1127466 B.C. Ltd.

CONDENSED INTERIM FINANCIAL STATEMENTS

THREE MONTHS ENDED

FEBRUARY 28, 2018

(Expressed in Canadian dollars)

1127466 B.C. LTD.
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
As at February 28, 2018
(Unaudited - Expressed in Canadian Dollars)

	February 28, 2018 $	November 30, 2017 $
Assets		
Subscription receivables (Note 5)	-	330,001
Investment (Note 4)	330,001	-
Total assets	330,001	330.001
Liabilities		
Accrued liability	-	4,850
Loan payable	4,850	-
Total Current Liabilities	4,850	4,850
Shareholders' equity		
Share Capital (Note 5)	330,001	330,001
Deficit	(4,850)	(4,850)
Total shareholders' equity	325,151	325,151
Total liabilities and shareholders' equity	330,001	330,001

Approved and authorized by the Board on September 18, 2018:

"Sothi Thillairajah"
Sothi Thillairajah, Director

"Nishal Kumar"
Nishal Kumar, Director

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

1127466 B.C. LTD.
CONDENSED INTERIM STATEMENT OF OPERATIONS AND COMPREHENSIVE LOSS
FOR THE THREE-MONTHS ENDED FEBRURY 28, 2018
(Expressed in Canadian Dollars)

	February 28, 2018 $	November 30, 2017 $
Expenses		
Professional fees	-	4,850
Net loss and comprehensive loss for the period	-	(4,850)
Basic and diluted loss per common share	$ (0.00)	$ (0.001)
Weighted average number of common shares outstanding	5,048,508	5,048,508

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

1127466 B.C. LTD.
CONDENSED INTERIM STATEMENT OF CASH FLOWS
FOR THE THREE-MONTHS ENDED FEBRUARY 28, 2018
(Expressed in Canadian Dollars)

	February 28, 2018 $	November 30, 2017 $
Operating activities		
Net Loss for the period	-	(4,850)
Accrued liability	-	4,850
Net cash used in operating activities	-	-
Financing Activities		
Issuance of shares	-	330,001
Subscription receivables	330,001	(330,001)
Net cash operating activities	330,001	-
Investing Activities		
Investment	(330,001)	
Change in cash during the period	-	-
Cash, beginning of period	-	-
Cash, end of period	-	-
Cash paid during the period for interest	-	-
Cash paid during the period for income taxes	-	-

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

1127466 B.C. LTD.
CONDENSED INTERIM STATEMENT OF CHANGE IN EQUITY
FOR THE THREE-MONTHS ENDED FEBRUARY 28, 2018
(Expressed in Canadian Dollars)

	Share Capital			
	Number	**Amount**	**Deficit**	**Total**
Balance at July 20, 2017	1	$ 1	$ -	$ 1
Shares issued	16,500,000	330,000	-	330,000
Loss for the period	-	-	(4,850)	(4,850)
Balance at November 30, 2017	16,500,001	$ 330,001	$ (4,850)	$ 325,151
Loss for the period			-	-
Balance at February 28, 2018	16,500,001	$ 330,001	$ (4,850)	$ 325,151

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

1. NATURE OF BUSINESS AND CONTINUING OPERATIONS

1127466 B.C. Ltd. ("the Company") was incorporated pursuant to the provisions of the Business Corporations Act of British Columbia on July 20, 2017. The Company's registered head office address is 905 – 1600M Beach Avenue, Vancouver, British Columbia.

1127466 B.C. Ltd. through its wholly owned subsidiary XSPRAYS Industries Inc. owns the worldwide exclusive rights to market and sell as dietary supplements for nonmedical use only cannabinoid and cannabis-infused sprays. In addition, the company has a non-exclusive license to market and sell as dietary supplements for non-medical use of non-cannabis infused sprays.

The Company does not generate revenue from operations. The Company incurred a net loss of $NIL (2017 - $4,850) from the three months ended February 28, 2018, and, as of that date, the Company's deficit was $4,850 (2017 - $4,850). The Company expects to incur further losses in the development of its business, all of which casts significant doubt about the Company's ability to continue as a going concern. The Company's ability to continue as a going concern is dependent upon the ability to find, acquire and develop various businesses with growth potential, its ability to obtain the necessary financing to carry out this strategy. These consolidated financial statements have been prepared on a going concern basis, which presumes realization of assets and discharge of liabilities in the normal course of business for the foreseeable future. These consolidated financial statements do not include any adjustments to the amounts and classification of assets and liabilities that might be necessary should the Company be unable to continue in business. Such adjustments could be material.

2. BASIS OF PRESENTATION AND STATEMENT OF COMPLIANCE

These consolidated financial statements are prepared by the Company in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). These consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information. Furthermore, these consolidated financial statements are presented in Canadian dollars which is the functional currency of the Company.

The preparation of consolidated financial statements in conformity with IFRS requires the Company's management to make judgments, estimates and assumptions about future events that affect the amounts reported in the consolidated financial statements and related notes to the financial statements. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results may differ from those estimates.

These consolidated financial statements include the accounts of the Company and its wholly owned subsidiary, XSPRAYS Industries Inc. All inter-company transactions and balances have been eliminated in the consolidated financial statement presentation.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Cash and cash equivalents

Cash in the statements of financial position is comprised of cash held at a major financial institution.

(b) Financial instruments

Financial assets

The Company classifies its financial assets into one of the following categories, depending on

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) Financial instruments (continued)

Financial assets (continued)

the purpose for which the asset was acquired. The Company's accounting policy for each category is as follows:

(i) Fair value through profit or loss - This category comprises derivatives, or assets acquired principally for the purpose of being resold in the near term. They are carried on the statement of financial position at fair value with changes in fair value recognized in the statement of comprehensive loss. The Company has classified cash as fair value through profit or loss.

(ii) Loans and receivables - These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are carried at cost less any provision for impairment. Individually significant receivables are considered for impairment when they are past due or when other objective evidence is received that a specific counterparty will default. The Company has classified loan receivables as loans and receivables.

(iii) Held-to-maturity investments – These assets are recognized on a trade-date basis and are initially measured at fair value, including transaction costs. The Company does not have any assets classified as HTM investments.

(iv) Available-for-sale - Non-derivative financial assets not included in the above categories are classified as available-for-sale. They are carried at fair value with changes in fair value recognized directly in equity. Where a decline in the fair value of an available-for-sale financial asset constitutes objective evidence of impairment, the amount of the loss is removed from equity and recognized in the statement of comprehensive loss. The Company does not have any assets classified as available-for-sale assets.

All financial assets except for those at fair value through profit or loss are subject to review for impairment at least at each reporting date. Financial assets are impaired when there is any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets described above.

Financial liabilities
The Company classifies its financial liabilities into one of two categories, depending on the purpose for which the asset was acquired. The Company's accounting policy for each category is as follows:

(i) Fair value through profit or loss - This category comprises derivatives, or liabilities acquired or incurred principally for the purpose of selling or repurchasing in the near term. They are carried on the statement of financial position at fair value with changes in fair value recognized in the statement of comprehensive loss.

(ii) Other financial liabilities - This category includes accounts payables and accrued liabilities, all of which are recognized at amortized cost.

(c) Income taxes
Income tax expense comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity. Current tax expense is the expected tax payable on taxable income for the year, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) Income taxes (continued)

Deferred tax is recorded using the liability method, providing for temporary differences, between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Temporary differences are not provided for relating to goodwill not deductible for tax purposes, the initial recognition of assets or liabilities that affect neither accounting or taxable loss, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the end of the reporting period. A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

(d) Loss per share

The Company presents basic and diluted loss per share data for its common shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted loss per share does not adjust the loss attributable to common shareholders or the weighted average number of common shares outstanding when the effect is anti-dilutive.

(e) Significant accounting judgments and estimates

The preparation of consolidated financial statements in conformity with IFRS requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and the reported revenues and expenses during the year. Although management uses historical experience and its best knowledge of the amount, events or actions to form the basis for judgments and estimates, actual results may differ from these estimates. The most significant accounts that require estimates as the basis for determining the stated amounts include recognition of deferred income tax amounts.

Critical judgments exercised in applying accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements are as follows:

<u>Determination of functional currency</u>

The Company determines the functional currency through an analysis of several indicators such as expenses and cash flow, financing activities, retention of operating cash flows, and frequency of transactions with the reporting entity.

<u>Income taxes</u>

In assessing the probability of realizing income tax assets, management makes estimates related to expectations of future taxable income, applicable tax opportunities, expected timing of reversals of existing temporary differences and the likelihood that tax positions taken will be sustained upon examination by applicable tax authorities. In making its assessments, management gives additional weight to positive and negative evidence that can be objectively verified.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(f) Effective for annual periods beginning on or after December 1, 2017:

IFRS 9 – Financial Instruments ("IFRS 9") was issued by the IASB in November 2009 with additions in October 2010 and May 2013 and will replace IAS 39 Financial Instruments: Recognition and Measurement ("IAS 39"). IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward unchanged to IFRS 9, except that an entity choosing to measure a financial liability at fair value will present the portion of any change in its fair value due to changes in the entity's own credit risk in other comprehensive income, rather than within profit or loss. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. IFRS 9 is effective for annual periods beginning on or after January 1, 2018. Earlier adoption is permitted.

4. ACQUISITION OF EXCLUSIVE RIGHTS TO SPRAY LABS, LLC

During the period ended November 30, 2017, the Company entered into an asset purchase agreement with Spray Labs, LLC to purchase the worldwide, exclusive rights to market and sell as dietary supplements for non-medical use only the cannabinoid and cannabis-infused sprays that have been, and will in the future be, developed by SPRAY LABS, LLC., including, but not limited to a THC product that is currently being developed. In addition, SPRAY LABS, LLC grants a non-exclusive license to market and sell as dietary supplements for non-medical use only four (4) "non-cannabis infused" sprays under the X-Sprays label. This purchase agreement does not cover: a: any products, cannabis-infused or otherwise, that Spray Labs, LLC develops for medicinal and therapeutic use and for which FDA (or foreign equivalent) approval is sought, and b: any patented formulations or the rights granted by any patents awarded to SPRAY LABS, LLC.

5. SHARE CAPITAL

a) Authorized

Unlimited number of common shares without par value and unlimited number of special shares, issuable in series.

b) Issued and outstanding

On July 20, 2017, the date of incorporation, 1 common share without par value at $0.001 per common share was issued as subscription receivable. The full amount was received subsequent to the period ended November 30, 2017 (See Note 10).

On November 30, 2017, 16,500,000 common shares without par value at $0.02 per common share were issued as subscription receivables. The full amount was received subsequent to the period ended November 30, 2017.

6. MANAGEMENT OF CAPITAL

The Company considers its capital structure to include the components of shareholders' equity. Management's objective is to ensure that there is sufficient capital to minimize liquidity risk and to continue as a going concern. Although the Company has been successful in the past in obtaining financing, there can be no assurance that the Company will be able to obtain adequate financing in the future, or that the terms of such financings will be favourable. The Company is not subject to any externally imposed capital requirements.

7. FINANCIAL INSTRUMENTS

Fair Value

The Company's financial instruments consist of amounts receivable. The fair values of financial instruments other than cash approximate their carrying values because of their current nature.

Credit Risk

The Company's cash is largely held in large Canadian financial institutions. The Company does not have any asset-backed commercial paper. The Company maintains cash deposits with Schedule A financial institution, which from time to time may exceed federally insured limits. The Company has not experienced any significant credit losses and believes it is not exposed to any significant credit risk.

Liquidity Risk

The Company's ability to continue as a going concern is dependent on management's ability to raise required funding through future equity issuances and through short-term borrowing. The Company manages its liquidity risk by forecasting cash flows from operations and anticipating any investing and financing activities. Management and the Board of Directors are actively involved in the review, planning and approval of significant expenditures and commitments.

Foreign Exchange Risk

The Company's functional and reporting currency is the Canadian dollar and major purchases are transacted in Canadian dollars. As a result, the Company's exposure to foreign currency risk is minimal.

Interest Rate Risk

Interest rate risk is the risk the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Financial assets and liabilities with variable interest rates expose the Company to cash flow interest rate risk. The Company does not hold any financial liabilities with variable interest rates. The Company does maintain bank accounts which earn interest at variable rates but it does not believe it is currently subject to any significant interest rate risk.

8. MERGER WITH CNRP MINING

On October 25, 2017, the Company and CNRP Mining Inc. ("CNRP Mining") have signed a definitive agreement whereby CNRP Mining will acquire all of the issued and outstanding shares of the Company which holds, through a wholly owned subsidiary, a world-wide, exclusive license for X-SPRAYS – a brand of life-enhancement products administered via an optimal oral spray delivery system (the "Transaction"). Pursuant to the terms of the Definitive Agreement, CNRP Mining will, upon closing of the Transaction, issue to the Company's shareholders, which shareholders together with any persons that become shareholders of the Company prior to closing of the Transaction, an aggregate of 16,500,000 common shares in the capital of the CNRP Mining (the "Payment Shares") at a deemed price of CAD$0.30 per Payment Share. Additionally, up to 28,000,000 CNRP Mining shares will be issuable upon certain commercial milestones being achieved by the Company (the "Performance Shares"). The Payment Shares and the Performance Shares will be subject to escrow conditions and/or resale restrictions as required by applicable securities laws and the policies of the Canadian Securities Exchange (the "CSE").