BEE VECTORING TECHNOLOGIES INTERNATIONAL INC.

(FORMERLY UNIQUE RESOURCES CORP.)

UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three and nine months ended June 30, 2015 and 2014

(expressed in Canadian Dollars)

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

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

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

Bee Vectoring Technologies International Inc. (formerly Unique Resources Corp.)
Unaudited Condensed Interim Consolidated Statements of Financial Position
(expressed in Canadian Dollars)

as at	**June 30, 2015 (Unaudited)**	September 30, 2014 (Audited)
ASSETS		
Current assets		
Cash	**$ 2,002,024**	$ 8,099
Sales tax receivable	**56,275**	-
Prepaid expenses	**65,143**	29,472
	2,123,442	37,571
Deposits *(note 5)*	**66,076**	66,076
Intangible assets *(note 6)*	**378,401**	223,265
Moulds and dies *(note 7)*	**46,525**	57,261
Equipment *(note5)*	**5,827**	6,635
	$ 2,620,272	$ 390,808
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities	**$ 233,613**	$ 269,613
Due to related parties *(note 8)*	**41,249**	41,249
Promissory notes payable *(note 9)*	**-**	494,846
	274,861	805,708
Convertible debentures *(note 10)*	**-**	195,000
	274,861	1,000,708
Shareholders' equity (deficiency)		
Share capital *(note 11)*	**4,630,080**	19
Contributed surplus *(note 13)*	**7,500**	-
Warrants *(note 12)*	**415,495**	-
Deficit	**(2,707,665)**	(609,919)
	2,345,410	(609,900)
	$ 2,620,272	$ 390,808

NATURE OF OPERATIONS (Note 1)
SUBSEQUENT EVENT (Note 16)

Bee Vectoring Technologies International Inc. (formerly Unique Resources Corp.)
Unaudited Condensed Interim Consolidated Statements of Loss and Comprehensive Loss
(expressed in Canadian Dollars)

	Three months ended June 30,		Nine months ended June 30,	
	2015	2014	2015	2014
Expenses				
Office and general	223,901	71,796	300,439	170,673
Interest on debentures	1,290	-	5,570	-
Project expenses	-	7,324	-	114,003
Listing expense (note 4)	1,791,737	-	1,791,737	-
	2,016,928	79,120	2,097,746	284,676
Net loss and comprehensive loss for the period	$ (2,016,928)	$ (79,120)	$ (2,097,746)	$ (284,676)
Weighted average number of common shares outstanding - baisc and diluted				
Basic and diluted loss per common share	$ (0.33)	$ (0.01)	$ (0.35)	$ (0.05)

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

Bee Vectoring Technologies International Inc. (formerly Unique Resources Corp.)
Unaudited Condensed Interim Consolidated Statements of Cash Flows
(expressed in Canadian Dollars)

		Nine months ended June 30,		
		2015		2014
Cash flow from operating activities				
Net loss for the period	$	(2,097,746)	$	(284,676)
Items not affecting cash				
Services settled with issuance debenture		100,000		
Transaction costs		1,718,292		-
Depreciation and amortization		11,542		-
		(267,912)		(284,676)
Net changes in non-cash working capital items				
Accounts receivable		(44,492)		(18,779)
Prepaid expenses and deposits		30,157		(66,075)
Deferred revenue		23,444		-
Accounts payable and accrued liabilities		(112,125)		102,510
		(370,928)		(267,020)
Cash flow from investing activities				
Cash received on acquisition		46,656		-
Additions to intangibles		(155,136)		(105,856)
Additions to equipment		-		(11,460)
		(108,480)		(117,316)
Cash flow from financing activities				
Payment of promissory note payable		(250,000)		(163,898)
Net proceeds from issuance of shares and warrants		2,674,034		-
Proceeds from issuance of convertible debentures		49,300		548,943
		2,473,334		385,045
Increase in cash		1,993,925		709
Cash, beginning of period		8,099	$	2,665
Cash, end of period	$	2,002,024	$	3,374

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

Bee Vectoring Technologies International Inc. (formerly Unique Resources Corp.)

Unaudited Condensed Interim Consolidated Statements of Equity

(expressed in Canadian Dollars)

	Share Capital					
	Number of shares	Amount	Warrants	Contributed Surplus	Deficit	Total
Balance, October 1, 2013	189	$ 19	$ -	$ -	$ (181,258)	$ (181,239)
Issue of common units net of warrants	-	-	-	-	-	-
Net Loss	-	-	-	-	(284,676)	(284,676)
Balance, June 30, 2014	**189**	**$ 19**	**$ -**	**$ -**	**$ (465,934)**	**$ (465,726)**
Balance, October 1, 2014	189	$ 19	$ -	$ -	$ (609,919)	$ (609,900)
Reverse takeover recapitalization	(189)	-	-	-	-	-
Deemed issuance for acquisition of the Company by BEE (note 4)	6,022,560	1,505,641	270,833	7,500	-	1,783,974
Shares issued on the Transaction (note 4)	19,200,000	-	-	-	-	-
Shares issued to settle non-interest bearing convertible debentures (note 10)	1,075,000	245,000	-	-	-	245,000
Shares issued to settle interest bearing convertible debentures (note 10)	532,360	105,203	-	-	-	105,203
Shares issued to settle notes payable (note 9)	1,224,230	244,846	-	-	-	244,846
Shares issued in connection with the private placement (note 4)	12,426,200	3,106,550	-	-	-	3,106,550
Share issue costs related to the private placement - cash	-	(432,517)	-	-	-	(432,517)
Common shares issued as finance fees	320,000	80,000	-	-	-	80,000
Common shares issued as finance fees	-	(80,000)	-	-	-	(80,000)
Fair value of agent warrants issued in connection with the private placement (note 4)	-	(109,057)	109,057	-	-	-
Fair value of finders warrants issued in connection with the private placement (note 4)	-	(35,605)	35,605	-	-	-
Net loss					(2,097,746)	(2,097,746)
Balance, June 30, 2015	**40,800,350**	**$ 4,630,079**	**$ 415,495**	**$ 7,500**	**$ (2,707,665)**	**$ 2,345,409**

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

1. Reporting entity and nature of operations

Bee Vectoring Technologies International Inc. (formerly Unique Resources Corp.) (the "Company") was incorporated under the laws of the province of British Columbia, Canada on May 20, 2011. Bee Vectoring Technology Inc. ("BEE"), a wholly owned subsidiary of the Company is focused on the control of pests and enhancement of crops and ornamentals through the use of biological controls in a variety of application processes.

On June 1, 2015, the Company entered into a share exchange agreement with BEE pursuant to which the Company would acquire all of the issued and outstanding shares of BEE (the "Transaction") in exchange for 19,200,000 post – consolidated common shares of the Company at a deemed issue price of $0.25. Upon completion of the Transaction BEE became a wholly owned subsidiary of the Company, and Unique Resources Corp. ("Unique"), and changed its name to Bee Vectoring Technologies International Inc. on June 30, 2015. The acquisition was classified as a Reverse Take-over defined in Policy 5.2 by the TSX Venture Exchange Inc. (the "Exchange"). The combined entity continues to carry out the business of BEE as previously constituted.

The Company commenced trading under the symbol BEE on July 7, 2015. The address of the Company's registered office is Suite 800 - 789 West Pender St. Vancouver, BC, V6C 1H2.

These consolidated financial statements were approved for issuance by the Board of Directors on August 25, 2015.

2. Basis of presentation

a) Statement of compliance
These interim financial statements are prepared and reported in Canadian dollars and have been prepared in accordance with IFRS applicable to the presentation of interim financial statements and International Accounting Standards ("IAS") 34, Interim Financial Reporting, as the accounting policies applied in these interim consolidated financial statements are based on IFRS as issued, outstanding and effective on June 30, 2015.

Certain disclosures that are normally required to be included in the notes to the annual audited financial statements have been condensed or omitted. These interim financial statements should be read in conjunction with the audited consolidated financial statements and notes thereto for the year ended September 30, 2014.

b) Basis of measurement
These interim financial statements have been prepared on a historical cost basis, except for certain financial instruments that have been measured at fair value. These interim financial statements are presented in Canadian dollars, which is also the functional currency, except as otherwise noted.

c) Basis of consolidation
These interim financial statements consolidate the accounts of the Company and its wholly owned subsidiary BEE. Intercompany transactions and balances between group companies are eliminated in full.

3. Significant accounting policies

The same accounting policies and methods of computation are followed in these interim financial statements as compared with the most recent audited financial statements for the year ended September 30, 2014, with the exception of new and revised standards along with any consequential amendments, effective October 1, 2014. These changes were made in accordance with the applicable transitional provisions.

4. Reverse Take Over

In conjunction with the Transaction and prior to the completion of the Transaction, the Company completed a private placement (the "Private Placement") of 12,426,200 subscription receipts (the "Subscription Receipts") with Canaccord Genuity Corp. acting as agent (the "Agent") for gross proceeds of $3,106,550. On completion of the escrow release conditions set out in the subscription receipt agreement entered into among the Company, BEE, the Agent, and Equity Financial Services Inc. dated June 30, 2015, each Subscription Receipt was automatically exchanged for one post-consolidation common share of the Company resulting in the issuance of 12,426,200 post consolidated common shares.

In connection with the Private Placement, the Company paid the Agent cash commissions and fees, issued the Agent and its selling group 708,160 Agent's warrants ("Agent's Warrants"), and issued the Agent 320,000 common shares in respect of corporate finance fees. Each Agent's Warrant entitles the holder to purchase one (1) common share at a price of $0.25 for a period of three years from the date of issuance. Additionally, the Company paid cash commissions to finders of $57,800 and issued finders 231,200 finder's warrants with each finders warrant having the same terms as the Agent's Warrants. The Agent Warrants were valued at $109,057 using the Black-Scholes option pricing model using the following assumptions: Term – 3 years; Volatility – 100%; Interest rate – 0.47%. The Finder's Warrants were valued at $35,605 using the Black-Scholes option pricing model with the same assumptions as the Agent Warrants.

In connection with the Transaction, the Company entered into an agreement for investor and public relations services and pursuant thereto the Company granted 50,000 options upon closing of the Transaction. Each such option shall be exercisable for one common share of the Company at an exercise price of $0.25 per share and shall vest in equal increments of 12,500 options on each of the dates that is 3, 6, 9, and 12 months following the closing of the Reverse Takeover.

Immediately prior to the completion of the Transaction, the Company consolidated its common shares on the basis one (1) post-consolidation common share for each 2.4 pre-consolidation common shares

Upon closing of the Transaction, among other things the Company:

- Issued 1,075,000 common shares to settle $245,000 non-interest bearing convertible debentures.
- Issued 532,360 common shares to settle $99,300 interest bearing convertible debentures plus accrued interest of $5,903;
- Issued 1,224,230 common shares to settle a $244,846 note payable.

Effective June 30, 2015, Unique acquired 100% of the issued and outstanding shares of BEE in exchange for 19,200,000 post-consolidated common shares of the Company. The resulting post-reverse takeover issued and outstanding common shares amounted to 40,800,352; (i) Unique shareholders 6,022,560 common shares; (ii) BEE shareholders 22,031,590 common shares; and (iii) other shareholders 12,746,200 common shares. As a result of this share issuance, the shareholders of BEE obtained 54% of the post-consolidation common shares of Unique and, consequently, control of Unique.

(expressed in Canadian dollars)

4. Reverse Take Over (continued)

The substance of the transaction is a reverse take over of the non-operating company and no goodwill or intangible asset representing the stock exchange listing has been recorded. The transaction does not constitute a business combination as the Company does not meet the definition of a business under IFRS 3. As a result, the Transaction was recorded by the Company as a listing expense which reflects the difference between the fair value of the BEE common shares to the Unique shareholders less the net fair value of the assets of Unique acquired. BEE has been identified as the accounting acquirer, and Unique, the legal parent, has been treated as the accounting subsidiary in these consolidated financial statements. As BEE was deemed to be the acquirer for accounting purposes, its assets, liabilities, and operations since incorporation are included in these consolidated financial statements at their historical carrying value. Unique's results of operations have been included from June 30, 2015, the date of the completion of the Transaction.

The amount assigned to transaction cost of $1,718,292 is the difference between the fair value of the consideration and the net identifiable assets of the Company deemed acquired by BEE and included in the consolidated statement of operations and comprehensive loss.

The fair value of the consideration of the Transaction includes the fair value of 6,022,560 common shares deemed issued to the Company's shareholders, and was estimated to be $1,505,641 based on the value per share in the Private Placement, the fair value of 2,708,327 warrants issued to the Company's pre-Transaction warrant holders, and the fair value of 375,000 options issued to the Company's pre-Transaction option holders. The fair value of the warrants was estimated to be $270,833 and was determined using the Black-Scholes option pricing model with the following assumptions: a risk-free rate of 0.49%, an expected volatility of 100%, an expected yield rate of $nil and an expected life of one and a half years. The fair value of the options was estimated to be $7,500 and was determined using the Black-Scholes option pricing model with the following assumptions: a risk-free rate of 0.58%, an expected volatility of 100%, an expected yield rate of $nil and an expected life of 90 days.

Based on the statement of financial position of the Company at the time of the Transaction, the net assets at estimated fair value that were deemed acquired by BEE of $1,783,974 and the resulting transaction charged to the statement of operations and comprehensive loss were as follows:

Consideration		
Value of common shares issued	$	1,505,641
Value of warrants deemed issued to former warrant holders of Unique		270,833
Value of options deemed issued to former option holders of Unique		7,500
Total deemed consideration	$	1,783,974

Net assets acquired		
Cash	$	46,656
Sales tax receivable		11,783
Prepaid expenses		65,828
Deferred expenses		23,444
Loan to Bee Vectoring Technologies		25,000
Accounts payable and accrued liabilities		(107,030)
Net assets acquired		65,681
Listing expense		1,718,292
Value attributed to deemed issuance of common shares, warrants and options	$	1,783,974

(expressed in Canadian dollars)

4. Reverse Take Over (continued)

The consideration and allocation reflects the best estimates and assumptions of the management of the Company after taking into account all available information. In addition, the Company incurred $73,444 of professional fees in connection with the Transaction. As a result, the total reverse takeover listing expense amounts to $1,791,737.

5. Equipment

	Equipment	Computer	Total
Cost			
As at September 30, 2013	$ 11,297	$ -	$ 11,297
Additions	-	1,352	1,352
Government grant	(4,998)	-	(4,998)
As at September 30, 2014	6,299	1,352	7,651
Additions	-	-	-
As at June 30, 2015	$ 6,299	$ 1,352	$ 7,651
Accumulated depreciation			
As at September 30, 2013	$ -	$ -	$ -
Additions	565	451	1,016
As at September 30, 2014	565	451	1,016
Additions	468	338	806
As at June 30, 2015	$ 1,033	$ 789	$ 1,822
Net book value			
As at September 30, 2014	$ 5,734	$ 901	$ 6,635
As at June 30, 2015	$ 5,266	$ 563	$ 5,829

The Company entered into an agreement with a supplier for sealing/packing equipment in the amount of US$125,000 requiring a 50% deposit ($66,076 CDN) and the balance due on delivery. As at June 30, 2015 the equipment remains with the supplier pending payment of the remaining US$62,500.

6. Intangible assets

Intangible assets consist of legal fees incurred towards the registration of various patents as follows:

	Patents
Cost	
As at September 30, 2013	$ 84,989
Additions	138,276
As at September 30, 2014	223,265
Additions	155,136
As at June 30, 2015	$ 378,401

(expressed in Canadian dollars)

7. Moulds and dies

		Moulds and dies
Cost		
As at September 30, 2013	$	71,576
Additions		-
As at September 30, 2014		71,576
Additions		-
As at June 30, 2015	$	71,576
Accumulated depreciation		
As at September 30, 2013	$	-
Additions		14,315
As at September 30, 2014		14,315
Additions		10,736
As at June 30, 2015	$	25,051
Net book value		
As at September 30, 2014	$	57,261
As at June 30, 2015	$	46,525

8. Related party transaction

In connection to the Transaction, the CEO and director of the Company received 1,494,129 common shares of the Company. The shares were received in exchange for shares of BEE.

In connection to the Transaction, the spouse of the CEO and director of the Company received 7,111,111 common shares of the Company. The shares were received in exchange for shares of BEE.

In connection to the Transaction, Chelsian Sales and Marketing Inc., a company controlled by the CEO of the Company, received 1,224,230 common shares of the Company. The shares were received on conversion of a note payable (note 9).

As at June 30, 2015, $26,216 was due to Todd Mason, Vice President of the Company. The amounts are non-interest bearing and have no specific terms of repayment.

As at June 30, 2015, $15,033 was due to the spouse of Mr. Collinson, CEO of the Company. The amounts are non-interest bearing and have no specific terms of repayment.

There was no compensation paid to key management personal for the nine month periods ended June 30, 2015 and 2014.

9. Promissory notes payable

On September 9, 2013, the Company entered into a letter of intent with CT Developers Ltd., ("CT"), whereby CT was to acquire all of the issued and outstanding shares of the Company at a deemed value of $8,000,000 in exchange for 32,000,000 common shares of CT (the "Transaction Shares") to be issued at a deemed value of $0.25 per share. CT is a Capital Pool Company as defined by Policy 2.4 Capital Pool Companies of the TSX Venture Exchange and pursuant to Section 8.5 of the Policy and in connection with the Qualifying Transaction. CT advanced funds in the amounts of $150,000 and $100,000 for an aggregate amount of $250,000 to the Company. The advances are evidenced by two promissory notes, non-interest bearing and whereby the Company has agreed to repay CT at the earlier of: (1) following completion of the Qualifying Transaction and (ii) within 30 days following termination of the Qualifying Transaction. The note was repaid in cash on June 30, 2015, the close of the Transaction (note 4).

On October 1, 2013 a promissory note was issued in favour of Chelsian Sales and Marketing Inc. ("Chelsian") for advances made to the Company in the amount of $236,600, non-interest bearing and due on demand. The Company is related to Chelsian Sales and Marketing Inc. ("Chelsian") by virtue of common control. The note was amended on March 1, 2014 to include additional advances in the amount of $8,246 for a total of $244,846 and with terms that should the Company seek listing on the TSX Venture Exchange or the Toronto Stock Exchange or any other stock exchange, the full amount owing is to convert into common shares of the acquiring party at a price per common share equal to a 20% discount of the price of the common shares at the time of such listing by the Company, or the common shares of an affiliated company by way of reverse take-over, amalgamation or other corporate change. These amounts were converted into 1,224,230 common shares of the Company on June 30, 2015, the close of the Transaction (note 4 and 8).

10. Convertible debentures

On November 1, 2013 and March 1, 2014 the Company issued unsecured, convertible debentures in the aggregate principal amounts of $95,000 and $50,000 respectively. Both of these debentures were non-interest bearing and had maturity dates of two years from the date of issue. The $50,000 debenture was issued to legal counsel in lieu of legal fees outstanding.

On September 2, 2014 the Company issued a convertible debenture in the aggregate principal amount of $50,000, maturity date of two years from the date of issue, bearing interest at 8% per annum compounded semi-annually and secured by a general security agreement over the assets of the Company.

On October 9, 2014 the Company issued a convertible debenture in the aggregate principal amount of $40,800, maturity date of two years from the date of issue, bearing interest at 8% per annum compounded semi-annually and secured by a general security agreement over the assets of the Company.

On February 13, 2015 the Company issued a convertible debenture in the aggregate principal amount of $3,500 with a maturity date of two years from the date of issue, bearing interest at 8% per annum compounded semi-annually and secured by a general security agreement over the assets of the Company.

On February 23, 2015 the Company issued a convertible debenture in the aggregate principal amount of $5,000 with a maturity date of two years from the date of issue, bearing interest at 8% per annum compounded semi-annually and secured by a general security agreement over the assets of the Company.

On March 28, 2015 the Company extended a previously outstanding convertible debenture of $50,000 for an additional $25,000, with a new maturity date of March 31, 2015, with all other conditions remaining the same. The convertible debenture was issued in lieu of legal fees owing to legal counsel of the Company, an unrelated party. Should the Company seek listing on the TSX Venture Exchange or the Toronto Stock Exchange or any other stock exchange, the full amount owing on these debentures is to convert into common shares of the acquiring party at a price per common share equal to a 20% discount of the price of the common shares at the time of such listing by the Company, or the common shares of an affiliated company by way of reverse-take over, amalgamation or other corporate change.

(expressed in Canadian dollars)

10. Convertible debentures (continued)

On June 30, 2015, the Company issued a convertible debenture in the aggregate principal amount of $75,000, maturity date of two years from the date of issue, bearing interest at 8% per annum compounded semi-annually.

On June 30, 2015 (the closing date of the Transaction) all of the outstanding convertible debentures were converted to 1,607,360 common shares of the Company (note 4).

11. Share capital

Authorized
Unlimited number of common shares without par value

Issued and outstanding

	Share capital	Value
Common shares		
Balance September 30, 2014	189	19
Reverse takeover recapitalization	(189)	-
Deemed issuance for acquisition of the Company by BEE *(note 4)*	6,022,560	1,505,641
Shares issued on RTO *(note 4)*	19,200,000	-
Shares issued to settle non-interest bearing convertible debentures *(note 4)*	1,075,000	245,000
Shares issued to settle interest bearing convertible debentures *(note 4)*	532,360	105,203
Shares issued to settle notes payable *(note 4)*	1,224,230	244,846
Shares issued in connection with the private placement *(note 4)*	12,426,200	3,106,550
Share issue costs related to the private placement - cash	-	(432,517)
Common shares issued as finance fees *(note 4)*	320,000	80,000
Common shares issued as finance fees *(note 4)*	-	(80,000)
Fair value of agent warrants issued in connection with the private placement *(note 4)*	-	(109,057)
Fair value of finders warrants issued in connection with the private placement *(note 4)*	-	(35,605)
Balance June 30, 2015	40,800,350	4,630,079

12. Warrants

The exercise price, expiry date, and fair value assigned to the warrants issued and outstanding as at June 30, 2015 and September 30, 2014 are as follows:

	Grant date	Number of warrants	Value	Exercise price	Expiry date
Balance September 30, 2014		-	$ -		
Deemed issued in connection with the Transaction (note 4)	6/30/2015	2,708,327	270,833	0.36	3/30/2017
Agent warrants issued in connection with the private placement *(note 4)*	6/30/2015	708,160	109,057	0.25	6/30/2018
Finders warrants issued in connection with the private placement *(note 4)*	6/30/2015	231,200	35,605	0.25	6/30/2018
Balance, June 30, 2015		3,647,687	415,495		

(expressed in Canadian dollars)

13. Stock options

On November 27, 2011, the Company adopted a rolling stock option plan, which authorizes the Board of Directors to grant stock options to directors, officers, employees and consultants to acquire up to 10% of the issued and outstanding common shares of the Company. Under the plan, the exercise price of each stock option may not be less than market price of the Company's stock calculated on the date of the grant less the applicable discount. The options can be granted for a maximum term of 10 years. The Company's stock option plan contains no vesting requirements, but permits the Board of Directors to specify a vesting schedule in its discretion.

On June 30, 2015, in connection with the Transaction, the Company had a deemed issuance of 375,000 stock options to former officers and directors of the Company. These options were valued at $7,500 using the Black-Scholes option pricing model using the following assumptions: Term – 90 days; Volatility – 100%; Interest rate – 0.58%.

On June 30, 2015, the Company issued 50,000 options to a public relations consultant upon closing of the Transaction. These options were valued at $7,700 using the Black-Scholes option pricing model using the following assumptions: Term – 3 years; Volatility – 100%; Interest rate – 0.58%.

As at June 30, 2015 the Company had the following stock options outstanding:

Transaction	Date	# Options	Value	Exercise Price	Expiry date
Balance September 30, 2014		-			
Deemed issuance to former officers and directors	6/30/2015	375,000	7,500	0.36	9/30/2015
Granted in connection with the Transaction	6/30/2015	50,000	7,700	0.25	6/30/2018
		425,000	15,200		

The weighted average exercise price of the options is $0.35.

The weighted average expiry date of the options is 0.58 years.

14. Financial instruments

Fair Value
Financial instruments of the Company consist of cash, accounts payable and accrued liabilities, and due to related parties. There are no significant differences between the carrying amounts of the items reported on the statements of financial position and their estimated fair values.

The Company has determined the estimated fair values of its financial instruments based on appropriate valuation methodologies. Where quoted market values are not readily available, the Company may use considerable judgment to develop estimates of fair value. Accordingly, any estimated values are not necessarily indicative of the amounts the Company could realize in a current market exchange and could be materially affected by the use of different assumptions or methodologies.

The Company's risk exposures and their impact on the Company's financial instruments are summarized below.

Market risk
Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise four types of risk: interest rate risk, foreign exchange risk, commodity price risk and other price risk, such as equity risk. Financial instruments affected by market risk include loans and borrowings and deposits.

14. Financial instruments (continued)

Interest rate risk
The Company is exposed to interest rate risk. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company is exposed to interest rate risk arising from fluctuations in interest rates received on its cash balance. Fluctuations in market interest rates do not have a significant impact on the Company's results of operations due to the short-term nature of interest bearing cash.

Credit risk
Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its obligations. The Company's maximum exposure to credit risk at the end of the reporting period is the carrying value of its financial assets. Cash is held with large financial institution in Canada, and management believes that exposure to credit risk is not significant.

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 currently settles its financial obligations out of cash. The ability to do this relies on the Company raising financing in a timely manner and by maintaining sufficient cash in excess of anticipated needs.

The Company's accounts payable and accrued liabilities are subject to normal trade terms and have contractual maturities payable within 30 days for 2015 and 2014.

15. Capital management

The Company's objectives when managing capital are: to safeguard the Company's ability to continue as a going concern; to maintain an optimal capital structure, while ensuring the Company's strategic objectives are met and to provide an appropriate return to shareholders relative to the risk of the Company's underlying assets. The capital structure of the Company consists of equity attributable to common shareholders, comprised of issued capital, stock options, warrants, contributed surplus and deficit. The Company maintains and adjusts its capital structure based on changes in economic conditions and the Company's planned requirements. The Company may adjust its capital structure by issuing new equity, selling and/or acquiring assets, and controlling its capital expenditures program.

The Company is operating at a loss. As such, the Company is dependent on revenue and external financing to fund its activities. In order to pay for its operating expenses, the Company will spend its existing working capital and raise additional amounts as needed and if available. Management reviews its capital management approach on an ongoing basis.

16. Subsequent event

On July 6, 2015, the Company granted 2,840,000 stock options to directors, officers and consultants of the Company.

On August 8, 2015, the Company granted 1,600 stock options to a consultant of the Company.