ORCA TOUCHSCREEN TECHNOLOGIES LTD.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

PERIOD ENDED SEPTEMBER 30, 2014

NOTICE OF NO AUDITOR REVIEW OF
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

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

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 financial statements in accordance with standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditor.

ORCA TOUCHSCREEN TECHNOLOGIES LTD.
CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION
(Expressed in Canadian Dollars)
(Unaudited)

As at		September 30, 2014		December 31, 2013
ASSETS				
Current				
Cash	$	43,393	$	1
Receivables		5,555		-
Prepaid expenses		18,275		
		67,223		
Investment (Note 9)		112,080		
Intangible assets (Note 4)		79,000		
	$	258,303	$	1
LIABILITIES AND SHAREHOLDERS' EQUITY				
Current				
Accounts payable and accrued liabilities (Note 6)	$	10,677	$	1,700
Loan payable		44,424		
		55,101		1,700
Shareholders' equity				
Share capital (Note 5)		368,500		1
Reserve (Note 5)		104,252		
Deficit		(269,550)		(1,700)
		203,202		(1,699)
	$	258,303	$	1

Nature of operations and going concern (Note 1)

Approved and authorized by the Board:

"/s/ Jong Myung Choi" Director *"/s/ Jong Hyub Choi"* Director

Jong Myung Choi **Jong Hyub Choi**

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

ORCA TOUCHSCREEN TECHNOLOGIES LTD.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF LOSS AND COMPREHENSIVE LOSS
(Expressed in Canadian Dollars)
(Unaudited)

		For the three months ended September 30, 2014		For the nine months ended September 30, 2014
EXPENSES				
Consulting and management fees (Note 6)	$	13,500	$	36,378
Filing and regulatory		8,012		28,152
General and administrative		7,017		11,976
Professional fees		39,266		85,842
Share-based payment (Notes 5 and 6)		104,252		104,252
Travel		1,250		1,250
Loss and comprehensive loss for the period		(173,297)	$	(267,850)
Basic and diluted loss per common share		(0.01)	$	(0.01)
Weighted average number of common shares outstanding		34,217,778		21,794,667

Comparative statements of loss and comprehensive loss for the three and nine month periods ended September 30, 2014 are not presented as the Company was incorporated on December 31, 2013.

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

ORCA TOUCHSCREEN TECHNOLOGIES LTD.
CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS
(Expressed in Canadian Dollars)
(Unaudited)

For the nine month period ended September 30,		2014
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss for the period	$	(267,850)
Items not affecting cash		
Share based payments		104,252
Changes in non-cash working capital items:		
Receivables		(5,555)
Prepaid expenses		(18,275)
Accounts payable and accrued liabilities		8,976
		(178,452)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from private placements		368,500
Loan payable		44,424
		412,924
CASH FLOWS FROM INVESTING ACTIVITIES		
Intangible assets		(50,000)
Advance royalty payment		(29,000)
Investment in joint venture		(112,080)
		(191,080)
Change in cash during the period		43,392
Cash, beginning of period		1
Cash, end of period	$	43,393

Comparative statements of cash flow for the nine month periods ended September 30, 2014 are not presented as the Company was incorporated on December 31, 2013.

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

ORCA TOUCHSCREEN TECHNOLOGIES LTD.
CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY
(Expressed in Canadian Dollars)
(Unaudited)

	Share capital				
	Number	**Amount**	**Reserve**	**Deficit**	**Total**
Balance, December 31, 2013	40,000	$ 1	$ -	$ (1,700)	$ (1,699)
Shares issued for cash pursuant to private placement - $0.00125 - $0.025	32,440,000	168,500	-	-	168,500
Cancellation of shares	(40,000)	(1)	-	-	(1)
Shares issued for cash pursuant to a private placement - $0.025	8,000,000	200,000	-	-	200,000
Share-based payments (Note 5)	-	-	104,252	-	104,252
Loss and comprehensive loss for the period	-	-	-	(267,850)	(267,850)
Balance, September 30, 2014	40,440,000	$ 368,500	$ 104,252	$ (269,550)	$ 203,202

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

1. NATURE OF OPERATIONS

Orca Touchscreen Technologies Ltd. (the "Company" or "Orca Touchscreen") was incorporated on December 31, 2013 under the *Business Corporation Act* of British Columbia. The head office of the Company is 1361 East 24th Street, North Vancouver, British Columbia, V7J 1R4.

2. BASIS OF PREPARATION

Statement of Compliance

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

Basis of Consolidation and Presentation

The condensed consolidated interim financial statements have been prepared on a historical cost basis in Canadian dollars, which is the Company's functional currency. Functional currency is the currency of the primary economic environment in which an entity operates.

These condensed consolidated interim financial statements incorporate the financial statements of the Company and its wholly controlled subsidiary Orca Mobile Solutions Ltd. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The condensed consolidated interim financial statements include the accounts of the Company and its direct wholly-owned subsidiaries. All significant intercompany transactions and balances have been eliminated.

The condensed consolidated interim financial statements were authorized for issue by the Board of Directors on November 27, 2014.

Going Concern

These condensed consolidated interim financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. Different bases of measurement may be appropriate if the Company was not expected to continue operations for the foreseeable future. At September 30, 2014, the Company has not achieved profitable operations has accumulated losses of $269,550 since inception and expects to incur further losses in the development of its business, all of which cast significant doubt about the Company's ability to continue as a going concern. The Company's continuation as a going concern is dependent its ability to attain profitable operations to generate funds and/or its ability to raise equity capital or borrowings sufficient to meet its current and future obligations. Although the Company has been successful in the past in raising funds to continue operations, there is no assurance it will be able to do so in the future.

Use of Estimates and Judgments

The preparation of financial statements in accordance with IFRS requires the Company to make estimates and assumptions concerning the future. The Company's management reviews these estimates and underlying assumptions on an ongoing basis, based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to estimates are adjusted for prospectively in the period in which the estimates are revised.

Estimates and assumptions where there is significant risk of material adjustments to assets and liabilities in future accounting periods include the fair value measurements for financial instruments and the recoverability and measurement of deferred tax assets.

The preparation of financial statements in accordance with IFRS requires the Company to make judgments, apart from those involving estimates, in applying accounting policies. The most significant judgments in applying the Company's financial statements are the classification of financial instruments and the going concern assumption.

2. BASIS OF PREPARATION *(cont'd)*

New standards, interpretations and amendments adopted

The preparation of financial data is based on accounting principles and practices consistent with those used in the preparation of the audited financial statements as at December 31, 2013. The accompanying unaudited condensed consolidated interim financial statements should be read in conjunction with the Company's audited financial statements for the year ended December 31, 2013.

Intangible assets:

Intangible assets consist of touchscreen technology and patent acquired externally and are recorded at cost less accumulated amortization and impairment losses.

Research costs are expensed as incurred. Development costs are expensed as incurred unless they meet certain criteria for deferral and amortization. The Company assesses whether it has met the relevant criteria for deferral and amortization at each reporting date.

Impairment of tangible and intangible assets:

At the end of each reporting period, the Company's assets are reviewed to determine whether there is any indication that those assets may be impaired. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in profit or loss for the period. For an asset that does not generate largely independent cash flows, the recoverable amount is determined for the cash generating unit to which the asset belongs.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but to an amount that does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

Accounting standards issued but not yet applied:

The following new standards, amendments to standards and interpretations have been issued but are not effective during the year ended December 31, 2014:

- IFRS 9 New financial instruments standard that replaces IAS 39 for classification and measurement of financial assets[i]

The Company anticipates that the application of these standards, amendments and interpretations will not have a material impact on the results and financial position of the Company.

3. PLAN OF ARRANGEMENT

On January 6, 2014, the Company entered into an arrangement agreement which included a statutory plan of arrangement (the "Arrangement") with Gorilla Minerals Corp. ("Pubco") and Orca Mobile Solutions Ltd. ("Orca Mobile"). Pubco was a reporting issuer in the provinces of Alberta and British Columbia. On closing of the Arrangement, the following transactions took place:

a) Orca Mobile acquired all the 10,000 issued and outstanding Orca Touchscreen pre-split common shares from Pubco (the "Purchase Shares") for $10,000;

b) Orca Mobile and Orca Touchscreen exchanged securities on 1:1 basis, such that 8,010,000 pre-split common shares of Orca Mobile were exchanged by their holders for 8,010,000 pre-split common shares of Orca Touchscreen;

c) Pubco and Orca Touchscreen exchanged securities on a 1:1,000 basis, such that Pubco issued 4 Pubco common shares to Orca Touchscreen and Orca Touchscreen issued 4,000 Orca Touchscreen pre-split common shares to Pubco (collectively, the "Exchange Shares"); and

d) the Purchase Shares and the Exchange Shares were then cancelled.

Following closing of the Arrangement, the Company became a reporting issuer in Alberta and British Columbia.

Since this transaction resulted in the shareholders of Orca Mobile owning a majority of the issued and outstanding shares of the Company, this transaction was accounted for as a reverse acquisition.

The Arrangement was approved and completed on March 6, 2014, the date of the reverse takeover transaction. Accordingly, Orca Touchscreen's results of operations have been included from March 6, 2014.

4. INTANGIBLE ASSETS (Note 6)

On May 12, 2014, the Company entered into an agreement with Sollensys Corporation ("Sollensys"), a company based out of South Korea. The Company acquired the Sollensys' touchscreen sensor patent for $50,000 cash (paid); and entered into a patent and technology license agreement with Sollensys whereby the Company acquired an exclusive 6-year worldwide license to use all of Sollensys' technology and patents. In consideration, the Company has agreed to pay a royalty of 10% on gross revenues from the patents and 80% of the net revenues received by the Company from the sale of Sollensys products sold by the Company. Royalty payments are due on the last day of December each year during the term and are payable as to $4,000 per month on the first day of each month beginning July 1, 2014 as a guaranteed advance payment of the royalty. Sollensys is a related party to the Company as its principal shareholder, senior officer and a director is Gwanje (Frank) Woo, CEO and President of the Company, and another of Sollensys' senior officers and directors is Seong-Mo (Kevin) Jeong, a director of the Company.

During the period ended September 30, 2014, the Company has made $12,000 in Royalty payments to Sollensys pursuant to the terms of the agreement and has also advanced another $17,000 in Royalty payments to be applied towards future Royalty payments.

5. SHARE CAPITAL AND RESERVES

a) Authorized share capital

Unlimited number of common and preferred shares without par value.

b) Issued share capital

<u>During the nine months ended September 30, 2014:</u>

i. Completed a private placement whereby the Company issued 21,200,000 common shares at a price of $0.005 per common share for gross proceeds of $106,000.

ii. Completed a private placement whereby the Company issued 40,000 common shares at a price of $0.025 per common share for gross proceeds of $1,000.

iii. Pursuant to the Arrangement, the Company issued 9,200,000 common shares with a value of $0.00125 common share for a total value of $11,500.

iv. Completed a private placement whereby the Company issued 2,000,000 common shares at a price of 0.025 per common share for a total value of $50,000.

v. Pursuant to the Arrangement, cancelled 40,000 common shares.

vi. Completed a private placement whereby 8,000,000 common shares were issued for $0.025 per share for gross proceeds of $200,000;

vii. On July 11, 2014, the Company completed a four-for-one forward stock split. The Company executed the forward split using the push-out method whereby the shareholders kept the share certificates they currently held and the shareholders on record as of July 11, 2014 were issued additional shares. All references herein to numbers of shares and per-share amounts have been retroactively restated unless stated otherwise.

c) Escrow Agreement

Pursuant to an escrow agreement, 8,902,000 common shares of the Company were placed in escrow. The escrow shares are to be released at 10% on the listing date and an additional 15% every six months thereafter with the final tranche being released on June 13, 2017. As at September 30, 2014, 8,011,800 common shares of the Company are held in escrow with the next release of 1,335,300 common shares on December 13, 2014.

d) Stock options

On July 15, 2014, the Company adopted a stock option plan under which it is authorized to grant options to officers, directors, employees and consultants enabling them to acquire, in the aggregate, up to 10% of the issued and outstanding common stock of the Company. The options can be granted for a maximum of five years and vest as determined by the Board of Directors. The exercise price of each option granted may not be less than the greater of the closing market prices of the common shares on (i) the trading day prior to the date of grant and (ii) the date of grant, pursuant to Canadian Securities Exchange Policy 6.

On July 15, 2014, the Company granted stock options to a director and officers of the Company exercisable to purchase an aggregate of up to 600,000 common shares at an exercise price of $0.80 per share expiring on July 15, 2016. These stock options vest at 25% every three months following the date of grant with the first vesting on October 15, 2014. During the period ended September 30, 2014, the Company recorded share based payment charges of $104,252 on these stock options. The fair value of the options was determined using the Black Scholes option pricing model with the following assumptions – Risk-free interest rate of 1.1% Dividend yield of NIL; Expected volatility of 100%; Expected life of 2 years. Volatility was determined based on comparison to similar companies as the Company does not have enough history.

As at September 30, 2014, the Company has 600,000 stock options outstanding exercisable at $0.80 per share expiring on July 15, 2016. The weighted average remaining life of the 600,000 stock options is 1.79 years.

(Expressed in Canadian Dollars)

5. SHARE CAPITAL AND RESERVES (cont'd)

d) Stock options (cont'd)

Details of stock options activities for the nine months ended September 30, 2014 is as follows:

	Number of options	Weighted Average Exercise Price
Balance outstanding, December 31, 2013	-	-
Granted	600,000	$0.80
Balance outstanding, September 30, 2014	600,000	$0.80
Balance exercisable September 30, 2014	150,000	$0.80

e) Warrants

No share purchase warrants outstanding.

f) Reserve

The Company's equity reserve is entirely comprised of share-based payments.

6. RELATED PARTY TRANSACTIONS (Note 4)

Related party transactions are comprised of services rendered by directors and/or officers of the Company and a company controlled by a former officer of the Company. Related party transactions are in the ordinary course of business and are measured at the exchange amount.

Key management personnel are the Chief Executive Officer, Chief Financial Officer, and Directors of the Company. The remuneration of the key management personnel is as follows:

- Paid or accrued management and consulting fees of $33,878.
- Share based payments of $104,252.

Included in accounts payable and accrued liabilities at September 30, 2014 is $3,500 (December 31, 2013: $Nil) due to an officer of the company for unpaid management fees and a director of the Company for director's fees.

On September 25, 2014, a director of the Company loaned US$40,000 to the Company to fund the proposed joint venture operation in Guatemala. The term of the loan is one month from the date of advancement of funds bears interest 25% per annum and is unsecured.

7. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial Instruments

Cash is carried at fair value using a level 1 fair value measurement. The carrying value of receivables, accounts payable and accrued liabilities and loans payable approximate their fair value because of the short-term nature of these instruments.

Fair value estimates of financial instruments are made at a specific point in time, based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgment, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values.

Financial risk factors

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

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations associated with its financial liabilities. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at September 30, 2014, the Company had a cash balance of $43,393 to settle current liabilities of $10,677.

There can be no assurance the Company will be able to obtain required financing in the future on acceptable terms. The Company anticipated it will need additional capital in the future to finance on-going developments of its technology, such capital to be derived from the completion of other equity financings. The Company has limited financial resources, has no source of operating income and has no assurance that additional funding will be available to it for future development of its technology, although the Company has been successful in the past in financing its activities through the previously mentioned financing activities. The ability of the Company to arrange additional financing in the future will depend, in part, on the prevailing capital market conditions and the success of its technology. In recent years, the securities markets have experienced wide fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that continual fluctuations in price will not occur. Any quoted market for the common shares may be subject to market trends generally, notwithstanding any potential success of the Company in creating revenue, cash flows or earnings.

Credit risk

Credit risk is the risk of potential loss to the Company if the counterparty to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its liquid financial assets including cash and cash equivalents and short-term investments. The Company limits exposure to credit risk on liquid financial assets through maintaining its cash with high-credit quality financial institutions. Receivables consist mainly of GST receivable from the Government of Canada. The Company has been successful in recovering input tax credits and believes credit risk with respect to receivables to be insignificant.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices. The Company does not have a practice of trading derivatives.

7. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT *(cont'd…)*

a) Interest rate risk

The Company's financial assets exposed to interest rate risk consist of cash and restricted cash. The Company's current policy will be to invest excess cash in investment-grade short-term deposit certificates issued by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks. As at September 30, 2014, the Company did not have any investments in investment-grade short-term deposit certificates.

b) Foreign currency risk

The majority of the Company's planned business is conducted in South Korea in United States dollars. As such, the Company is exposed to foreign currency risk in fluctuations among the Canadian dollar and the US dollar. Fluctuations in the exchange rate among the Canadian dollar and the US dollar may have a material adverse effect on the Company's business and financial condition. Fluctuations do not have a significant impact on operating results.

c) Price risk

The markets for touchscreens are fragmented, highly competitive and rapidly changing. With the introduction of technological advances and new entrants into these markets at a rapid pace, we expect competition to intensify in the future, which could harm our ability to develop a customer base for the Products and begin generating revenue.

8. CAPITAL MANAGEMENT

The Company considers capital to be the elements of shareholders' equity. The Company's primary objectives in capital management are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and to maintain sufficient funds to finance the sale and distribution of its Products. The Company manages its capital structure to maximize its financial flexibility making adjustments to it in response to changes in economic conditions and the risk characteristics of the underlying assets and business opportunities. The Company does not presently utilize any quantitative measures to monitor its capital and is not subject to externally imposed capital requirements.

9. LETTER OF INTENT

On September 30, 2014, the Company entered into a letter of intent with Sollensys and Mr. Carlos Fernando Rivers Sandoval, governing the proposed incorporation of a Guatemala joint venture company called Sollen-Mobile SA for the purpose of developing, manufacturing and marketing computer and telecommunications hardware and software. The initial paid-in capital of Sollen-Mobile is proposed to be US$300,000, of which the Company has advanced US$100,000 for its one-third share of the investment. The Company is currently working towards a definitive agreement for the project.