

LAMÉLÉE IRON ORE LTD.

LAMÉLÉE IRON ORE LTD.

UNAUDITED RESTATED CONDENSED INTERIM FINANCIAL STATEMENTS As at March 31, 2018

Independent Practitioner's Review Engagement Report

Condensed Interim Financial Statements

Condensed Interim Financial Statement of Financial Position	4
Condensed Interim Financial Statement of Loss and Comprehensive Loss	5
Condensed Interim Financial Statement of Changes in Equity	6
Condensed Interim Financial Statement of Cash Flows	7
Notes to Condensed Interim Financial Statements	8-14

These restated condensed interim financial statements for the three and six-month period ended March 31, 2018 have been reviewed by the auditor of the Company.



INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Directors of
LAMÊLÉE IRON ORE LTD.

We have reviewed the accompanying interim financial statements of LAMÊLÉE IRON ORE LTD. that comprise the interim statement of Financial Position as at March 31, 2018, and the interim statements of loss and comprehensive loss, changes in Equity and cash flows for the period of three-months and six-months ended as at March 31, 2018 and 2017, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Interim Financial Statements

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

Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying interim financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of interim financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these interim financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim financial statements do not present fairly, in all material respects, the financial position of LAMÊLÉE IRON ORE LTD. as at March 31, 2018, and the results of its operations and its cash flows for the period then ended in accordance with International accounting standards for public enterprises.

Other matter

The statement of Financial Position as at September 30, 2017 has been audited and an unmodified opinion was expressed on January 23, 2018.

Brunet Roy Dubé, CPA S.E.N.C.R.L.¹

Montreal
November 15, 2018

¹ CPA auditor, CA, public accountancy permit No. A115197

LAMÉLÉE IRON ORE LTD.
RESTATED CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION
(unaudited, in Canadian dollars)

	Notes	March, 31 2018 \$ (Restated)	September 30, 2017 \$
ASSETS			
Current			
Cash and cash equivalents		3,513	1,068
Sales taxes receivable		1,658	2,608
Other receivable		-	5,133
Prepaid expenses		5,000	1,300
		<u>10,171</u>	<u>10,109</u>
Non-current			
Exploration and evaluation assets	5	-	90,000
		<u>-</u>	<u>90,000</u>
Total assets		<u>10,171</u>	<u>100,109</u>
LIABILITIES			
Current			
Trade and other payables		135,053	20,864
Dues to an officer, without interest and repayment schedule		282	282
		<u>135,335</u>	<u>21,146</u>
Total liabilities		<u>135,335</u>	<u>21,146</u>
EQUITY (DEFICIENCY)			
Share Capital		6,034,332	6,034,332
Contributed surplus	6	5,146,104	5,145,840
Deficit		(11,305,600)	(11,101,209)
Total equity (deficiency)		<u>(125,164)</u>	<u>78,963</u>
Total liabilities and equity (deficiency)		<u>10,171</u>	<u>100,109</u>

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

These restated condensed interim financial statements were approved and authorized for publication by the Board of Directors on November 15, 2018.

On the behalf of the Board,

(s) Daniel Cohen,
 Chief Executive Officer

(s) Keith Li,
 Chief Financial Officer

LAMÉLÉE IRON ORE LTD.
RESTATED CONDENSED INTERIM STATEMENTS OF NET LOSS AND COMPREHENSIVE
LOSS
(unaudited, in Canadian dollars)

	Notes	Three-months ended March, 31		Six-months ended March, 31	
		2018 \$ (Restated)	2017 \$	2018 \$ (Restated)	2017 \$
EXPENSES					
Transaction fees		50,096	-	50,096	-
Professional fees		15,032	15,196	44,914	62,828
Shareholders' relations		12,187	9,721	14,362	12,908
Trustees and registration fees		1,300	-	2,600	1,300
Travel expenses		2,042	-	2,042	-
Share-based payments	6	-	858	264	2,828
Bank charges		60	587	92	587
Office expenses		21	192	21	415
Impairment of exploration and evaluation assets	5	90,000	-	90,000	-
NET LOSS AND COMPREHENSIVE LOSS FOR THE PERIOD		<u>(170,738)</u>	<u>(26,554)</u>	<u>(204,391)</u>	<u>(80,866)</u>
LOSS PER SHARE					
Basic and diluted loss per share		<u>(0.04)</u>	<u>(0.01)</u>	<u>(0.05)</u>	<u>(0.03)</u>
Weighted average number of common shares outstanding		<u>3,961,584</u>	<u>2,908,588</u>	<u>3,961,584</u>	<u>2,908,588</u>

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

LAMÉE IRON ORE LTD.
RESTATED CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY
(unaudited, in Canadian dollars)
For the six-month periods ended March 31, 2018 and 2017

	Notes	Number of shares	Share capital	Warrants	Contributed surplus	Deficit	Total equity (deficiency)
			\$	\$	\$	\$	\$
						(Restated)	(Restated)
Balance at October 1, 2017		3,961,584	6,034,332	-	5,145,840	(11,101,209)	78,963
Share-based payments	6	-	-	-	264	-	264
Net loss and comprehensive loss for the period		-	-	-	-	(204,391)	(204,391)
Balance at March 31, 2018		<u>3,961,584</u>	<u>6,034,332</u>	<u>-</u>	<u>5,146,104</u>	<u>(11,305,600)</u>	<u>(125,164)</u>

	Notes	Number of shares	Share capital	Share Capital to be issued	Warrants	Contributed surplus	Deficit	Total equity (deficiency)
			\$	\$	\$	\$	\$	\$
Balance at October 1, 2016		2,908,588	5,876,382	-	123,000	5,019,387	(10,976,221)	42,548
Share-based payments	6	-	-	-	-	2,828	-	2,828
Share Capital to be issued		-	-	5,250	-	-	-	5,250
Expiry of warrants		-	-	-	(123,000)	123,000	-	-
Net loss and comprehensive loss for the period		-	-	-	-	-	(80,866)	(80,866)
Balance at March 31, 2017		<u>2,908,588</u>	<u>5,876,382</u>	<u>5,250</u>	<u>-</u>	<u>5,145,215</u>	<u>(11,057,087)</u>	<u>(30,240)</u>

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

LAMÉLÉE IRON ORE LTD.
RESTATED CONDENSED INTERIM STATEMENTS OF CASH FLOWS
(unaudited, in Canadian dollars)
For the three and six-month periods ended March 31, 2018 and 2017

	Notes	Three-months ended		Six-months ended	
		March, 31		March, 31	
		2018	2017	2018	2017
		\$	\$	\$	\$
		(Restated)		(Restated)	
OPERATING ACTIVITIES					
Net loss and comprehensive loss for the period		(170,738)	(26,554)	(204,391)	(80,866)
Adjustments for:					
Share-based payments – directors	6	-	858	264	2,828
Impairment of exploration and evaluation assets	5	90,000	-	90,000	-
Net changes in non cash operating working capital items					
Cash held in trust		-	(5,250)	-	(5,250)
Sales taxes receivable		2,311	(2,453)	950	(2,551)
Other receivable		5,133	-	5,133	-
Prepaid expenses		(5,000)	(5,200)	(3,700)	(3,900)
Trade and other payables		78,163	4,927	114,189	50,669
Cash flows from (used by) operating activities		(131)	(33,672)	2,445	(39,070)
FINANCING ACTIVITIES					
Due to a director and officer		-	31,294	-	31,294
Shares to be issued		-	5,250	-	5,250
Cash flows from financing activities		-	36,544	-	36,544
Net change in cash and cash equivalent		(131)	2,872	2,445	(2,526)
Cash and cash equivalent, beginning of period		3,644	7,186	1,068	12,584
Cash and cash equivalent, end of period		3,513	10,058	3,513	10,058

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

LAMÉLÉE IRON ORE LTD.

Notes to Restated Condensed Interim Financial Statements

(unaudited, in Canadian dollars)

For the six-month periods ended March 31, 2018 and 2017

1. **INCORPORATION AND NATURE OF OPERATIONS**

The Company is incorporated under the Canada Business Corporations Act. Its head office is located at 1801 Avenue McGill College, Suite 950, Montreal, Quebec, Canada. The Company's shares are listed on the TSX Venture Exchange.

Lamêlée Iron Ore Ltd. (the «Company») is an exploration company with activities in Canada.

The Company's principal property is an interest in the Meston Lake West Property located near Chibougamau, Quebec, Canada. The Company has no income from production since the property is at the exploration stage.

The Company's financial year ends on September 30.

2. **GOING CONCERN**

These financial statements were prepared on a going concern basis, using the historical cost, except for the financial assets accounted for at fair value through profit and loss.

The financial statements have been prepared on the basis of the going concern assumption, meaning the Company will be able to realize its assets and discharge its liabilities in the normal course of operations.

Given that the Company has not yet determined whether its mineral properties contain mineral deposits that are economically recoverable, it has neither yet generated income nor cash flows from its operations. As at March 31, 2018, the Company has a deficit of \$11,305,600 (\$11,057,087 as at March 31, 2017). This material uncertainty may cast a significant doubt regarding the Company's ability to continue as a going concern.

The Company's ability to continue as a going concern is dependent upon its ability to raise additional financing to further explore its mineral properties. 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.

The carrying amounts of assets, liabilities, revenues and expenses presented in the financial statements and the classification used in the statement of financial position have not been adjusted as would be required if the going concern assumption was not appropriate.

3. **BASIS OF PREPARATION AND ADOPTIONS OF IFRS**

The Company's condensed interim financial statements have been prepared based on International Financial Reporting Standards (IFRS) in accordance with IAS 34 standard, Interim Financial Reporting. The condensed interim financial statements are presented in Canadian currency which is also the functional currency of the Company. The functional currency has remained unchanged during the reporting period.

The unaudited condensed interim financial statements do not include all of the information required for full annual financial statements, and should be read in conjunction with the annual financial statements for the year ended September 30, 2017, as they follow the same accounting policies and methods of application.

These restated condensed interim financial statements for the reporting period ended March 31, 2018 (including comparatives) were approved and authorized for issue by the Board of Directors on November 15, 2018.

LAMÉE IRON ORE LTD.

Notes to Restated Condensed Interim Financial Statements

(unaudited, in Canadian dollars)

For the six-month periods ended March 31, 2018 and 2017

4. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies are presented in the audited financial statements for the year ended September 30, 2017 and have not been modified since that time.

5. EXPLORATION AND EVALUATION ASSETS

The carrying amount can be analyzed as follows:

	Balance as at October 1, 2017	Additions	Impairment	Balance as at March 31, 2018
	\$	\$	\$	\$
Quebec				
Meston Lake West Property				
Mining rights	90,000	-	(90,000)	-
Exploration and evaluation	-	-	-	-
	<u>90,000</u>	<u>-</u>	<u>(90,000)</u>	<u>-</u>

All impairment charges (or reversals, if any) are included within Impairment of exploration and evaluation assets in profit or loss statement.

Meston Lake West Property

On May 16, 2016, the Company acquired the rights, titles and interests in 36 mining claims of the property located 50 km of the town of Chibougamau. In counterpart, the Company issued 450,000 common shares at the price of \$0.20 per share for a total amount of \$90,000 and will have to pay a royalty of \$50,000 as at June 30, 2018 (commitment not fulfilled).

As at March 31, 2018, the mining rights to the Meston Lake West Property have been impaired (see Note 9).

LAMÉLÉE IRON ORE LTD.

Notes to Restated Condensed Interim Financial Statements

(unaudited, in Canadian dollars)

For the six-month periods ended March 31, 2018 and 2017

6. SHARE-BASED PAYMENTS

The Company has established a stock option plan pursuant to which options to purchase common shares may be granted to certain officers, directors and employees of the Company as well as persons providing services to the Company. Under this plan, options to purchase the common shares from time-to-time may be granted for a variable number whereby the number should never represent more than 10% of the issued and outstanding capital stock of the Company. Exercise price of options equals the market price of the Company's stock on the date of grant. Stock options are exercisable over a three-year period: 33% after 12 months, 24 months and 36 months respectively from the date of grant for a maximum term of ten years. Among the options outstanding, none is subject to an escrow agreement.

All share-based payments will be settled in equity. The Company has no legal or constructive obligation to repurchase or settle the options.

Amounts of \$264 (\$2,828 in 2017) of the share-based payments were recorded in earnings as share-based payments and credited to contributed surplus.

The Company's share options are as follows for the reporting periods presented:

<i>Administration</i>	March 31, 2018		September 30, 2017	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
		\$		\$
Outstanding, beginning of period	92,500	2.53	125,000	2.51
Cancelled	-	-	(32,500)	2.46
Outstanding, end of period	<u>92,500</u>	2.53	<u>92,500</u>	2.53
Exercisable, end of period	<u>92,500</u>	2.53	<u>86,667</u>	2.64

LAMÉLÉE IRON ORE LTD.

Notes to Restated Condensed Interim Financial Statements

(unaudited, in Canadian dollars)

For the six-month periods ended March 31, 2018 and 2017

6. SHARE-BASED PAYMENTS (Continued)

The table below summarizes the information related to share options as at March 31, 2018:

	<u>Outstanding options and exercisable</u>		
	<u>Number of options</u>	<u>Exercise price</u> \$	<u>Remaining life (years)</u>
<i>Administration</i>	17,500	1.00	6.74
	12,500	2.80	5.88
	<u>62,500</u>	2.90	5.77
	<u><u>92,500</u></u>		

7. WARRANTS

Outstanding warrants entitle their holders to subscribe to an equivalent number of common shares, as follows:

	<u>March 31, 2018</u>		<u>September 30, 2017</u>	
	<u>Number of warrants</u>	<u>Weighted average exercise price</u> \$	<u>Number of warrants</u>	<u>Weighted average exercise price</u> \$
Balance at beginning	1,052,996	0.20	76,875	3.00
Granted	-	-	1,052,996	0.20
Expired	-	-	(76,875)	3.00
Balance at end	<u><u>1,052,996</u></u>	0.20	<u><u>1,052,996</u></u>	0.20

Outstanding warrants are as follows:

		<u>March 31, 2018</u>	<u>September 30, 2017</u>
		<u>Exercise price</u> \$	<u>Number</u>
<u>Expiry date</u>		<u>Number</u>	<u>Number</u>
April 21, 2020	0.20	<u>1,052,996</u>	<u>1,052,996</u>

LAMÉLÉE IRON ORE LTD.

Notes to Restated Condensed Interim Financial Statements

(unaudited, in Canadian dollars)

For the six-month periods ended March 31, 2018 and 2017

8. RELATED PARTY TRANSACTIONS

The Company's related parties include its key officers and the companies controlled by key officers such as described below.

Unless otherwise stated, none of the transactions incorporated special terms and conditions and no guarantees were given or received. Outstanding balances are usually settled in cash except for share-based payments.

8.1 Transactions with key officers and companies controlled by key officers

	2018	2017
	\$	\$
Transaction fees – Company controlled	9,000	-
Share-based payments	264	2,828
Trade and other payable – Controlled company	9,000	-

The Company incurred respectively \$4,245 and \$39,595 (\$21,480 and \$nil in 2017) as professional fees and transaction fees to a law firm of which a director of the Company is an employee. As at March 31, 2018, an amount owing to this firm of \$50,798 (\$31,196 in 2017) is included in trade and other payables.

9. POST REPORTING DATE EVENT

The royalty of \$50,000 pertaining to the acquisition of the rights, titles and interest of the mining claims of the Meston Lake Property has not been made by June 30, 2018. Therefore, pursuant to the acquisition agreement, the claims had been returned to the seller and the property was impaired as a result.

On August 9, 2018, the Company completed its previously announced reverse take-over transaction (the "RTO Transaction") with Aura Health Corp. ("Aura"). Aura is a Toronto-based company that has investments in four operating medical marijuana patient assessment clinics in Arizona, Nevada and Florida.

Aura completed the RTO Transaction with the Company, providing for the acquisition by the Company of all of the issued and outstanding common shares of Aura, whereby the shareholders of Aura will hold a majority of the outstanding common shares of the Resulting Issuer. Pursuant to the Securities Exchange Agreement, all Aura shares were exchanged for common shares of the Company. In connection with the RTO Transaction, the Company completed a continuance from the Canada Business Corporations Act to the Business Corporations Act (Ontario). Concurrent with the closing of the RTO Transaction, the Resulting Issuer is continuing on with the business of Aura and changed its name to Aura Health Inc.

LAMÉLÉE IRON ORE LTD.

Notes to Restated Condensed Interim Financial Statements

(unaudited, in Canadian dollars)

For the six-month periods ended March 31, 2018 and 2017

9. *POST REPORTING DATE EVENT (Continued)*

Aura Financing

Immediately prior to the completion of the RTO Transaction, Aura completed a non-brokered private placement (the "Aura Financing") for gross proceeds of \$1.13 million of 2,301,873 units of Aura which upon completion of the RTO Transaction were collectively exchanged for an aggregate of 2,301,873 units of the Company (each a "Replacement Unit"), at a deemed price of \$0.49 per Replacement Unit, with each Replacement Unit comprised of one common share of the Company and one common share purchase warrant (a "Replacement Warrant"). Each Replacement Warrant is exercisable to purchase one common share of the Company at \$0.75 per share for a period of 24 months following completion of the RTO Transaction.

In addition, Aura paid five registered dealers who acted as finders in the Aura Financing (the "Finders") a cash finders' fee equal to 8% of the gross proceeds from the Aura financing to subscribers introduced by the Finders and issued a total of 78,015 finder options (the "Finder Options") which upon completion of the RTO Transaction were collectively exchanged for an aggregate of 78,015 finder options of the Company (the "Replacement Finder Options"), each entitling the holder to purchase one Replacement Unit at a price of \$0.49 per Replacement Unit for a period of 24 months following completion of the RTO Transaction.

Issuance of Securities in the RTO Transaction

Aura shareholders who held Aura shares prior to completion of the Aura Financing (including (i) holders of Aura Series A convertible debentures which were automatically converted into an aggregate of 816,327 Aura shares and 408,164 Aura warrants; and (ii) a financial advisor to Aura who was issued 300,000 Aura shares at \$0.49 per share in satisfaction of a financial advisory fee of \$147,000) (the "Original Aura Shareholders") received a total of 17,746,327 common shares with a deemed value of \$0.49 per share as consideration for transferring their Aura Shares to the Company. The subscribers in the Aura Financing received 2,301,873 common shares at a deemed value of \$0.49 per share. All Aura's convertible securities outstanding immediately prior to the closing of the RTO were replaced by convertible securities of the Company with similar terms

In addition, the Company issued 300,000 common shares to a finder of the Company (the "LIR Finder") at \$0.49 per share, which shares are subject to a resale hold period expiring December 10, 2018.

Capitalization

On a non-diluted basis, upon completion of the RTO Transaction, the Company had a total of 24,309,784 common shares outstanding, of which 3,961,584 (16.30%) were held by existing shareholders of the Company, 17,746,327 (73.00%) were held by the Original Aura Shareholders, 2,301,873 (9.47%) were held by subscribers in the Aura Financing, and 300,000 (1.23%) were held by the LIR Finder.

LAMÉLÉE IRON ORE LTD.

Notes to Restated Condensed Interim Financial Statements (unaudited, in Canadian dollars)

For the six-month periods ended March 31, 2018 and 2017

9. *POST REPORTING DATE EVENT (Continued)*

On a fully-diluted basis, upon completion of the RTO Transaction, the Company had a total of 40,353,960 common shares outstanding, of which 85,107,080 (12.66%) were held by existing security holders of the Company, 30,187,104 (74.81%) were held by the Original Aura Shareholders, 4,759,776 (11.80%) were held by subscribers and Finders in the Aura Financing, and 300,000 (0.74%) were held by the LIR Finder.

The total deemed transaction value for Aura in the RTO Transaction was approximately \$9.82 million.

Appointment of Chief Executive Officer

On August 16, 2018, the Company appointed Daniel Cohen as Chief Executive Officer ("CEO"), replacing Chris Carl, who will continue to serve as President and Corporate Secretary for Aura.

Option Grants

On September 24, 2018, the Company granted 300,000 options to the CEO and a consultant of the Company at an exercise price of \$0.31. The options will expire on September 24, 2021 and vested immediately on grant. The Company also granted 350,000 options to an Investor Relations consultant at an exercise price of \$0.31. The options vest as follows: 25% on grant, and 25% at the end of each 6 months thereafter.

Convertible Debentures Financing

On October 26, 2018, the Company closed a non-brokered private placement offering of unsecured convertible debentures (the "Debentures") bearing interest at a rate of 10% per annum, payable quarterly in arrears, for gross proceeds of \$400,000. Each Debenture is convertible at a conversion price of \$0.365 (the "Conversion Price") into units ("Units") consisting of one common share and one-half (1/2) of one common share purchase warrant (the "Warrants") exercisable at the conversion price of \$0.50 per share for a period of 24 months from closing. The Debentures are exercisable until October 26, 2020, or until such time that the common shares of the Company trade on the Canadian Securities Exchange for a period of 20 consecutive trading days at a price of \$0.60, upon which the shares will automatically convert into Units at the Conversion Price.