# Petro Viking Energy Inc.
# Financial Statements
# December 31, 2017 and 2016

# Independent Auditors' Report

To the Shareholders of Petro Viking Energy Inc.:

We have audited the accompanying financial statements of Petro Viking Energy Inc., which comprise the statements of financial position as at December 31, 2017 and December 31, 2016, and the statements of loss and comprehensive loss, changes in shareholders' deficiency and cash flows for the years then ended, and a summary of significant accounting policies and other explanatory information.

*Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

*Auditors' Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.

*Opinion*

In our opinion, the financial statements present fairly, in all material respects, the financial position of Petro Viking Energy Inc. as at December 31, 2017 and December 31, 2016 and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

*Emphasis of Matter*

Without qualifying our opinion, we draw attention to Note 1 of these financial statements, which states that Petro Viking Energy Inc. incurred significant losses from operations over the years and has an accumulated deficit of $7,130,147. These conditions, along with other matters as set forth in Note 1, indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. These financial statements do not include any adjustments to reflect the possible future effects on the amounts and classification of liabilities that may result from the outcome of this uncertainty

MNP SENCRL, srl [1]

Montréal, Québec

June 29, 2018

[1] CPA auditor, CA, public accountancy permit No. A126822

**Petro Viking Energy Inc.**
**Statements of Financial Position**
*As at December 31*
*(in Canadian dollars)*

| | **2017** | 2016 |
|---|---|---|
| | **$** | $ |
| **Assets** | | |
| **Total assets** | - | - |
| **Liabilities** | | |
| Current liabilities | | |
| Accounts payable and accrued liabilities *(Note 4)* | **41,158** | 426,662 |
| Debenture *(Note 5)* | **-** | 520,000 |
| | **41,158** | 946,662 |
| Non-Current liabilities | | |
| Debenture *(Note 5)* | **945,709** | - |
| **Total liabilities** | **986,867** | 946,662 |
| **Shareholders' deficiency** | | |
| Share capital (*Note 6)* | **4,525,520** | 4,525,520 |
| Contributed surplus | **1,617,760** | 1,617,760 |
| Deficit | **(7,130,147)** | (7,089,942) |
| **Total shareholders' deficiency** | **(986,867)** | (946,662) |
| **Total liabilities and shareholders' deficiency** | **-** | |

Going concern *(Note 1)*

Basis of presentation *(Note 2)*

Approved on behalf of the directors:

*Signed "Irvin Eisler"*
Irvin Eisler, President

*Signed "Lars Glimhagen"*
Lars Glimhagen, CFO

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

**Petro Viking Energy Inc.**
**Statements of Financial Position**
*As at December 31*
*(in Canadian dollars)*

| | 2017 | 2016 |
|---|---|---|
| | $ | $ |
| **Assets** | | |
| **Total assets** | - | - |
| **Liabilities** | | |
| Current liabilities | | |
| Accounts payable and accrued liabilities *(Note 4)* | **41,158** | 426,662 |
| Debenture *(Note 5)* | **-** | 520,000 |
| | **41,158** | 946,662 |
| Non-Current liabilities | | |
| Debenture *(Note 5)* | **945,709** | - |
| **Total liabilities** | **986,867** | 946,662 |
| **Shareholders' deficiency** | | |
| Share capital (*Note 6)* | **4,525,520** | 4,525,520 |
| Contributed surplus | **1,617,760** | 1,617,760 |
| Deficit | **(7,130,147)** | (7,089,942) |
| **Total shareholders' deficiency** | **(986,867)** | (946,662) |
| **Total liabilities and shareholders' deficiency** | **-** | |

Going concern *(Note 1)*

Basis of presentation *(Note 2)*

Approved on behalf of the directors:

Irvin Eisler, President

Lars Glimhagen, CFO

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

## Petro Viking Energy Inc.
## Statements of Loss and Comprehensive Loss
*Year ended December 31*
*(in Canadian dollars)*

| | 2017 | 2016 |
|---|---|---|
| | $ | $ |
| **Revenue** | - | - |
| | - | - |
| **Expenses and other income** | | |
| Management fees | 18,000 | 28,000 |
| Debenture interest | 78,230 | 70,122 |
| Reversal of payables (Note 4) | (56,025) | - |
| | 40,205 | 98,122 |
| **Net loss and comprehensive loss for the year** | (40,205) | (98,122) |
| Net loss per share, basic and diluted (Note 7) | (0.00) | (0.00) |
| Weighted average number of shares, basic and diluted | 30,259,707 | 30,259,707 |

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

## Petro Viking Energy Inc.
## Statements of Cash Flows
*Year ended December 31*
*(in Canadian dollars)*

| | **2017** | 2016 |
|---|---|---|
| | **$** | $ |
| **Operating activities** | | |
| Net loss and comprehensive loss for the year | **(40,205)** | (98,122) |
| Reversal of payables (Note 4) | **(56,025)** | - |
| Changes in accounts payable and accrued liabilities | **96,230** | 98,122 |
| **Net operating cash flows** | **-** | - |
| Change in Cash | **-** | - |
| Cash, beginning of the year | **-** | - |
| **Cash, end of the year** | **-** | **-** |

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

## Petro Viking Energy Inc.
## Statements of Changes in Shareholders' Deficiency
*As at December 31*
*(in Canadian dollars)*

| | **2017** | 2016 |
|---|---|---|
| | **$** | $ |
| **Share Capital** | | |
| Balance, beginning of year | **4,525,520** | 4,525,520 |
| Balance, end of year | **4,525,520** | 4,525,520 |
| | | |
| **Contributed surplus** | | |
| Balance, beginning of year | **1,617,760** | 1,617,760 |
| Balance, end of year | **1,617,760** | 1,617,760 |
| | | |
| **Deficit** | | |
| Balance, beginning of year | **(7,089,942)** | (6,991,820) |
| Net loss and comprehensive loss for the year | **(40,205)** | (98,122) |
| Balance, end of year | **(7,130,147)** | (7,089,942) |
| | | |
| **Shareholders' Deficiency** | **(986,867)** | (946,662) |

*The accompanying notes are an integral part of these funancial statements.*

## 1. Corporate information

Petro Viking Energy Inc. ("Petro Viking" or the "Company") is incorporated under the laws of the province of Alberta with shares previously listed on the TSX Venture Exchange.

The records office and principal address is located at 434 Sierra Madre Ct., Calgary, Alberta T3H 3M4.

The Company currently is not engaged in any activities and is in the process of getting its filing documents up to date to have its shares relisted and be able to enter into a qualifying transaction to have future operations. On December 15, 2017, the Company restructured all its current liabilities to directors, as explained in Notes 4 and 5, into long-term liabilities and is planning to convert these into shares at the market price of the shares on the date of the qualifying transaction. Furthermore, the Company intends to settle any remaining unrelated payables into shares once the listing transaction is completed and, to the extent such conversion is not possible, they will be settled in cash.

The financial statements have been prepared using International Financial Reporting Standards ("IFRS") applicable to going concern, which assumes continuity of operations and realization of assets and settlement of liabilities in the normal course of business. As at December 31, 2017, the Company reported a cumulative deficit of $7,130,147 and a negative working capital of $41,158. The Company's ability to continue as a going concern is dependent upon its ability to close a qualifying transaction and raise additional financing which will allow for settlement of debt as detailed above and to have future operations. Even if the Company has been successful in the past in doing so, there is no assurance that it will manage to obtain additional financing in the future or settle its liabilities as intended above.

These factors indicate the existence of a material uncertainty regarding the ability of the Company to continue as a going concern. These financial statements do not include any adjustments to the classification of liabilities that might be necessary, should the Company be unable to continue as a going concern.

## 2. Basis of presentation

*Statement of compliance*
These financial statements have been prepared in accordance with IFRS as issued by the International Accounting Standards Board ("IASB") and the interpretations of the International Financial Reporting Interpretation Committee ("IFRIC") in effect at the closing date of December 31, 2017.

The financial statements were authorized by the Board of Directors for issue on June 29, 2018.

*Basis of measurement*
The financial statements have been prepared under the historical cost method, except as otherwise noted below.

*Functional and presentation currency*
These financial statements are presented in Canadian Dollars, which is also the Company's functional currency.

## 3. Summary of significant accounting policies

These accounting policies have been used throughout all years presented in the financial statements:

### a) Share capital

Share capital represents the amount received on the issue of shares, less issuance costs. Proceeds from unit placements are allocated between shares and warrants issued by: estimating the value of the warrants using the Black-Scholes options model; the fair value is allocated to warrants from the net proceeds and the balance is allocated to shares. Contributed surplus includes charges related to share options and warrants until such equity instruments are exercised. Deficit includes all current and prior year profits or losses.

### b) Equity-settled share-based payment transactions

The Company operates equity-settled share-based remuneration plans (share options plans) for its eligible directors, officers and consultants. None of the Company's plans feature any options for a cash settlement. All goods and services received in exchange for the grant of any share-based payments are measured at their fair values. This fair value is appraised at the grant date. All equity-settled share-based payments are ultimately recognized as an expense in net loss depending on the nature of the payment with a corresponding credit to contributed surplus. If vesting periods or other vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options expected to vest. Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. Estimates are subsequently revised if there is any indication that the number of share options expected to vest differs from previous estimates. Any cumulative adjustment prior to vesting is recognized in the current period. No adjustment is made to any expense recognized in prior period if share options have already vested. Upon exercise of share options, the proceeds received net of any directly attributable transaction costs are recorded as share capital. The accumulated charges related to the share options recorded in contributed surplus are then transferred to share capital.

### c) Income taxes

Income tax expense represents the sum of current tax expense and deferred tax expense. Current tax expense is based on the taxable profits for the year. Income tax is recognized in the statement of operations, loss and comprehensive loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax assets and liabilities are recognized based on differences in the financial statement carrying amount for assets and liabilities and the associated tax balance. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences, unused tax credits carried forward and unused tax losses to the extent that it is probable that there will be taxable profits against which deductible temporary differences can be utilized.

**3. Summary of significant accounting policies (continued)**

Deferred taxes are measured based on enacted or substantively enacted tax rates for the year in which the temporary differences are expected to be realized or settled and are presented as non-current.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities, when they relate to income taxes levied by the same taxation authority and when the Company intends to settle its current tax assets and liabilities on a net basis.

**d) Loss per share**

Basic loss per share ("LPS") is calculated by dividing the net loss for the year attributable to equity owners of the Company by the weighted average number of common shares outstanding during the year. Diluted LPS is calculated by adjusting the profit or loss attributable to common shareholders and the weighted average number of common shares outstanding for dilutive instruments. The Company's potentially dilutive instruments are comprised of stock options granted and warrants issued.

**e) Financial instruments**

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets are derecognized when the rights to receive cash flows from the assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.

At initial recognition, the Company classifies its financial instruments in the following categories depending on the purpose for which the instrument were acquired.

<u>Financial assets</u>

i. **Fair value through profit or loss**

ii. **Held-to-maturity**

iii. **Loans and receivables**

The Company had no financial assets at December 31, 2017 and December 31, 2016

<u>Financial liabilities</u>

i. **Fair value through profit or loss**

ii. **Other financial liabilities**

**3. Summary of significant accounting policies (continued)**

All the Company's liabilities are classified as other financial liabilities. They are measured at amortized cost using the effective interest method. Any gains or losses in the realization of other financial liabilities are included in profit or loss.

**f) Borrowing costs and discounts on issuance of new debt**

Borrowing costs that are directly related to the issuance of new debt are recorded net of the associated debt and recognized into income using the effective interest rate method over the life of the debt. Discounts, where proceeds received are less than the par value of the debt, are recorded as a reduction to long-term debt and are amortized using the effective interest method and included in borrowing costs.

**g) Significant accounting judgments and estimates**

The preparation of the financial statements in accordance with IFRS requires management to make judgments, estimates and assumptions that affect reported amounts and presentation of assets, liabilities, revenues, expenses and disclosures of contingencies and commitments. Such estimates primarily relate to unsettled transactions and events at the statement of financial position date which are based on information available to management at each financial statement date. Actual results could differ from those estimated.

Judgments, estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

**Judgements**

Going Concern

The Company's ability to execute its strategy by seeking financing and funding of future working capital requirements requires judgment. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, such as, expectations of future events that are believed to be reasonable under the circumstances (Note 1).

Deferred taxes

Deferred tax assets and liabilities are recognized for the estimated future tax consequences attributable to differences between the financial statement carrying amount and the tax basis of assets and liabilities. An estimate is required for both the timing and corresponding tax rate for this reversal. Should these estimates change, it may impact the measurement of asset or liability as well as deferred tax recovery or expense recognized to earnings. The Company only recognizes deferred tax assets arising from unused tax losses to the extent that the Company has sufficient taxable temporary differences, or it is probable that sufficient taxable profit will be available against which the unused tax losses can be utilized (Note 9). The Company has not recognized any deferred asset for the years ended December 31, 2017 and 2016.

*(in Canadian dollars)*

## 3. Summary of significant accounting policies (continued)

### h) Accounting standards issued but not yet applied

IFRS 2 Share based payment

On June 20, 2016, the IASB published final amendments to IFRS 2 that clarify the classification and measurement of share-based payment transactions. These amendments deal with variations in the final settlement arrangements including; (a) accounting for cash-settled share-based payment transactions that include a performance condition, (b) classification of share-based payment transactions with net settlement features, as well as (c) accounting for modifications of share-based payment transactions from cash-settled to equity. These changes are effective for annual periods beginning on or after January 1, 2018. These changes will not have any material impact on the Company as it does not encounter these circumstances regularly.

IFRS 9, Financial Instruments

Issued in final form in July 2014 by the IASB and will replace IAS 39 "Financial Instruments: Recognition and Measurement". IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward unchanged to IFRS 9. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. IFRS 9 also includes requirements relating to a new hedge accounting model, which represents a substantial overhaul of hedge accounting which will allow entities to better reflect their risk management activities in the financial statements. The most significant improvements apply to those that hedge non-financial risk, and so these improvements are expected to be of particular interest to non-financial institutions. IFRS 9 is effective for annual periods beginning on or after January 1, 2018, however early adoption is permitted. These changes will not have any material impact on the Company due to the nature of its financial instruments.

## 4. Accounts payable and accrued liabilities

| | **2017** | 2016 |
|---|---|---|
| | **$** | **$** |
| Accounts payable - trade | 41,158 | 126,988 |
| Interest payable on debentures | - | 218,674 |
| Accrued management fees | - | 81,000 |
| | 522,892 | 426,662 |

On December 15, 2017, the Company reversed $56,025 of its trade payables that were recorded on the Company's books for more than three years and were not claimed or subject to legal proceedings in order to be repaid. These trade payables were deemed to be legally prescribed.

Furthermore, on December 15, 2017, the Company restructured its payables and debentures (Note 5) to directors resulting in $29,805 of its trade payables, $296,904 of interest payable and $99,000 of accrued management fees to become long term debentures. This was treated as a none cash transaction for the purpose of the statement of cash flows.

*(in Canadian dollars)*

## 5. Debentures

| | **2017** | 2016 |
|---|---|---|
| | $ | $ |
| Debentures due on demand and bearing interest at 10% per annum compounded monthly. On December 15, 2017, these debentures were restructured. | - | 520,000 |
| Debenture due July 31, 2019 bearing interest at 10% per annum compounded monthly. Secured by future assets of the Company. | 895,080 | - |
| Unsecured promissory notes due July 31, 2019 bearing interest at 10% per annum compounded monthly | 50,629 | - |
| | 945,709 | 520,000 |

## 6. Equity

### Share capital

**a. Authorized**

Unlimited number of common shares, without nominal or par value

**b. Issued and outstanding common shares**

| *(for the year ended December 31)* | **2017** | | 2016 | |
|---|---|---|---|---|
| | **Number** | **Amount** | Number | Amount |
| | | **$** | | $ |
| Balance, beginning of year | 30,259,707 | 4,525,520 | 30,259,707 | 4,525,520 |
| Balance, end of year | 30,259,707 | 4,525,520 | 30,259,707 | 4,525,520 |

### Share-based payments

The Company has a stock option plan under which the Board of Directors may grant options to directors, officers, other employees and key consultants. The Company may also grant options to agents. Under the plan, the number of shares reserved for issuance pursuant to the exercise of all options under the plan may not exceed 10% of the issued and outstanding common shares at any time. The options expire not more than five years from the date of grant (except for 949,000 options issued during 2010, which expire after ten years from the date of grant), or earlier if the individual ceases to be associated with the Company, and vest over terms determined at the time of grant. The fair value of each option grant is estimated on the date of grant using the Black-Scholes option pricing model.

*(in Canadian dollars)*

## 6. Equity (continued)

The following table summarize information about directors, officers and consultants stock options outstanding as at, and for the year ended December 31:

| | **2017** | | 2016 | |
|---|---|---|---|---|
| | **Options** | **Weighted – average exercise price** | Options | Weighted – average exercise price |
| | | $ | | $ |
| Opening | 608,167 | 0.13 | 758,167 | 0.16 |
| Expired | (450,000) | (0.10) | (150,000) | 0.30 |
| Closing | 158,167 | 0.20 | 608,167 | 0.13 |

The options outstanding at December 31, 2017 expire on June 3, 2020.

## 7. Net loss per share

Basic and diluted loss per common share are calculated as follows:

| | **2017** | 2016 |
|---|---|---|
| Net loss and comprehensive loss | $ (40,205) | $ (98,122) |
| Weighted average number of shares (basic and diluted) | 30,259,707 | 30,259,707 |
| Loss per share: | $ | $ |
| Basic | (0.00) | (0.00) |
| Diluted | (0.00) | (0.00) |

The calculation of diluted loss per share excluded the outstanding stock options as there were antidilutive.

## 8. Related party disclosures

| | **2017** | 2016 |
|---|---|---|
| **Key management personnel compensation:** | | |
| Management fees | 18,000 | 28,000 |
| *(Key management personnel are comprised of the Company's directors and officers.)* | | |
| **Other related party transactions:** | | |
| Interest expense on the Company's debentures, held by a director of the Company, and companies controlled by a director of the Company. | 78,230 | 70,122 |

*(in Canadian dollars)*

## 8. Related party disclosures (continued)

**Amount owing to related parties**

| | **2017** | 2016 |
|---|---|---|
| | $ | $ |
| Accounts payable and accrued liabilities including management fees, and debenture interest. | - | 329,479 |
| Debenture – Principal outstanding (Note 5) | 945,709 | 520,000 |

## 9. Income taxes

The provision for income tax reflects an effective income tax rate which differs from federal and provincial statutory income tax rates. The main differences are as follows:

| | **2017** | 2016 |
|---|---|---|
| Net loss | $ (40,205) | $ (98,122) |
| Statutory tax rate | 27% | 27% |
| Expected income tax recovery | (10,855) | (26,493) |
| Changes in tax benefits not recognized | 10,855 | (26,493 |
| Deferred tax recovery | - | - |

Temporary differences that give rise to the net deferred tax asset, which is not recognized on the Company's statement of financial position, as of December 31, 2017 and 2016 are due to capital losses carried forward of $4,929,801 and non-capital losses of $2,005,635 available for carry forward against future taxable income that expire as follows:

| | |
|---|---|
| | $ |
| 2030 | 185,847 |
| 2031 | 332,320 |
| 2032 | 290,873 |
| 2033 | 582,470 |
| 2034 | 306,960 |
| 2035 | 112,813 |
| 2036 | 98,122 |
| 2037 | 96,230 |
| Total | 2,005,635 |

## 10. Financial instruments and financial risk management

The Company's risk management policies are established by the Board of Directors to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to market conditions and the Company's policy.

The Company's financial instruments include accounts payable and accrued liabilities and debentures. The carrying values of accounts payable and accrued liabilities approximate their fair values due to their relatively short periods to maturity. The carrying value of debentures approximate their fair values as the interest rates are based on market rates.

The Company has exposure to liquidity risk and market risk as a result of its financial instruments.

### a. Fair values

The Company is required to classify fair value measurements using a hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy is as follows:

- Level 1 – quoted prices in active markets for identical assets or liabilities;
- Level 2 - inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3 - inputs for the asset or liability that are not based on observable market data.

The fair value of accounts payable and accrued liabilities and debentures approximate their amortized cost.

There were no transfers between levels during the year.

### b. Liquidity risk

Liquidity risk is the risk that the Company will incur difficulties meeting its financial obligations as they are due. Accounts payable and accrued liabilities have an expected maturity of less than one year resulting in their current classification on the statement of financial position. The Company currently has no assets and is unable to discharge its liabilities until financing is obtained (Note 1).

### c. Market risk

Market risk is the risk that changes in market factors, such as foreign exchange rates, commodity prices, and interest rates will affect the Company's cash flows, net loss and comprehensive loss, liquidity or the value of financial instruments. The objective of market risk management is to mitigate market risk exposures where considered appropriate and maximize returns.

<u>Interest rate risk:</u>
Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. The Company is exposed to interest rate risk on its debentures as they bear a fixed interest rate.

## 11. Capital Management

The Company's objective when managing capital is to maintain a flexible capital structure which will allow it to execute its current strategy to get the Company relisted again.

The Company considers its capital structure to include share capita contributed surplus and debentures.

In order to maintain or adjust the capital structure, from time to time the Company may issue common shares, debt or other securities, sell assets or adjust capital spending to manage current and projected debt levels.

At December 31, 2017, the Company's capital structure was not subject to external restrictions.

The Company anticipates it will continue operations in the foreseeable future and it will have adequate liquidity to fund its financial liabilities through its future cash flows.