

**QUIKFLO HEALTH INC.**

**CONSOLIDATED FINANCIAL STATEMENTS**

For Nine Months Ended April 30, 2017

(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.**Interim Consolidated Statements of Financial Position  
(Expressed in Canadian Dollars)

	<i>Notes</i>	As at April 30, 2017 (Unaudited) \$	As at July 31, 2016 (Audited) \$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash		2,662,554	1,208
Short term investments		1,797,799	-
Sales tax receivable		45,342	14,668
Prepaid expenses		92,587	8,817
<b>Total Current Assets</b>		<b>4,598,282</b>	<b>24,693</b>
<b>Non-Current Assets</b>			
Intangible asset		389,000	389,000
<b>Total Assets</b>		<b>4,987,282</b>	<b>413,693</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>			
<b>Current Liabilities</b>			
Accounts payable and accrued liabilities		757,307	586,568
Shareholder loan	6	227,000	121,000
<b>Total Current Liabilities</b>		<b>984,307</b>	<b>707,568</b>
<b>Shareholders' Equity</b>			
Share capital	4	7697,627	2,496,255
Share based payments reserve	4	742,568	825,493
Deficit		(4,437,220)	(3,715,623)
<b>Total Shareholders' Equity</b>		<b>4,002,975</b>	<b>(293,875)</b>
<b>Total Liabilities and Shareholders' Equity</b>		<b>4,987,282</b>	<b>413,693</b>

Going Concern (Note 1)

Commitments and Contingencies (Note 5)

Subsequent Events (Note 7)

Approved on Behalf of the Board:

"Signed"

Brian Keane, Director

"Signed"

Rick Skeith, Director

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

**QUIKFLO HEALTH INC.**

## Interim Consolidated Statements of Loss and Comprehensive Loss

(Expressed in Canadian Dollars)

	<i>Notes</i>	Nine Months Ended April 30, 2017 (Unaudited)	Nine Months Ended April 30, 2016 (Unaudited)	Three Months Ended April 30, 2017 (Unaudited)	Three Months Ended April 30, 2016 (Unaudited)
		\$	\$	\$	\$
<b>EXPENSES</b>					
Listing expense		8,056	564,092	3,055	-
Stock based compensation	6	(182,925)	288,668	-	-
Management and consulting fees		379,273	526,377	199,271	169,150
Filing fees and communications		3,329	40,704	1,023	12,741
Payroll		-	54,165	-	25,062
Professional fees		434,800	147,934	273,857	6,964
General and administrative expenses		79,064	156,396	68,780	16,840
<b>Net loss and comprehensive loss for the year</b>		<b>721,597</b>	<b>1,778,336</b>	<b>545,987</b>	<b>230,757</b>
Basic and diluted loss per share		(0.01)	(0.07)	(0.01)	(0.01)
Weighted average number of common shares		49,296,093	25,369,901	68,828,305	39,231,644

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

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

	<i>Notes</i>	Nine Months Ended April 30, 2017 (Unaudited)	Nine Months Ended April 30, 2016 (Unaudited)
		\$	\$
<b>Cash flows from operating activities:</b>			
Net loss and comprehensive loss for the year		(721,597)	(1,778,436)
Adjusted for:			
Listing expense		-	564,092
Stock based compensation		(182,925)	288,768
Changes in non-cash working capital:			
Sales tax receivable		(30,674)	(8,722)
Prepaid expenses		(83,770)	3,592
Accounts payable and accrued liabilities		170,739	369,406
<b>Net cash flows used in operating activities</b>		<b>(848,227)</b>	<b>(561,300)</b>
<b>Cash flows from investing activities:</b>			
Intangible assets acquisition		-	-
<b>Net cash flows from investing activities</b>		<b>-</b>	<b>-</b>
<b>Cash flows from financing activities:</b>			
Issuance of common shares, net	4	5,201,371	6,255
Cash acquired related to reverse takeover		-	572,456
Proceeds from shareholder loan	6	106,000	-
<b>Net cash flows from financing activities</b>		<b>5,589,747</b>	<b>578,711</b>
<b>Net increase in cash</b>		<b>4,459,144</b>	<b>17,411</b>
Cash, beginning of the period		1,208	1
<b>Cash, end of the period</b>		<b>4,460,352</b>	<b>17,412</b>

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

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

	Notes	Share capital		Share Based Payments Reserve	Deficit	Total Equity
		Number of Shares	Amount			
			\$			
<b>Balance at July 31, 2015</b>		601	372,555		(40,843)	331,712
Common shares issued for cash	6	400	250,000	-	-	250,000
Reverse takeover (RTO) transaction	4	(1,001)	-	-	-	-
RTO acquisition of QuikFlo Technologies	4	30,000,000	-	-	-	-
QuikFlo Health shares on RTO		8,577,200	1,715,400	-	-	1,715,400
RTO assumption of QuikFlo Health warrants	4	-	-	515,200	-	515,200
Common shares issued for warrants exercise	6	700,000	144,300	(109,300)	-	35,000
Share issued for license acquisition	6	100,000	14,000	-	-	14,000
Stock based compensation	6	-	-	519,593	-	519,593
Net loss for the period		-	-	-	(3,674,780)	(3,674,780)
<b>Balance at July 31, 2016</b>		39,377,200	2,496,255	925,493	(3,715,623)	(293,875)
Common shares issued for cash	6	73,485,699	5,506,546	-	-	5,506,546
Share issued costs	6	-	(305,174)	-	-	(305,174)
Stock based compensation	6	-	-	(182,925)	-	(182,925)
Net loss for the period		-	-	-	(721,597)	(721,597)
<b>Balance at April 30, 2017</b>		112,862,899	7,597,626	742,568	(4,437,220)	4,002,975

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

# QUIKFLO HEALTH INC.

## NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE NINE MONTH PERIOD ENDED APRIL 30, 2017 (Expressed in Canadian dollars)

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### 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 734-1055 Dunsmuir Street, Vancouver, British Columbia, Canada. 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, and has therefore switched its focus to developing innovative solutions for the analysis of medical images. Primarily, the Company is focused on improving outcomes for stroke patients, where existing time delays are solvable through more efficient triage based on rapid, accurate analysis of medical images.

The Company recently entered into a letter of intent to acquire two US marijuana companies in Las Vegas, Nevada. The acquisitions include a 12,000 sq. ft. licensed medical marijuana cultivation/production facility and packaging centre with over \$1 million in medicinal sales in its first year of operation. The second acquisition is of a start-up company that develops and markets hemp based and CBD infused products for sales nationwide.

QuikFlo will acquire a non-arms’ length private company which has arms’ length agreements dated January 25, 2017 in place to acquire 91% of both the medical marijuana production facility company and the related infused product company. QuikFlo is currently undertaking a non-brokered private placement of up to \$7,500,000. Arms’ length finder’s fees will be paid in an amount of 3 million shares. The Company is offering units at a price of \$0.075 per unit, with each unit consisting of one common share and one half of a share purchase warrant entitling the holder to purchase one additional common share for \$0.15 for a period of 2 years from closing. The warrants contain a forced conversion provision that if the shares of the Company trade at \$0.25 or more for a period of 10 trading days, the Company has the option to accelerate the expiry date to no less than 30 days from a press release advising of the same. The Company will pay qualified finders a commission of 8% in cash and finder’s warrants.

The Company anticipates paying approximately US \$3.7 million and issuing approximately 60 million shares in respect to this transaction, in addition to the private placement shares. This transaction is subject to all conditions customary in acquisitions of this kind, including due diligence and regulatory approval from county and state health authorities.

### 2. BASIS OF PRESENTATION

The interim condensed financial statements have been prepared in compliance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board and the International Financial Reporting Interpretations Committee.

The unaudited interim condensed financial statements have been prepared in accordance with International Financial Reporting Standard 34 – Interim Financial Reporting, using accounting policies consistent with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (“IASB”) and Interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”). They do not include all of the information required for full annual financial statements.

The unaudited interim condensed financial statements should be read in conjunction with the Company’s annual audited financial statements for the period ended July 31, 2016.

The policies applied in these unaudited interim condensed financial statements are based on IFRS issued and outstanding as of May 30, 2017, the date the Board of Directors approved these statements. Any subsequent changes to IFRS that are given effect in the Company’s annual financial statements for the period ending July 31, 2016 could result in restatement of these unaudited interim condensed financial statements.

# QUIKFLO HEALTH INC.

## NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE NINE MONTH PERIOD ENDED APRIL 30, 2017 (Expressed in Canadian dollars)

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These unaudited interim condensed financial statements have been prepared using the same policies and methods as the annual financial statements of the Company for the period ended July 31, 2016. Refer to note 3 of the Company's audited annual financial statements for the period ended July 31, 2016 for more information on new accounting standards and amendments not yet effective.

### 4. SHAREHOLDERS' EQUITY

#### Authorized

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

#### Issued common shares

	Number of Shares	Amount \$
Balance at July 31, 2015	601	372,555
Common shares issued for cash	400	250,000
Reverse takeover transaction (RTO) (Note 4)	(1,001)	-
RTO acquisition of QuikFlo Technologies (Note 4)	30,000,000	-
QuikFlo Health shares on RTO (Note 4)	8,577,200	1,715,400
Common shares issued for warrant exercise	700,000	144,300
Common shares issued for license acquisition (Note 5)	100,000	14,000
Balance at July 31, 2016	39,377,200	2,496,255
Common shares issued for cash	73,485,699	5,506,546
Common share issued costs	-	(305,174)
Balance at April 31, 2017	112,862,899	7,697,626

During the nine month period ended April 30, 2017, the Company issued 318,750 units at \$0.08 per unit for gross proceeds of \$25,500. Each unit is made up of one common share and one common share purchase warrant, whereby each warrant is exercisable for one common share at a price of \$0.20 per share for 18 months and the Company issued 73,166,949 units at \$0.075 per unit for gross proceeds of \$5,487,521. Each unit is made up of one common share and one common share purchase warrant, whereby each warrant is exercisable for one common share at a price of \$0.15 per share for 24 months.

#### Warrants

Details of common share purchase warrants outstanding at April 30, 2017 and July 31, 2016 are as follows:

	Number of Warrants	Weighted Average Exercise Price (\$)
Balance at April 30, 2016	3,306,000	0.05
Exercised	(700,000)	0.05
Expired	(2,606,000)	0.05
Balance at July 31, 2016	-	-
Issued for private placement	318,750	0.20
Issued for private placement	77,152,472	0.15
Balance at April 30, 2017	77,471,222	0.15



# QUIKFLO HEALTH INC.

## NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE NINE MONTH PERIOD ENDED APRIL 30, 2017 (Expressed in Canadian dollars)

The fair value of QuikFlo Health's share purchase warrants assumed by QuikFlo Technologies were valued using the Black Scholes option pricing model with the following weighted average assumptions:

Exercise price	\$0.05 - \$0.10
Grant date share price	\$0.20
Expected life	0.28 – 0.64 years
Risk free interest rate	0.50%
Share price volatility	140%
Dividend rate	-
Forfeiture rate	-

### Stock options

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.

During the nine month period ended April 30, 2017, 3,475,000 stock options were forfeited, 3,400,000 of which were forfeited by directors and officers.

A summary of the status of the Plan as at April 30, 2017 and 2016, and changes during periods ended on those dates are presented below:

	Number of Options	Weighted Average Exercise Price (\$)
Balance at April 30, 2016	4,700,000	0.25
Forfeited	(125,000)	0.25
Balance at July 31, 2016	4,575,000	0.24
Forfeited	(3,475,000)	0.24
Balance on April 30, 2017	1,100,000	0.25

The following table summarizes stock options outstanding and exercisable under the Company's stock option plan as at April 30, 2017:

Date Issued	Number of Options	Weighted Average Exercise Price (\$)	Weighted Average Remaining Years	Number of Exercisable Options
November 14, 2015	675,000	0.25	3.79	450,000
November 14, 2015	100,000	0.25	3.89	66,667
January 8, 2016	75,000	0.32	3.94	50,000
May 26, 2016	250,000	0.10	4.32	62,500
Total	1,100,000	0.24	4.30	629,167

# QUIKFLO HEALTH INC.

## NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE NINE MONTH PERIOD ENDED APRIL 30, 2017 (Expressed in Canadian dollars)

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Stock based compensation expense recognized during the period was \$(182,925) (2016 - \$346,119), of which \$468,418 was to officers and directors (Note 6).

### 5. COMMITMENTS AND CONTINGENCIES

The Company entered into a lease for office space for 12 months from February 1, 2017 to January 31, 2018. The Company has a rental commitment of \$13,139 at January 31, 2018 (2017 - \$nil).

The Company entered into a consulting agreement, with a senior engineer, for 3.5 years from December 15, 2015 to January 1, 2019. The Company has a commitment of \$199,056 at April 30, 2017 (2016 - \$294,060).

### 6. COMPENSATION OF KEY MANAGEMENT AND RELATED PARTY TRANSACTIONS

The remuneration of directors and members of key management personnel during the six month period ended April 30, 2017 and 2016 were as follows:

	2017	2016
Compensation	373,867	849,308
Stock based compensation	(182,925)	288,768
Total	190,942	1,138,077

During the nine month period ended April 30, 2017, the Company incurred legal fees and share issue costs in the amount of \$80,034 (2015 – \$382,424 and \$28,523) from a law firm of which a director of the Company is a partner. As at April 30, 2017, the Company owed the law firm \$467,931 (2016 – \$263,136). These amounts are unsecured, non-interest bearing with no fixed terms of repayment.

As at April 30, 2017, the Company owed directors and officers \$10,000 (2016 - \$18,000). These amounts are included in accounts payable and accrued liabilities on the statement of financial position and are unsecured, non-interest bearing with no fixed terms of repayment.

As at April 30, 2017, the Company has a loan from a director of the Company for \$106,000 (2016 - \$nil). This loan is unsecured, non-interest bearing with no fixed terms of repayment.