Network Oncology Inc.
(formerly Organach Beverage Acquisition Corp.)

Consolidated Financial Statements

For the year ended December 31, 2014 and
for the period from incorporation on September 19, 2013 to December 31, 2013

(Expressed in Canadian dollars)

MANNING ELLIOTT
ACCOUNTANTS & BUSINESS ADVISORS

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INDEPENDENT AUDITORS' REPORT

To the Shareholders of Network Oncology Inc. (formerly Organach Beverage Acquisition Corp.)

We have audited the accompanying consolidated financial statements of Network Oncology Inc. (formerly Organach Beverage Acquisition Corp.) which comprise the consolidated statements of financial position as at December 31, 2014 and 2013, and the consolidated statements of comprehensive loss, changes in equity and cash flows for the year ended December 31, 2014 and the period from incorporation on September 19, 2013 to December 31, 2013 and the related notes comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements
Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility
Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained based on our audits is sufficient and appropriate to provide a basis for our audit opinion.

Opinion
In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Network Oncology Inc. as at December 31, 2014 and 2013, and its financial performance and cash flows for the year ended December 31, 2014 and the period from incorporation on September 19, 2013 to December 31, 2013 in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Emphasis of Matter
Without qualifying our opinion, we draw attention to Note 1 in the consolidated financial statements which indicates the existence of a material uncertainty that may cast significant doubt on the ability of Network Oncology Inc. to continue as a going concern.

CHARTERED ACCOUNTANTS
Vancouver, British Columbia
April 13, 2015

Network Oncology Inc. (formerly Organach Beverage Acquisition Corp.)
Consolidated Statements of Financial Position
(Expressed in Canadian dollars)

	Note	**December 31, 2014**	December 31, 2013
		$	$
ASSETS			
Current Assets			
Cash		35,156	100
Deposits on Acquisition Agreement	4	175,000	-
		210,156	100
LIABILITIES			
Current Liabilities			
Accounts payable and accrued liabilities	8	45,880	-
SHAREHOLDERS' EQUITY			
Share capital	5	100	100
Subscriptions received	5(b)	250,000	-
Deficit		(85,824)	-
		164,276	100
		210,156	100

Nature of operations and going concern	1
Corporate restructuring and commitments	4
Subsequent events	10

Approved and authorized for issuance by the Board of Directors on April 13, 2015:

"William Thomas"
William Thomas, Director

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

Network Oncology Inc. (formerly Organach Beverage Acquisition Corp.)
Consolidated Statements of Comprehensive Loss
(Expressed in Canadian dollars)

	Note	Year ended December 31, 2014	Period from September 19, 2013 to December 31, 2013
		$	$
Expenses			
Consulting	8	24,679	-
Office and miscellaneous		10,254	-
Professional fees		48,366	-
Regulatory fees		2,525	-
Net loss and comprehensive loss		**(85,824)**	-
Basic and diluted loss per common share		**(343.30)**	-
Weighted average number of common shares outstanding		**250**	250

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

Network Oncology Inc. (formerly Organach Beverage Acquisition Corp.)
Consolidated Statements of Changes in Equity
(Expressed in Canadian dollars)

	Number of Outstanding Shares	Share Capital	Subscriptions Received	Deficit	Total
		$	$	$	$
Share issued on incorporation, September 19, 2013	100	100	-	-	100
Stock split	150	-	-	-	-
Balance, December 31, 2013	**250**	**100**	-		**100**
Share subscriptions received	-	-	250,000	-	250,000
Comprehensive loss	**-**	**-**	-	(85,824)	(85,824)
Balance, December 31, 2014	**250**	**100**	**250,000**	**(85,824)**	**164,276**

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

Network Oncology Inc. (formerly Organach Beverage Acquisition Corp.)
Consolidated Statements of Cash Flows
(Expressed in Canadian dollars)

	Year ended December 31, 2014	Period from September 19, 2013 to December 31, 2013
	$	$
Cash flow from operating activities		
Net loss	(85,824)	-
Change in non-cash working capital components:		
Accounts payable and accrued liabilities	45,880	-
Net cash used in operating activities	(39,944)	-
Investing activity		
Deposits on Acquisition Agreement	(175,000)	-
Net cash used in investing activity	(175,000)	-
Financing activities		
Proceeds from incorporation shares	-	100
Share subscriptions received	250,000	-
Net cash provided by financing activities	250,000	100
Increase in cash	35,056	100
Cash, beginning of year	100	-
Cash, ending of year	**35,156**	100

Cash paid for interest expense	-	-
Cash paid for income taxes	-	-

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

1. NATURE OF OPERATIONS AND GOING CONCERN

Network Oncology Inc. (the "Company", formerly Organach Beverage Acquisition Corp.) was incorporated on September 19, 2013. The Company is a B.C. fully reporting company. The address of the registered office is Suite 500, 900 West Hastings Street, Vancouver, British Columbia, Canada V6C 1E5.

The Company was initially formed as a subsidiary of Web Watcher Systems Ltd. ("Web Watcher") for the purpose of developing the letter of intent with WULU Beverage Co. ("WULU") dated June 27, 2013 to distribute quality organic and fair trade coffees, glacier drinking water, and carbonated water manufactured by WULU. The Company entered into to a Plan of Arrangement (the "Plan of Arrangement") with Web Watcher Systems and WULU dated October 23, 2013. This Letter of Intent was cancelled by WULU on March 21, 2014 (see also Note 4).

On May 12, 2014, the Company entered into a Supply Agreement Sale and Assignment (the "Acquisition Agreement") with Resolute Oncology Limited ("ROL"), an Ireland company. The Company is now in the process of commencing operations as an emerging specialty pharmaceutical company working with ROL's core portfolio of oncology-targeted generic pharmaceuticals, which address a market comprised of up to 50% of new cancer patients in the European Union. The Company intends to focus on the acquisition and commercialization of proven, and thus low-risk, generic pharmaceutical oncology based products that provide a cost effective response to unmet needs in the market, specifically Germany and other major European countries, with possible expansion to the United States (see also Note 4).

On August 12, 2014, the Company changed its name to Network Oncology Inc.

These consolidated financial statements have been prepared on the basis of accounting principles applicable to a going concern which assumes the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. The Company's continuing operations, as intended, and its financial success may be dependent upon the extent to which it can successfully raise the capital to complete the Acquisition Agreement and subsequently carry out its business plan. If the Company is unable to fund its future plan, its business, financial condition or results of operations could be materially and adversely affected. The success of the Company depends on its ability to profitably penetrate its target market with its new products on a sustainable basis. The Company has never generated revenue, cash flows or profits from operations.

The Company's ability to launch its operations as intended is dependent on its ability to generate revenue and raise capital sufficient to cover its marketing and other costs. All of these factors raise significant doubt about the Company's ability to continue as a going concern. These consolidated financial statements do not include any adjustments relating to the recoverability and classification of recorded assets and liabilities that might be necessary should the Company be unable to continue in existence.

2. BASIS OF PRESENTATION

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB").

2. BASIS OF PRESENTATION (continued)

These consolidated financial statements are presented in Canadian dollars, which is the Company's reporting and functional currency. The functional currency of the Company's wholly-owned subsidiary Emerald Oncology Limited is the EURO(€). These consolidated financial statements are prepared on a historical cost basis except for financial instruments classified as at fair value through profit or loss ("FVTPL") as described at Note 3, which are stated at their fair value. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

Basis of consolidation

The consolidated financial statements include the accounts of the Company and its wholly-owned subsidiary Emerald Oncology Limited which was incorporated on September 29, 2014 in the jurisdiction of Ireland. Inter-company balances and transactions, including unrealized income and expenses arising from inter-company transactions, are eliminated in preparing the consolidated financial statements.

3. SIGNIFICANT ACCOUNTING POLICIES

Significant accounting judgments and estimates

The preparation of these consolidated financial statements requires management to make judgements and estimates that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these judgements and estimates. The consolidated financial statements include judgements and estimates which, by their nature, are uncertain. The impacts of such judgements and estimates are pervasive throughout the consolidated financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and the revision affects both current and future periods.

Significant assumptions about the future and other sources of estimates that management has made at the statement of financial position date, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

i) Impairment

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 amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in the profit of loss for the period. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash generating unit to which the asset belongs.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Significant accounting judgments and estimates (continued)

i) Impairment (continued)

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.

ii) Fair value of financial instruments

Management uses valuation techniques in measuring the fair value of financial instruments, where active market quotes are not available. Details of the assumptions used are provided in the notes regarding financial assets and liabilities.

In applying the valuation techniques management makes maximum use of market inputs wherever possible, and uses estimates and assumptions that are, as far as possible, consistent with observable data that market participants would use in pricing the instrument. Where applicable data is not observable, management uses its best estimate about the assumptions that market participants would make. Such estimates include liquidity risk, credit risk and volatility may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

Critical accounting judgements are accounting policies that have been identified as being complex or involving subjective judgments or assessments with a significant risk of material adjustment in the next year.

i) Going concern

The assessment of the Company's ability to execute its strategy to effectively operate the Company involves judgement about future events.

ii) Acquisition of assets

The assessment of whether the Acquisition Agreement involves the acquisition of assets or a business requires significant judgement based on the terms of the Acquisition Agreement as well as related facts and circumstances.

Deferred finance costs

Professional, consulting and regulatory fees as well as other costs directly attributable to financing transactions are reported as deferred financing costs until the transactions are completed, if the completion of the transaction is considered to be more likely than not. Share issuance costs are charged to share capital when the related shares are issued. Costs relating to financing transactions that are not completed, or for which successful completion is considered unlikely, are charged to operations.

Foreign currency translation

Transactions in foreign currencies are translated at the exchange rate in effect at the date of the transaction. Foreign denominated monetary assets and liabilities are translated to their Canadian dollar equivalents using foreign exchange rates prevailing at the financial position reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are re-translated to the functional currency at the exchange rate at the date that the fair value was determined. Exchange gains or losses arising on foreign currency translation are reflected in profit or loss for the year.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Provisions

Provisions are recorded when a present legal or constructive obligation exists as a result of past events where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount can be made. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

Cash and cash equivalents

Cash and cash equivalents are comprised of cash in banks, and all short-term investments that are highly liquid in nature, cashable, and have an original maturity date of three months or less.

Shared-based payments

Pursuant to the Company's option plan ("Option Plan"), the Company may grant stock options to directors, officers and employees for the purchase of the capital stock of the Company. Included in the Option Plan are provisions that provide that the number of common shares reserved for issuance will not exceed 10% of the issued and outstanding common shares of the Company. At the discretion of the Board of Directors of the Company, options granted under the Option Plan can have a maximum exercise term of 5 years from the date of grant. Vesting terms will be determined at the time of grant by the Board of Directors.

The fair value of the options is measured at grant date, using the Black-Scholes option pricing model, and is recognized over the period that the employees earn the options. The fair value is recognized as an expense with a corresponding increase in equity. The amount recognized as expense is adjusted to reflect the number of share options expected to vest. No options are granted at present.

Deferred income taxes

Deferred income tax assets and liabilities are recognized for deferred income tax consequences attributable to differences between the consolidated financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred income tax assets and liabilities are measured using the enacted or substantively enacted tax rates expected to apply when the asset is realized or the liability settled. The effect on deferred income tax assets and liabilities of a change in tax rates is recognized in income in the period that substantive enactment occurs. To the extent that the Company does not consider it more likely than not that a deferred income tax asset will be recovered, the deferred income tax asset is not recognized. Deferred income tax assets and liabilities are offset only if a legally enforceable right exists to offset current tax assets against liabilities and the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Earnings (loss) per share

Basic earnings (loss) per share is computed by dividing the net earnings (loss) available to common shareholders by the weighted average number of shares outstanding during the reporting period. Diluted earnings (loss) per share is computed similar to basic earnings (loss) per share except that the weighted average shares outstanding are increased to include additional shares for the assumed exercise of stock options and warrants, if dilutive. The number of additional shares is calculated by assuming that outstanding stock options and warrants were exercised and that the proceeds from such exercises were used to acquire common stock at the average market price during the reporting periods.

Financial instruments

All financial instruments are recorded initially at fair value. In subsequent periods, all financial instruments are measured based on the classification adopted for the financial instruments: held to maturity, loans and receivables, fair value through profit or loss ("FVTPL"), available-for-sale, FVTPL liabilities or other liabilities.

FVTPL assets and liabilities are subsequently measured at fair value with the change in the fair value recognized in net income (loss) during the period.

Held to maturity assets, loans and receivable, and other liabilities are subsequently measured at amortized cost using the effective interest rate method.

Available-for-sale assets are subsequently measured at fair value with the change in fair value recorded in other comprehensive income (loss), except for equity instruments without a quoted market price in active markets and whose fair value cannot be reliably measured, which are measured at cost.

The Company has classified its financial instruments as follows:

Financial Instrument	Classification
Cash	FVTPL
Accounts payable	Other liabilities

The three levels of the fair value hierarchy are as follows:

Level 1: Values based on unadjusted quoted prices in active markets that are accessible at the measurement date for identical assets or liabilities.

Level 2: Values based on quoted prices in markets that are not active or models inputs that are observable either directly or indirectly for substantially the full term of the asset or liability.

Level 3: Values based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment

i) Non-financial assets

The carrying amounts of the Company's non-financial assets, other than deferred income tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the assets' recoverable amount is estimated.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or group of assets (the "cash-generating unit").

An impairment loss is recognized if the carrying amount of a cash-generating unit exceeds its estimated recoverable amount. The recoverable amount of an asset or a cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cost flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the assets. Impairment losses are recognized in net income (loss).

Impairment losses recognized in prior years are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss has been recognized.

ii) Financial assets

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortized cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognized in net income (loss) and reflected in an allowance account against receivables. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through net income (loss).

Segment reporting

A reportable segment, as defined by 'IFRS 8 Operating Segments', is a distinguishable business or geographical component of the Company, which is subject to risks and rewards that are different from those of other segments. The Company considers its primary reporting format to be business segments. The Company considers that it has only one reportable segment, being the Canadian Agency and Licensing business.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Comprehensive income (loss)

Comprehensive income (loss) is the change in the Company's net assets that results from transactions, events and circumstances from sources other than the Company's shareholders and includes items that are not included in net profit. Other comprehensive income (loss) consists of changes to unrealized gain and losses on available for sale financial assets, changes to unrealized gains and losses on the effective portion of cash flow hedges and changes to foreign currency translation adjustments of self-sustaining foreign operations during the period. Comprehensive income measures net earnings for the period plus other comprehensive income. Amounts reported as other comprehensive income (loss) are accumulated in a separate component of shareholders' equity as Accumulated Other Comprehensive Income (Loss). The Company has not had other comprehensive income (loss) since inception.

Future changes in accounting policies

A number of new standards, and amendments to standards and interpretations, are not yet effective for the year ended at December 31, 2014, and have not been applied in preparing these financial statements. The following standards and interpretations have been issued by the IASB and the IFRIC effective for annual periods beginning on or after January 1, 2015:

IAS 32 - *Financial Instruments: Presentation*
In December 2011, the IASB issued an amendment to clarify the meaning of the offsetting criterion and the principle behind net settlement, including identifying when some gross settlement systems may be considered equivalent to net settlement. Earlier application is permitted when applied with corresponding amendment to IFRS 7.

IAS 36 – *Impairment of Assets*
In May 2013, the IASB, as a consequential amendment to IFRS 13 *Fair Value Measurement*, modified some of the disclosure requirements in IAS 36 regarding measurement of the recoverable amount of impaired assets. The amendments resulted from the IASB's decision in December 2010 to require additional disclosures about the measurement of impaired assets (or a group of assets) with a recoverable amount based on fair value less costs of disposal.

IFRIC 21 – *Levies*
IFRIC 21 provides guidance on when to recognize a liability for a levy imposed by a government, both for levies that are accounted for in accordance with IAS 37 *Provisions, Contingent Liabilities and Contingent Assets* and those where the timing and amount of the levy is certain.

The following standard will be effective for annual periods beginning on or after January 1, 2017:
IAS 1 – *Presentation of Financial Statements*
In December 2014, the IASB issued an amendment to address perceived impediments to preparers exercising their judgment in presenting their financial reports. The changes clarify that materiality considerations apply to all parts of the financial statements and the aggregation and disaggregation of line items within the financial statements.

IFRS 15 - *Revenue from contracts with customers*
IFRS 15 deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. Revenue is recognized when a customer obtains control of a good or service and thus has the ability to direct the use and obtain the benefits

from the good or service. The standard replaces IAS 18 'Revenue' and IAS 11 'Construction contracts' and related interpretations.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Future changes in accounting policies (continued)

IAS 16 – *Property, Plant and Equipment* and IAS 38 – *Intangible Assets*
In May 2014, the IASB issued amendments to IAS 16 Property, Plant and Equipment and IAS 38 Intangible Assets. The amendments clarify that the use of revenue-based methods to calculate the depreciation of an asset is not appropriate because revenue generated by an activity that includes the use of an asset generally reflects factors other than the consumption of the economic benefits embodied in the asset. The amendments also clarify that revenue is generally presumed to be an inappropriate basis for measuring the consumption of the economic benefits embodied in an intangible asset. This presumption, however, can be rebutted in certain limited circumstances.

The following standard will be effective for annual period beginning on or after January 1, 2019:

IFRS 9 – *Financial Instruments*
IFRS 9 includes requirements for recognition and measurement, derecognition and hedge accounting. IFRS 9 was originally issued on November 2009, reissued in October 2010, and then amended in November 2013. The IASB is adding to the standard as it completes the various phases of its comprehensive project on financial instruments, and so it will eventually form a complete replacement for IAS 39 Financial Instruments: Recognition and Measurement.

In July 2014, the IASB published the final version of IFRS 9 bringing together the classification and measurement, impairment and hedge accounting phases of the IASB project to replace IAS 39. This version adds a new expected loss impairment model and limited amendments to classification and measurement of financial assets. IFRS 9 is effective for periods beginning on or after May 1, 2018.

The extent of the impact of adoption of these standards and interpretations on the consolidated financial statements of the Company has not been determined.

4. CORPORATE RESTRUCTURING AND COMMITMENTS

According to the Plan of Arrangement as described in Note 1, the Company is required to issue 14,403,698 common shares (pre-stock split) to shareholders of Web Watcher ("Distributed Shares"). The Plan of Arrangement was approved by Web Watcher's shareholders on December 19, 2013 and by the Supreme Court of British Columbia on January 7, 2014. Subsequent to the year end, the Company issued 36,009,245 common shares after the effect of the stock split on July 11, 2014. See also Notes 5(b) and 10(b).

On May 12, 2014, the Company entered into an Acquisition Agreement with ROL for an asset acquisition whereby certain assets were acquired in exchange for $50,000 in cash (paid in April 2014), issuance of 15,000,000 common shares, payment of 3% net sales royalty and continued fund raising as part of the private placement (see Note 10(a)). On July 31, 2014, the Acquisition Agreement was amended to change the closing date to the date that the shares of the Company are approved for trading on the Canadian Stock Exchange and increased the number of shares to be issued to 17,000,000 common shares (post-stock split) (issued in January 2015). In addition the Company had advanced $125,000 to ROL as of December 31, 2014. The assets to be acquired by the Company under the Acquisition Agreement comprise the following material agreements:

4. CORPORATE RESTRUCTURING AND COMMITMENTS (continued)

1. Agreement on Sale and Purchase of Dossier for Docetaxel between AqVida GmbH of Hamburg, Germany and ROL, dated June 6, 2013. Pursuant to the agreement, AqVida GmbH granted to ROL and its affiliates the non-exclusive right to use dossier and know-how associated with Docetaxel concentrate, to obtain marketing authorizations and to sell products in Germany, France, the United Kingdom, Spain, Italy, the Netherlands, Belgium, Austria, Switzerland, Sweden, Denmark, Finland, and Norway. The purchase price is EUR70,000 for marketing authorizations in Germany, and EUR10,000 for every other country, payable in the following installments:

   (i) EUR35,000 after signing the binding term sheet (signed and not paid by ROL);
   (ii) EUR35,000 after replying to a deficiency letter and restarting the procedure (not paid by ROL);
   (iii) EUR10,000 upon receipt of marketing authorizations in each further country in the territory.

   In addition, the Company is also responsible for all the fees charged by the Governmental or Regulatory Authorities related to obtaining the marketing authorizations.

2. Agreement on Sale and Purchase of Dossier for Paclitaxel, dated February 22, 2013, between AqVida GmbH of Hamburg, Germany and ROL and Resolute Oncology Inc. (“ROI”), the parent company of ROL, incorporated in Nevada, the United States of America. Pursuant to the agreement, Aqvida GmbH granted to ROL and ROI the non-exclusive right to use the dossier and know-how associated with Paclitaxel concentrate, to obtain marketing authorizations and to sell products in Germany, France, the United Kingdom, Spain, Republic of Ireland, Italy, the Netherlands, Belgium, Austria, Switzerland, Sweden, Denmark, Finland, and Norway. The purchase price is EUR70,000 for marketing authorizations in Germany, and EUR10,000 for every other country, payable in the following installments:

   (i) EUR35,000 after signing the binding term sheet (signed) (paid by ROL);
   (ii) EUR35,000 after transferring the German marketing authorization in the name of ROI (paid by ROL);
   (iii) EUR10,000 upon receipt of marketing authorizations in each further country in the territory.

   In addition, the Company is also responsible for all the fees charged by the Governmental or Regulatory Authorities related to obtaining the marketing authorizations.

3. Agreement on Sale and Purchase of Dossier for Oxaliplatin between AqVida GmbH of Hamburg, Germany and ROL and ROI, dated March 28, 2013. Pursuant to the agreement, Aqvida GmbH granted to ROL and ROI the non-exclusive right to use the dossier and know-how associated with Oxaliplatin concentrate, to obtain marketing authorizations and to sell products in Germany, France, the United Kingdom, Spain, Republic of Ireland, Italy, the Netherlands, Belgium, Austria, Switzerland, Sweden, Denmark, Finland, and Norway. The purchase price is EUR50,000 for the marketing authorization in Germany, and EUR 10,000 for every other country, payable in the following installments:

   (i) EUR50,000 upon transfer of the German marketing authorizations in the name of Resolute or its affiliates (paid by ROL);
   (ii) EUR10,000 upon receipt of a marketing authorization in each further country in the territory.

   In addition, the Company is also responsible for all the fees charged by the Governmental or Regulatory Authorities related to obtaining the marketing authorizations.

4. CORPORATE RESTRUCTURING AND COMMITMENTS (continued)

4. Principal Agreement between Neogen Developments N.V. ("Neogen") of Anderlecht, Belgium and ROL, dated March 20, 2013. Pursuant to the agreement, Neogen granted ROL a personal, non-exclusive, and non-transferable right to use registration documentation for zoledronic acid 4 mg/5 ml vial and zoledronic acid 4 mg/100 ml to obtain one marketing authorization in Spain, the United Kingdom, Germany, and Italy and two marketing authorizations in France, for the purpose of selling, marketing, and distributing the products in the territory. The initial term of this agreement is 5 years. Upon expiry of the initial term, the agreement will automatically extend for consecutive periods of 2 years.

   ROL has the right to convert the license to an exclusive license in Spain, the United Kingdom, France, and Germany within six months of signing the agreement by matching any offer made by a third party for a license in that country within seven days of being notified by Neogen or by paying an additional EUR39,000, whichever is higher. For Italy, ROL has the option of converting the license to a semi-exclusive license (two parties) within six months of signing the agreement by matching any offer made by a third party for a license in that country within seven days of being notified by Neogen or by paying an additional EUR39,000, whichever is higher.

   On February 11, 2015, this agreement was amended. See Note 10(e) for details.

5. Three year Service Agreement between World Medical Care GmbH & Co ("WMC") KG of Hamburg, Germany and ROL, dated March 20, 2014. Pursuant to the agreement, WMC will exclusively sell and distribute ROL products.

   On August 15, 2014, ROL terminated the service agreement.

5. SHARE CAPITAL

(a) Authorized: unlimited common shares without par value

(b) Issued and Outstanding:

On September 19, 2013, 100 shares were issued for the incorporation of the Company.

On July 11, 2014, the Company completed a stock split of its existing share capital on the basis of two and one-half new common shares (2.5) for every one (1) currently issued and outstanding common share, resulting in an aggregate of 250 common shares.

As at December 31, 2014, the Company had received $250,000 in private placement proceeds for 12,500,000 units at $0.02 per unit. Each unit comprised of one common share and one common share purchase warrant exercisable at $0.05 for a period of one year from the closing date. The shares and warrants were issued subsequent to the year end. See Note 10(a).

(c) Stock Options:

The Company has adopted an incentive stock option plan (the "Option Plan") which provides that the Board of Directors of the Company may from time to time, in its discretion, and in accordance with the applicable stock exchange's requirements, grant to directors, officers, employees and consultants to the Company, non-transferable options to purchase common shares. Pursuant to the Option Plan, the number of common shares reserved for issuance will not exceed 10% of the issued and outstanding common shares of the Company. Options granted under the Option Plan can have a maximum exercise term of 5 years from the date of grant. Vesting terms will be determined at the time of grant by the Board of Directors. As at December 31, 2014 and 2013, no options were granted or outstanding.

6. CAPITAL DISCLOSURES

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders. The Company considers the items included in shareholders' equity as capital. The Company manages the capital structure and makes adjustments to it in response to changes in economic conditions and the risk characteristics of the underlying assets. The Company's primary objective with respect to its capital management is to ensure that it has sufficient cash resources to fund the operation of the Company. To secure the additional capital necessary to pursue these plans, the Company intends to raise additional funds through equity or debt financing. The Company is not subject to any capital requirements imposed by a regulator.

7. FINANCIAL INSTRUMENTS

The Company's financial instruments consist of cash and accounts payable, the fair values of which are considered to approximate their carrying value due to their short-term maturities. The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Credit risk is the risk that one party to a financial instrument will cause a loss for the other party by failing to discharge an obligation. The Company currently has minimal exposure to credit risk.

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with 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 December 31, 2014, the Company had cash of $35,156 and accounts payable of $42,114.

Interest risk is the risk that the fair value or future cash flows will fluctuate as a result of changes in market risk. The Company's sensitivity to interest rates is currently insignificant.

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. All the payments indicated in the Acquisition Agreement as described in Note 4 are in Euros. A significant change in the currency exchange rates between the Canadian dollar relative to the Euro could have an effect on the Company's results of operations, financial position and/or cash flows. Therefore, the Company has significant exposure to currency risk. The Company has not hedged its exposure to currency fluctuations.

8. RELATED PARTY TRANSACTIONS AND BALANCES

During the year ended December 31, 2014 the Company incurred $15,000 in consulting fees to a former officer of the Company. At December 31, 2014 the amount payable for these consulting fees was $15,000 and has been included in accounts payable and accrued liabilities.

9. INCOME TAXES

As at December 31, 2014, the Company had non-capital losses carried forward of $85,824 which are available for deduction against future Canadian taxable income. The non-capital losses will expire in 2034. A deferred income tax asset of $22,314 was not recognized as at December 31, 2014 due to the uncertainty that Company will be able to realize the benefits related to the deferred tax asset.

10. SUBSEQUENT EVENTS

(a) On January 8, 2015 the Company completed its private placement and issued 12,500,000 units at $0.02 per unit for proceeds of $250,000. Each unit comprised of one common share and one common share purchase warrant exercisable at $0.05 until January 8, 2016.

(b) On January 8, 2015 the Company issued 36,009,232 common shares under the plan of arrangement between the Company and Web Watcher Systems Ltd. which was approved by the shareholders of Web Watcher Systems Ltd. on December 19, 2013 and the Supreme Court of British Columbia on January 7, 2014.

(c) On January 8, 2015, the Company issued 17,000,000 common shares in accordance with the Acquisition Agreement of which 2,500,000 common shares were issued to officers and directors of the Company.

(d) On January 16, 2015 the Company completed its listing and began trading on the Canadian Stock Exchange under the symbol “NOI”. The Acquisition Agreement with ROL as described in Note 4 was closed accordingly.

(e) On February 11, 2015 the Principal Agreement between Neogen and ROL was amended such that that the rights on the registration documents will be limited to the 4 mg/5 ml product and to Germany only. All other rights will be transferred back to Neogen. In addition, the total amount to be paid for 4 mg/5 ml product would be to as follows:

(i) EUR 145,000 in relation to this agreement covering milestones, service charges as well as fees paid to regulatory authorities;
(ii) An amount of EUR 186,500 in relation to the purchase orders.

The amended agreement indicated ROL will pay only EUR 150,000 by monthly installments of EUR 10,000 each month with the first payment due on February 15, 2015 (paid). Prior to December 31, 2014, ROL has paid EUR 50,000 to Neogen. In any event any payment is missed, Neogen shall be entitled to initiate proceedings for the overall debt of EUR 331,500 less the payments which have been made.

On March 19, 2015 the Company signed a letter of guarantee for the repayment of the outstanding balance payable on this agreement by ROL.