

P2P INFO INC.
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED SEPTEMBER 30, 2016 and 2015
(Expressed in Canadian Dollars)

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INDEPENDENT AUDITOR'S REPORT

To: the Shareholders of
P2P Info Inc.

I have audited the accompanying consolidated financial statements of P2P Info Inc. ("the Company"), which comprise the consolidated statements of financial position as at September 30, 2016 and September 30, 2015 and the consolidated statements of loss and comprehensive loss and cash flows and statement of changes in equity for the years then ended, and 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, 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.

Auditor's Responsibility

My responsibility is to express an opinion on these consolidated financial statements based on my audits. I conducted my audits in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit 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 the auditor's 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, the auditor considers 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as at September 30, 2016 and September 30, 2015 and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

Emphasis of Matter

Without qualifying my opinion, I draw attention to Note 1 in the consolidated financial statements which indicates that the Company incurred a net loss of \$51,776 during the year ended September 30, 2016 and, as of that date, had an accumulated deficit of \$186,166 since inception. These conditions, along with other matters as set forth in Note 1, indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

"Sam S. Mah Inc"

Chartered Professional Accountant

Vancouver, Canada
January 25, 2017

P2P INFO INC.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2016 AND 2015
(Expressed in Canadian dollars)

	Notes	2016	2015
ASSETS			
Current assets			
Cash and cash equivalents		\$ 4,844	\$ 4,703
GST receivable		963	1,413
Total current assets		5,807	6,116
Total assets		\$ 5,807	\$ 6,116
LIABILITIES AND EQUITY			
Current liabilities			
Accounts payable and accrued liabilities		\$ 10,596	\$ 20,684
Shareholder loan	4	92,147	30,592
Total current liabilities		102,743	51,276
Equity			
Share capital	3	89,230	89,230
Deficit		(186,166)	(134,390)
Total equity		(96,936)	(45,160)
Total liabilities and equity		\$ 5,807	\$ 6,116

NATURE OF BUSINESS AND GOING CONCERN (NOTE 1)

The consolidated financial statements were authorized for issue by the board of directors on January 25, 2017 and were signed on its behalf by:

/s/ "Ying Zhou"
 Ying Zhou, Director

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

P2P INFO INC
CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS
FOR THE YEARS ENDED SEPTEMBER 30, 2016 AND 2015
(Expressed in Canadian dollars)

	Notes	2016	2015
Expenses			
Salaries and benefits	4	\$ 23,668	\$ 52,516
Administrative expenses		-	51,113
Professional fees		8,209	19,035
Listing and transfer agent expenses		9,171	5,989
Rent		4,668	3,641
Office expenses and miscellaneous		937	1,497
Interest expenses		5,123	599
Net loss and comprehensive loss for the year		\$ (51,776)	\$ (134,390)
Net loss per common share, basic and diluted		\$ (0.01)	\$ (0.04)
Weighted average number of common shares outstanding		4,461,500	3,494,697

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

P2P INFO INC.

**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED SEPTEMBER 30, 2016 AND 2015**

(Expressed in Canadian dollars)

	Number of Shares	Share Capital	Deficit	Total Equity
	(Note 3)	(Note 3)		
		\$	\$	\$
Balance, September 30, 2014	1	1	-	1
Cancellation of incorporation shares	(1)	(1)	-	(1)
Shares issued pursuant to plan of arrangement	2,943,500	58,870	-	58,870
Private placement	1,518,000	30,360	-	30,360
Comprehensive loss for the year	-	-	(134,390)	(134,390)
Balance, September 30, 2015	4,461,500	89,230	(134,390)	(45,160)
Comprehensive loss for the year	-	-	(51,776)	(51,776)
Balance, September 30, 2016	4,461,500	89,230	(186,166)	(96,936)

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

P2P INFO INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED SEPTEMBER 30, 2016 AND 2015
(Expressed in Canadian dollars)

	2016	2015
Cash flows from operating activities		
Net loss for the year	\$ (51,776)	\$ (134,390)
Changes in non-cash working capital items:		
Decrease in HST/GST receivable	451	(1,413)
Increase in accounts payable and accrued liabilities	(4,966)	21,276
	(56,291)	(114,527)
Cash flows from investing activities		
Net cash used in investing activities	-	-
Cash flows from financing activities		
Shares issued pursuant to plan of arrangement	-	89,230
Shareholder loan	56,432	30,000
Net cash received from financing activities	56,432	119,230
Increase in cash and equivalents	141	4,703
Cash and equivalents, beginning of the year	4,703	-
Cash and equivalents, end of the year	\$ 4,844	\$ 4,703

SUPPLEMENTAL CASH FLOW INFORMATION (NOTE 5)

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

P2P INFO INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED SEPTEMBER 30, 2016 AND 2015
(Expressed in Canadian dollars)

1. NATURE OF BUSINESS AND GOING CONCERN

P2P Info Inc. (the “Company” or “P2P”) was incorporated on September 29, 2014 under the laws of British Columbia, Canada and maintains its head office at Suite 1552, 701 West Georgia Street, Vancouver, British Columbia, Canada V7Y 1C6. Its registered office is located at Suite 800 – 885 West Georgia Street, Vancouver, British Columbia V6C 3H1. The Company was incorporated as a wholly-owned subsidiary of Cascadia Consumer Electronics Corp. (“Cascadia”) for the purposes of a re-organization of Cascadia pursuant to a plan of arrangement (“Plan of Arrangement”) under the Business Corporation Act of British Columbia. The Plan of Arrangement became effective on November 28, 2014, and the Company was spun off from Cascadia. The Company becomes a reporting issuer in the province of British Columbia, Alberta and Ontario on November 28, 2014. The principal business of the Company is the identification, evaluation and acquisition of business.

The Company is currently in the process of developing and finalizing its intended business operations.

These financial statements are prepared on a going concern basis, which assumes that the Company will continue its operations for a reasonable period. The Company has incurred losses since its inception and has an accumulated deficit of \$186,166 as at September 30, 2016. The Company’s ability to continue its operations and to realize assets at their carrying values is dependent upon obtaining additional financing or maintaining continued support from its shareholders and creditors, identifying and acquiring businesses or assets, and generating profitable operations in the future, which raises doubt about the Company’s ability to continue as a going concern. 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 as a going concern.

2. SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

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

Basis of consolidation

These consolidated financial statements incorporate the financial statements of the Company and its wholly-owned subsidiary, 1026195 B.C. Ltd. which was incorporated on January 29, 2015. All inter-company transactions, balances, income and expenses have been eliminated in full on consolidation.

Basis of measurement

These consolidated financial statements have been prepared on a historical cost basis except for certain financial instruments that are measured at fair value. Historical cost is generally based on the fair value of the consideration given in exchange for assets. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

Functional and presentation currency

These consolidated financial statements are presented in Canadian dollars, which is the Company’s functional currency.

Use of estimates and judgements

The preparation of these consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions which affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the consolidated financial statements and revenues and expenses for the periods reported.

P2P INFO INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED SEPTEMBER 30, 2016 AND 2015
(Expressed in Canadian dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Use of estimates and judgements (continued)

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results could differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and further periods if the review affects both current and future periods.

Critical accounting judgements are accounting policies that have been identified as being complex or involve subjective judgments or assessments with a significant risk of material adjustment in the next year. A significant use of judgement is the ability of the Company to continue as a going concern.

Cash and cash equivalents

Cash and cash equivalents in the consolidated statements of financial position is comprised of cash in banks and on hand, and short-term deposits with an original maturity of three months or less, which are readily convertible into a known amount of cash.

Financial instruments

i) Financial assets

All financial assets are initially recorded at fair value and designated upon inception into one of the following four categories: held to maturity, available for sale, loans and receivables or at fair value through profit or loss ("FVTPL").

Financial assets classified as FVTPL are measured at fair value with unrealized gains and losses recognized through earnings. The Company's cash is classified as a financial asset at FVTPL.

Financial assets classified as loans and receivables and held to maturity assets are measured at amortized cost. Financial assets classified as available for sale are measured at fair value with unrealized gains and losses recognized in other comprehensive income or loss except for losses in value that are considered other than temporary which are recognized in earnings. The Company has no financial instruments classified under loans and receivables, held to maturity and available for sale at September 30, 2016.

Transactions costs associated with FVTPL financial assets are expensed as incurred, while transaction costs associated with all other financial assets are included in the initial carrying amount of the asset.

ii) Financial liabilities

All financial liabilities are initially recorded at fair value and designated upon inception as financial liabilities at FVTPL or other financial liabilities.

Financial liabilities classified as other financial liabilities are initially recognized at fair value less directly attributable transaction costs. After initial recognition, other financial liabilities are subsequently measured at amortized cost using the effective interest method. The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period. The Company's accounts payables are classified as other financial liabilities.

P2P INFO INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

ii) **Financial liabilities (continued)**

Financial liabilities classified as FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as FVTPL. Derivatives, including separated embedded derivatives are also classified as held for trading and recognized at fair value with changes in fair value recognized in earnings unless they are designated as effective hedging instruments. Fair value changes on financial liabilities classified as FVTPL are recognized in earnings. The Company has no financial instruments classified as financial liabilities at FVTPL at September 30, 2016.

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 of the obligation can be made. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the consolidated statement of financial position date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount receivable can be measured reliably.

Share capital

The Company records proceeds from the issuance of its common shares as equity. Incremental costs directly attributable to the issue of new common shares are shown in equity as a deduction, net of tax, from the proceeds. Common shares issued for consideration other than cash are valued based on their market value at the date that the shares are issued.

Share issue costs

Professional, consulting, regulatory and other costs directly attributable to financing transactions are recorded as deferred financing costs until the financing transactions are completed, if the completion of the transaction is considered likely; otherwise they are expensed as incurred. Share issue costs are charged to share capital when the related shares are issued. Deferred financing costs related to financing transactions that are not completed are charged to earnings.

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.

Income taxes

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the consolidated statement of financial position date, and includes any adjustment to tax payable or receivable in respect of previous years.

Deferred taxes are recorded using the liability method whereby deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

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2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Income taxes (continued)

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted at the end of each reporting period. Deferred tax is not recognized for temporary differences which arise on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affect neither accounting nor taxable profit nor loss.

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Changes in accounting policy

Effective October 1, 2015, the Company adopted the following new accounting standards and interpretations. The Company determined that the adoption of these standards and interpretations did not result in any material changes in the consolidated financial statements.

IFRS 7 *Financial Instruments: Disclosures* - In December 2011, the IASB issued an amendment to this standard, which requires entities to provide additional information about offsetting of financial assets and financial liabilities that will enable users of financial statements to evaluate the effect or potential effect of netting arrangements, including rights of set-off associated with an entity's recognized financial assets and recognized financial liabilities, on the entity's financial position.

IFRS 10 *Consolidated Financial Statements* - IFRS 10 requires an entity to consolidate an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

IFRS 13 *Fair Value Measurement* - IFRS 13 is a comprehensive standard for fair value measurement and disclosure requirements for use across all IFRS standards. The new standard clarifies that fair value is the price that would be received to sell an asset, or paid to transfer a liability in an orderly transaction between market participants, at the measurement date. It also establishes disclosures about fair value measurement.

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 1 *Presentation of Financial Statements* – IAS 1 has been amended to require entities to separate items presented in other comprehensive income (“OCI”) into two groups, based on whether or not items may be recycled to net income in the future. Entities that choose to present OCI items before tax will be required to show the amount of tax related to the two groups separately including prior year comparatives.

New accounting standards issued but not yet effective

Certain new standards, interpretations and amendments to existing standards have been issued by the IASB or the International Financial Reporting Interpretations Committee (“IFRIC”) that are mandatory for future accounting periods. Some updates that are not applicable or are not consequential to the Company may have been excluded from the list below.

The following standard will be effective for annual periods beginning on or after January 1, 2018:

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2. SIGNIFICANT ACCOUNTING POLICIES (continued)

New accounting standards issued but not yet effective (continued)

IFRS 9 *Financial Instruments* - In November 2009, as part of the IASB project to replace IAS 39 *Financial Instruments: Recognition and Measurement*, the IASB issued the first phase of IFRS 9, that introduces new requirements for the classification and measurement of financial assets. The standard was revised in October 2010 to include requirements regarding classification and measurement of financial liabilities. In November 2013, the standard was revised to add the new general hedge accounting requirements. The standard was finalized in July 2014 and was revised to add a new expected loss impairment model and amends the classification and measurement model for financial assets by adding a new fair value through other comprehensive income (FVOTCI) category for certain debt instruments and additional guidance on how to apply the business model and contractual cash flow characteristics test.

IFRS 15 *Revenue from Contracts with Customers* - which provides a single principle-based framework to be applied to all contracts with customers. IFRS 15 replaces the previous revenue standard IAS 18, Revenue, and the related Interpretations on revenue recognition. The standard scopes out contracts that are considered to be lease contracts, insurance contracts and financial instruments. The new standard is a control-based model as compared to the existing revenue standard which is primarily focused on risks and rewards. Under the new standard, revenue is recognized when a customer obtains control of a good or service. Transfer of control occurs when the customer has the ability to direct the use of and obtain the benefits of the good or service. This standard is effective for reporting periods beginning on or after January 1, 2018

IFRS 16 *Leases* - was issued in January 2016 and specifies how an IFRS reporter will recognize, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance, with IFRS 16's approach to lessor accounting substantially unchanged from its predecessor, IAS 17. This standard is effective for reporting periods beginning on or after January 1, 2019.

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

3. SHARE CAPITAL

Authorized:

The Company has authorized an unlimited number of common and preferred shares with no par value.

	Number of Shares	Share Capital
Balance, September 30, 2014	1	1
Cancellation of incorporation shares	(1)	(1)
Shares issued pursuant to plan of arrangement	2,943,500	58,870
Private placement	1,518,000	30,360
Balance, September 30, 2016 and 2015	4,461,500	\$ 89,230

On November 28, 2014, P2P and Cascadia completed a Plan of Arrangement with approval of the Supreme Court of British Columbia under the Business Corporation Act (British Columbia). Pursuant to the Plan of Arrangement, P2P obtained \$58,870 cash from Cascadia as working capital in exchange for the issuance of 2,943,500 common shares of P2P and to distribute all these common shares of P2P to Cascadia's shareholders on a pro-rata basis.

On January 29, 2015, the Company completed a private placement for \$30,360 by issuing 1,518,000 shares at \$0.02 per share.

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3. SHARE CAPITAL (continued)

Escrow Shares

As at September 30, 2016, the Company has 1,080,300 shares held in escrow. The release of the securities will be determined by the emergence of the Company as a listed issuer.

4. RELATED PARTY TRANSACTIONS AND BALANCES

Key management personnel compensation

The Company incurred the following compensation to key management personnel of the Company:

		2016	2015
Salaries and benefits	Directors	\$ 22,438	\$ 49,510

Key management includes directors, the Chief Executive Officer (“CEO”) and the Chief Financial Officer (“CFO”) of the Company. Key management salaries and benefits incurred are presented gross of any reimbursements from P2P.

Other related party transaction

The Company shares office with Cascadia, which has common directors and officers. As at September 30, 2016, the Company has \$5,756 payable to Cascadia for the rent of shared office.

Shareholder Loan received from related party

During the year ended September 30, 2016, the Company received shareholder loan of \$56,432 from directors of the Company. The promissory note bears interest at 8% per annum. There is no specific maturity date. Subject to regulatory approval, the loan may be converted into common shares at the option of the Company. In 2016, there is \$5,123 accrued as interest expense.

The Borrower agrees to pay the lender the maximum bonus (the “Bonus”) permitted by the Canadian securities regulation policies in consideration of the loan on the date the loan is repaid. The bonus shall be paid in cash, shares, warrants or a combination at the election of the lenders.

5. SUPPLEMENTAL CASH FLOW INFORMATION

	2016	2015
Cash paid for income taxes during the year	\$ -	\$ -
Cash paid for interest during the year	\$ -	\$ -

Of the \$56,432 shareholder loan, \$28,000 were received by the Company in cash and the rest \$28,432 were transferred from salary payables (see Note 4).

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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6. INCOME TAXES

The following table reconciles the amount of deferred tax expense on application of the combined statutory Canadian federal and provincial income tax rates:

	2016	2015
	\$	\$
Combined statutory tax rate	26%	26%
Income tax recovery at combined statutory rate	13,461	34,941
Non-deductible expenses	-	-
Other	-	-
Change in deferred income tax assets not recognized	(13,461)	(34,941)
Deferred income tax (recovery) expense	-	-

The significant components of deferred tax assets not recognized as at September 30, 2016 and 2015 are as follows:

	2016	2015
	\$	\$
Non-capital losses	13,000	35,000
Total deferred tax assets not recognized	13,000	35,000

As at September 30, 2016, the Company and its subsidiary had approximately \$186,000 (2015 - \$134,000) of non-capital loss carry forwards available to reduce taxable income for future years. The non-capital losses expire to 2036:

2035	\$	134,000
2036	\$	52,000
	\$	186,000

7. FINANCIAL INSTRUMENTS

The Company classifies its cash as a financial asset at FVTPL, and its accounts payable as other financial liabilities. The carrying amount of financial liabilities carried at amortized cost is a reasonable approximation of fair value due to the relatively short period to maturity of these financial instruments.

Fair value

Financial instruments measured at fair value on a recurring basis are classified into one of three levels in the fair value hierarchy based on the degree to which the inputs used to determine the fair value are observable. The three levels of the fair value hierarchy are:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly; and

Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Cash of \$4,844 is classified as Level 1. There were no transfers into or out of Level 2 or Level 3 during the year.

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7. FINANCIAL INSTRUMENTS (continued)

Financial risk management

The Company's financial risks arising from its financial instruments are credit risk, liquidity risk, and interest rate risk. The Company's exposure to these risks and the policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented in a timely and effective manner.

Currency risk

The Company's expenses are denominated in Canadian dollars. The Company's corporate office is based in Canada and its current exposure to exchange rate fluctuations is minimal. The Company does not have any foreign currency denominated monetary assets or liabilities.

Credit risk

Credit risk is the risk of potential loss to the Company if the counter party to a financial instrument fails to meet its contractual obligations. Financial instruments that potentially subject the Company to concentrations of credit risk consist principally of cash. The Company's credit risk with respect to its cash is minimal as it is held with a large financial institution.

Liquidity risk

Liquidity risk is the risk that the Company will not meet its obligations associated with its financial liabilities as they fall due. The Company manages liquidity risk through the management of its capital structure and financial leverage, as outlined in Note 8. Management closely monitors the liquidity position and expects to have adequate sources of funding to finance the Company's projects and operations. As at September 30, 2016, the Company had a working capital deficit of \$96,936. All the Company's financial liabilities are classified as current.

Interest rate risk

The Company has no interest-bearing debt. The Company has not entered into any derivative instruments to manage interest rate fluctuations. The Company does not have significant interest rate risk.

8. CAPITAL MANAGEMENT

The Company's objective when managing capital is to safeguard its ability to continue as a going concern, so that it can continue to provide returns to shareholders and benefits for other stakeholders. The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. In management of capital, the Company's capital includes shareholders' equity.

The Company's objective is met by retaining adequate equity to provide for the possibility that cash flows from assets will not be sufficient to meet future cash flow requirements. The Board of Directors does not establish quantitative return on capital criteria for management. Currently, the Company is relying on private placements and advances from the directors and officers to continue its operations. The Company is not subject to any externally imposed capital requirements.