LeenLife Pharma International Inc.

Condensed Interim Financial Statements

For the three months ended June 30, 2017

Expressed in Canadian dollars

The accompanying notes form an integral part of these financial statements

LeenLife Pharma International Inc.

Unaudited Condensed Interim Financial Statements
For the three months ended June 30, 2017

Notice of No Auditor Review of Interim Condensed Financial Statements

The accompanying unaudited condensed interim financial statements have been prepared by management and approved by the Audit Committee.

The Company's independent auditors have not performed a review of these condensed financial statements in accordance with the standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditors.

LeenLife Pharma International Inc.
Condensed Interim Statements of Financial Position
As At,
(Expressed in Canadian dollars)

	Note	June 30, 2017	March 31, 2017
ASSETS			
Current Assets			
Cash		$ 4,488	$ 179,962
Amounts receivable		27,471	19,497
		31,959	199,459
Equipment	4	4,803	3,512
Total assets		$ 36,762	$ 202,971
LIABILITIES			
Current Liabilities			
Accounts payable and accrued liabilities		$ 184,156	$ 119,510
Advances and amounts owing to related parties;		50,033	64,303
		234,189	183,813
SHAREHOLDERS' EQUITY			
Share capital	9	5,035,437	5,035,437
Equity reserves		299,913	8,050
Deficit		(5,532,777)	(5,024,329)
		(197,427)	19,158
Total liabilities and shareholders' equity		$ 36,762	$ 202,971

"Stan Lis"
Director

"Casey Forward"
Director

LeenLife Pharma International Inc.
Condensed Interim Statements of Comprehensive Loss
For the three months ended June 30
(Expressed in Canadian dollars)

	Note		2017		2016
Expenses					
Amortization	4	$	389	$	217
Bank charges and interest			109		4,554
Consulting fees	12		11,786		30,000
Management and director fees	12		55,500		54,000
Office and general			28,835		4,523
Professional fees	12		64,230		89,170
Research			52,965		15,000
Stock based compensation			291,863		-
Transfer agent and filing fees			2,771		2,542
Travel			-		6,145
			(508,448)		(206,151)
Other items					
Interest income			-		625
Loss and comprehensive loss		$	(508,448)	$	(205,526)
Loss per share, basic and diluted		$	(0.01)	$	(0.01)
Weighted average number of shares outstanding			34,015,318		31,733,106

LeenLife Pharma International Inc.
Condensed Interim Statements of Cash Flows
For the three months ended June 30
(Expressed in Canadian dollars)

	Note		2017		2016
Cash Flows from Operating Activities					
Loss for the period		$	(508,448)	$	(205,526)
Items not affecting cash:					
Amortization			389		217
Stock based compensation			291,863		-
Accrued interest (income)			-		3,797
			(216,196)		(201,512)
Changes in non-cash working capital:					
Amounts receivable			(7,974)		(132)
Accounts payable and accrued liabilities			64,646		200,875
Net cash provided by (used in) operating activities			(159,524)		(769)
Cash Flows from Financing Activities					
Due to related parties			(14,270)		-
Net cash provided by (used by) financing activities			(14,270)		-
Cash Flows from Investing Activities					
Purchase of equipment			(1,680)		1,940
Net cash used in investing activities			(1,680)		1,940
Change in cash and cash equivalents			(175,474)		1,171
Cash and cash equivalents at beginning of period			179,962		175
Cash and cash equivalents at end of period		$	4,488	$	1,346
Cash and cash equivalents consist of:					
Cash		$	4,488	$	1,346
Interest paid		$	-	$	-
Income taxes paid		$	-	$	-

LeenLife Pharma International Inc.
Condensed Interim Statements of Changes in Shareholders' Equity
(Expressed in Canadian dollars)

	Note	Share Capital					
		Shares	Amount	Share Subscription	Share-based Compensation	Deficit	Total
Balance, March 31, 2016		37,733,106	$ 3,597,443	$ -	$ 8,050	$ (4,041,841)	$ (436,348)
Loss for the period		-	-	-	-	(205,526)	(205,526)
Balance, June 30, 2016		37,733,106	$ 3,597,443	$ -	$ 8,050	$ (4,247,367)	$ (641,874)
Balance, March 31, 2017		34,015,318	$ 5,035,437	$ -	$ 8,050	$ (5,024,329)	$ 19,158
Stock based compensation		-	-	-	291,863	-	291,863
Loss for the period		-	-	-	-	(508,448)	(508,448)
Balance, June 30, 2017		34,015,318	$ 5,035,437	$ -	$ 299,913	$ (5,532,777)	$ (197,427)

1. CORPORATE INFORMATION

The Company was incorporated as a numbered company under the laws of the Province of British Columbia on January 12, 2014. Pursuant to a plan of arrangement (the "Arrangement") dated January 14, 2014, between the Company and Vinergy Resources Ltd. ("Vinergy"), the Company acquired from Vinergy a business interest and $5,000 in cash as part of the Arrangement.

As consideration for the business interest and the cash, the Company issued to Vinergy 2,633,334 common shares in its capital, which shares were distributed by Vinergy to its shareholders. Vinergy completed the share distribution on June 18, 2014.

With the completion of the share distribution, on June 18, 2014, the Company became a reporting issuer in British Columbia, Alberta and Ontario and changed its name on August 1, 2014, to SPT Sulphur Polymer Technologies Inc. On December 17, 2014, the Company was listed and began trading on the Canadian Securities Exchange ("CSE") under the symbol "SEE".

In July 2015, the Company entered into an agreement to acquire a 90 interest in a Polish private company that had developed a process to isolate omega-3 fatty acids from flax seeds. The acquisition constituted a change of business for the Company for which final approval was received from the CSE on December 2, 2015 and the transaction was formally completed on February 18, 2016. In connection with the change of business, on December 3, 2015 the Company changed its name to LeenLife Pharma International Inc. and commenced trading on the CSE under the symbol "LLP".

The head office and registered and records office for the Company is located at Suite 380 – 680 Hornby Street, Vancouver, British Columbia, V6C 3B6.

2. BASIS OF PREPARATION

(a) Statement of Compliance

This condensed interim financial information for the three months ended June 30, 2017 have been prepared in accordance with IAS 34 "Interim financial reporting". The condensed interim financial information should be read in conjunction with the annual financial statements for the year ended March 31, 2017, which have been prepared in accordance with International Financial Reporting Standards ("IFRS").

These financial statements were reviewed by the Audit Committee and approved and authorized for issue by the Board of Directors on August 29, 2017.

3. GOING CONCERN ISSUES

The Company incurred a loss of $508,448 for the three months ended June 30, 2017 (2016: $205,528), and has an accumulated deficit of $5,532,777 and working capital deficiency of $202,230 at June 30, 2017 (March 31, 2017: deficit of $5,024,329 and working capital of $15,646). These factors indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

The Company's ability to continue its operations and to realize assets at their carrying values is dependent upon its ability to fund its existing acquisition and exploration commitments on its exploration and evaluation assets when they come due, which would cease to exist if the Company decides to terminate its commitments, and to cover its operating costs. The Company may be able to generate working capital to fund its operations by the sale of its exploration and evaluation assets or raising additional capital through equity markets. However, there is no assurance it will be able to raise funds in the future. These financial statements do not give effect to any adjustments required to realize it assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in the accompanying financial statements.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The Company makes estimates and assumptions about the future that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions.

5. SEGMENTED INFORMATION

A reportable segment, as defined by 'IFRS 8 Operating Segments', is a distinguishable business or geographical component of the Company, which are subject to risks and rewards that are different from those of other segments. The Company considers its primary reporting format to be business segments. As at June 30, 2017, the Company considers that it has one reportable business segment.

6. EQUIPMENT

		Computer equipment
Cost		
Balance at March 31, 2016	$	3,984
Additions		3,050
Balance at March 31, 2017		7,034
Additions		1,680
Balance at June 30, 2017	$	8,714
Amortization and impairment		
Balance at March 31, 2016	$	1,095
Amortization		2,427
Balance at March 31, 2017		3,522
Amortization		389
Balance at June 30, 2017	$	3,911
Carrying amounts		
at March 31, 2017	$	3,512
at June 30, 2017	$	4,803

7. SHARE CAPITAL

(a) Authorized

Unlimited common shares with no par value.

For the three months ended June 30, 2017

Nil

For the year ended March 31, 2017

The Company closed a non-brokered private placement in three tranches issuing a total of 14,515,000 Units at $0.10 per unit. Each Unit consists of one common share of the Company and one warrant to purchase an additional share at $0.15 per share for a period of two years. The first tranche of 9,335,000 Units closed on December 16, 2016 with the Company issuing 9,335,000 common shares and 9,335,000 warrants exercisable at $0.15 until December 16, 2018. The second tranche of 450,000 Units closed on December 30, 2016 with the Company issuing 450,000 common shares with 450,000 warrants exercisable until December 30, 2018. The third tranche of 4,730,000 Units closed on February 21, 2017 with the Company issuing 4,730,000 common shares with warrants exercisable until February 21, 2019. The Company incurred issue costs of $13,506.

On March 30, 2017, the Company returned to treasury and cancelled the 12,232,788 common shares issued in connection to the acquisition of LeenLife SA.

7. SHARE CAPITAL (continued)

(b) Stock options

The Company has established a stock option plan for directors, employees and consultants which is administered by the board of directors with full and final authority with respect to the granting of all options. The exercise prices shall be determined by the board, but shall, in no event, be less than the closing market price of the Company's shares on the grant date, less the maximum discount permitted under the TSX Venture Exchange's policies. The number of common shares issuable under the plan may not exceed 10% of the issued and outstanding common shares.

(i) The changes in stock options were as follows:

	For the three months ended June 30, 2017	Weighted Average Exercise Price	For the year ended March 31, 2017	Weighted Average Exercise Price
Balance, beginning of period	-	$ -	-	$ -
Activities during the period:				
Granted	3,400,000	0.18	-	-
Balance, end of period	3,400,000	$ 0.18	-	$ -

During the perioid ended June 30, 2017, the Company granted a total of 3,400,000 options to employees, consultants, directors and officers.

Using the fair value method for share-based payments, a total expense of $291,863 was recorded in the statements of comprehensive loss for the period ended June 30, 2017.

The current amount was determined using the Black Scholes Option Pricing Model assuming no dividends are to be paid, with a weighted average expected stock option life of 2 years, a weighted average annual volatility of the Company's share price of 170.7 and an average annual risk free interest rate of 1.00%.

(ii) The following table summarizes information about stock options outstanding at June 30, 2017.

Exercise price	Number outstanding	Number exercisable	Weighted average remaining contractual life (years)
$ 0.18	3,400,000	3,400,000	3.0
	3,400,000	3,400,000	4.0

(c) Warrants

(i) The changes in warrants were as follows:

	For the three months ended June 30, 2016	Weighted Average Exercise Price	For the year ended March 31, 2017	Weighted Average Exercise Price
Balance at beginning of period	-	$ -	-	$ -
Activities during the period:				
Issued	14,515,000	$ 0.15	-	$ -
Balance at end of period	14,515,000	$ 0.08	-	$ -

(ii) The following table summarizes information about warrants outstanding at June 30, 2017:

Number outstanding	Exercise price	Expiry date
8,335,000	0.15	December 16, 2018
450,000	0.15	December 30, 2018
4,730,000	0.15	February 21, 2019
13,515,000		

8. RELATED PARTY TRANSACTIONS AND BALANCES

The following expenses were incurred with key management personnel of the Company and companies controlled by key management personnel. Key management personnel are persons responsible for planning, directing and controlling the activities of an entity, and include certain directors and officers. Key management compensation comprises:

		For the three months ended June 30, 2017		For the three months ended June 30, 2016
Management fees	$	55,500	$	54,000
Professional fees		55,500		54,000
Consulting fees		-		15,000
Stock based compensation		184,561		-
	$	295,561	$	123,000

As at June 30, 2017 accounts payable and accrued liabilities included $50,033 (March 31, 2017 - $64,303) owing to officers and directors. The amounts due are non-interest bearing, unsecured and with no stated terms of repayment.

9. CAPITAL DISCLOSURES

The Company's objectives when managing capital is 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 and cash 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 development of the real estate development Business. To secure the additional capital necessary to pursue these plans, the Company intends to raise additional funds through the equity or debt financing. The Company is not subject to any capital requirements imposed by a regulator.

10. FINANCIAL INSTRUMENTS AND RISKS

The company is exposed through its operations to the following financial risks:

- Liquidity risk
- Market risk
- Foreign exchange risk
- Credit risk

In common with all other businesses, the Company is exposed to risks that arise from its use of financial instruments. This note describes the Company's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

There have been no substantive changes in the Company's exposure to financial instrument risks, its objectives, polices and processes for managing those risks or the methods used to measure them from previous years unless otherwise stated in the note.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk through the management of its capital structure and financial leverage.

As at June 30, 2017, the Company had a cash balance of $4,488 and GST receivable of $27471 to settle current liabilities of $234,189. The Company will require financing from lenders, shareholders or other investors to generate sufficient capital to meet its short term business requirements.

10. FINANCIAL INSTRUMENTS AND RISKS (continued)

Market Risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, investment fluctuations, and commodity and equity prices. Market conditions will cause fluctuations in the fair values of financial assets classified as held-for-trading and available-for-sale and cause fluctuations in the fair value of future cash flows for assets or liabilities classified as held-to-maturity, available-for-sale, loans and receivables and other financial liabilities. The Company is not exposed to significant interest rate risk as the Company's has no interest bearing debt. The Company's ability to raise capital to fund operations to manufacture and sell its products is subject to risks associated with fluctuations in prices. Management closely monitors commodity prices, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

Foreign currency risk

Foreign currency risk is the risk that a variation in exchange rates between the Canadian dollar and US dollar or other foreign currencies will affect the Company’s operations and financial results. The Company does not have significant exposure to foreign currency rate fluctuations.

(c) Price risk

The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company’s earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices of flax seed oil, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

Credit Risk

Financial instruments that potentially expose the Company to credit risk are cash and cash equivalents. To minimize the credit risk on cash the Company places the instrument with a high credit quality financial institution. The maximum exposure to loss arising from these advances is equal to their total carrying amounts.

Fair Values

The Company’s financial instruments include cash and cash equivalents, amounts receivable and accounts payable and accrued liabilities. The carrying amounts of these financial instruments are a reasonable estimate of their fair values because of their current nature. It is impractical to determine the fair value of these financial instruments with sufficient reliability due to the nature of these financial instruments, the absence of secondary market and the significant cost of obtaining external appraisals. The fair value of these financial instruments approximates their carrying value under the effective interest method.

Fair Value Hierarchy

The Company classifies its fair value measurements in accordance with the three level fair value hierarchy as follows:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities; and
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- 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 following table sets forth the Company’s financial assets measured at fair value by level within the fair value hierarchy as follows:

At June 30, 2017	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	$ 4,488	$ -	$ -	$ 4,488

At March 31, 2017	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	$ 179,962	$ -	$ -	$ 179,962

11. EVENTS OCCURRING AFTER THE REPORTING DATE

A director exercised 300,000 stock options at a price of $0.18 per share.