3,000,000**	**-**
Accrued share issue costs		**28,523**	**-**

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

QUIKFLO HEALTH INC.
Consolidated Interim Statement of Changes in Equity
(Expressed in Canadian Dollars)

		Share capital					
	Notes	**Number of shares**	**Amount**	**Warrants**	**Share-based Payments Reserve**	**Deficit**	**Total equity**
			$	**$**	**$**	**$**	
Balance at July 31, 2015		6,577,200	2,069,781	45,693	134,862	(1,818,369)	431,967
Common shares issued on private placement		2,000,000	500,000	-	-	-	500,000
Common shares issued for warrants exercise		300,000	15,000	-	-	-	15,000
Subscription received		-	55,000	-	-	-	55,000
Common shares issued for intangible asset		30,000,000	2,627,445	-	-	-	2,627,445
Share issue costs			(28,523)				(28,523)
Stock Options expired		-	-	-	(21,370)	-	(21,370)
Net loss for the period		-	-		-	(1,086,917)	(1,086,917)
Balance at January 31, 2016		38,877,200	5,238,703	45,693	113,492	(2,905,286)	2,492,601

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

1. NATURE OF OPERATIONS

Viper Gold Ltd. (the “Company”) was incorporated pursuant to the provisions of the Business Corporations Act (Alberta) on January 29, 2008. The Company’s executive office is located at 430 – 580 Hornby Street, Vancouver, British Columbia, Canada. Viper Gold Ltd. (the “Company”) changed its name to QuikFlo Health Inc. on November 23, 2015. The Company was in the business of acquiring and exploring mineral properties. The Company has recently acquired a company in the medical diagnostic field. QuikFlo is a medical software company developing innovative solutions for the analysis of medical images. Our primary focus is on improving outcomes for stroke patients, where existing time delays are solvable through more efficient triage based on rapid, accurate analysis of medical images.

As certain directors and officers of QuikFlo Health (Formerly Viper) are also shareholders and officers of QuikFlo Technologies Inc., an independent valuation was obtained which places the value of QuikFlo Technologies Inc. in a range of $2.9 million to $3.4 million. In conjunction with the Transaction, the Company also raised $500,000 in a non-brokered private placement of QuikFlo Health Inc. (Formerly Viper) Shares at $0.25 per share (the "Private Placement"). The proceeds of the Private Placement will be used to develop the QuikFlo Diagnostic Tool and to pay for a portion of the costs of the Transaction.

QuikFlo Technologies Inc. was incorporated by the QuikFlo Technologies Inc. shareholders to acquire the QuikFlo Diagnostic Tool from UTI Limited Partnership, operating as Innovate Calgary ("Innovate Calgary"), the technology transfer and commercialization entity of the University of Calgary, for the purpose of developing and commercializing the associated intellectual property. The QuikFlo Diagnostic Tool was acquired by QuikFlo Technologies Inc. pursuant to an arm's length assignment agreement (the "Assignment Agreement") between QuikFlo Technologies Inc. and Innovate Calgary dated July 27, 2015. The Assignment Agreement provides for the assignment to QuikFlo Technologies of Innovate Calgary's right, title and interest in and to the intellectual property and technology rights associated with the QuikFlo Diagnostic Tool in consideration for the grant of a license to Innovate Calgary to use the QuikFlo Diagnostic Tool for non-commercial purposes, including publication of scientific findings, education and further research. In addition, QuikFlo Technologies Inc. agreed to pay a royalty to Innovate Calgary on the gross sales revenue received by QuikFlo Technologies Inc. in relation to any product, process or service derived from the QuikFlo Diagnostic Tool. Further, QuikFlo Technologies Inc. is obligated to pay a change of control fee upon certain defined liquidation events. The rights associated with the QuikFlo Diagnostic Tool can revert to Innovate Calgary upon the bankruptcy or insolvency of QuikFlo Technologies Inc. or upon its default under certain provisions of the Assignment Agreement.

The Quikflo Technologies Inc. acquisition closed on November 23, 2015. QuikFlo Health Inc. will carry on as the continuing entity under the name “QuikFlo Health Inc.” (“Resulting Issuer”).
Following the Transaction, the Resulting Issue adopted the fiscal year end of QuikFlo Technologies being July 31. The first financial year-end after Transaction will be July 31, 2016.

2. GOING CONCERN

The Company was in the exploration and evaluation stage and up to May 8, 2014, it held an interest in certain mineral claims in Peru from which no revenue had been generated. The exploration and development of mineral properties involves significant financial risk, with recoverability of costs incurred being subject to future profitable production from economically recoverable reserves and/or financing through issuance of shares or sale of property interests. It has recently acquired a company in the medical diagnostic field.

These consolidated condensed interim financial statements have been prepared on a going concern basis which contemplates the realization of assets and the payment of liabilities in the ordinary course of business. 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 at amounts different from those in these financial statements. Such adjustments could be material. The continuing operations of the Company are dependent upon its ability to obtain the necessary financing to meet ongoing administration expenses and related liabilities as they fall due.

In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but is not limited to, twelve months from the end of the reporting period. Management believes they can raise sufficient working capital to continue current operations for the next twelve months, but is aware, in making its going concern assessment, of material uncertainties related to events or conditions that cast doubt upon the entity's ability to continue as a going concern. The Company has incurred a loss in the current and prior periods, with a loss of $1,108,286 for the six month period ended January 31, 2016, and as January 31, 2016 has an accumulated deficit of $2,905,286 (July 31, 2015 - $1,818,369) and a working capital deficiency of $264,873 (July 31, 2015 – working capital of $56,967).

3. BASIS OF PRESENTATION

(a) Statement of compliance

These condensed interim financial statements have been prepared in accordance 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*. The policies set out in Note 4 have been consistently applied to all periods presented. These financial statements were approved and authorized for issue by the Board of Directors on March 30, 2016.

(b) Basis of preparation

These condensed interim financial statements are presented in Canadian dollars. The financial statements are prepared on the historical cost basis. In addition, these financial statements are

prepared using the accrual basis of accounting except for cash flow information.

(c) Recently adopted accounting standards and interpretations issued but not yet adopted

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods on or after January 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.

(d) Recently adopted accounting standards and interpretations issued but not yet adopted

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 13 – Fair Value Measurement ("IFRS 13") was amended to clarify that the exception which allows fair value measurements of a group of financial assets and liabilities on a net basis applies to all contracts within the scope of IAS 39 or IFRS 9, regardless of whether they meet the definitions of financial assets or liabilities as defined in IAS 32. The amendment is effective for annual periods beginning on or after July 1, 2014.

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 permitted.

IAS 24 – Related Party Disclosures ("IAS 24") was amended to clarify that an entity providing key management services to the reporting entity or the parent of the reporting entity is a related party of the reporting entity. The amendments also require an entity to disclose amounts incurred for key

management personnel services provided by a separate management entity. The amendments to IAS 24 are effective for annual periods beginning on or after July 1, 2014.

(e) Significant accounting judgments and use of estimates

The preparation of these condensed interim financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. The financial statements include estimates which, by their nature, are uncertain. The impacts of such 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 the revision affects both current and future periods.

Significant assumptions about the future and other sources of estimation uncertainty 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:

i. *Capitalization of exploration and evaluation costs*
Management has determined that exploration and evaluation costs incurred during the year have future economic benefits and are economically recoverable. In making this judgment, management has assessed various sources of information including but not limited to the geologic and metallurgic information, history of conversion of mineral deposits to proven and probable mineral reserves, scoping and feasibility studies, proximity of operating facilities, operating management expertise and existing permits. See note 5 for details of capitalized exploration and evaluation costs.

ii. *Share-based payments*
Management determines costs for share-based payments using market-based valuation techniques. The fair value of the market-based share awards are determined at the date of grant using generally accepted valuation techniques. Assumptions are made and judgment used in applying valuation techniques. These assumptions and judgments include estimating the future volatility of the stock price, expected dividend yield, future employee turnover rates and future employee stock option exercise behaviors and corporate performance. Such judgments and assumptions are inherently uncertain. Changes in these assumptions affect the fair value estimates.

iii. *Impairment of exploration and evaluation assets*
While assessing whether any indications of impairment exist for exploration and evaluation assets, consideration is given to both external and internal sources of information. Information the Company considers includes changes in the market, economic and legal

environment in which the Company operates that are not within its control that could affect the recoverable amount of exploration and evaluation assets. Internal sources of information include the manner in which exploration and evaluation assets are being used or are expected to be used and indications of expected economic performance of the assets. Estimates include but are not limited to estimates of the discounted future after-tax cash flows expected to be derived from the Company's mining properties, costs to sell the properties and the appropriate discount rate. Reductions in metal price forecasts, increases in estimated future costs of production, increases in estimated future capital costs, reductions in the amount of recoverable mineral reserves and mineral resources and/or adverse current economics can result in a write-down of the carrying amounts of the Company's exploration and evaluation assets.

iv. *Income taxes and recoverability of potential deferred tax assets*
In assessing the probability of realizing income tax assets recognized, management makes estimates related to expectations of future taxable income, applicable tax planning opportunities, expected timing of reversals of existing temporary differences and the likelihood that tax positions taken will be sustained upon examination by applicable tax authorities. In making its assessments, management gives additional weight to positive and negative evidence that can be objectively verified. Estimates of future taxable income are based on forecasted cash flows from operations and the application of existing tax laws. Future changes in tax laws could limit the Company from realizing the tax benefits from the deferred tax assets. The Company reassesses unrecognized income tax assets at each reporting period.

4. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies that have been used in the preparation of these consolidated interim financial statements are summarized in the audited financial statements of the Company for the year ended July 31, 2015.

5. AQUISITION OF QUIKFLO TECHNOLOGIES INC.

As certain directors and officers of QuikFlo Health (Former Viper) are also shareholders and officers of QuikFlo Technologies Inc., an independent valuation was obtained which places the value of QuikFlo Technologies Inc. in a range of $2.9 million to $3.4 million. In conjunction with the Transaction, the Company also raised $500,000 in a non-brokered private placement of QuikFlo Health Inc. (Former Viper) shares at $0.25 per share (the "Private Placement"). The proceeds of the Private Placement will be used to develop the QuikFlo Diagnostic Tool and to pay for a portion of the costs of the Transaction.

QuikFlo Technologies Inc. was incorporated by the QuikFlo Technologies Inc. shareholders to acquire the QuikFlo Diagnostic Tool from UTI Limited Partnership, operating as Innovate Calgary ("Innovate

Calgary"), the technology transfer and commercialization entity of the University of Calgary, for the purpose of developing and commercializing the associated intellectual property. The QuikFlo Diagnostic Tool was acquired by QuikFlo Technologies Inc. pursuant to an arm's length assignment agreement (the "Assignment Agreement") between QuikFlo Technologies Inc. and Innovate Calgary dated July 27, 2015. The Assignment Agreement provides for the assignment to QuikFlo Technologies of Innovate Calgary's right, title and interest in and to the intellectual property and technology rights associated with the QuikFlo Diagnostic Tool in consideration for the grant of a license to Innovate Calgary to use the QuikFlo Diagnostic Tool for non-commercial purposes, including publication of scientific findings, education and further research. In addition, QuikFlo Technologies Inc. agreed to pay a royalty to Innovate Calgary on the gross sales revenue received by QuikFlo Technologies Inc. in relation to any product, process or service derived from the QuikFlo Diagnostic Tool. Further, QuikFlo Technologies Inc. is obligated to pay a change of control fee upon certain defined liquidation events. The rights associated with the QuikFlo Diagnostic Tool can revert to Innovate Calgary upon the bankruptcy or insolvency of QuikFlo Technologies Inc. or upon its default under certain provisions of the Assignment Agreement.

Quikflo Technologies Inc. acquisition closed on November 23, 2015.

6. SHARE CAPITAL AND OTHER EQUITY

(i) Authorized, issued and outstanding shares

Authorized:
- unlimited number of common shares without par value
- unlimited number of preferred shares issuable in series

(ii) Private placements

On November 24, 2015, the Company closed a non-brokered private placement of 2, 000,000 common shares in the capital of the Company at a price of $0.25 per common share, for aggregate gross proceeds of $500,000 (the "Private Placement").

On November 24, 2015 the Company issued 30,000,000 common shares for acquisition l of QuikFlo Technologies Inc.

On January, 2015 the Company issued 300,000 common shares for warrants exercising for total proceeds $15,000.

Transactions during the first six months of 2016 and for the year ended July 31, 2015 are as follows:

	Number of Shares	Amount
Balance, July 31, 2015	6,577,200	$ 2,069,781
Private placements *(i)*	2,000,000	500,000
Warrants exercised	300,000	15,000
Subscriptions received	-	55,000
Acquisition of QuikFlo Technologies Inc.	30,000,000	2,627,445
Share – based payments Reserve		(21,370)
Share issue costs		(28,523)
Balance, January 31, 2016	38, 877,200	$5,238,703

(iii) Warrants

Details of common share purchase warrants outstanding at January 31, 2016 are as follows:

	Number of Warrants	Exercise Price	Expiry Date	Grant Date Fair Value
Share purchase warrants:				
Issued on private placement	2,950,000	$0.05	July 14, 2016	$ 45,154
Finders' warrants	56,000	$0.10	Mar 4, 2016	539
	3,006,000			$ 45,693

Common share purchase warrant transactions during the six months ended January 31, 2016 and for the year ended January 31, 2015 are as follows:

	January 31, 2016			January 31, 2015		
	Number of Warrants	Weighted Average Exercise Price	Grant Date Fair Value	Number of Warrants	Weighted Average Exercise Price	Grant Date Fair Value
Outstanding – beginning of the year	595,000	$ 1.00	$ 4,598	595,000	$ 0.50	$ 4,598
Issued	3,306,000	0.05	45,693	-	-	-
Expired/Exercised	(895,000)	0.35	(4,598)	-	-	-
Outstanding – end of the period	3,306,000	$ 0.05	$ 45,693	595,000	$ 1.00	$ 4,598

The warrants issued in 2014 were exercisable at $0.50 to July 10, 2014 and thereafter at $1.00 until July 10, 2015. On July 10, 2015 these warrants expired unexercised. On January 2016 300,000 warrants issued on July 14, 2015 were exercised.

The grant date fair value of the 56,000 finders' warrants issued in connection with the private placement that closed on March 4, 2015 has been estimated at $539, using the Black-Scholes option pricing model. The following weighted average assumptions were used: Risk-free interest rate – 0.59%; Expected volatility – 100%; Expected dividend yield – nil; Expected life – 1 year.

The grant date fair value of the 3,250,000 warrants issued in connection with the private placement that closed on July 14, 2015 has been estimated at $45,154, using the Black-Scholes option pricing model. The following weighted average assumptions were used: Risk-free interest rate – 0.45%; Expected volatility – 100%; Expected dividend yield – nil; Expected life – 1 year.

The weighted average remaining contractual life of the issued and outstanding warrants as at January 31, 2016 was 0.8 years.

7. SHARE - BASED PAYMENTS – SHARE OPTION PLAN

The Company has adopted a stock option plan (the "Plan") for its directors, officers, employees and consultants to acquire common shares of the Company at a price determined by the fair market value of the shares at the date immediately preceding the date on which the option is granted. The terms and conditions of the options are determined by the Board of Directors.

The aggregate number of common stock options shall not exceed 20% of the issued and outstanding common shares of the Company, with no one individual being granted more than 5% of the issued and outstanding common shares. In addition, the exercise price of options granted under the plan shall not be lower than the exercise price permitted by the TSX Venture Exchange, and all options granted under the plan will have a term not to exceed five years.

A summary of the status of the Plan as at January 31, 2016 and July 31, 2015, and changes during periods ended on those dates are presented below:

	January 31, 2016		July 31, 2015	
	Number Of stock Options	Weighted Average Exercise Price	Number Of stock Options	Weighted Average Exercise Price
Outstanding – beginning of the year	65,600	$3.40	65,600	$3.40
Granted	4,700,000	0.25	-	-
Expired	(65,600)	$2.00	-	$ -
Outstanding – end of the period	4,700,000	$0.25	65,600	$3.40

The following table summarizes stock options outstanding and exercisable under the Company's stock option plan as at January 31, 2016:

Expiry date	Options Exercisable & Outstanding*	Exercise Price per share ($)	Grant date Fair Value of Options ($)
Nov 14, 2021	4,275,000	0.25	262,656
Nov 24, 2021	100,000	0.25	6,144
Nov 25, 2021	150,000	0.25	9,216
Dec 23, 2021	100,000	0.25	6,144
Jan 8, 2022	75,000	0.25	4,608
	4,700,000	0.25	288,768

8. LOSS PER SHARE

(a) Basic

Basic loss per share is calculated by dividing the net loss attributable to common shareholders by the weighted average number of common shares issued and outstanding during the six months and three months period ended January 31, 2016.

	For the three months ended January 31, 2016	For the six months ended January 31, 2016
Net loss attributable to common shareholders	$ (722,815)	$ (1,108,286)
Weighted average number of ordinary shares in issue	30,602,000	18,589,700
Basic loss per share	$ (0.02)	$ (0.06)

(b) Diluted

Diluted loss per share is the same as basic loss per share as issued and outstanding warrants and options are considered to be anti-dilutive.

9. FINANCIAL RISK MANAGEMENT

The Company's risk exposures and the impact on the Company's financial instruments are summarized below. There have been no changes in the risks, objectives, policies and procedures from the previous year.

(a) Credit risk management

Credit risk is the risk of loss associated with counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash and amounts receivables. Cash is held with a reputable Canadian financial institution, from which management believes the risk of loss is remote. Financial instruments included in amounts receivable consist of harmonized sales tax due from the Federal Government of Canada. Management believes that the credit risk concentration with respect to financial instruments included in amounts receivable is minimal.

(b) Liquidity risk

As at January 31, 2016, the Company had a working capital deficiency of $264,873 (July 31, 2015 – working capital of $56,967). The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at January 31, 2016, the Company does not have sufficient cash to settle current liabilities.

(c) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign currency rates. As at January 31, 2016, the Company had cash balances of $13,194 (July 31, 2015 - $Nil) in U.S. dollars. Sensitivity to a plus or minus 5% change in the foreign exchange rate would not have had a material effect to the net loss for the six

month period ended January 31, 2016. The Company does not undertake currency hedging activities to mitigate its foreign currency risk.

(d) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company has cash balances and currently does not carry interest-bearing debt. The Company's current policy is to invest excess cash in investment-grade short-term deposit certificates issued by its financial institutions. It is management's opinion that the Company is not exposed to significant interest rate risk.

(e) Fair value of financial assets and liabilities

The book values of the cash, amounts receivable, and accounts payable and accrued liabilities approximate their respective fair values due to the short-term nature of these instruments.

The fair values together with the carrying amounts shown in the statements of financial position are as follows:

	As at January 31, 2016		As at July 31, 2015	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Cash	$ 90,772	$ 90,772	$ 130,558	$ 130,558
Sales tax receivable	41,200	41,200	9,068	9,068
Accounts payable and accrued liabilities	416,157	416,157	93,159	93,159

10. CAPITAL RISK MANAGEMENT

The Company defines capital as Shareholders' Equity which at January 31, 2016 was $2,492,601 (July 31, 2015 - $431,967). The Company manages its capital structure and makes adjustments to it, in order to have the funds available to support its exploration, development and operations activities.

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern in order to pursue the exploration of its mineral properties and maximize shareholder returns. The Company satisfies its capital requirements through careful management of its cash resources and by utilizing bank indebtedness or equity issues, as necessary, based on the prevalent economic conditions of both the industry and the capital markets and the underlying risk characteristics of the related assets. As at January 31, 2016, the Company had no bank debt. As discussed in Note 2, the Company's ability to continue to carry out its planned operations is uncertain and dependent upon the continued financial support of its shareholders and securing

additional financing.

Management reviews its capital management approach on an ongoing basis. There were no changes in the Company's approach to capital management during the six month period ended January 31, 2016 and for the year ended July 31, 2015. The Company is not subject to externally imposed capital requirement.

11. COMMITMENTS AND CONTINGENCIES

(a) Consulting agreements

The Company entered into a consulting agreement with Vineet Jindal, the Company's President and Chief Executive Officer, effective September 15, 2015, to provide management services to the Company. The Company will pay Mr. Jindal $US 20,000 monthly along with a signed bonus of $US 10,000. The agreement is for a three year term, expiring August 31, 2018.

12. COMPENSATION OF KEY MANAGEMENT AND RELATED PARTY TRANSACTIONS

The remuneration of directors and members of key management personnel during the six month and three month periods ended January 31, 2016 was as follows:

	Six Months Ended January 31	Three Month Ended January 31
Compensation	$ 760,908	$ 493,802
Share-based payments	-	-
	$ 760,908	$ 493,802

During the six month period ended January 31, 2016, the Company incurred legal fees and share issue costs in the amount of $382,424 and $28,523 from a law firm of which a director of the Company is a partner. As at January 31, 2016, the Company owed the law firm $263,136. These amounts are unsecured, non-interest bearing with no fixed terms of repayment.

During the six month period ended January 31, 2016, the former Chief Financial Officer of the Company charged the Company a total of $4,000 for services rendered as disclosed in the compensation table above. As at January 31, 2016, the Company owed the Chief Financial Officer of the Company $Nil.

During the six month period ended January 31, 2016, the interim Chief Financial Officer of the Company charged the Company a total of $14,000 for services rendered as disclosed in the

compensation table above. As at January 31, 2016, the Company owed the Chief Financial Officer of the Company $11,500. These amounts are unsecured, non-interest bearing with no fixed terms of repayment.

During the six month period ended January 31, 2016, the Chief Executive Officer of the Company charged the Company a total of $150,110 for services rendered as disclosed in the compensation table above. As at January 31, 2016, the Company owed the Chief Executive Officer of the Company $49,110. These amounts are unsecured, non-interest bearing with no fixed terms of repayment.

During the six month period ended January 31, 2016, the Directors and their companies of the Company charged the Company a total of $181,851 for services rendered as disclosed in the compensation table above. As at January 31, 2016, the Company owed the Directors and their companies of the Company $51,059. These amounts are unsecured, non-interest bearing with no fixed terms of repayment.

13. SUBSEQUENT EVENT

On February 12, 2016 the Company has reached agreement to enter into a worldwide non-exclusive license agreement with the University of Western Ontario (“Western”) to use certain CT perfusion intellectual property that has been developed by Dr. Ting Lee, the Company’s Chief Technology Officer. This technology was assigned to Western by Dr. Lee, who is a professor at Western, in accordance with that university’s policies. This same technology has been an integral part of General Electric’s CT scanner programs for several years.

The Company issued to the University of Western Ontario 100,000 common shares.

On February 2016, the Company announced a private placement up to $500,000 by the sale of units priced at $0.15 and consisting of one common share and one share purchase warrant exercisable for 18 months at $0.25 per share. There is no selling agent, but the Corporation will pay qualified arms-length finders a cash commission of 8% as well as broker warrants of 8%.