Condensed Financial Statements of

SOUTHTECH CAPITAL CORPORATION

As At And For The Period Ended September 30, 2012
(Expressed in Canadian Dollars)

Under National Instrument 51-102, Part 4, Subsection 4.3(3)(a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited interim financial statements of the Corporation have been prepared by and are the responsibility of the Corporation's management. The Corporation's independent auditor has not performed a review of these financial statements in accordance with standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements.

SOUTHTECH CAPITAL CORPORATION
CONDENSED (UNAUDITED) STATEMENT OF FINANCIAL POSITION

ASSETS

	As at September 30, 2012	As at December 31, 2011
CURRENT		
Cash (note 2)	**$ 266,495**	$ 185,938
Prepayments (note 3)	**-**	35,500
	$ 266,495	$ 221,438

LIABILITIES

CURRENT		
Accrued liabilities (note 4)	**$ -**	$ 21,438

SHAREHOLDERS' EQUITY

SHARE CAPITAL (NOTE 4)	**267,925**	200,000
CONTRIBUTED SURPLUS	**9,627**	-
DEFICIT	**(11,057)**	-
	$ 266,495	$ 221,438

The accompanying notes are an integral part of the financial statements.

The financial statements were approved and authorized for issue by the Board of Directors on November 29, 2012 and were signed on its behalf by:

"Wade J. Larson"
Wade J. Larson, Director

"Paul S. Readwin"
Paul S. Readwin, Director

SOUTHTECH CAPITAL CORPORATION

CONDENSED (UNAUDITED) STATEMENT OF COMPREHENSIVE INCOME

	Three months ended Sept 30, 2012	Three months ended Sept 30, 2011	Nine months ended Sept 30, 2012	Nine months ended Sept 30, 2011
REVENUE	$ -	$ -	$ -	$ -
EXPENSES				
G&A Expenses	**149**	**-**	**149**	**-**
Filing Expenses	**2,585**	**-**	**2,585**	**-**
Professional Fees	**1,103**	**-**	**1,103**	**-**
Share based compensation		**-**	**7,220**	**-**
Loss and comprehensive income, for the period	**$ 3,837**	**-**	**$ 11,057**	**-**
Loss per share – Basic and Diluted	**(0.00)**	**(0.00)**	**(0.00)**	**(0.00)**

SOUTHTECH CAPITAL CORPORATION
CONDENSED (UNAUDITED) STATEMENT OF CHANGES IN EQUITY

Nine months Ended September 30, 2011	Share capital	Contributed surplus	Accumulated other comprehensive income	Deficit	Total
Balance, beginning of period	$ -	$ -	$ -	$ -	$ -
Net loss	$ -	$ -	$ -	$ -	$ -
Balance, end of period	$ -	$ -	$ -	$ -	$ -

Nine months Ended September 30, 2012	Share capital	Contributed surplus	Accumulated other comprehensive income	Deficit	Total
Balance, beginning of period	$ 200,000	$ -	$ -	$ -	$ 200,000
Issuance of shares	200,000	-	-	-	200,000
Share Issue Costs	(129,668)	-	-	-	(129,668)
Options issued	(2,407)	9,627	-	-	7,220
Loss and Comprehensive income	-	-	-	(11,057)	(11,057)
Balance, end of period	$ 267,925	$ 9,627	$ -	$ (11,057)	$ 266,495

The accompanying notes are an integral part of the financial statements.

SOUTHTECH CAPITAL CORPORATION
UNAUDITED STATEMENT OF CASH FLOWS

	Nine months ended September 30, 2012	Nine months ended September 30, 2011
CASHFLOWS FROM OPERATING ACTIVITIES		
Loss for the period	**(11,057)**	$ -
Share based compensation	**7,220**	
Cash used in operating activities	**(3,837)**	-
Issuance of share capital (note 4)	**400,000**	**-**
Costs relating to Initial Public Offering	**(129,668)**	-
	(266,495)	**-**
NET INCREASE/DECREASE IN CASH POSITION FOR THE PERIOD		**-**
CASH - BEGINNING OF PERIOD	**0**	-
CASH - END OF PERIOD	**266,495**	**$ -**
SUPPLEMENTARY DISCLOSURE OF CASHFLOW INFORMATION		
Income taxes paid	$ -	$ -
Interest paid	**$ -**	$ -

The accompanying notes are an integral part of the financial statements.

1. NATURE OF OPERATIONS

Southtech Capital Corporation (the "Corporation") was incorporated pursuant to the provisions of the *Business Corporations Act* (Alberta) on April 21, 2011 and is in the process of applying for status as a Capital Pool Company ("CPC") as defined pursuant to Policy 2.4 of TSX Venture Exchange Inc. ("TSX Venture"). The Corporation proposes to identify and evaluate corporations, businesses or assets for acquisition and once identified and evaluated, to negotiate an acquisition or participation subject to receipt of shareholder and regulatory approval. The address of the Corporation's registered office is Suite 1600, 333 7th Avenue S.W., Calgary, Alberta T2P 2Zl.

As at September 30, 2012, the Corporation had no business operations. During the period from incorporation on April 21, 2011 to September 30, 2012, the Corporation did not enter into any agreements to acquire an interest in a business or assets. As a CPC, the Corporation's principal business will be the identification and evaluation of assets, properties or businesses with a view to acquisition or participation therein subject, in certain cases, to shareholder approval and acceptance by the TSX Venture. Where an acquisition or participation is warranted (the "Qualifying Transaction"), additional funding may be required. The ability of the Corporation to fund its potential future operations and commitments is dependent upon the ability of the Corporation to obtain additional financing. There is no assurance that the Corporation will complete a Qualifying Transaction within twenty-four months from the date the Corporation’s shares are listed on the TSX Venture, at which time the TSX Venture may suspend or de-list the Corporation's shares from trading.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation and Statement of Compliance

These condensed financial statements are unaudited and have been prepared in accordance with IAS 34, Interim Financial Reporting (“IAS 34”) using accounting policies consistent with the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board (“IASB”) and Interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”).

These unaudited condensed financial statements have been prepared following the same accounting policies used in the preparation of the audited financial statements of the Company for the period ended December 31, 2011.

The unaudited condensed financial statements were authorized for issuance by the Board of Directors on November 29, 2012.

Use of Estimates

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Use of Estimates (continued)

Judgments made by management in the application of IFRS that have a significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year in these financial statements are prepayments and accrued liabilities.

These financial statements have been prepared using the historical cost basis. The Corporation's principal accounting policies are outlined below:

Functional and Presentation Currency

The financial statements are presented in Canadian Dollars, which is the Corporation's functional currency and presentation currency.

Cash

Cash and cash equivalents include unrestricted balances on deposit are held with financial institutions, which is comprised of proceeds from the issuance of share capital.

The proceeds raised from the issuance of share capital and from the initial public offering (the "Offering") may only be used to identify and evaluate assets or businesses for future investment, with the exception that up to 30% of the gross proceeds may be used to cover prescribed costs of issuing the common shares or administrative and general expenses of the Corporation. These restrictions apply until the completion of a Qualifying Transaction by the Corporation as defined under the policies of TSX Venture.

Income Taxes

Income tax comprises current and deferred tax. Income tax is recognized in the profit or loss except to the extent that it relates to items recognized directly in equity or other comprehensive income, in which case the income tax is also recognized directly in equity or other comprehensive income.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted, or substantively enacted, at the end of the reporting period, and any adjustment to tax payable in respect of previous years. Current tax assets and current tax liabilities are only offset if a legally enforceable right exists to set off the amounts, and the Corporation intends to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Deferred tax is recognized in respect of all qualifying temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined on a non-discounted basis using tax rates and laws that have been enacted or substantively enacted at the balance sheet date and are expected to apply when the deferred tax asset or liability is settled. Deferred tax assets are recognized to the extent that it is probable that the assets can be recovered.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Deferred income tax assets and liabilities are presented as non-current.

Share Capital

Common shares are classified as equity. Incremental costs directly attributable to the issuance of shares are recognized as a deduction from equity.

Accounting standards issued but not yet applied

The following new standards which have not been applied within these financial statements, will or may have an effect on the Corporation's future financial statements:

- IFRS 9: Financial Instruments (Effective for periods beginning on or after July 1, 2013)
- IFRS 10: Consolidation which replaces SIC-12, Consolidation - Special Purpose Entities and parts of IAS 27, Consolidated and Separate Financial Statements (Effective for periods beginning on or after January 1, 2013)
- IFRS 11: Joint Arrangements which supersedes IAS 31, Interest in Joint Ventures, and SIC-13, Jointly Controlled Entities - Non-monetary Contributions by Ventures (Effective for periods beginning on or after January 1, 2013)
- IAS 12: Deferred Tax: Recovery of Underlying Assets (Amendments to IAS 12) (Effective for periods beginning on or after January 1, 2012)
- IFRS 13: Fair Value Measurement (Effective for periods beginning on or after January 1, 2013)
- IFRIC 20: Stripping Costs In The Production Phase Of A Surface Mine(Effective for periods beginning on or after January 1, 2013)

The Corporation has not yet assessed the impact of these standards or determined whether they will adopt the standards early.

Financial Instruments

Financial assets and liabilities are recognized when the Corporation becomes a party to the contractual provisions of the instrument. Financial assets are derecognized when the rights to receive cash flows from the assets have expired or have been transferred and the Corporation has transferred substantially all risks and rewards of ownership. Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.

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

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. The Corporation's loans and receivables are comprised of cash and cash equivalents and are included in current assets due to their short-term nature. Loans and receivables are initially recognized at the amount expected to be received less, when material, a discount to reduce the loans and receivables to fair value. Subsequently, loans and receivables are measured at amortized cost using the effective interest method less a provision for impairment.

Financial liabilities within the scope of IAS 39 are classified as financial liabilities at fair value through the profit or loss, or other financial liabilities, as appropriate.

Financial Instruments (continued)

The Corporation determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognized initially at fair value. The Corporation's other financial liabilities include accrued liabilities. Subsequent to initial recognition, other financial liabilities are measured at amortized cost using the effective interest method.

Share Based Payments

Equity-settled share based payments for directors, officers and employees are measured at fair value at the date of grant and recorded as compensation expense in the financial statements. The fair value determined at the grant date of the equity-settled share based payments is expensed on a straight-line basis over the vesting period based on the Corporation's estimate of shares that will eventually vest. Any consideration paid by directors, officers, employees and consultants on exercise of equity-settled share based payments is credited to share capital. Shares are issued from treasury upon the exercise of equity-settled share based instruments.

Compensation expense on stock options granted to non-employees is measured at the earlier of the completion of performance and the date the options are vested using the fair value method and is recorded as an expense in the same period as if the Corporation had paid cash for the goods or services received.

When the value of goods or services received in exchange for the share-based payment cannot be reliably estimated, the fair value is measured by use of a Black-Scholes valuation model. The expected life used in the model is adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions, and behavioral considerations.

3. SHARE CAPITAL

Authorized

Unlimited number of common shares

Unlimited number of preferred shares, issuable in series

The preferred shares may be issued in one or more series and the directors are authorized to fix the number of shares in each series and to determine the designation, rights, privileges, restrictions, and conditions attached to the shares of each series.

SHARE CAPITAL (continued)

Issued and outstanding and changes during the period

Common shares	**Number**	**$**
As at April 21, 2011	-	-
Issued for cash (i)	4,000,000	200,000
As at December 31, 2011	4,000,000	200,000
Issued for cash (ii)	2,000,000	200,000
Share issue cost		(132,075)
As at September 30, 2012	6,000,000	267,925

(i) On December 9, 2011 the Corporation issued 4,000,000 common shares at a price of $0.05 per share for gross proceeds of $200,000.

(ii) On May 3, 2012, the Corporation issued 2,000,000 common shares at a price of $0.10 per share for gross proceeds of $200,000.

Stock Options

The Company has a stock option plan for its key officers, directors, employees and consultants. Up to 10% of the issued and outstanding shares may be reserved for issuance under the Plan.

As at September 30, 2012, the Corporation did not issue any stock options during the period.

	Number	**Weighted average exercise price**
Outstanding December 31, 2011	-	-
Issued during the year	800,000	$0.10
Outstanding September 30, 2012	800,000	$0.10

All the options outstanding vest immediately and are all exercisable at May 3, 2012.

Options outstanding	**Exercise price**	**Expiry date**
800,000	$0.10	May 3, 2022
800,000		

Escrowed Shares

Pursuant to an escrow agreement dated as of December 31, 2011 among the Corporation, CIBC Mellon Trust Company ("CIBC Mellon") and certain shareholders of the Corporation, 4,000,000 common shares, being all of the issued and outstanding common shares prior to the completion of the Offering, have been deposited in escrow. Upon the Corporation completing a Qualifying Transaction, as defined in Policy 2.4 of the TSX Venture, common shares held pursuant to the escrow agreement shall be released as to 10% immediately following the issuance of the bulletin of the TSX Venture announcing final acceptance of the Qualifying Transaction (the "Initial Release") and an additional 15% shall be released every six months commencing six months following the Initial Release.

Stock Option Plan

The Corporation has adopted an incentive stock option plan in accordance with the policies of the TSX Venture (the "Stock Option Plan") which provides that the Board of Directors of the Corporation may from time to time, in its discretion, grant to directors, officers, employees and consultants of the Corporation non transferable options to purchase common shares, provided that the number of common shares reserved for issuance under the Stock Option Plan shall not exceed ten percent (10%) of the issued and outstanding common shares. The options are exercisable for the period of up to ten (10) years. In addition, the number of common shares reserved for issuance to any one person shall not exceed five percent (5%) of the issued and outstanding common shares and the number of common shares reserved for issuance to any one consultant will not exceed two percent (2%) of the issued and outstanding common shares. The Board of Directors determines the price per common share and the number of common shares which may be allocated to each director, officer, employee and consultant and all other terms and conditions of the option, subject to the rules of TSX Venture.

4. FINANCIAL INSTRUMENTS

Fair Values

At September 30, 2012, the Corporation's financial instruments consist of cash and cash equivalents and accrued liabilities. The fair values of these financial instruments approximate their carrying values due to the relatively short-term maturity of these instruments. The Corporation classifies its cash and cash equivalents as loans and receivables, and its accrued liabilities as other financial liabilities.

Credit Risk

Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. Financial instruments that potentially subject the Corporation to concentrations of credit risks consist principally of cash. To minimize the credit risk the Corporation places these instruments with a high credit quality financial institution. In addition $266,495 is held within the Corporation’s financial institution**.**

Liquidity Risk

Liquidity risk is the risk that the Corporation will not be able to meet its financial obligations as they fall due. The Corporation currently settles its financial obligations out of cash. The ability to do this relies on the Corporation raising equity financing in a timely manner and by maintaining sufficient cash in excess of anticipated needs. The Corporation's current obligations consist of accounts payable, which is all due within 30 days.

5. MANAGEMENT OF CAPITAL

The Corporation's capital currently consists of common shares. Its principal source of cash is from the issuance of common shares. The Corporation's capital management objectives are to safeguard its ability to continue as a going-concern and to have sufficient capital to be able to identify, evaluate and then acquire an interest in a business or assets. The Corporation does not have any externally imposed capital requirements to which it is subject. The Corporation manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Corporation may attempt to issue new shares.