April 27, 2017

**VIA SEDAR**

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Alberta Securities Commission
British Columbia Securities Commission
TSX Venture Exchange

Dear Sirs/Mesdames:

**Re: Project No. 2558712 – Exito Energy II Inc. (the "Issuer") – Refiling of Interim Financial Statements and related Management Discussion and Analysis**

We are re-filing the interim financial statements for the period ending September 30, 2016 and related interim management discussion and analysis ("**MD&A**") in connection with the proposed qualifying transaction of the Issuer pursuant to Policy 3.2 of the TSX Venture Exchange Corporate Finance Manual. The interim financial statements for the period ended September 30, 2016 and MD&A have now been reviewed by the Issuer's independent auditors, whereas the previously filed interim financial statements and MD&A had not been reviewed. The Issuer is filing these reviewed, interim financial statements and MD&A in anticipation of completion of a Qualifying Transaction announced via press release dated October 8, 2016.

Sincerely,

**Gowling WLG (Canada) LLP**

(signed) "*Frank Y. Sur*"

Frank Y. Sur
Partner

**Exito Energy II Inc.**
**Condensed Interim Financial Statements**
September 30, 2016
(Unaudited)

# Exito Energy II Inc.
## Condensed Interim Statements of Financial Position (Unaudited)

| In Canadian Dollars | September 30, 2016<br>$ | December 31, 2015<br>$ |
|---|---|---|
| | (Restated -Note 3) | |
| **Assets** | | |
| **Current assets** | | |
| Cash and cash equivalents *(note 5)* | 515,467 | 547,625 |
| Accounts receivable | 1,716 | 2,037 |
| **Total assets** | 517,183 | 549,662 |
| **Liabilities** | | |
| **Current liabilities** | | |
| Accounts payable and accrued liabilities (*note 12*) | 61,316 | 40,067 |
| **Total liabilities** | 61,316 | 40,067 |
| **Shareholders' Equity** | | |
| **Share capital** *(note 6)* | 605,906 | 605,906 |
| **Contributed surplus** *(note 6)* | 120,472 | 120,472 |
| **Accumulated deficit** | (270,511) | (216,783) |
| **Total shareholders' equity** | 455,867 | 509,595 |
| **Total liabilities and shareholders' equity** | 517,183 | 549,662 |

*Subsequent events (note 1)*

| | Three months ended September 30, | | Nine months ended September 30, | |
|---|---|---|---|---|
| In Canadian Dollars | **2016** **$** | **2015** **$** | **2016** **$** | **2015** **$** |
| | **(Restated -Note 3)** | | **(Restated -Note 3)** | |
| **Expenses** | | | | |
| Business acquisition *(note 12)* | 19,215 | - | 24,221 | - |
| Professional fees *(note 12)* | 3,075 | 4,750 | 10,365 | 14,160 |
| Office rent and supplies *(note 12)* | 4,293 | 7,009 | 15,770 | 16,440 |
| Filing fee | - | - | 6,799 | 5,700 |
| Share-based payments (*note 7*) | - | 14,402 | - | 14,402 |
| | 26,583 | 26,161 | 57,155 | 50,702 |
| **Finance income** – interest income | (1,165) | (1,264) | (3,427) | (3,478) |
| **Net loss and comprehensive loss** | 25,418 | 24,897 | 53,728 | 47,224 |
| **Loss per share** *(note 8)* | 0.00 | 0.00 | 0.01 | 0.00 |

| In Canadian Dollars | Number of shares | Accumulated Deficit $ | Share Capital $ | Contributed Surplus $ | Total Equity $ |
|---|---|---|---|---|---|
| **Balance at December 31, 2014** | 10,000,000 | (162,777) | 605,906 | 106,070 | 549,199 |
| Net loss and comprehensive loss | - | (47,224) | - | - | (47,224) |
| Share-based payments *(note 7)* | - | - | - | 14,402 | 14,402 |
| **Balance at September 30, 2015** | 10,000,000 | (210,001) | 605,906 | 120,472 | 516,377 |
| | | | | | |
| **Balance at December 31, 2015** | 10,000,000 | (216,783) | 605,906 | 120,472 | 509,595 |
| Net loss and comprehensive loss | - | (53,728) | - | - | (53,728) |
| Share-based payments *(note 7)* | - | - | - | - | - |
| **Balance at September 30, 2016 (Restated –note 3)** | 10,000,000 | (270,511) | 605,906 | 120,472 | 455,867 |

| | Three months ended September 30, | | Nine months ended September 30, | |
|---|---|---|---|---|
| In Canadian Dollars | **2016 $** | **2015 $** | **2016 $** | **2015 $** |
| | **(Restated - Note 3)** | | **(Restated - Note 3)** | |
| **Cash flows related to the following activities** | | | | |
| **Operating activities** | | | | |
| Net loss for the period | (25,418) | (24,897) | (53,728) | (47,224) |
| Share-based payments | - | 14,402 | - | 14,402 |
| | (25,418) | (10,495) | (53,728) | (32,822) |
| Net change in non-cash working capital relating to operating activities | | | | |
| Accounts receivable | (277) | (477) | 321 | 6,846 |
| Accounts payable and accrued liabilities | 19,859 | 3,208 | 21,249 | (7,418) |
| Cash used in operating activities | (5,836) | (7,764) | (32,158) | (33,394) |
| **Decrease in cash and cash equivalents** | (5,836) | (7,764) | (32,158) | (33,394) |
| **Cash and cash equivalents, beginning of period** | 521,303 | 560,959 | 547,625 | 586,589 |
| **Cash and cash equivalents, end of period** | 515,467 | 553,195 | 515,467 | 553,195 |
| Supplemental cash flow information: | | | | |
| Interest received | 1,165 | 1,264 | 3,426 | 4,418 |

## 1. Incorporation and operations

Exito Energy II Inc. (formerly Capitalize Acquisition I Corp.) (the "Corporation") was incorporated under the laws of the Province of Alberta on November 11, 2010 and is based in Calgary, Alberta. The Corporation is classified as a Capital Pool Company ("CPC") as defined in Policy 2.4 of the TSX Venture Exchange (the "TSXV") and is listed on the TSXV under the symbol "EXI.P", having commenced trading on May 8, 2013. The principal business of the Corporation is to identify and evaluate assets or businesses with a view to potentially acquire them or an interest therein by completing a purchase transaction, by exercising an option or by any concomitant transaction. The purpose of such an acquisition will be to satisfy the related conditions of a qualifying transaction under the TSXV rules within two years of becoming a CPC (May 8, 2015). The address of the head office of the Corporation is 1110, 335 – 8$^{th}$ Ave S.W. Calgary, Alberta.

The condensed interim financial statements of the Corporation for the three and nine months ended September 30, 2016 were authorized for issue in accordance with a resolution of the Board of Directors on April 25, 2017.

In order to complete an acquisition or participate in an operation, 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 complete a qualifying transaction.

The Corporation entered into a letter of intent with Millennium Stimulation Services Ltd. ("Millennium") dated November 13, 2014, pursuant to which the Corporation intended to acquire all of the issued and outstanding common shares of Millennium (the "Millennium Shares"), to be effected by way of an amalgamation pursuant to the *Business Corporations Act* (Alberta). This agreement expired on April 13, 2016.

On February 16, 2016, the Corporation's deadline for completing a qualifying transaction was extended by the TSXV until May 13, 2016. The TSXV continues to provide the Corporation with time to complete a qualifying transaction, however it is anticipated that if the GLN Transaction (defined below) does not close then the Corporation's shares will be transferred to the NEX Exchange (a separate board of the TSXV).

On March 29, 2016, the Corporation entered a non-binding term sheet (the "Term Sheet") with MagneticNorth Partners, Inc. ("Magnetic"). The Term Sheet contemplated the acquisition of all of the issued and outstanding common shares of Magnetic by the Corporation as well as various changes to the Corporation's management team and board of directors. On June 3, 2016, the Corporation signed a non-binding letter of intent (the "LOI") with the principals of Magnetic, namely Andrew Osis and Kevin Spall (the "Vendors"), to acquire all of the Vendors' interests in various private equity investments, to have the Vendors become the management of the Corporation and to change the Corporation's name to MagneticNorth Partners Corp. The transaction contemplated with the Vendors did not proceed as the Corporation elected to enter into the GLN Transaction (defined below).

The Corporation signed an arrangement agreement dated October 7, 2016, an amended and restated arrangement agreement dated January 31, 2017 and an amendment to the amended and restated arrangement agreement dated effective March 31, 2017 and executed on April 25, 2017, with Good Life Networks Inc. ("GLN"), a Vancouver-based, digital media company, with respect to a proposed business combination (the "GLN Transaction"). The GLN Transaction will be structured as a share exchange by way of plan of arrangement. Pursuant to the terms of the GLN Transaction, the Corporation will complete a consolidation of its common shares on the basis of one post-consolidation share for every two pre-consolidation shares. Holders of GLN common shares will receive 0.2601 of a post-consolidation common share of the Corporation. The GLN Transaction is conditional on GLN completing a non-brokered private placement of subscription receipts at a price of not less than $0.25 per subscription receipt to raise gross proceeds of not less than $3,500,000. In conjunction with entering the GLN Transaction, the Corporation made a $25,000 unsecured loan to GLN. The date set for the meeting of shareholders to vote on the GLN Transaction is May 26, 2017 and the outside date for completion of the GLN Transaction is July 31, 2017.

On October 19, 2016, 2,000,000 escrowed seed shares of the Corporation held by non-arm's length parties were cancelled as a result of the Corporation's failure to complete a Qualifying Transaction within the time period prescribed by the TSXV. As a result, the Corporation now has 8,000,000 common shares issued and outstanding, 3,000,000 of which are subject to TSXV escrow conditions.

There is no assurance that the Corporation will identify a business or asset that warrants acquisition or participation within the time limitations permissible under the policies of the TSXV, at which time the TSXV may de-list the Corporation's shares from trading. In May 2015, the shares of the Corporation were suspended from trading on the TSXV.

## 2. Basis of preparation

### Statement of compliance

These condensed interim financial statements have been prepared using accounting policies consistent with International Accounting Standard ("IAS") 34 – Interim Financial Reporting, using accounting policies consistent with International Financial Reporting Standards ("IFRS") issued and outstanding as of April 25, 2017, being the date the Board of Directors approved the condensed interim financial statements. These condensed interim financial statements do not include all of the information required for full annual financial statements. The condensed interim financial statements should be read in conjunction with the Corporation's annual financial statements for the year ended December 31, 2015.

### Basis of preparation

These condensed interim financial statements have been prepared using historical costs and fair values of certain items, as detailed in the accounting policies set out in Note 3 below. These policies have been applied consistently to all periods presented in these condensed interim financial statements.

### Use of estimates and judgments

The preparation of condensed interim financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the interim condensed financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results ultimately may differ from those estimates. Areas where estimates are significant to the condensed interim financial statements are disclosed in note 5 of the December 31, 2015 annual financial statements.

### Functional and presentation currency

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

## 3. Restatement of Previously issued condensed interim financial statements

Subsequent to filing of the September 30, 2016 condensed interim financial statements, the Corporation identified errors related to its previously issued condensed interim financial statements for the three and nine month periods ended September 30, 2016. In those previously issued financial statements, the Corporation did not accrue for legal services being provided as part of completing a qualifying transaction during the three and nine month periods ended September 30, 2016. The Corporation also determined that, as there was no actual modification to the terms of the agent options issued during the year ended December 31, 2015, no share-based payments expense should have been recognized during the three and nine month periods ended September 30, 2016.

The effect of the restatement is detailed as follows:

| | September 30, 2016 As previously reported $ | Restatement $ | September 30, 2016 As restated $ |
|---|---|---|---|
| Statement of Financial Position | | | |
| Accounts payable and accrued liabilities | 37,095 | 24,221 | 61,316 |
| Contributed surplus | 126,355 | (5,883) | 120,472 |
| Deficit | (252,173) | (18,338) | (270,511) |

*In Canadian Dollars*

| | Three months ended September 30, 2016 As previously reported $ | Restatement $ | Three months ended September 30, 2016 As restated $ |
|---|---|---|---|
| Statement of Comprehensive Loss | | | |
| Business acquisition costs (*note 12*) | - | 19,215 | 19,215 |
| Share-based payments (*note 7*) | 2,059 | (2,059) | - |
| Net loss and comprehensive loss | 8,262 | 17,156 | 25,418 |

| | Nine months ended September 30, 2016 As previously reported $ | Restatement $ | Nine months ended September 30, 2016 As restated $ |
|---|---|---|---|
| Statement of Comprehensive Loss | | | |
| Business acquisition costs (*note 12*) | - | 24,221 | 24,221 |
| Share-base payments (*note 7*) | 5,883 | (5,883) | - |
| Net loss and comprehensive loss | 35,390 | 18,338 | 53,728 |

Statement of Cash flows – there was no change in the cash used in operating activities and in the cash and cash equivalents at the end of the period as the restatement only affected non-cash items.

## 4. Summary of significant accounting policies and changes to accounting policies

These condensed interim financial statements have been prepared following the same accounting policies and methods of computation as described in note 3 of the Corporation's annual financial statements for the year ended December 31, 2015. The disclosures provided below are incremental to those included with the annual financial statements and certain disclosures, which are normally required to be included in the notes to the annual financial statements, have been condensed or omitted.

### Future Accounting Pronouncements

There were no new or amended standards issued during the nine months ended September 30, 2016 that are applicable to the Corporation in future periods. A description of standards and interpretations that will be adopted by the Corporation in future periods can be found in the notes to the annual financial statements for the year ended December 31, 2015.

## 5. Cash and cash equivalents

The proceeds raised from the issue of share capital may only be used to identify and evaluate assets or businesses for future investment, with the exception that the lessor of up to 30% of the gross proceeds or $210,000 may be used to cover prescribed costs of issuing 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 the TSXV.

## 6. Share capital

### Authorized

The Corporation has authorized an unlimited number of voting common shares and an unlimited number of preferred shares at no par value.

*In Canadian Dollars*

**Issued and outstanding common shares**

| | Number of Shares | Amount $ |
|---|---|---|
| **At December 31, 2014** | 10,000,000 | 605,906 |
| **At December 31, 2015** | 10,000,000 | 605,906 |
| **At September 30, 2016** | 10,000,000 | 605,906 |

(1) On January 16, 2013, the Corporation issued 5,000,000 common shares to third parties and Directors of the Corporation at a price of $0.05 per share for gross proceeds of $250,000. Upon closing of the IPO these shares were deposited into escrow and will be released from escrow over a period of up to three years from the date that the Corporation completes a qualifying transaction. If the issuer resulting from the completion of a qualifying transaction meets the TSXV's Tier 1 initial listing requirements, then the period for which these shares will be escrowed will be shortened to 18 months from the date of closing of the qualifying transaction. If the corporation fails to complete a qualifying transaction within 24 months of the closing of the IPO, then all escrowed shares held by non-arm's length parties may be cancelled or discounted to create an average purchase price for these escrowed shares equal to the IPO subscription price per share.

(2) On May 7, 2013 the Corporation closed an initial public offering ("IPO") of 5,000,000 common shares at $0.10 per share for gross proceeds of $500,000. Share issue costs of $105,138 were paid related to the IPO. The fair value of the agent options granted as a result of the initial public offering (Note 7), of $26,308 were recorded as share issue costs.

**Contributed surplus**

| | Amount $ |
|---|---|
| At December 31, 2014 | 106,070 |
| Share-based payments | 14,402 |
| As at December 31, 2015 | 120,472 |
| As at September 30, 2016 | 120,472 |

## 7. Share-based payments

The Corporation has adopted a stock option plan (the "Plan") which provides that the Board of Directors of the Corporation may from time to time, in its discretion, and in accordance with the TSXV requirements, grant to directors, officers and employees of the Corporation, non-transferable options to purchase common shares, provided that the number of common shares reserved for issuance will not exceed 10% of the issued and outstanding common shares. Such options will be exercisable for a period of up to 5 years from the date of grant. In connection with the foregoing, the number of common shares reserved for issuance to any individual director or officer will not exceed 5% of the issued and outstanding common shares and the number of common shares reserved for issuance to all technical consultants will not exceed 2% of the issued and outstanding common shares. Vesting terms will be determined at the time of grant by the Board of Directors.

A summary of the stock option plan transactions since the Corporation's inception are as follows:

| | Number of options | Weighted average exercise price |
|---|---|---|
| Outstanding at December 31, 2014 | 1,000,000 | $ 0.10 |
| Outstanding at December 31, 2015 | 1,000,000 | $ 0.10 |
| Outstanding at September 30, 2016 | 1,000,000 | $ 0.10 |

All options outstanding were issued on May 13, 2013, vested upon issuance and have a weighted average remaining contractual life of 1.6 years.

*In Canadian Dollars*

The fair value of each share-based payment transaction was estimated on the date of the grant, as determined by using the Black-Scholes option-pricing model with the following assumptions:

| | |
|---|---|
| Dividend yield | 0% |
| Grant date share price | $0.10 |
| Exercise price | $0.10 |
| Expected volatility | 100% |
| Forfeitures | 0% |
| Risk-free interest rate | 1.57% |
| Fair value at grant date | $0.05 |

At the time of grant of the share-based payment transactions, the Corporation's stock had less than two years of trading history; therefore, the Corporation has used the historical volatilities of certain members of its peer group for input into the Black-Scholes Option Pricing Model.

**Agent compensation options**

The Corporation issued agent options as compensation to agents to purchase common shares in conjunction with the IPO.

A summary of agent option transactions are as follows:

| | **Number of options** | **Weighted average exercise price** |
|---|---|---|
| Outstanding at December 31, 2014 | 500,000 | $ 0.10 |
| Expired | (500,000) | $ 0.10 |
| Options granted to agent | 500,000 | $ 0.10 |
| Outstanding at December 31, 2015 | 500,000 | $ 0.10 |
| Outstanding September 30, 2016 | 500,000 | $ 0.10 |

As of July 14, 2015, the TSXV consented to the extension in the expiry date of the agent's options. However, since the previous options had expired the Corporation issued new options with the original terms, other than the expiry date. The new expiry date is the earlier of: delisting of the Corporation's shares, transfer to NEX Exchange upon failing to complete a qualifying transaction within the time frame prescribed by the TSXV or issuance of the final bulletin for acceptance of a qualifying transaction. Management anticipates that one of these events will occur in 2017. The exercise price remains at $0.10 per common share.

The fair value of each share-based transaction was estimated on the date of the grant, as determined by using the Black-Scholes option-pricing model with the following assumptions:

| | |
|---|---|
| Dividend yield | 0% |
| Grant date share price | $ 0.10 |
| Exercise price | $ 0.10 |
| Expected volatility | 96% |
| Forfeitures | 0% |
| Risk-free interest rate | .6% |
| Fair value at grant date | $ 0.0288 |

During the period ended September 30, 2016, the Corporation recorded share-based payments expense for options granted of $nil ($14,402 - December 31, 2015).

*In Canadian Dollars*

## 8. Loss per share

| | Three months ended September 30, 2016 | Three months ended September 30, 2015 | Nine months ended September 30, 2016 | Nine months ended September 30, 2015 |
|---|---|---|---|---|
| Weighted average common shares outstanding | 10,000,000 | 10,000,000 | 10,000,000 | 10,000,000 |
| Diluted common shares outstanding | 10,000,000 | 10,000,000 | 10,000,000 | 10,000,000 |

The basic and diluted loss per share amounts are the same as the stock options and agent options were excluded from the dilution calculation, as they were anti-dilutive.

On October 19, 2016, 2,000,000 escrowed seed shares of the Corporation held by non-arm's length parties were cancelled as a result of the Corporation's failure to complete a Qualifying Transaction within the time period prescribed by the TSXV. As a result, the Corporation now has 8,000,000 common shares issued and outstanding, 3,000,000 of which are subject to TSXV escrow conditions.

## 9. Income taxes

The net income tax provision differs from that expected by applying the combined federal and provincial income tax rates of 27.0% (2015 – 25.0%):

| | Three months ended September 30, 2016 $ | Three months ended September 30, 2015 $ | Nine months ended September 30, 2016 $ | Nine months ended September 30, 2015 $ |
|---|---|---|---|---|
| Loss for the period before tax | 25,418 | 24,897 | 53,728 | 50,702 |
| Statutory tax rate | 27.0% | 27.0% | 27.0% | 27.0% |
| Expected income tax recovery | 6,863 | 6,722 | 14,507 | 13,690 |
| Permanent differences: | | | | |
| Share based payments | - | (3,889) | - | (3,889) |
| Change in Enacted Tax Rates | - | 4,116 | - | 4,116 |
| Change in unrecognized temporary difference | (6,863) | (6,949) | (14,507) | (13,917) |
| Income tax expense | - | - | - | - |

The tax benefits of the following temporary differences have not been recognized for accounting purposes.

| | September 30, 2016 $ | December 31, 2015 $ |
|---|---|---|
| Share issue costs | 7,951 | 12,721 |
| Loss carry forwards | 72,816 | 53,539 |
| | 80,767 | 66,260 |

As at September 30, 2016, the Corporation has a non-capital loss carry-forward of $269,688 available to reduce future years' income for tax purposes. This non-capital loss carry-forward has not been recognized in the financial statements and will begin to expire in 2031.

## 10. Financial instruments and risk management

**Fair value of financial instruments:**

As at September 30, 2016, the Corporation's financial instruments consist of cash and cash equivalents, accounts receivable and accounts payable and accrued liabilities. The carrying values of these financial instruments approximate their fair values due to their short-term nature.

IFRS requires disclosures about the inputs to fair value measurements for financial assets and liabilities recorded at fair value, including their classification based on the degree to which the fair value is observable.

- Level 1 - fair value measurements are those derived from quoted prices (unadjusted) in the active market for identical assets or liabilities.
- Level 2 - fair value measurements are those derived from inputs other than quoted prices that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (derived from prices).
- Level 3 - fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Corporation has no financial instruments recorded at fair value through profit and loss.

**Risk management**

The Corporation is exposed in varying degrees to a variety of financial instrument related risk.

- Credit risk - Credit risk is the risk that one party to a financial instrument will fail to fulfill an obligation and cause the other party to incur a financial loss. Credit risk primarily arises from the Corporation's cash and receivables. The risk exposure is limited to their carrying amounts at the statement of financial position date.
- Liquidity risk - Liquidity risk is the risk that the Corporation will not be able to meet its financial obligations and commitments as they become due. The Corporation manages liquidity through the management of its capital structure, as outlined in note 12 of the annual financial statements for the year ended December 31, 2015. The Corporation's liquidity risk arises because of its accounts payable and accrued liabilities.
- Interest rate risk - Interest rate risk is the risk that the fair value of future cash flow of a financial instrument will fluctuate because of changes in market interest rates. The effect of interest rates increasing by 0.25%, with all other variables held constant, would have cause the corporation comprehensive loss to decrease by $1,267.
- Currency risk - The Corporation does not have any material exposures to financial instruments denominated in currencies other than the Canadian dollar.

## 11. Capital disclosures

The Corporation's capital as at September 30, 2016 consists of $515,467 (December 31, 2015 - $547,625) cash and cash equivalents and $605,906 (December 31, 2015 - $605,906) share capital. The Corporation's objective for managing capital is to maintain sufficient capital to identify, evaluate and complete a Qualifying Transaction.

The Corporation sets the amount of capital in relation to risk and manages the capital structure and makes adjustments to it in light of changes to economic conditions and the risk characteristics of the underlying assets.

The Corporation's objectives when managing capital are:

i. to maintain a flexible capital structure, which optimizes the cost of capital at acceptable risk; and,
ii. to maintain investor, creditor and market confidence in order to sustain the future development of the business.

The Corporation is restricted to spending $210,000 of its capital on corporate costs that do not relate to pursuing a Qualifying Transaction, such as general and administrative expenses relating to being listed on the Exchange and issuing shares. As of September 30, 2016, Exito had spent $163,575 (September 30, 2015 -$127,286) that fall within this spending restriction.

**12. Related party transactions**

Pursuant to an Administration Services Agreement, Exito pays $1,429 per month to a corporation wholly owned by two directors of the Corporation for the use of office space, reception and boardrooms, equipment (including computers, telephones, vehicles, etc.), printing and all other necessary administrative functions and services required to permit Exito to review and evaluate potential Qualifying Transactions. During the three and nine month periods ended September 30, 2016, $4,286 and $12,857 (2015 - $4,286 and 12,857) was paid in accordance with this arrangement. There was $nil in accounts payable and accrued liabilities at September 30, 2016 ($nil at December 31, 2015) relating to this arrangement.

During the three and nine months ended September 30, 2016, $19,215 and $25,161 (2015 - $nil and $nil) in legal fees were incurred, relating to a law firm in which a Director of the Corporation is a Partner. The legal fees incurred that were associated with the Qualifying Transactions were classified as business acquisition costs for the three and nine month periods ended September 30, 2016 and totalled $19,215 and $24,221, respectively (2015 - $nil and $nil), with the remaining fees being associated with general legal services. There was $55,429 in accrued liabilities at September 30, 2016 ($31,208 at December 31, 2015) related to business acquisition for GLN Transaction and the unsuccessful transaction with Millennium in 2014. There was $nil in accounts payable at September 30, 2016 ($nil at December 31, 2015) relating to general legal service fees.