

**Corporate Catalyst Acquisition Inc.**  
(A Capital Pool Company)

**Condensed Interim Financial Statements**

**(unaudited)**

**For the Three and Six Month Periods Ended  
June 30, 2014**

(Expressed in Canadian dollars)

## **Management's Responsibility for Interim Financial Statements**

The accompanying unaudited condensed interim financial statements of Corporate Catalyst Acquisition Inc. (the "Company") are the responsibility of management.

The unaudited condensed interim financial statements have been prepared by management in accordance with the accounting policies disclosed in the notes to the unaudited condensed interim financial statements. Where necessary, management has made informed judgments and estimates in accounting for transactions which were not complete at the statement of financial position date. In the opinion of management, the unaudited condensed interim financial statements have been prepared within acceptable limits of materiality and are in accordance with International Accounting Standard 34, "Interim Financial Reporting", using accounting policies consistent with International Financial Reporting Standards appropriate in the circumstances.

The Board of Directors is responsible for reviewing and approving the unaudited condensed interim financial statements together with other financial information of the Company and for ensuring that management fulfills its financial reporting responsibilities. An Audit Committee assists the Board of Directors in fulfilling this responsibility. The Audit Committee meets with management to review the financial reporting process and the unaudited condensed interim financial statements together with other financial information of the Company. The Audit Committee reports its findings to the Board of Directors for its consideration in approving the unaudited condensed interim financial statements together with other financial information of the Company for issuance to the shareholders.

Management recognizes its responsibility for conducting the Company's affairs in compliance with established financial standards, and applicable laws and regulations, and for maintaining proper standards of conduct for its activities.

## **Notice to Reader**

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the condensed 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 condensed interim 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 unaudited condensed interim financial statements in accordance with standards established by the Canadian Institute of Chartered Accountants for a review of condensed interim financial statements by an entity's auditor.



**Corporate Catalyst Acquisition Inc.**  
**(A Capital Pool Company)**  
**Condensed Interim Statements of Loss and Comprehensive Loss**  
(Expressed in Canadian dollars)  
(unaudited)

	For the Six Months Ended June 30,		For the Three Months Ended June 30,	
	2014	2013	2014	2013
<b>Revenue</b>				
Interest revenue	\$ 3,884	\$ -	\$ 1,902	\$ -
<b>Expenses</b>				
Professional fees	\$ 17,611	\$ 18,904	\$ 2,263	\$ 6,071
Filing fees	5,962	14,472	86	3,397
General and administrative	84	231	32	208
	<b>23,657</b>	<b>33,607</b>	<b>2,381</b>	<b>9,676</b>
<b>Net loss and comprehensive loss for the period</b>	<b>\$ (19,773)</b>	<b>\$ (33,607)</b>	<b>\$ (479)</b>	<b>\$ (9,676)</b>
<b>Loss per share (Note 5)</b>				
Basic and diluted	\$ (0.01)	\$ (0.02)	\$ -	\$ -
<b>Weighted average number of common shares outstanding (Note 5)</b>				
Basic and diluted	2,074,400	2,074,400	2,074,400	2,074,400

**Corporate Catalyst Acquisition Inc.**  
**(A Capital Pool Company)**  
**Condensed Interim Statements of Changes in Equity**  
**As at**  
 (Expressed in Canadian dollars)  
 (unaudited)

	<b>Number of Common Shares</b>	<b>Capital Stock</b>	<b>Warrants</b>	<b>Contributed Surplus</b>	<b>Deficit</b>	<b>Total</b>
<b>Balance, December 31, 2012</b>	7,084,400	\$ 774,548	\$ 21,924	\$ 126,939	\$ (158,133)	\$ 765,278
Net loss and comprehensive loss for the period	-	-	-	-	(33,607)	(33,607)
<b>Balance, June 30, 2013</b>	<b>7,084,400</b>	<b>774,548</b>	<b>21,924</b>	<b>126,939</b>	<b>(191,740)</b>	<b>731,671</b>
Net loss and comprehensive loss for the period	-	-	-	-	(23,638)	(23,638)
<b>Balance, December 31, 2013</b>	<b>7,084,400</b>	<b>774,548</b>	<b>21,924</b>	<b>126,939</b>	<b>(215,378)</b>	<b>708,033</b>
Net loss and comprehensive loss for the period	-	-	-	-	(19,773)	(19,773)
<b>Balance, June 30, 2014</b>	<b>7,084,400</b>	<b>\$ 774,548</b>	<b>\$ 21,924</b>	<b>\$ 126,939</b>	<b>\$ (235,151)</b>	<b>\$ 688,260</b>

**Corporate Catalyst Acquisition Inc.**  
**(A Capital Pool Company)**  
**Condensed Interim Statement of Cash Flows**  
**For the Six Month Periods Ended June 30,**  
 (Expressed in Canadian dollars)  
 (unaudited)

	2014	2013
<b>Cash provided by (used in)</b>		
<b>Operating activities</b>		
Net loss	\$ (19,773)	\$ (33,607)
Items not affecting cash:		
Accrued interest revenue	(2,854)	-
Interest income	(1,031)	-
Changes in non-cash working capital:		
Accounts payable and accrued liabilities	(780)	(31,887)
<b>Net used in operating activities</b>	<b>(24,438)</b>	<b>(65,494)</b>
<b>Investing</b>		
Interest income	8,750	-
<b>Net change in cash and cash equivalents</b>	<b>(15,688)</b>	<b>(65,494)</b>
<b>Cash and cash equivalents, beginning of period</b>	<b>706,814</b>	<b>805,884</b>
<b>Cash and cash equivalents, end of period</b>	<b>\$ 691,126</b>	<b>\$ 740,390</b>

Cash and cash equivalents are broken downs as follows:

Cash	\$ 82,376	\$ 40,390
Guaranteed investment certificate	608,750	700,000
	<b>\$ 691,126</b>	<b>\$ 740,390</b>

**Corporate Catalyst Acquisition Inc.**  
**(A Capital Pool Company)**  
**Notes to the Condensed Interim Financial Statements**  
**June 30, 2014**  
(Expressed in Canadian dollars)  
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**1. NATURE OF OPERATIONS**

Corporate Catalyst Acquisition Inc. (the "Company") was incorporated under the Business Corporations Act (Ontario) on March 19, 2012 and is classified as a Capital Pool Company ("CPC") as defined in Policy 2.4 ("CPC Policy") of the TSX Venture Exchange Inc. (the "Exchange"). The Company has no significant assets other than cash and proposes to identify and evaluate potential acquisitions or businesses with a view to completing a Qualifying Transaction, as defined in the CPC Policy.

There is no assurance that the Company will identify a Qualifying Transaction within the time limitations permissible under the policies of the Exchange, at which time the Exchange may suspend or delist the Company's shares from trading. The Company has 24 months to complete its Qualifying Transaction once it is listed on the Exchange. The Company's common shares commenced trading on the Exchange on December 28, 2012, under the trading symbol "CII.P".

The head office, principal address and records office of the Company are located at 181 Bay Street, Suite 4400, Toronto, Ontario, M5J 2T3.

These unaudited condensed interim financial statements were approved and authorized for issue by the Board of Directors on August 25, 2014.

**2. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES**

**Statement of Compliance**

These unaudited condensed interim financial statements present the Company's financial results of operations and financial position under International Financial Reporting Standards ("IFRS") as at and for the three and six month periods ended June 30, 2014, including 2014 comparatives. As a result, they have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting, as issued by the International Accounting Standards Board.

These unaudited condensed interim financial statements should be read in conjunction with the Company's 2013 annual audited financial statements prepared in accordance with IFRS.

The accounting policies adopted in these unaudited condensed interim financial statements are consistent with those disclosed in the Company's audited financial statements for the year ended December 31, 2013. Please refer to these audited financial statements for significant accounting policies and future changes in accounting policies which remained unchanged as at June 30, 2014.

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**3. CASH RESTRICTION**

The proceeds raised from the issuance of common shares may only be used to identify and evaluate assets or businesses for future investment, with the exception that not more than the lesser of 30% of the gross proceeds from the issuance of shares or \$210,000 may be used to cover prescribed costs of issuing the common shares or administrative and general expenses of the Company. These restrictions apply until completion of a Qualifying Transaction by the Company as defined under the CPC Policy.

**4. CAPITAL STOCK, WARRANTS AND STOCK OPTIONS**

Capital Stock

Authorized: an unlimited number of common shares

Issued and outstanding:

	Number of shares	Value
Balance at March 19, 2012	-	\$ -
Issued for cash (a)	5,000,000	500,000
Issued for cash, net of issuance costs (b)	2,084,400	274,548
<b>Balance at December 31, 2012 and 2013 and June 30, 2014</b>	<b>7,084,400</b>	<b>\$ 774,548</b>

(a) Escrowed Shares:

On April 3, 2012, the Company issued 4,600,000 common shares at \$0.10 per share for gross proceeds of \$460,000, which are subject to a CPC Escrow Agreement. Subsequently, on October 10, 2012, the Company issued an additional 400,000 common shares at \$0.10 per share for gross proceeds of \$40,000, which are subject to the same CPC Escrow Agreement. Under the CPC Escrow Agreement, 10% of the escrowed common shares will be released from escrow on the issuance of the Final Exchange Bulletin (the "Initial Release") and an additional 15% will be released on the dates 6 months, 12 months, 18 months, 24 months, 30 months and 36 months following the Initial Release. All common shares acquired on the exercise of stock options granted to directors, officers and non-employees prior to the completion of a Qualifying Transaction must also be deposited in escrow until the Final Exchange Bulletin is issued. In addition, all common shares of the Company acquired in the secondary market prior to the completion of a Qualifying Transaction by any person or company who becomes a control person are required to be deposited in escrow. Subject to certain exemptions permitted by the Exchange, all securities of the Company held by principals of the resulting issuer will also be escrowed.



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**4. CAPITAL STOCK, WARRANTS AND STOCK OPTIONS (Cont'd)**

**Capital Stock (Cont'd)**

(b) Initial Public Offering:

On December 28, 2012, the Company completed its initial public offering (the "Offering") of 2,084,400 common shares at a price of \$0.20 per common share for gross proceeds of \$416,880.

The Company granted the agent 208,440 warrants to acquire common shares at an exercise price of \$0.20 per common share. The warrants expire 24 months from the date the common shares are listed on the Exchange. The agent also received a cash commission equal to 10% of the gross proceeds of the Offering.

Regarding the 2,084,400 common shares issued pursuant to the Offering, 10,000 of these shares were acquired by an associate of a director, and as a result these shares are being held in escrow.

The weighted average shares outstanding does not include these shares as they are contingently returnable.

**Warrants**

The Company issued warrants to acquire common shares as follows:

	<b>Number of warrants</b>	<b>Value</b>
Balance at March 19, 2012	-	\$ -
Warrants issued (Note 4(b))	208,440	21,924
<b>Balance at December 31, 2012 and 2013 and June 30, 2014</b>	<b>208,440</b>	<b>\$ 21,924</b>

The Company had the following warrants outstanding at June 30, 2014:

<b>Expiry date</b>	<b>Number of warrants</b>	<b>Exercise price</b>	<b>Weighted average remaining life (years)</b>
December 28, 2014	208,440	\$ 0.20	0.50

The warrants granted (Note 4(b)) were estimated to have a fair value of \$21,924. In the absence of a reliable measurement of the agent services provided, the services have been measured at the fair value of the agent warrants issued.

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**4. CAPITAL STOCK, WARRANTS AND STOCK OPTIONS (Cont'd)**

**Warrants (Cont'd)**

The fair value of the agent warrants was estimated using the Black-Scholes option pricing model using the following assumptions:

Stock price	\$0.20
Strike price	\$0.20
Volatility*	100.0%
Risk-free interest rate	1.13%
Expected life (years)	2
Dividend yield	Nil

\*As historical volatility of the Company's common shares is not available, expected volatility is based on the historical performance of the common shares of other comparable companies.

**Stock Options**

The Company has an incentive stock option plan (the "Plan") under which it is authorized to grant options to officers, directors, employees and consultants. Under the terms of the Plan, the number of shares subject to an option granted to any one participant shall be determined by the Board, but no one participant shall be granted an option which exceeds the maximum number permitted by the Exchange. The maximum number of shares that may be reserved for issuance under the Plan is limited to 10% of the issued and outstanding common shares of the Company. Options granted under the Plan will have a term not to exceed 10 years, have an exercise price not less than the discounted market price and may be subject to vesting terms as determined by the Board of Directors.

The Company issued stock options to acquire common shares as follows:

	<b>Number of options</b>	<b>Value</b>
Balance at March 19, 2012	-	\$ -
Options granted	708,440	126,939
<b>Balance at December 31, 2012 and 2013 and June 30, 2014</b>	<b>708,440</b>	<b>\$ 126,939</b>

The Company had the following stock options outstanding at June 30, 2014:

<b>Issuance Date</b>	<b>Exercise Price</b>	<b>Outstanding Options</b>	<b>Vested Options</b>	<b>Remaining Life (years)</b>	<b>Expiry Date</b>
December 28, 2012	\$ 0.20	708,440	708,440	8.50	December 28, 2022

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**4. CAPITAL STOCK, WARRANTS AND STOCK OPTIONS (Cont'd)**

**Stock Options (Cont'd)**

On December 28, 2012, the Company granted stock options to acquire an aggregate of 708,440 common shares at an exercise price of \$0.20 per option to directors and officers of the Company, which expire 10 years from the date of grant. These stock options vested upon grant and were estimated to have a fair value of \$126,939.

The fair value of all the Company's stock options was estimated using the Black-Scholes option pricing model using the following assumptions:

Stock price	\$0.20
Strike price	\$0.20
Volatility*	100.0%
Risk-free interest rate	1.77%
Expected life (years)	10
Dividend yield	Nil
Forfeiture rate	Nil

\*As historical volatility of the Company's common shares is not available, expected volatility is based on the historical performance of the common shares of other comparable companies.

**5. LOSS PER SHARE**

	<b>June 30, 2014</b>	June 30, 2013
Numerator:		
Net loss and comprehensive loss for the period	<b>\$ (19,773)</b>	\$ (33,607)
Denominator:		
Weighted average number of common shares	<b>2,074,400</b>	2,074,400
<b>Basic and diluted loss per share</b>	<b>\$ (0.01)</b>	\$ (0.02)

The diluted loss per share does not include the effect of the stock options and warrants outstanding as they are anti-dilutive.