NU2U RESOURCES CORP.

Vancouver, BC

Condensed Interim Financial Statements

Three Month Period Ended September 30, 2016

(Unaudited – prepared by Management)

(Expressed in Canadian Dollars)

NU2U RESOURCES CORP.

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The condensed interim unaudited financial statements of NU2U Resources Corp. are the responsibility of the Company's management. The financial statements are prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board and reflect management's best estimates and judgment based on information currently available.

Management has developed and maintains a system of internal controls to ensure that the Company's assets are safeguarded, transactions are authorized and properly recorded and financial information is reliable.

The Board of Directors is responsible for ensuring management fulfills its responsibilities for financial reporting and internal controls through an audit committee. The Audit Committee reviews the results of the condensed interim unaudited financial statements prior to their submission to the Board of Directors for approval.

"*Lance Tracey*"
President and Chief Executive Officer

"*Sheri Rempel*"
Chief Financial Officer

NU2U RESOURCES CORP.
CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION
(Unaudited – Expressed in Canadian Dollars)

	Notes	September 30, 2016	June 30, 2016
ASSETS			
Current assets			
Cash and cash equivalents		$ 138,103	$ 7,784
Loan receivable and accrued interest - Mobio	3	-	133,214
Loan receivable and accrued interest - TYM	3	281,641	270,003
Accounts receivable and prepaid expenses		1,622	1,314
		421,366	412,315
Non-current assets			
Wind assets	4	1	1
		1	1
TOTAL ASSETS		**$ 421,367**	**$ 412,316**
LIABILITIES			
Current liabilities			
Trade payables and other payables		$ 82,458	$ 81,843
Loan payable	5	441,781	431,699
TOTAL LIABILITIES		**524,239**	**513,542**
SHAREHOLDERS' EQUITY			
Share capital	6	10,001	10,001
Deficit		(112,873)	(111,227)
TOTAL SHAREHOLDERS' EQUITY		**(102,872)**	**(101,226)**
TOTAL LIABILITIES AND SHARESHOLDER'S EQUITY		**$ 421,367**	**$ 412,316**

Nature and continuance of operations (Note 1)

Approved and authorized for issue by the Company's Board of Directors on November 25, 2016.

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

NU2U RESOURCES CORP.
CONDENSED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
(Unaudited – Expressed in Canadian Dollars)

	Three month period ended September 30, 2016	Three month period ended September 30, 2015
Expenses		
Management and consulting fees	$ 2,869	$ 3,000
Office and sundry	5	-
Professional fees	2,220	-
Transfer agents	624	-
Total expenses	(5,718)	(3,000)
Interest income	14,154	-
Interest expense	(10,082)	-
Net loss and comprehensive loss for period	**$ (1,646)**	**$ (3,000)**
Loss per share – basic and diluted	**$ (0.00)**	**$ (0.00)**
Weighted average number of common shares outstanding	**23,849,615**	**23,849,615**

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

NU2U RESOURCES CORP.

CONDENSED STATEMENTS OF SHAREHOLDERS' EQUITY

(Unaudited – Expressed in Canadian Dollars)

	Share capital		Deficit	Total
	Number of shares	Amount		
Balance at June 30, 2015	23,849,615	$ 10,001	$ (80,393)	$ (70,392)
Loss for the period	-	-	(3,000)	(3,000)
Balance at September 30, 2015	**23,849,615**	**$ 10,001**	**$ (83,393)**	**$ (73,392)**
Balance at June 30, 2016	23,849,615	$ 10,001	$ (111,227)	$ (101,226)
Loss for the period	-	-	(1,646)	(1,646)
Balance at September 30, 2016	**23,849,615**	**$ 10,001**	**$ (112,873)**	**$ (102,872)**

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

NU2U RESOURCES CORP.
CONDENSED STATEMENTS OF CASH FLOWS
(Unaudited – Expressed in Canadian Dollars)

	Three month period ended September 30, 2016	2015
Operating activities		
Loss for the year	$ (1,646)	$ (3,000)
Adjustments for non-cash items:		
Interest income	(11,638)	-
Interest expense	10,082	-
Changes in non-cash working capital items:		
Due to related parties	-	3,000
Receivables and prepaid expenses	(308)	-
Trade payables and accrued liabilities	615	-
Net cash flows used in operating activities	(2,895)	-
Financing activities		
Loan repayment	125,000	-
Interest on loan	8,214	-
Net cash flows received from financing activities	133,214	-
Increase in cash and cash equivalents	130,319	-
Cash and cash equivalents, beginning	7,784	-
Cash and cash equivalents, ending	**$ 138,103**	**$ -**

The accompanying notes are an integral part of these condensed financial statements

Note 1 Nature and Continuance of Operations

NU2U Resources Corp. ("NU2U" or the "Company") was incorporated under the Business Corporations Act (British Columbia) on August 19, 2011. The Company's registered and records office is located at Suite 610, 700 West Pender Street, Vancouver, BC, V6C 1G8.

The Company has yet to commence operations and its success will be dependent upon its ability to find a suitable business and obtain necessary financing.

These financial statements have been prepared on the basis of accounting principles applicable to a going concern, which presumes the realization of assets and settlement of liabilities in the normal course of operations in the foreseeable future. The ability of the Company to continue as a going concern is dependent upon a number of factors including obtaining additional financing as required and seeking profitable operations.

These financial statements are presented in Canadian dollars unless otherwise indicated.

Note 2 Significant Accounting Policies

Basis of presentation

These condensed interim financial statements, including comparatives, have been prepared in accordance with International Accounting Standards ("IAS") 34, Interim Financial Reporting. Certain information and note disclosures normally included in the audited annual financial statements prepared in accordance with International Financial Reporting Standards ("IFRS") have been omitted or condensed. As a result, these condensed interim financial statements should be read in conjunction with the Company's audited financial statements for the year ended June 30, 2016.

The following standards and interpretations have been issued but are not yet effective:

The following standards, interpretations and amendments, which have not been applied in these condensed interim financial statements, may have an effect on the Company's future condensed interim financial statements. The Company is in the process of evaluating these new standards.

IFRS 9 — Financial instruments, classification and measurement
IFRS 9 Financial Instruments is part of the IASB's wider project to replace IAS 39 Financial Instruments:
Recognition and Measurement. IFRS 9 retains but simplifies the mixed measurement model and establishes two primary measurement categories for financial assets: amortized cost and fair value. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. The standard is effective for annual periods beginning on or after January 1, 2018. The Company is in the process of evaluating the impact of the new standard.

Note 3 Loans Receivable and Accrued Interest

Mobio Technologies Inc.

On December 15, 2015, the Company executed a Credit Agreement (the "Agreement") with Mobio Technologies Inc. ("Mobio") whereby the Company granted to Mobio a credit facility in the aggregate principal amount of $375,000 to facilitate the continued growth of two of its subsidiaries (Strutta.com Media Inc. ("Strutta")) and Twenty Year Media Corp. ("TYM")) and to fund its working capital. Pursuant to the terms of the Agreement, interest accrues on the outstanding balance at the rate of 12% per annum, calculated daily and compounded monthly in arrears (equivalent to a monthly rate of 1%). The principal balance, together with all accrued but unpaid interest, was immediately due and payable in full on June 1, 2016. The credit facility is secured by a Convertible Promissory Note (the "Note"), General Security Agreements under which Mobio, Strutta and TYM granted a fixed and floating first priority security interest over all of their present and after-acquired personal property and all proceeds thereof, a Pledge Agreement pursuant to which Mobio granted to, pledged in favour of and assigned to the Company a first priority security interest in favour of the Company of the issued and outstanding shares in the capital of Strutta and TYM, Strutta and TYM unconditionally and irrevocably guaranteed all indebtedness owing under the Agreement and all present and future debts and liabilities of Mobio to Strutta and TYM were assigned to the Company and postponed to the indebtedness owing under the Agreement. Pursuant to the Note, the Company had the right, on or prior to June 1, 2016, to cancel the entire principal balance and accrued interest and convert it into common shares of Mobio at a price of $0.15 per share. As further consideration for the loan advance, Mobio issued to the Company a warrant certificate to purchase up to 1,250,000 common shares of Mobio at a price of $0.15 per share for a period of one year from the closing date. During the current period, Mobio repaid the principal balance plus accrued interest.

Twenty Year Media Corp.

On January 15, 2016, the Company executed a Credit Agreement (the "TYM Agreement") with TYM. As part of a reorganization process, TYM agreed to assume $252,500 ($250,000 plus $2,500 in accrued interest) of the balance owing by Mobio to the Company under the Agreement. The $250,000 principal balance assumed by TYM is the facility granted by the Company under the TYM Agreement. Pursuant to the terms of the TYM Agreement, interest accrues on the outstanding balance at the rate of 12% per annum, calculated daily and compounded monthly in arrears (equivalent to a monthly rate of 1%). Interest on the outstanding balance accrues at 17% per annum upon the occurrence of a default event. The principal balance, together with all accrued but unpaid interest, was immediately due and payable in full on June 1, 2016. Because TYM did not raise at least $150,000 in equity capital prior to March 31, 2016, the $250,000 facility immediately became due and payable on March 31st. The principal balance is secured by a Convertible Promissory Note (the "TYM Note") in the amount of $252,500, a General Security Agreement under which TYM granted a fixed and floating first priority security interest over all of its present and after-acquired personal property and all proceeds thereof, a Pledge Agreement pursuant to which TYM granted to and pledged in favour of the Company a first priority security interest over all of the issued and outstanding shares in the capital of two of its subsidiaries, 858466 Canada Corp. ("858466") and Emerging Pictures Corp.("EPC"), 858466 and EPC unconditionally and irrevocably guaranteed all indebtedness owing under the TYM Agreement and all present and future debts and liabilities of TYM to 858466 and EPC were assigned to the Company and postponed to the indebtedness owing under the TYM Agreement. Pursuant to the TYM Note, the

Note 3 Loans Receivable and Accrued Interest (continued)

Company had the right, on or prior to June 1, 2016, to cancel the entire principal balance and accrued interest and convert it into common shares of TYM at a conversion price to be calculated as specified.

On January 15, 2016, the Company executed an Investors' Rights Agreement with TYM whereby TYM is required to grant the Company a right of first offer with respect to future sales by TYM of new shares (as defined) in accordance with specified provisions.

On January 16, 2016, the Company executed an Assumption Agreement and Consent with Mobio and TYM. As of that date, the total principal and interest owing to the Company under the Note was $378,750. Of this amount, $252,500 owing by Mobio was assumed by TYM and is governed by the terms of the TYM Agreement. The outstanding balance owing by Mobio under the Note was reduced by the assumed amount, the Note was cancelled and an amended and restated note with identical terms in the principal amount of $126,250 was issued to Mobio.

Note 4 Wind Assets

An investment in Katabatic Power Corp. ("Katabatic") comprised of various debt instruments and a minority equity interest, recorded at its fair value of $1.

Note 5 Loan Payable and Accrued Interest

On December 15, 2015, Code Consulting Limited ("Code"), a company controlled by the CEO of the Company, loaned $400,000 to the Company to facilitate the loan to Mobio (see Note 3). This loan bears interest at 10% per annum, calculated monthly, not in advance and is secured by a promissory note. The principal balance plus accrued interest is due and payable on December 15, 2016. On May 18, 2016, Code loaned an additional $10,000 to the Company. This advance is non-interest bearing, unsecured and has no fixed terms of repayment. See Note 7.

Note 6 Share Capital and Reserves

Share Capital

Authorized

Unlimited number of common shares without par value.

(Expressed in Canadian dollars)

Note 6 Share Capital and Reserves (continued)

Unlimited number of preferred shares with a par value of $100 per share.

Stock Options

During the year ended June 30, 2016, the Board of Directors approved a stock option plan (the "Plan") in order to provide the Company with a share-related mechanism to attract, retain and motivate qualified executives, employees and consultants to contribute toward the long term goals of the Company, and to encourage such individuals to acquire shares of the Company as long term investments.

The number of shares available for purchase pursuant to options granted under the Plan will not exceed 10% of the shares that are outstanding (on a non-diluted basis) immediately prior to the share issuance or grant of options. The Plan places limits on the maximum number of options which may be granted to any one holder, insider, consultant and employees and consultants engaged in investor relations activities within any 12 month period. Options granted in relation to investor relations activities must vest in stages over 12 months with no more than 25% of the options vesting in any three-month period. The vesting period for all other options is at the discretion of the Board of Directors.

No stock options in connection with the above plan have been issued.

Note 7 Related Party Transactions

Balances

The following amounts payable to related parties are included in trade payables and accrued liabilities:

On	September 30, 2016	June 30, 2016
Code	$ 70,360	$ 70,360
CEO of the Company	5,000	5,000
	$ 75,360	$ 75,360

October 29, 2015, the Company executed a Debt Assignment Agreement with the former CEO of the Company, the former CFO of the Company and a company with common directors whereby the $70,360 (June 30, 2016 - $70,360) aggregate amount owing by the Company to these parties was assigned to Code.

See Note 5.

(Expressed in Canadian dollars)

Note 7 Related Party Transactions (continued)

Transactions – paid or accrued

Transactions with related parties are summarized in the tables below:

	Three months ended September 30, 2016	Three months ended September 30, 2015
Interest on loan payable to Code	$ 10,082	$ -

Key management personnel compensation:

	Three months ended September 30, 2016	Three months ended September 30, 2015
Management and consulting fees	$ -	$ 3,000

All transactions with related parties have occurred in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

Note 8 Capital Management

The Company manages its capital structure and makes adjustments to it based on the funds available to the Company, in order to support future business opportunities. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. In the management of capital, the Company includes cash balances, loans and components of equity.

In order to carry out future projects and pay for administrative costs, the Company will raise additional funds as needed. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

The Company is not subject to externally imposed capital requirements.

Note 9 Financial Instruments

The fair value of the Company's loans receivable and accrued interest, trade payables and accrued liabilities and loan payable and accrued interest approximates their carrying value due to the short-term nature of the instruments. The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Credit risk:

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company believes its credit risk is minimal.

Liquidity risk:

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at September 30, 2016, the Company had a cash balance of $138,103 (June 30, 2016 - $7,784) to settle current liabilities of $524,239 (June 30, 2016 - $513,542). Management plans to raise funds to meet its future liabilities as they become due.

Market risk:

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates and equity prices.

(a) Interest rate risk - the Company has a cash balance and interest-bearing debt making the company sensitive to interest rate fluctuations.

(b) Foreign currency risk - the Company currently believes it has no significant foreign exchange risk.

(c) Price risk - the Company is a non-public reporting issuer and is not currently exposed to price risk with respect to equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market.

Fair Value of Financial Instruments

The fair value of the Company's financial assets and liabilities approximates the carrying amount. Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

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