JG Wealth Management Corporation

Condensed Consolidated Interim Financial Statements

Three Months ended December 31, 2015

(Unaudited)

(Expressed in Canadian Dollars)

NOTICE TO READER

Under National Instrument 51-102, if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed consolidated interim financial statements have been prepared by management, and were not reviewed by the Company's independent auditor.

JG Wealth Management Corporation
Condensed consolidated interim statement of financial position

(Unaudited - Expressed in Canadian Dollars)

	Note	December 31, 2015	September 30, 2015
		$	$
Assets			
Current assets			
Cash		**147,362**	554,569
Accounts receivable	5	**1,079,558**	3,387
Investments	4, 10	**1,399,053**	1,660,126
Purchase prepayments		**5,250**	-
		2,631,223	2,218,082
Non-current			
Property	6	**-**	1,077,660
Total assets		**2,631,223**	3,295,742
Liabilities and shareholders' equity			
Current liabilities			
Accounts payable and accrued liabilities	7	**76,839**	44,416
Note payable	8, 11	**-**	506,082
		76,839	550,498
Non-current			
Deferred tax liability		**29,000**	29,000
Total liabilities		**105,839**	579,498
Shareholders' equity			
Share capital	3, 9	**2,317,064**	2,002,064
Other capital reserve	3, 9	**39,511**	39,511
Subscriptions received in advance		**-**	225,000
Retained earnings		**168,809**	449,669
Total equity		**2,525,384**	2,716,244
Total liabilities and shareholders' equity		**2,631,223**	3,266,742

Nature of operations and going concern (Note 1)

Approved and authorized for issuance by the Board of Directors on February 26, 2016

"Sonny Janda" — Director

Ayub Khan" — Director

See accompanying notes to the condensed consolidated interim financial statements

JG Wealth Management Corporation
Condensed consolidated interim statement of comprehensive loss

(Unaudited - Expressed in Canadian Dollars)

		3 months ended	
	Note	**December 31, 2015**	December 31, 2014
		$	$
Rental income	11	**13,274**	–
Rental expenses		**3,224**	–
Net Rental income		**10,050**	–
Expenses			
Consulting		**29,500**	–
Interest	8, 11	**2,086**	–
Office and administration		**4,500**	–
Professional and consulting fees		**2,000**	–
Trust and filing fees		**4,267**	–
Total operating expenses		**42,353**	–
Realized gain on sale of investments	4, 10	**24,476**	–
Loss on sale of property	6	**(1,489)**	–
Unrealized loss on fair value of investments	4, 10	**(271,544)**	–
Net loss before tax		**(280,860)**	–
Loss and other comprehensive loss for the period		**(280,860)**	–
loss per share, basic and diluted		**(0.01)**	–
Weighted average number of outstanding shares, basic and diluted		**31,174,297**	1

See accompanying notes to the condensed consolidated interim financial statements

; Wealth Management Corporation
›nsolidated statement of changes in equity

Jnaudited - Expressed in Canadian Dollars except for number of shares)

	Note	Common shares					
		Number	Amount	Other capital reserve (Note 3)	Subscription received in advance	Retained earnings	To
			$			$	
ptember 30, 2014		1	1			-	
ecember 31, 2014		1	1		-	-	
ptember 30, 2015		30,646,672	2,002,064	39,511	225,000	449,669	2
suance of common shares	9	562,500	225,000		(225,000)	-	
suance of common shares	9	225,000	90,000				
et income		-	-			(280,860)	
ecember 31, 2015		**31,434,172**	**2,317,064**	**39,511**	**-**	**168,809**	**2**

e accompanying notes to the condensed consolidated interim financial statements

JG Wealth Management Corporation

Condensed consolidated interim statement of cash flow

(Unaudited - Expressed in Canadian Dollars)

Three months ended December 31,	**2015**	2014
Cash (used in) provided by:	**$**	$
Operating activities		
Comprehensive loss for the period	**(280,860)**	-
Items not involving cash :		
Loss from sale of property	**1,489**	
Gain from sale of investments	**(24,476)**	
Unrealized loss on fair value of investments	**271,544**	-
Changes in non-cash operating working capital		
Accounts payable and accrued liabilities	**29,036**	
Purchase prepayments	**(5,250)**	-
Cash provided by (used in) operating activities	**(8,517)**	-
Investing activities		
Proceeds from sale of property	**-**	
Proceeds from sale of investments	**31,720**	
Purchase of investments	**(17,715)**	-
Cash provided by (used in) investing activities	**14,005**	-
Financing activities		
Repayment of promissory note	**(506,082)**	
Proceeds from issuance of common shares	**90,000**	-
Cash provided by (used in) financing activities	**(416,082)**	-
Increase of cash	**(410,594)**	-
Cash, beginning of period	**554,569**	-
Cash, end of period	**143,975**	-
Supplementary information:		
Cash paid for interest	**8,000**	-
Cash paid for income taxes	**-**	-

See accompanying notes to the condensed consolidated interim financial statements

1. NATURE OF OPERATIONS AND GOING CONCERN

JG Wealth Management Corporation (the "Company") was incorporated on November 29, 2007 and was previously a wholly owned subsidiary of Mag One Products Inc. (Formerly Acana Capital Corp.) ("Mag One"). The Company is a venture capital and investment company. The Company's head office is located at Suite 200 – 8338 120th Street, Surrey, BC, V3W 3N4. The Company ceased to be a subsidiary of Mag One on January 1, 2015 and the Company's shares commenced trading on Canadian Securities Exchange ("CSE") under the symbol JGW on March 12, 2015 (Note 3).

Going concern

These financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. The Company's continuation as a going concern is dependent whether the Company can be developed into a viable business, performance of investments, and continued support from the Company's related parties. These factors indicate the existence of uncertainty that may cast doubt about the Company's ability to continue as a going concern. Should the Company be unable to continue as a going concern, the net realizable value of its assets may be materially less than the amounts on its statement of financial position.

2. SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

These condensed consolidated interim financial statements have been prepared in accordance with the International Accounting Standards ("IAS") 34 "Interim Financial Reporting" issued by the International Accounting Standards Board ("IASB"). They do not include all disclosures that would otherwise be required in a complete set of financial statements and should be read in conjunction with the 2015 annual financial statements.

Basis of preparation

These condensed consolidated interim financial statements have been prepared on an accrual basis and are based on historical costs, except for certain financial instruments measured at their fair value as explained in the accounting policies below. All amounts are presented in Canadian dollars unless otherwise noted.

Consolidation

These condensed consolidated interim financial statements included the accounts of the Company and its wholly owned subsidiary, Acana Capital Corp., that was incorporated on July 10, 2015 in British Columbia, Canada.

Inter-company balances and transactions, including unrealized income and expenses arising from inter-company transactions, are eliminated on consolidation. Acana Capital Corp. does not have any activities since inception.

Significant estimates and assumptions

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

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Significant estimates and assumptions (continued)

Estimates where there is significant risk of material adjustments to assets and liabilities in future accounting periods include fair value measurements for financial instruments, carrying values of the investments and the property, the fair value of the shares issued in connection with the closing of the Arrangement, and the recoverability and measurement of deferred tax assets.

Significant judgments

The preparation of financial statements in accordance with IFRS requires the Company to make judgments, apart from those involving estimates, in applying accounting policies. The most significant judgments in applying the Company's financial statements is the assessment of the Company's ability to continue as a going concern and whether there are events or conditions that may give rise to significant uncertainty.

Adoption of new accounting policies

The Company has not adopted new accounting policies since it recent year ended September 30, 2015.

New Accounting Standards and Interpretations

IFRS 9 Financial Instruments ("IFRS9") was issued by the IASB in October 2010 and will replace IAS 39 Financial Instruments: Recognition and Measurement ("IAS 39"). IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward unchanged to IFRS 9. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. IFRS 9 will be effective January 1, 2018. Earlier adoption is permitted. The Company is in the process of assessing the impact of this standard on its financial statements. Other new accounting standards have no material effect on the Company's financial statements.

3. CORPORATE RESTURCTING

The Company and its former parent company, Mag One, entered into a plan of arrangement in order to proceed with a corporate restructuring (the "Arrangement") by the way of a plan of arrangement, whereby Mag One transferred assets of Mag One to the Company in return for 30,646,671 common shares of the Company with a fair value of $2,002,063. The Company's shares were distributed to the shareholders of Mag One on a pro-rata basis based on their relative shareholdings of Mag One at the completion of the Arrangement, when the Company's common shares started trading on the CSE after all the approvals were received.

Before the completion of the Arrangement, the Company was dormant; thus does not have results of operation to report on during three months ended December 31, 2014.

(Unaudited - Expressed in Canadian dollars)

4. INVESTMENTS

The Company's investments are comprised of investments in shares and share purchase warrants of Canadian public companies (Note 10).

Details of investments as at September 30, 2015 and December 31, 2015 are as follows:

	Total
Cost:	$
At September 30, 2015	1,074,421
Additions	17,715
Disposals	(7,244)
At December 31, 2015	1,084,892
Fair value adjustment:	$
At September 30, 2015	585,705
Changes	(271,544)
At December 31, 2015	314,161
Net carrying value:	$
At September 30, 2015	1,660,126
At December 31, 2015	1,399,053

The fair value of the warrants was determined using the Black-Scholes option pricing model using the following weighted average assumptions:

	December 31, 2015	September 30, 2015
Expected life of warrants (years)	2.62	2.79
Annualized volatility	188%	176%
Risk-free interest rate	0.5%	0.5%
Dividend rate	0%	0%

As at December 31, 2015, common shares and warrants with a total cost of $652,208 (September 30, 2015: $601,587) and a total fair value of $884,806 (September 30, 2015: $1,125,758) are issued by Canadian public companies with common directors or officers of the Company.

5. ACCOUNTS RECEIVABLE

On December 29, 2015, the Company sold the property (Note 6) for net proceeds of $1,076,170 and recorded the amount as accounts receivable. The Company received the net proceeds subsequently on January 13, 2016.

The Company's former parent company, Mag One, collected rent on behalf of the Company and $3,387 remains receivable as at December 31, 2015 (September 30, 2015 - $3,387) from the former parent company (Note 11). The Company and the former parent company have a common director. The receivable is un-secured, non-interest bearing and no stated repayment terms.

(Unaudited - Expressed in Canadian dollars)

6. PROPERTY

On December 29, 2015, the Company sold the property for net proceeds of $1,076,170 resulting in a loss of $1,489.

Cost:	$
At September 30, 2015	1,151,496
Disposition	(1,151,496)
At December 31, 2015	-
Amortization:	
At September 30, 2015	(34,325)
Disposition	34,325
At December 31, 2015	-
Impairment:	
At September 30, 2015	(39,512)
Disposition	39,512
December 31, 2015	-
Net book value as at September 30, 2015	1,077,660
Net book value as at December 31, 2015	-

7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	December 31, 2015	September 30, 2015
	$	$
GST payable	686	778
Trade payables	68,803	36,288
Accrued liabilities	7,350	7,350
	76,839	44,416

8. NOTE PAYABLE

In June 2015, the Company issued a promissory note of $500,000 to an entity related to a director of the Company (Note 11). This promissory note is un-secured, bears interest at 4% per annum, and is due on June 11, 2016. The Company repaid the note and interest in November 2015.

(Unaudited - Expressed in Canadian dollars)

9. SHARE CAPITAL

Authorized

Unlimited number of common shares without par value.

Common shares - Issued and outstanding

In October 2015, the Company issued 787,500 common shares for proceeds of $315,000 in a non-brokered private placement ($0.40 per share). The Company will use the proceeds for its working capital.

Other capital reserve

The other capital reserve records the difference between the fair value and the carrying value of the net assets transferred pursuant to the Arrangement (Note 3).

10. FINANCIAL INSTRUMENTS

Classification of financial instruments

Financial assets included in the statement of financial position are as follows:

	December 31, 2015	September 30, 2015
	$	$
FVTPL:		
Investments	1,399,053	1,660,126

	December 31, 2015	September 30, 2015
	$	$
Loans and receivables:		
Cash	147,362	554,569
Accounts Receivable	1,079,558	3,387
	1,226,920	557,956

Financial liabilities included in the statement of financial position are as follows:

	December 31, 2015	September 30, 2015
	$	$
Non-derivative financial liabilities:		
Trade payables	68,803	36,288
Note payable (Note 8, 11)	-	506,082
	68,803	542,370

(Unaudited - Expressed in Canadian dollars)

10. FINANCIAL INSTRUMENTS (Continued)

Fair value

The fair values of the Company's financial assets and liabilities approximates the carrying amounts either due to their short-term nature or because the interest rates applied to measure their carrying amount approximate current market rates.

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

The following is an analysis of the Company's financial assets measured at fair value as December 31, 2015:

	Level 1	Level 2	Level 3
	$	$	$
Cash	147,362	-	-
Investments	1,186,053	213,000	-
	1,333,415	213,000	

Risk management

The Company has not changed its risk management approach in connection with its financial instrument since its year ended September 30, 2015.

11. RELATED PARTY TRANSACTIONS

During three months ended December 31, 2015, the Company had the following related party transactions:

Investments
As at December 31, 2015, common shares and warrants with a total cost of $652,208 (September 30, 2015: $601,587) and a total fair value of $884,806 (September 30, 2015: $1,125,758) are issued by Canadian public companies with common directors or officers of the Company (Note 4).

Notes payable
In June 2015, the Company issued a promissory note of $500,000 payable to a private entity related to a director of the Company. The promissory note is un-secured, bearing interest at 4% per annum, and is due on demand or before June 11, 2016. The Company repaid this note and interest in November 2015.

Rental revenue and accounts receivable

11. RELATED PARTY TRANSACTIONS (Continued)

Remuneration charged by key management
During the 3 months ended December 31, 2015, consulting fees of $25,000 was charged by the Company's former CEO (2015- $Nil).

As at December 31, 2015, there was an amount due to the Company's former CEO of $26,250 including in the Company's accounts payable and accrued liabilities (September 30, 2015 - $Nil). The amount owing is non-secured, payable on demand and has the same term of the Company's trade payable.