



SustainCo Inc.

Condensed Interim Consolidated Financial Statements

For the three and six months ended February 28, 2017 and February 29, 2016

(Unaudited, Expressed in Canadian Dollars)

Notice of No Auditor Review of Interim Financial Statements

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim consolidated financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these financial statements in accordance with standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

Condensed Interim Consolidated Statements of Financial Position

(Unaudited, Expressed in Canadian Dollars)

	February 28, 2017	August 31, 2016
Assets		
Current assets		
Cash	\$ 62,620	\$ 20,400
Accounts receivable, net of \$215,621 allowance (Aug 31, 2016 - \$214,367)	4,185,427	3,950,863
Unbilled receivables	1,074,538	688,882
Inventories (note 4)	309,971	295,740
Prepaid expenses	98,496	89,790
	5,731,052	5,045,675
Property and equipment (note 5)	99,717	131,251
Intangible assets (note 7)	254,167	286,667
Goodwill (note 6)	599,802	599,802
	\$ 6,684,738	\$ 6,063,395
Liabilities		
Current liabilities		
Trade payables and accrued liabilities	\$ 2,625,001	\$ 2,627,851
Bank indebtedness (note 12)	296,526	60,357
Acquisition payable	60,000	60,000
Deferred revenue	1,324,068	1,074,798
Notes payable (note 13)	89,500	100,000
Due to related parties (note 9)	376,266	374,602
	4,771,361	4,297,608
Notes payable (note 13)	633,675	599,451
	5,405,036	4,897,059
Shareholders' equity (deficiency)		
Share capital (note 8)	20,061,132	20,061,132
Share-based payment reserve (note 8)	2,144,551	2,142,152
Deficit	(20,925,981)	(21,036,948)
	1,279,702	1,166,336
	\$ 6,684,738	\$ 6,063,395

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

Nature of operations and going concern (note 1)

Subsequent event (note 17)

Approved on behalf of the Board

Signed: "Emlyn J. David"

Director

Signed: "Michael Galloro"

Director

Condensed Interim Consolidated Statements of Income (Loss) and Comprehensive Income (Loss)
(Unaudited, Expressed in Canadian Dollars)

	For the three months ended		For the six months ended	
	February 28, 2017	February 29, 2016	February 28, 2017	February 29, 2016
Sales <i>(note 15)</i>	\$ 3,496,698	\$ 3,726,051	\$ 6,979,083	\$ 6,538,614
Cost of sales <i>(note 4)</i>	2,509,797	2,851,082	5,164,972	4,984,232
Gross profit	986,901	874,969	1,814,111	1,554,382
General and administrative <i>(note 11)</i>	1,009,852	915,605	1,584,555	1,675,317
Amortization and depreciation <i>(note 5 & 7)</i>	33,410	25,234	72,307	49,846
Finance expense <i>(note 9, 12 & 13)</i>	20,684	187,101	49,876	352,965
Share-based payments <i>(note 8)</i>	-	19,320	2,399	46,537
Loss (gain) on disposal of equipment <i>(note 5)</i>	(5,993)	-	(5,993)	-
Loss from operations before income taxes	(71,052)	(272,291)	110,967	(570,283)
Income tax - deferred	-	27,000	-	27,000
Net income (loss) and comprehensive income (loss)	\$ (71,052)	\$ (245,291)	\$ 110,967	\$ (543,283)
Net income (loss) per share				
Basic and diluted	\$ (0.01)	\$ (0.11)	\$ 0.01	\$ (0.23)
Weighted average shares outstanding	9,442,890	2,337,090	9,442,890	2,337,090

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

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

(Unaudited, Expressed in Canadian Dollars)

	Share Capital	Share-based payment reserve	Deficit	Total
Balance, August 31, 2015	\$ 15,442,371	\$ 1,600,869	\$ (20,318,882)	\$ (3,275,642)
Share-based payments	-	46,537	-	46,537
Net loss for the period	-	-	(543,283)	(543,283)
Balance, February 29, 2016	\$ 15,442,371	\$ 1,647,406	\$ (20,862,165)	\$ (3,772,388)
Balance, August 31, 2016	\$ 20,061,132	\$ 2,142,152	\$ (21,036,948)	\$ 1,166,336
Share-based payments	-	2,399	-	2,399
Net income for the period	-	-	110,967	110,967
Balance, February 28, 2017	\$ 20,061,132	\$ 2,144,551	\$ (20,925,981)	\$ 1,279,702

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

Condensed Interim Consolidated Statements of Cash Flows
(Unaudited, Expressed in Canadian Dollars)

	For the three months ended		For the six months ended	
	February 28, 2017	February 29, 2016	February 28, 2017	February 29, 2016
Cash flow from operating activities				
Net income (loss)	\$ (71,052)	\$ (245,291)	\$ 110,967	\$ (543,283)
Add (deduct) items not involving cash				
Accretion	14,181	15,158	34,224	24,903
Amortization and depreciation	33,410	25,234	72,307	49,846
Share-based payments	-	19,320	2,399	46,537
Deferred income taxes	-	(27,000)	-	(27,000)
Gain on disposal of equipment	(5,993)	-	(5,993)	-
Change in non-cash working capital				
Accounts receivable	104,771	(719,017)	(234,564)	(546,699)
Unbilled receivables	(239,655)	(351,415)	(385,656)	(330,322)
Inventory	(6,355)	17,785	(14,231)	26,688
Prepaid expenses	(15,131)	(6,669)	(8,706)	(365)
Deferred revenue	(46,889)	702,139	249,270	750,187
Accounts payable and accrued liabilities	119,326	772,902	(2,850)	592,286
	(113,387)	203,146	(182,833)	42,778
Cash flow from financing activities				
Repayment of notes payable	(6,000)	-	(10,500)	-
Advance from related party	5,758	172,905	11,664	347,905
Repayment to related party	(10,000)	-	(10,000)	-
Proceeds from (repayment of) bank indebtedness, net	153,666	(360,148)	236,169	(396,124)
	143,424	(187,243)	227,333	(48,219)
Cash flow from investing activities				
Investment in property and equipment	(11,191)	(11,045)	(14,967)	(11,937)
Proceeds from sale of property and equipment	12,687	-	12,687	-
	1,496	(11,045)	(2,280)	(11,937)
Increase (decrease) in cash	31,533	4,858	42,220	(17,378)
Cash, beginning of period	31,087	10,806	20,400	33,042
Cash, ending of period	\$ 62,620	\$ 15,664	\$ 62,620	\$ 15,664

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

Notes to the Condensed Interim Consolidated Financial Statements

For the three and six months ended February 28, 2017 and February 29, 2016 (Unaudited)

1. Nature of Operations and Going Concern

SustainCo Inc. (the “Company” or “SustainCo”), was incorporated under the *Canada Business Corporation Act* on August 22, 2008. The address of the Company’s corporate office is 1 Royal Gate Blvd., Suite D, Vaughan, Ontario, Canada. The Company is listed on the TSX Venture Exchange Inc. (the “TSX-V” or the “Exchange”) under the trading symbol “SMS”.

SustainCo conducts its operations through two wholly-owned subsidiaries, Clean Energy Developments Corp. (“CleanEnergy”) and VCI CONTROLS Inc. (“VCI” or “VCI CONTROLS”).

CleanEnergy is a Canadian industry leading geexchange company that provides heating and cooling solutions for residential and commercial buildings using energy from the earth. It provides a complete energy solution and is able to provide engineering and design, geo installation, equipment and control systems as well as manage the complete project.

VCI is a leading supplier of building technologies and services that improve comfort, safety, energy efficiency, and occupant productivity. It is an industry leader in the development of intelligent building technology, including the integration of all building systems utilizing the latest in communications technologies and standards. VCI's business focuses on digital controls and mechanical services, performance monitoring, and energy efficiency solutions.

These consolidated financial statements are prepared on the assumption that the Company is a going concern, which contemplates the realization of assets and the settlement of liabilities in the normal course of operations. While the Company has turned a profit for the six months ended February 28, 2017, over the past two years the Company has incurred significant losses including operating losses for the years ended August 31, 2016 and 2015 of \$718,066 and \$1,329,440 respectively. As a result, the Company has an accumulated deficit of \$20,925,981 and working capital of \$959,691 at February 28, 2017. These consolidated financial statements do not include any adjustments to the carrying values and classifications of assets and liabilities that would be necessary should the Company be unable to continue as a going concern.

Notes to the Condensed Interim Consolidated Financial Statements

For the three and six months ended February 28, 2017 and February 29, 2016 (Unaudited)

2. Basis of Presentation

Statement of compliance

The Company's condensed interim consolidated financial statements have been prepared in accordance with IAS 34, "Interim Financial Reporting". These condensed interim consolidated financial statements do not include all notes of the type normally included within the annual financial report and should be read in conjunction with the audited financial statements of the Company for the year ended August 31, 2016, which has been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board.

These financial statements were authorized for issue by the Board of Directors on April 5, 2017.

Basis of measurement and functional currency

The condensed interim consolidated financial statements are prepared on the historical cost basis.

The condensed interim consolidated financial statements are presented in Canadian dollars, the Company's functional currency.

Principles of consolidation

The Company consolidates its interest in entities which it controls. Control comprises the power to govern an entity's financial and operating policies so as to obtain benefits from its activities. All intercompany balances and transactions have been eliminated.

3. Summary of Significant Accounting Policies

These condensed interim consolidated financial statements have been prepared following the same accounting policies used in the preparation of the audited financial statements of the Company for the year ended August 31, 2016.

The Company adopted Amendments to IAS 1, Presentation of Financial Statements ("IAS 1"). The Company will be required to adopt amendments to IAS 1, which includes amendments to further encourage companies to apply judgment in determining what information to disclose in their financial statements for annual periods beginning on or after January 1, 2016. There was no material impact to the financial statements.

Use of estimates

The preparation of these condensed interim consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the end of the reporting period and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

The critical assumptions concerning the key sources of estimation uncertainty are consistent with those in the audited financial statements of the Company for the year ended August 31, 2016.

Notes to the Condensed Interim Consolidated Financial Statements

For the three and six months ended February 28, 2017 and February 29, 2016 (Unaudited)

4. Inventories

The Company maintains inventory, which consist of raw materials, equipment and spare parts for sale or for use.

Total raw materials, equipment and spare parts charged to cost of sales for the three and six months ended February 28, 2017 was \$768,482 and \$1,594,960 (2016 - \$671,354 and \$1,264,083).

5. Property and Equipment

	Computer equipment	Equipment	Vehicles	Furniture & fixtures	Leasehold improvements	Total
Cost						
At August 31, 2015	\$ 176,164	\$ 106,905	\$ 35,734	\$ 248,798	\$ 32,591	\$ 600,192
Additions	81,450	11,202	-	-	-	92,652
Disposals	(80,007)	(16,663)	-	(18,246)	(20,250)	(135,166)
At August 31, 2016	177,607	101,444	35,734	230,552	12,341	557,678
Additions	2,278	9,183	-	3,506	-	14,967
Disposals	(5,969)	-	(9,436)	-	-	(15,405)
At February 28, 2017	\$ 173,916	\$ 110,627	\$ 26,298	\$ 234,058	\$ 12,341	\$ 557,240
Accumulated depreciation						
At August 31, 2015	\$ 135,483	\$ 84,018	\$ 26,763	\$ 199,925	\$ 26,061	\$ 472,250
Expense for the year	44,540	7,948	2,826	23,416	1,880	80,610
Disposals	(75,590)	(14,593)	-	(16,000)	(20,250)	(126,433)
At August 31, 2016	104,433	77,373	29,589	207,341	7,691	426,427
Expense for the period	32,680	3,670	978	1,539	940	39,807
Disposals	-	-	(8,711)	-	-	(8,711)
At February 28, 2017	\$ 137,113	\$ 81,043	\$ 21,856	\$ 208,880	\$ 8,631	\$ 457,523
Net book value						
At August 31, 2016	\$ 73,174	\$ 24,071	\$ 6,145	\$ 23,211	\$ 4,650	\$ 131,251
At February 28, 2017	\$ 36,803	\$ 29,584	\$ 4,442	\$ 25,178	\$ 3,710	\$ 99,717

6. Goodwill

The Company completed the acquisition of VCI in fiscal 2014, resulting in goodwill of \$599,802.

Notes to the Condensed Interim Consolidated Financial Statements

For the three and six months ended February 28, 2017 and February 29, 2016 (Unaudited)

7. Intangible Assets

	Customer relationships	Brand or trade name	Total
Cost			
At August 31, 2016 & February 28, 2017	\$ 395,000	\$ 203,000	\$ 598,000
Accumulated depreciation			
At August 31, 2015	178,333	68,000	246,333
Expense for the year	65,000	-	65,000
At August 31, 2016	\$ 243,333	\$ 68,000	\$ 311,333
Expense for the period	32,500	-	32,500
At February 28, 2017	\$ 275,833	\$ 68,000	\$ 343,833
Net book value			
At August 31, 2016	\$ 151,667	\$ 135,000	\$ 286,667
At February 28, 2017	\$ 119,167	\$ 135,000	\$ 254,167

8. Share Capital

(a) Authorized

An unlimited number of common shares

(b) Issued

	Number of shares	Amount
Issued as at August 31, 2016 and February 28, 2017	9,442,890	\$ 20,061,132

(c) Stock options

The Company adopted a stock option plan under which it is authorized to grant options to officers, directors, employees, and consultants enabling them to acquire up to 10% of the issued and outstanding common stock of the Company. The options granted can be exercised for a maximum of 5 years and vest as determined by the Board of Directors. The exercise price of each option may not be less than the discounted fair market value of the common shares on the date of grant.

The option details of the Company are as follows:

Weighted average exercise price	Number of Options	Weighted average remaining life (years)	Vested
\$2.00	77,500	3.09	77,500
\$13.60	35,000	1.09	35,000
Balance at February 28, 2017	112,500	2.47	112,500

On September 1, 2016, 17,500 stock options exercisable at \$10.00 expired. For the three and six months ended February 28, 2017, the Company recognized share-based payment expense of \$nil and \$2,399 (2016 - \$19,320 and \$46,537).

Notes to the Condensed Interim Consolidated Financial Statements

For the three and six months ended February 28, 2017 and February 29, 2016 (Unaudited)

8. Share Capital – continued

(d) Warrants

Weighted average exercise price	Number of warrants	Weighted average remaining life (years)
\$0.65	1,251,750	4.44
\$5.00	25,375	0.28
Balance at February 28, 2017	1,277,125	4.36

(e) Agent options

	Number of agent options	Weighted average exercise price	Weighted average remaining life
Outstanding, February 28, 2017	1,309	\$5.00	0.28

9. Related Party Balances and Transactions

(a) Due to related parties is as follows:

	February 28, 2017	August 31, 2016
Promissory notes payable (i)	\$ 86,184	\$ 90,917
Consideration payable (ii)	125,000	125,000
Demand loan payable (iii)	165,082	158,685
	\$ 376,266	\$ 374,602

- (i) Notes payable to a corporation controlled by an officer and director of the Company bearing interest at 12% per annum. As at February 28, 2017, the balance payable comprises \$85,439 in promissory notes (August 31, 2016 – \$90,000) and accrued interest of \$745. Total interest expense on these promissory notes for the three and six months ended February 28, 2017 was \$2,547 and \$5,267.
- (ii) A corporation that previously held significant influence over the Company is owed \$125,000 (August 31, 2016 - \$125,000), which is outstanding consideration payable for the qualifying transaction. These amounts are non-interest bearing and are due on demand.
- (iii) The Company has a demand loan outstanding in the amount of \$152,250 from a corporation controlled by an officer and director of the Company bearing interest at 8% per annum. Total accrued interest on the demand loan was \$12,832. During the three and six months ended February 28, 2017, interest of \$3,211 and \$6,397 has accrued on the balance.

Additional related party disclosures

- (b) During the period, rent of \$nil (2016 - \$15,500) was paid to a company controlled by a former officer of the Company, for additional office space used by the Company.

Notes to the Condensed Interim Consolidated Financial Statements

For the three and six months ended February 28, 2017 and February 29, 2016 (Unaudited)

10. Financial Instruments and Risk Management

Capital management

The Company's capital currently consists of debt and equity (deficiency). Its principal sources of cash are from operations, the issuance of common shares and debt. The Company's objective is to maintain a strong capital base so as to maintain investor, creditor and market confidence.

The Company intends to maintain a flexible capital structure consistent with the objectives mentioned above and to respond to changes in economic conditions and the risk characteristics of underlying assets. In order to maintain or adjust its capital structure, the Company may issue new shares, raise secured debt or refinance existing debt with different characteristics.

VCI is subject to a financial covenant related to its bank indebtedness which consists of a maximum threshold for its liabilities to tangible net worth ratio (note 12).

Financial instrument risk exposure and management

Liquidity risk

The Company is exposed to liquidity risk or the risk of not meeting its financial obligations as they come due. The Company constantly monitors and manages its cash flows to assess the liquidity necessary to fund operations (see note 1).

The carrying value of accounts receivable, trade payables and accrued liabilities, bank indebtedness, acquisition payable, notes payable, and due to related parties reflected in the consolidated statement of financial position approximates fair value because of the short-term nature of these instruments. The fair value of debentures approximates their carrying value.

Credit risk

The Company's cash is held at chartered Canadian financial institutions. Management reviews the strength of these institutions on a regular basis.

Accounts receivable subject the Company to credit risk. The Company believes the remaining amounts will be collected. Holdbacks are received upon substantial completion of the projects.

Accounts receivable aging	February 28, 2017		August 31, 2016
Within 30	\$	2,245,826	\$ 1,868,206
31 to 60		741,216	670,473
61 to 90		252,561	453,736
Over 90		528,580	574,648
Holdbacks		417,244	383,800
Total accounts receivable	\$	4,185,427	\$ 3,950,863

The maximum exposure is limited to the carrying amount of financial assets on the consolidated statement of financial position that includes cash and accounts receivable.

Notes to the Condensed Interim Consolidated Financial Statements

For the three and six months ended February 28, 2017 and February 29, 2016 (Unaudited)

10. Financial Instruments and Risk Management – continued

Interest rate risk

Debentures owed by the Company are fixed rate instruments. The Company is subject to interest rate risk from its bank indebtedness, which is subject to a floating interest rate, which changes based on prevailing market conditions.

Concentration risk

The concentration of revenue generated from major customers is not significant, with the three largest customers combined accounting for less than 25% of gross revenue.

Foreign exchange risk

The Company purchases a portion of its inventory in United States dollars (“USD”) and does not currently engage in hedging activities. Accordingly, the Company is exposed to foreign exchange risk on a portion of its accounts payable and accrued liabilities and its USD bank account balances. However, the foreign exchange exposure to the Company at this time is not significant.

11. General and Administrative Expense

	For the three months ended		For the six months ended	
	February 28, 2017	February 29, 2016	February 28, 2017	February 29, 2016
Salaries and wages	\$ 561,630	\$ 485,046	\$ 905,045	\$ 929,248
Office expense	217,880	226,705	382,895	405,169
Professional and consulting fees	84,652	137,217	188,683	257,808
Travel	47,542	26,473	61,777	42,928
Bad debts	98,148	40,164	46,155	40,164
	\$ 1,009,852	\$ 915,605	\$ 1,584,555	\$ 1,675,317

12. Bank Indebtedness

As at February 28, 2017, bank indebtedness was \$296,526 (August 31, 2016 - \$60,357).

The demand operating loan bears interest at the Royal Bank prime rate plus 3.60% (6.30% at February 28, 2017). Security for the above indebtedness is comprised of a general security agreement, and postponement and assignment of claim of amounts due to related parties. The Company previously entered into a forbearance agreement with the bank, which reduces the operating loan maximum to \$650,000.

During the three and six months ended February 28, 2017, interest of approximately \$2,061 and \$3,423 (2016 - \$3,197 and \$7,169) related to the above indebtedness has been charged to interest expense.

VCI is subject to a financial covenant related to its bank indebtedness which consists of a maximum threshold for its liabilities to tangible net worth ratio. At February 28, 2017, VCI is in compliance with this financial covenant.

Notes to the Condensed Interim Consolidated Financial Statements

For the three and six months ended February 28, 2017 and February 29, 2016 (Unaudited)

13. Notes Payable

The Company repaid \$10,500 of notes payable during the six months ended February 28, 2017. \$89,500 remain, which are repayable upon demand and are non-interest bearing.

In addition, the Company has \$834,500 of promissory notes payable outstanding as at February 28, 2017. The Company recognized accretion interest of \$14,181 and \$34,224 during the three and six months ended February 28, 2017 (2016 - \$nil and \$nil related to this note).

14. Contingent Liabilities and Commitments

The Company has a lease commitment for the rental of office space and vehicles. The minimum payments payable over the next five years are as follows:

2017	\$ 129,500
2018	200,000
2019	92,000
2020	47,000
2021	23,000
Thereafter	4,000
Total	\$ 495,500

15. Revenues

	For the three months ended		For the six months ended	
	February 28, 2017	February 29, 2016	February 28, 2017	February 29, 2016
Construction and other project revenue	\$ 2,359,805	\$ 2,794,001	\$ 4,771,431	\$ 4,724,964
Repairs revenue	218,070	351,501	375,707	620,426
Service revenue	776,024	511,116	1,511,439	1,019,244
Product revenue	142,799	69,433	320,506	173,980
	\$ 3,496,698	\$ 3,726,051	\$ 6,979,083	\$ 6,538,614

Notes to the Condensed Interim Consolidated Financial Statements

For the three and six months ended February 28, 2017 and February 29, 2016 (Unaudited)

16. Segmented Information

		Geoexchange	Controls and	
	Corporate	services	Mechanical	
			contracting	Total
Three months ended February 28, 2017				
Capital expenditures	\$ -	\$ 7,685	\$ 3,506	\$ 11,191
Statement of operations				
Revenue	-	137,265	3,359,433	3,496,698
Cost of sales	-	(76,516)	(2,433,281)	(2,509,797)
General and administrative	(130,901)	(144,235)	(734,716)	(1,009,852)
Finance expense	(17,031)	1,741	(5,394)	(20,684)
Amortization and depreciation	-	(113)	(33,297)	(33,410)
Gain on disposal of equipment	-	-	5,993	5,993
Segmented (loss) income	\$ (147,932)	\$ (81,858)	\$ 158,738	\$ (71,052)
Three months ended Feb 29, 2016				
Capital expenditures	\$ -	\$ -	\$ 11,045	\$ 11,045
Statement of operations				
Revenue	-	431,506	3,294,545	3,726,051
Cost of sales	-	(377,668)	(2,473,414)	(2,851,082)
General and administrative	(187,864)	(142,985)	(584,756)	(915,605)
Finance expense	(180,926)	(387)	(5,788)	(187,101)
Share-based payments	(19,320)	-	-	(19,320)
Amortization and depreciation	-	(1,270)	(23,964)	(25,234)
Income tax recovery - deferred	-	-	27,000	27,000
Segmented (loss) income	\$ (388,110)	\$ (90,804)	\$ 233,623	\$ (245,291)

Notes to the Condensed Interim Consolidated Financial Statements

For the three and six months ended February 28, 2017 and February 29, 2016 (Unaudited)

16. Segmented Information – continued

		Corporate	Geoexchange services	Controls and Mechanical contracting	Total
Six months ended February 28, 2017					
Capital expenditures	\$	-	\$ 9,183	\$ 5,784	\$ 14,967
Total assets		34,518	500,914	6,149,306	6,684,738
Statement of operations					
Revenue		-	307,653	6,671,430	6,979,083
Cost of sales		-	(188,153)	(4,976,819)	(5,164,972)
General and administrative		(244,959)	(149,910)	(1,189,686)	(1,584,555)
Finance expense		(40,133)	283	(10,026)	(49,876)
Share-based payments		(2,399)	-	-	(2,399)
Amortization and depreciation		-	(150)	(72,157)	(72,307)
Gain on disposal of equipment		-	-	5,993	5,993
Segmented (loss) income	\$	(287,491)	\$ (30,277)	\$ 428,735	\$ 110,967
Six months ended Feb 29, 2016					
Capital expenditures	\$	-	\$ -	\$ 11,937	\$ 11,937
Total assets		22,884	516,626	5,696,710	6,236,220
Statement of operations					
Revenue		-	627,462	5,911,152	6,538,614
Cost of sales		-	(546,072)	(4,438,160)	(4,984,232)
General and administrative		(398,810)	(213,704)	(1,062,803)	(1,675,317)
Finance expense		(342,575)	(630)	(9,760)	(352,965)
Share-based payments		(46,537)	-	-	(46,537)
Amortization and depreciation		-	(2,539)	(47,307)	(49,846)
Income tax recovery - deferred		-	-	27,000	27,000
Segmented (loss) income	\$	(787,922)	\$ (135,483)	\$ 380,122	\$ (543,283)