CANADIAN DATA PRESERVE INC.

Condensed Interim Financial Statements

For the Six Months Ended November 30, 2015

(Expressed in US dollars)

NOTICE TO READER

NO Auditor Review of the Interim Financial Statements

The unaudited interim consolidated financial statements of Canadian Data Preserve Inc. including the accompanying interim statements of financial position as at November 30, 2015 and May 31, 2015, the interim statements of operations and comprehensive loss and cash flows for the three and six months ended November 30, 2015 and 2014, and the interim statement of changes in shareholders' equity for the six months ended November 30, 2015 and 2014 are the responsibility of the Company's management. The unaudited interim financial statements have been prepared by management and include the selection of appropriate accounting principles, judgments and estimates necessary to prepare these financial statements in accordance with International Financial Reporting Standards for interim financial statements. The independent auditor of the Company has not performed a review of these condensed unaudited interim consolidated financial statements for the three and six months ended November 30, 2015.

Canadian Data Preserve, Inc.

Vancouver, British Columbia
January 29, 2016

CANADIAN DATA PRESERVE INC.
Statement of Financial Position
November 30, 2015
(Expressed in US dollars)

	Notes	November 30, 2015 (unaudited)	May 31, 2015 (audited)
ASSETS			
Current			
Cash		$ **438**	459
Receivables		**588**	214
		$ **1,026**	$ 673
LIABILITIES			
Current			
Accounts payable and accrued liabilities	**4**	$ **73,489**	60,792
Due to related parties	**6**	**417,638**	366,067
Loans payable	**7**	**22,500**	22,500
		513,627	**449,359**
SHAREHOLDERS' EQUITY			
Share capital	**5**	**275,000**	275,000
Contributed surplus		**361,117**	361,117
Deficit		**(1,148,718)**	(1,084,803)
		(512,601)	(448,686)
		$ **1,026**	$ 673

ON BEHALF OF THE BOARD

"Brian Cameron" Director	*"Van Potter"* Director
Brian Cameron	Van Potter

CANADIAN DATA PRESERVE INC.
Statement of Operations and Comprehensive Loss
For the six months ending November 30, 2015
(Expressed in US dollars)

	Notes	3 months ended November 30 2015 (unaudited)	3 months ended November 30 2014 (unaudited)	6 months ended November 30 2015 (unaudited)	6 months ended November 30 2014 (unaudited)
EXPENSES					
Bank charges		$ 20	$ 46	$ 159	$ 150
Consulting fees	6	24,000	24,000	48,000	40,000
Interest Expense		1,621	265	2,754	1,919
Professional fees		6,667	1,250	8,667	3,250
Transfer agent and filing fees		2,133	2,462	4,994	4,917
LOSS BEFORE OTHER ITEMS		(34,441)	(28,023)	(64,574)	(50,236)
OTHER INCOME/EXPENSE					
Foreign Exchange Gain/Loss		179	-	659	19
LOSS AND COMPREHENSIVE LOSS FOR THE PERIOD		$ (34,262)	$ (28,023)	$ (63,915)	$ (50,217)
Basic and diluted loss per common share		$ (0.002)	$ (0.002)	$ (0.004)	$ (0.003)
Weighted average number of common shares outstanding		15,638,667	15,638,667	15,638,667	15,638,667

CANADIAN DATA PRESERVE INC.
Statement of Changes in Shareholders' Equity
For the six months ending November 30, 2015
(Expressed in US dollars)

	Number of Shares		Share Capital		Contributed Surplus		Deficit		Total Equity
Balance, May 31, 2014 (audited)	$ 15,638,667	$	275,000	$	361,117	$	(963,885)	$	(327,768)
Loss and comprehensive loss	-		-		-		(50,217)		(50,217)
Balance, November 30, 2014 (unaudited)	$ 15,638,667	$	275,000	$	361,117	$	(1,014,102)	$	(377,985)
Balance, May 31, 2015 (audited)	$ 15,638,667	$	275,000	$	361,117	$	(1,084,803)	$	(448,686)
Loss and comprehensive loss	-		-		-		(63,915)		(63,915)
Balance as of November 30, 2015 (unaudited)	**15,638,667**	**$**	**275,000**	**$**	**361,117**	**$**	**(1,148,718)**	**$**	**(512,601)**

CANADIAN DATA PRESERVE INC.
Statement of Cash Flows
For the six months ending November 30, 2015
(Expressed in US dollars)

		November 30, 2015 (unaudited)		November 30, 2014 (unaudited)
CASH FLOWS USED IN OPERATING ACTIVITIES				
Net loss for the period	$	**(63,915)**	$	(50,217)
Items not affecting cash:				
Changes in non-cash working capital:				
Receivables		**(374)**		768
Due to related parties		**51,571**		49,871
Accounts payable and accrued liabilities		**12,697**		(536)
Net cash used in operating activities		**(21)**		(114)
CHANGE IN CASH DURING THE PERIOD		**(21)**		(114)
CASH, BEGINNING OF PERIOD		**459**		385
CASH, END OF PERIOD	$	**438**	$	271
Supplemental disclosure of cash flow information				
Cash paid for interest	$	**-**	$	1,919
Cash paid for income taxes		**-**		-

1. NATURE OF OPERATIONS AND GOING CONCERN

Canadian Data Preserve, Inc. ("the Company") was incorporated on June 11, 2010 under the Laws of British Columbia. The Company is traded on the Canadian Security Exchange ("CSE").

The financial statements of the Company are presented in U.S. dollars, which is the functional currency of the Company, unless otherwise indicated.

The financial statements were prepared on a going concern basis, under the historical cost convention. The Company's ability to continue as a going concern is dependent upon the ability of the Company to obtain financing and generate positive cash flows from its operations. The Company has minimal capital resources presently available to meet obligations which normally can be expected to be incurred by similar companies and has a working capital deficit of $512,601 (May 31, 2015 - $448,686), a loss for the period of $63,915 (2014 - $50,217) and a deficit of $1,148,718 (May 31, 2015 - $1,084,803).

Management of the Company does not expect that cash flows for the Company's operations will be sufficient to cover all of its operating requirements, financial commitments and business development priorities during the next twelve months. Accordingly, the Company expects that it will need to obtain further financing in the form of debt, equity or a combination thereof for the next twelve months. There can be no assurance that additional funding will be available to the Company, or, if available, that this funding will be on acceptable terms. If adequate funds are not available, the Company may be required to delay or reduce the scope of any or all of its operations.

2. BASIS OF PRESENTATION & CHANGES TO THE ACCOUNTING POLICIES

Statement of compliance

The interim condensed consolidated financial statements for the three months ended November 30, 2015 have been prepared in accordance with IAS 34 Interim Financial Reporting.

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Company's annual financial statements as at May 31, 2015.

These consolidated condensed interim financial statements were authorized by the audit committee and board of directors of the Company on January 29, 2016.

2. BASIS OF PRESENTATION & CHANGES TO THE ACCOUNTING POLICES (cont'd…)

New standards, interpretations and amendments adopted by the Company

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Company's annual consolidated financial statements for the year ended May 31, 2015, except for the adoption of new standards and interpretations effective as of June 1, 2015. The Company has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective. The nature and the effect of these changes are disclosed below. Although these new standards and amendments apply for the first time in 2015, they do not have a material impact on the annual consolidated financial statements of the Company or the interim condensed consolidated financial statements of the Company.

The nature and the impact of each new standard or amendment is described below:

Amendments to IAS 19 Defined Benefit Plans: Employee Contributions
IAS 19 requires an entity to consider contributions from employees or third parties when accounting for defined benefit plans. Where the contributions are linked to service, they should be attributed to periods of service as a negative benefit. These amendments clarify that, if the amount of the contributions is independent of the number of years of service, an entity is permitted to recognize such contributions as a reduction in the service cost in the period in which the service is rendered, instead of allocating the contributions to the periods of service. This amendment is effective for annual periods beginning on or after 1 July 2014. This amendment is not relevant to the Company, since none of the entities within the Company has defined benefit plans with contributions from employees or third parties.

Annual Improvements 2010-2012 Cycle
These improvements are effective from 1 July 2014 and the Company has applied these amendments for the first time in these interim condensed consolidated financial statements. They include:

IFRS 2 Share-based Payment
This improvement is applied prospectively and clarifies various issues relating to the definitions of performance and service conditions which are vesting conditions, including:

- A performance condition must contain a service condition
- A performance target must be met while the counterparty is rendering service
- A performance target may relate to the operations or activities of an entity, or to those of another entity in the same Company
- A performance condition may be a market or non-market condition
- If the counterparty, regardless of the reason, ceases to provide service during the vesting period, the service condition is not satisfied

The Company doesn't have any active share based payment plans, and therefore this amendment has no impact on the Company's financial statements.

2. BASIS OF PRESENTATION & CHANGES TO THE ACCOUNTING POLICES (cont'd…)

IFRS 3 Business Combinations
The amendment is applied prospectively and clarifies that all contingent consideration arrangements classified as liabilities (or assets) arising from a business combination should be subsequently measured at fair value through profit or loss whether or not they fall within the scope of IFRS 9 (or IAS 39, as applicable). This is consistent with the Company's current accounting policy, and thus this amendment does not impact the Company's accounting policy.

IFRS 8 Operating Segments
The amendments are applied retrospectively and clarify that:
An entity must disclose the judgements made by management in applying the aggregation criteria in paragraph 12 of IFRS 8, including a brief description of operating segments that have been aggregated and the economic characteristics (e.g., sales and gross margins) used to assess whether the segments are 'similar',, The reconciliation of segment assets to total assets is only required to be disclosed if the reconciliation is reported to the chief operating decision maker, similar to the required disclosure for segment liabilities.

IAS 16 Property, Plant and Equipment and IAS 38 Intangible Assets
The amendment is applied retrospectively and clarifies in IAS 16 and IAS 38 that the asset may be revalued by reference to observable data by either adjusting the gross carrying amount of the asset to market value or by determining the market value of the carrying value and adjusting the gross carrying amount proportionately so that the resulting carrying amount equals the market value. In addition, the accumulated depreciation or amortization is the difference between the gross and carrying amounts of the asset. The Company did not record any revaluation adjustments during the current interim period.

IAS 24 Related Party Disclosures
The amendment is applied retrospectively and clarifies that a management entity (an entity that provides key management personnel services) is a related party subject to the related party disclosures. In addition, an entity that uses a management entity is required to disclose the expenses incurred for management services. This amendment is not relevant for the Company as it does not receive any management services from other entities.

IFRS 13 Fair Value Measurement
The amendment is applied prospectively and clarifies that the portfolio exception in IFRS 13 can be applied not only to financial assets and financial liabilities, but also to other contracts within the scope of IFRS 9 (or IAS 39, as applicable). The Company does not apply the portfolio exception in IFRS 13.

IAS 40 Investment Properties
The description of ancillary services in IAS 40 differentiates between investment property and owner-occupied property (i.e., property, plant and equipment). The amendment is applied prospectively and clarifies that IFRS 3, and not the description of ancillary services in IAS 40, is used to determine if the transaction is the purchase of an asset or a business combination. In previous periods, the Company has relied on IFRS 3, not IAS 40, in determining whether an acquisition is of an asset or is a business acquisition. Thus, this amendment does not impact the accounting policy of the Company.

2. BASIS OF PRESENTATION & CHANGES TO THE ACCOUNTING POLICES (cont'd…)

Use of estimates and judgments

The preparation of the financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statement. Actual results could differ from these estimates.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the end of the reporting year, 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:

a) Recovery of deferred tax assets

Judgment is required in determining whether deferred tax assets are recognized on the statement of financial position. Deferred tax assets, including those arising from un-utilized tax losses require management to assess the likelihood that the Group will generate taxable earnings in future periods, in order to utilize recognized deferred tax assets. Estimates of future taxable income are based on forecast cash flows from operations and the application of existing tax laws in each jurisdiction. To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the Company to realize the net deferred tax assets recorded at the reporting date could be impacted.

Additionally, future changes in tax laws in the jurisdictions in which the Company operates could limit the ability of the Company to obtain tax deductions in future periods.

b) Contingencies

By their nature, contingencies will only be resolved when one or more future events occur or fail to occur. The assessment of contingencies inherently involves the exercise of significant judgment and estimates of the outcome of future events.

Determination of functional currency

The functional currency is the currency of the primary economic environment in which the entity operates. Management has determined that the functional currency for the Company is the United States Dollar. The functional currency determination was conducted through an analysis of the consideration factors identified in IAS 21, *The Effects of Changes in Foreign Exchange Rates*.

2. BASIS OF PRESENTATION & CHANGES TO THE ACCOUNTING POLICES (cont'd…)

Foreign exchange

Transactions in currencies other than the US dollar are recorded at exchange rates prevailing on the dates of the transactions. At the end of each reporting period, the monetary assets and liabilities of the Company that are denominated in foreign currencies are translated at the rate of exchange at the statement of financial position date while non-monetary assets and liabilities are translated at historical rates. Revenues and expenses are translated at the exchange rates approximating those in effect on the date of the transactions. Exchange gains and losses arising on translation are recognized through profit or loss.

3. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial risk management

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's financial instruments consist of receivables, accounts payable and accrued liabilities and due to related parties.

The fair value of cash is measured on the statement of financial position using level 1 of the fair value hierarchy. The fair values of receivables, accounts payable and accrued liabilities and due to related parties approximate their book values because of the short-term nature of these instruments.

Financial instrument risk exposure

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board approves and monitors the risk management processes.

Credit risk

Credit risk is the risk of financial loss to the Company if counterparty to a financial instrument fails to meet its payment obligations. The Company has no material counterparties to its financial instruments with the exception of the financial institutions which hold its cash.

The Company manages this credit risk by ensuring that these financial assets are placed with a major financial institution with strong investment grade ratings by a primary ratings agency. The Company's receivables consist primarily of harmonized sales tax due from the Canada Revenue Agency. The Company does not believe it has a material exposure to credit risk.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk through the management of its capital structure as described in Note 4. There is a risk that the Company may not be able to meet its financial obligation when they are due. All of the Company's financial liabilities have contractual maturities of 30 days or are due on demand and are subject to normal trade terms. As of November 30, 2015 the Company has no financial assets that are past due or impaired due to credit risk defaults.

3. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (cont'd…)

Foreign exchange risk

Foreign exchange risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the foreign currency exchange rates. The Company's functional currency is the U.S. dollar. All of the Company's financial instruments are denominated in U.S. dollars. In management's opinion there is no significant foreign exchange risk to the Company.

Transaction Costs

Transaction costs attributable to the acquisition or issue of financial assets or financial liabilities, other than those classified as held-for-trading, are added to the initial fair value amount to match the costs with the related transactions. Purchases and sales of securities are accounted for on the settlement date basis

<u>Financial assets</u>

The Company classifies its financial assets into one of the following categories, depending on the purpose for which the asset was acquired. The Company's accounting policy for each category is as follows:

Fair value through profit or loss - This category comprises derivatives, or assets acquired or incurred principally for the purpose of selling or repurchasing it in the near term. They are carried in the statement of financial position at fair value with changes in fair value recognized through profit or loss.

Loans and receivables - These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are carried at cost less any provision for impairment. Individually significant receivables are considered for impairment when they are past due or when other objective evidence is received that a specific counterparty will default.

Held-to-maturity investments - These assets are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Company's management has the positive intention and ability to hold to maturity. These assets are measured at amortized cost using the effective interest method. If there is objective evidence that the investment is impaired, determined by reference to external credit ratings and other relevant indicators, the financial asset is measured at the present value of estimated future cash flows. Any changes to the carrying amount of the investment, including impairment losses, are recognized through profit or loss.

Available-for-sale - Non-derivative financial assets not included in the above categories are classified as available-for-sale. They are carried at fair value with changes in fair value recognized directly in equity. Where a decline in the fair value of an available-for-sale financial asset constitutes objective evidence of impairment, the amount of the loss is removed from equity and recognized through profit or loss.

The Company has not classified any financial assets as held-to-maturity or available for sale.

All financial assets except for those at fair value through profit or loss are subject to review for impairment at least at each reporting date. Financial assets are impaired when there is any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets, which are described above.

(Expressed in US dollars)

3. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (cont'd…)

The Company's receivables are classified as loans and receivables.

Financial liabilities

The Company classifies its financial liabilities into one of two categories, depending on the purpose for which the asset was acquired. The Company's accounting policy for each category is as follows:

Fair value through profit or loss - This category comprises derivatives, or liabilities acquired or incurred principally for the purpose of selling or repurchasing it in the near term. They are carried in the statement of financial position at fair value with changes in fair value recognized through profit or loss.

Other financial liabilities: This category includes promissory notes, amounts due to related parties and accounts payable and accrued liabilities, all of which are recognized at amortized cost. The Company's accounts payable and accrued liabilities and due to related parties are classified as other financial liabilities.

Interest-bearing loans and other borrowings

Interest-bearing loans and other borrowings are recognized initially at fair value less related transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortized cost with any difference between cost and redemption value being recognized in the income statement over the period of borrowings on an effective interest basis.

4. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Due within the next twelve months		November 30, 2015		May 31, 2015
Trades payable	$	56,627	$	43,155
Accrued liabilities		16,862		17,637
Total	$	73,489	$	60,792

There are no government remittances payable as at November 30, 2015.

5. SHARE CAPITAL

a) Common stock

Authorized

Unlimited common shares without par value
Unlimited preferred shares without par value

Issued and outstanding

During the year ended May 31, 2011, the Company:

	Number of Shares	Amount
Balance, May 31, 2015 and November 30, 2015	15,638,667	$ 275,000

6. RELATED PARTY TRANSACTIONS

The Company's related parties consist of companies owned in whole or in part by executive officers and directors as follows:

Name	Position and nature of transactions
Advantive Information Management, Inc.	Common Director - Management services
Brian Cameron	Director - Consulting services
Jack Saltich	Director - Consulting services
Van Potter	Director - Consulting services
Certive Solutions Inc.	Common Director - Management services
Certive Technologies Arizona Inc.	Common Director - Management services

(Expressed in US dollars)

6. RELATED PARTY TRANSACTIONS (cont'd…)

The Company incurred the following fees in the normal course of operations in connection with companies owned by key management and directors. Expenses have been measured at the exchange amount which is determined based on actual cost.

		November 30, 2015		May 31, 2015
Advantive Information Management, Inc.	$	(61,675)	$	(61,675)
Brian Cameron		(380)		(380)
Certive Solutions Inc.		(22,733)		(21,638)
Certive Technologies Arizona Inc.		(332,850)		(282,374)
Total	$	(417,638)	$	(366,067)

The remuneration of directors and other members of key management personnel during the year ended November 30, 2015 and 2014 were as follows:

		November 30, 2015		November 30, 2014
Consulting fees	$	48,000	$	40,000
Total	$	48,000	$	40,000

7. LOANS PAYABLE

The loans are made of the following:

		November 30, 2015		May 31, 2015
Chuck Bowen	$	12,500	$	12,500
Jim Doyle		10,000		10,000
Total	$	22,500	$	22,500

The Company owes its former directors Chuck Bowen and Jim Doyle, $12,500 and $10,000 respectively. There are no set terms for repayment, the loans are unsecured, and the interest rates for the $12,500 and $10,000 are 10% and 12%.

(Expressed in US dollars)

8. INCOME TAXES

A reconciliation of income taxes at statutory rates with the reported taxes is as follows:

	November 30, 2015	November 30, 2014
Loss for the period	$ (63,492)	$ (50,217)
Expected income tax (recovery)	(15,873)	(12,554)
Change in statutory rates	-	-
Change in unrecognized deductible temporary differences	15,873	12,554
Total income tax expense (recovery)	$ -	$ -

The significant components of the Company`s deferred tax assets are as follows:

	November 30, 2015	November 30, 2014
Deferred tax assets (liabilities)		
Non-capital losses available for future period	$ 577,594	$ 514,102
Unrecognized deferred tax assets	(577,594)	(514,102)
Net deferred tax assets	$ -	$ -

The deferred tax assets have not been recognized in these financial statements as it is not probable that they will be realized.

The significant components of the Company`s unrecognized temporary differences and tax losses are as follows:

	November 30, 2015	November 30, 2014	Expiry Date Range
Temporary differences			
Non-capital losses available for future period	$ 578,017	$ 514,102	2031-2035

Tax attributes are subject to review, and potential adjustment by tax authorities.