THE DELMA GROUP INC.

FORM 2A – LISTING STATEMENT

March 21, 2018

1. TABLE OF CONTENTS

1.1 Include a table of contents with the following headings:

GLOSSARY OF TERMS

The following is a glossary of certain general terms used in this Listing Statement including the summary hereof. Terms and abbreviations used in the financial statements included in, or appended to this Listing Statement are defined separately and the terms and abbreviations defined below are not used therein, except where otherwise indicated. Words importing the singular, where the context requires, include the plural and vice versa and words importing any gender include all genders.

"**Acquisition**" means the acquisition of the Delma Entities by Aydon to be carried out in accordance with the terms of the Acquisition Agreement upon receipt of CSE Approval.

"**Acquisition Agreement**" means the share purchase agreement entered into among Aydon, Delma GP, Delma Resorts LP, Delma Properties LP, SEC Bromont and Bromont GP, dated July 20, 2017 (as amended on November 27, 2017).

"**Acquisition Effective Date**" means the effective date of the Acquisition, following receipt of CSE Approval.

"**Affiliate**" means a company that is affiliated with another company as described below.

A company is an "Affiliate" of another company if:

a) one of them is the subsidiary of the other; or

b) each of them is controlled by the same Person.

A company is "controlled" by a Person if:

a) voting securities of Aydon are held, other than by way of security only, by or for the benefit of that Person; and

b) the voting securities, if voted, entitle the Person to elect a majority of the directors of Aydon.

A Person beneficially owns securities that are beneficially owned by:

a) a company controlled by that Person; or

b) an Affiliate of that Person or an Affiliate of any company controlled by that Person.

"**Associate**" when used to indicate a relationship with a Person, means:

a) an Issuer of which the Person beneficially owns or controls, directly or indirectly, voting securities entitling him to more than 10% of the voting rights attached to outstanding securities of the Issuer;

b) any partner of the Person;

c) any trust or estate in which the Person has a substantial beneficial interest or in respect of which a Person serves as trustee or in a similar capacity; or

d) in the case of a Person who is an individual:

(i) that Person's spouse or child, or

(ii) any relative of the Person or of his spouse who has the same residence as that Person.

"**Aydon**" means Aydon Income Properties Inc., a company incorporated under the BCBCA.

"**Aydon Shareholders**" means holders of Aydon Shares.

"**Aydon Options**" means the issued and outstanding options under the Stock Option Plan.

"**Aydon Shares**" means the issued and outstanding common shares in the capital of Aydon.

"**Aydon Warrants**" means the issued and outstanding Aydon Share purchase warrants.

"**BCBCA**" means the *Business Corporations Act* (British Columbia).

"**Bromont GP**" means 9216-3583 Quebec Inc.

"**Bromont GP Shareholders**" means the holders of Bromont GP Shares.

"**Bromont GP Shares**" means the issued and outstanding shares of Bromont GP.

"**CBCA**" means the *Canada Business Corporations Act*.

"**CCQ**" means the *Civil Code of Quebec*.

"**Circular**" means the Management Information Circular of Aydon dated November 27, 2017.

"**Closing Date**" means the date on which the Reverse Take-over, the Name Change, the Continuance and the Consolidation are completed.

"**Commissions**" means the Ontario Securities Commission, the Alberta Securities Commission and the British Columbia Securities Commission.

“**Consideration Shares**” means the aggregate 1,932,666,700 Resulting Issuer Shares to be issued by Aydon to holders of Delma Shares pursuant to the terms of the Acquisition Agreement.

“**Consolidation**” means the consolidation of all of the issued and outstanding Aydon Shares on the basis of one new Common Share for every 200 issued and outstanding Aydon Shares, effective as of the Acquisition Effective Date.

“**Continuance**” means the continuance of Aydon from the BCBCA to the CBCA.

“**CSE**” means the Canadian Securities Exchange.

“**CSE Approval**” means the final approval of the CSE in respect of the continued listing of the Aydon Shares on the CSE following completion of the Acquisition, as evidenced by the issuance of the final approval bulletin of the CSE in respect thereof.

“**CSE Policies**” means the rules and policies of the CSE in effect as of the date hereof.

“**Delma Corporation**” means Delma Resorts & Hotels Canada Corporation.

“**Delma Entities**” means Delma GP, Delma Properties, Delma Resorts, SEC Bromont and Bromont GP.

“**Delma GP**” means Delma Resorts & Hotels GP Inc.

“**Delma GP Shareholders**” means the holders of Delma GP Shares.

“**Delma GP Shares**” means the issued and outstanding shares of Delma GP.

“**Delma Properties**” means Delma Properties Canada LP, a limited partnership established under the CCQ.

“**Delma Properties LP Agreement**” means the limited partnership agreement dated September 1, 2009 between SGI Investments Canada GP Inc. and SGI Granada Editions Canada Inc., under which Delma Properties was created.

“**Delma Properties Units**” means the issued and outstanding units of Delma Properties.

“**Delma Resorts**” means Delma Resorts & Hotels LP, a limited partnership established under the CCQ.

“**Delma Resorts LP Agreement**” means the limited partnership agreement dated November 11, 2015 among Delma GP, SGI Investment Canada LP and 9484213 Canada Inc., under which Delma Resorts was created.

“**Delma Resorts Units**” means the issued and outstanding units of Delma Resorts.

“**Delma Shares**” means the Delma GP Shares and the Bromont GP Shares.

“**Delma Unitholders**” means the holders of Delma Units.

“**Delma Units**” means the Delma Properties Units, the Delma Resorts Units and the SEC Bromont Units.

“**Effective Date**” means November 27, 2017.

“**Escrow Agent**” means TSX Trust.

“**Escrow Agreement**” means the escrow agreement to be entered into by the Resulting Issuer, the Escrow Agent and certain principals of the Resulting Issuer in compliance with the requirements of the CSE, with the securities subject to such Escrow Agreement to be released as determined by the CSE.

“**Initial CSE Listing Statement**” means the initial CSE Form 2A listing statement of Aydon, dated as at and filed with the CSE on March 11, 2015.

“**Joint Venture Agreement**” means the joint venture agreement dated November 8, 2015 among Delma Corporation, Développement Golfmonts Inc., Christopher Folla and Julie Gaucher.

“Listing” means the listing of The Delma Group Inc. on the CSE.

“Listing Requirements” means any requirement imposed by the CSE in order to achieve a Listing.

“**Listing Statement**” means this listing statement of Aydon, including the schedules hereto.

“Major Shareholder” means any Shareholder holding more than 10% of the issued and outstanding Shares.

“Management” means the directors and officers of The Delma Group Inc.

“**Management Fee**” means the fee paid to a Property manager to manage the Property, which consists of a base fee, a performance fee and an incentive fee.

“**Meeting**” means the annual and special meeting of the shareholders of Aydon held on December 29, 2017 for the purposes described in the Circular.

“**Name Change**” means the proposed change of Aydon’s name to “The Delma Group Inc.”, or such other name as may be determined by the board of directors of Aydon upon completion of the Acquisition.

“**Nominee Agreement**” means the nominee agreement dated November 8, 2015 between Delma Resorts and Delma Corporation.

“Net Asset Value” means, in the context of an asset, the net value of this asset, which is the total value of the asset minus the liabilities attached to this asset, divided by the number of outstanding shares related to that asset.

“NAV” means Net Asset Value.

“**Notice of Meeting**” means the notice of the Meeting delivered to the Aydon Shareholders together with the Circular.

“**Person**” means an individual or company.

“**Properties**” means the real estate held by the Delma Group, either alone or in partnership with third parties.

“**QBCA**” means the *Business Corporations Act* (Quebec).

“Real Estate Asset” means, an interest owned in any real or immoveable property.

“Real Estate” means, depending on the context, the real estate market or a Real Estate Asset.

“**RCGT**” means Raymond Chabot Grant Thornton LLP.

“Rental Income” means the income generated by rental of the Properties.

“**Resulting Issuer**” or “**Delma Group**” means Aydon upon completion of the Acquisition following receipt of CSE Approval.

“**Resulting Issuer Board**” means the board of directors of the Resulting Issuer.

“**Resulting Issuer Options**” means the outstanding common share purchase options of the Resulting Issuer upon completion of the Acquisition.

“**Resulting Issuer Shares**” means the Resulting Issuer Class A Shares and the Resulting Issuer Class B Shares.

“**Resulting Issuer Class A Shares**” means Aydon’s outstanding class A subordinate voting shares upon completion of the Acquisition.

“**Resulting Issuer Class B Shares**” means Aydon’s outstanding class B multiple voting shares upon completion of the Acquisition.

“**Resulting Issuer Warrants**” means Aydon’s outstanding common share purchase warrants upon completion of the Acquisition.

“**Reverse Take-over**” means the proposed reverse takeover of Aydon by Delma upon completion of the Acquisition, which constitutes a “fundamental change” pursuant to CSE Policies and is subject to approval by a majority of the votes cast by shareholders of Aydon at the Meeting and CSE Approval.

“**SEC Bromont**” means Société en commandite Bromont I.

“**SEC Bromont Properties LP Agreement**” means the limited partnership agreement dated December 10, 2009 among Bromont GP, Gestion H. Petit Inc., Fiducie Familiale SP, Les Placements Jomica Inc. and Gestion Vaillancourt Mercier Inc., under which SEC Bromont was created.

“**SEC Bromont Unitholders**” means the holders of SEC Bromont Units.

“**SEC Bromont Units**” means the issued and outstanding units of SEC Bromont.

“**Shares**” means, depending on the context, The Delma Group’s class A or class B shares.

“**Shareholders”** means any holder of Shares.

“**Stock Option Plan**” means Aydon’s stock option plan.

“Total Revenue” means the total revenue generated by the Properties.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

The information provided in this Listing Statement, including information incorporated by reference, may contain “forward-looking statements” about Aydon. In addition, Aydon may make or approve certain statements in future filings with Canadian securities regulatory authorities, in press releases, or in oral or written presentations by representatives of Aydon that are not statements of historical fact and may also constitute forward-looking statements. All statements, other than statements of historical fact, made by Aydon that address activities, events or developments that Aydon expects or anticipates will or may occur in the future are forward-looking statements, including, but not limited to, statements preceded by, followed by or that include words such as “may”, “will”, “would”, “could”, “should”, “believes”, “estimates”, “projects”, “potential”, “expects”, “plans”, “intends”, “anticipates”, “targeted”, “continues”, “forecasts”, “designed”, “goal”, or the negative of those words or other similar or comparable words.

Forward-looking statements may relate to future financial conditions, results of operations, plans, objectives, performance or business developments. These statements speak only as at the date they are made and are based on information currently available and on the then current expectations of Aydon and assumptions concerning future events, which are subject to a number of known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to be materially different from that which was expressed or implied by such forward-looking statements, including, but not limited to, risks and uncertainties related to:

- the availability of financing opportunities, risks associated with economic conditions, dependence on management and conflicts of interest; and
- other risks described in this Listing Statement and described from time to time in documents filed by Aydon with Canadian securities regulatory authorities.

The forward-looking statements contained herein are based on certain key expectations and assumptions, including: (a) expectations and assumptions concerning timing of receipt of required shareholder and regulatory approval and any applicable third party consents, if any; and (b) expectations and assumptions concerning the success of the operation of Aydon.

With respect to the forward-looking statements contained herein, although Aydon believes that the expectations and assumptions on which the forward-looking statements are based are reasonable, undue reliance should not be placed on the forward-looking statements, because no assurance can be given that they will prove to be correct. Since forward-looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks. These include, but are not limited to: the availability of sources of income to generate cash flow and revenue; the volatility of Aydon’s stock price; risks relating to the trading price of the

Aydon relative to net asset value; the dependence on management and directors; risks relating to additional funding requirements; due diligence risks; exchange rate risks; risks relating to non-controlling interests; potential conflicts of interest; and potential transaction and legal risks, as more particularly described under the heading "*Risk Factors*" in this Listing Statement.

Consequently, all forward-looking statements made in this Listing Statement and other documents of Aydon are qualified by such cautionary statements and there can be no assurance that the anticipated results or developments will actually be realized or, even if realized, that they will have the expected consequences or effects on Aydon. The cautionary statements contained or referred to in this section should be considered in connection with any subsequent written or oral forward-looking statements that Aydon and/or persons acting on Aydon's behalf may issue. Aydon undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, other than as required under securities legislation.

MARKET AND INDUSTRY DATA

This Listing Statement includes market and industry data that has been obtained from third-party sources, including industry publications. Aydon believes that its industry data is accurate and that its estimates and assumptions are reasonable, but there is no assurance as to the accuracy or completeness of this data. Third party sources generally state that the information contained therein has been obtained from sources believed to be reliable, but there is no assurance as to the accuracy or completeness of included information. Although the data is believed to be reliable, Aydon has not independently verified any of the data from third-party sources referred to in this Listing Statement or ascertained the underlying economic assumptions relied upon by such sources.

2. CORPORATE STRUCTURE

2.1 Corporate name

The head and registered office of Aydon Income Properties Inc. is located at 202-5626 Larch Street, Vancouver, British Columbia, V6M 4E1.

The head and registered office of each of Delma Resorts & Hotels GP Inc., Delma Properties Canada LP and Delma Resorts & Hotels LP is located at 310-925 de Maisonneuve Boulevard West, Montreal, Quebec, H3A 0A5. The head and registered office of each of Société en commandite Bromont I and 9216-3583 Quebec Inc. is located at 640 Orly Avenue, Suite 160, Dorval, Quebec, H9P 1E9.

The Delma Group Inc.'s head and registered office will be located at 640 Orly Avenue, Suite 160, Dorval, Quebec, H9P 1E9.

2.2 Incorporation

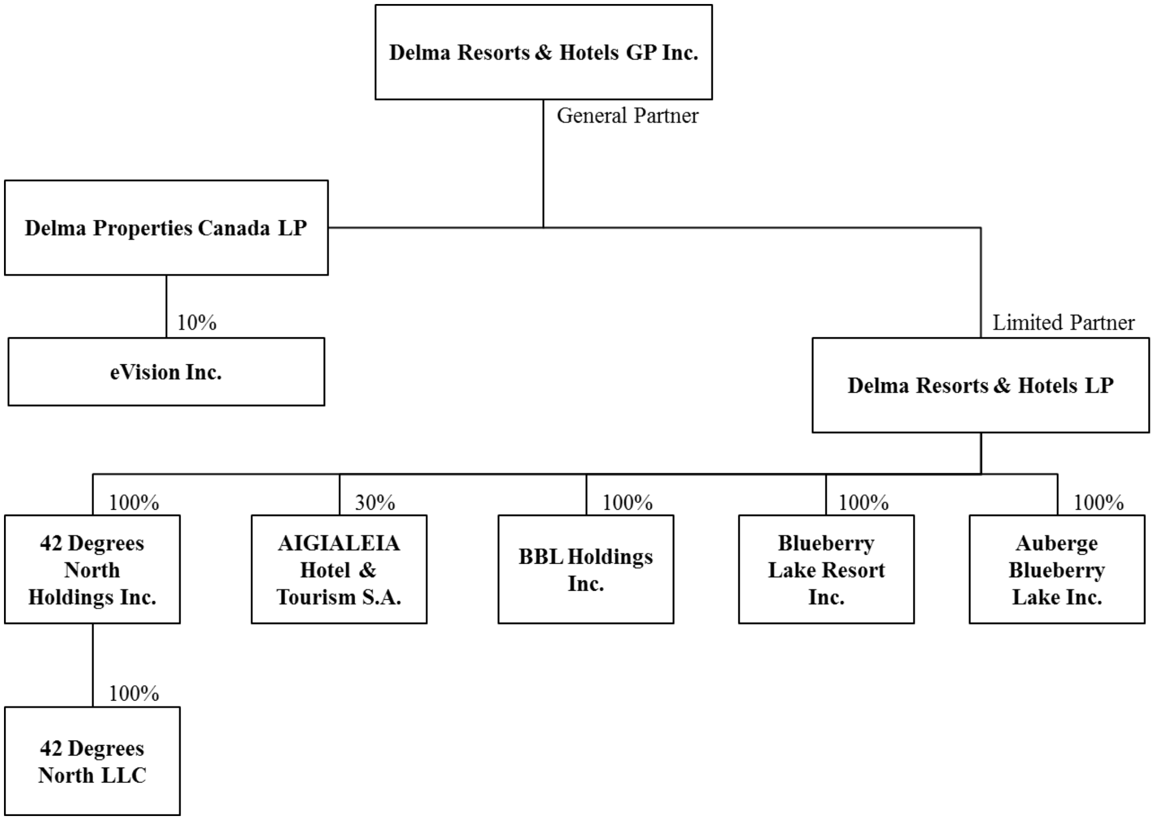
Aydon is the result of an amalgamation under the BCBCA, on August 27, 2014, of Genesis Income Properties Inc. and Forbairt Development Acquisition Corp. under a plan of arrangement.

Delma GP is a corporation incorporated under the QBCA. Each of Delma Properties, Delma Resorts and SEC Bromont are a limited partnership formed under the CCQ. Bromont GP is a corporation incorporated under the QBCA.

Following receipt of a Certificate of Continuation dated January 19, 2018, the Resulting issuer is incorporated under the CBCA.

2.3 Inter-corporate Relationships

Delma's affiliates and other holdings are structured as follows:



Delma Resorts & Hotels GP Inc. acts as the general partner for both Delma Properties Canada LP and Delma Resorts & Hotels LP.

Delma Properties Canada LP holds a majority interest in Delma Resorts & Hotels LP, as a limited partner. It also holds a 10% stake in eVision Inc., a Montreal, Quebec-based technology business specialized in business process automation, research administration, grants management, ethics certification and compliance management, as well as government consulting.

Delma Resorts & Hotels LP holds a portfolio of real estate holdings through its ownership of its subsidiaries and its minority equity interests.

It Owns the Blueberry Lake Trade Mark and other intellectual properties.

It directly holds a Joint Venture 50% stake in lands around the Balmoral Golf & Resort in Morin Heights, Quebec as well as an agreement to develop commercial and residential land and a condo-hotel & spa in the same area.

42 Degrees North Holdings Inc. is a holding company that owns, though its subsidiary 42 Degrees North LLC, land in Ellicottville, New York on which is being developed into a 4-star resort.

BBL Holdings Inc. owns 150 acres of land near Blueberry Lake (in the Mont-Tremblant, Quebec area) that is zoned for development of houses and a condo-hotel resort.

Auberge Blueberry Lake Inc. owns the Blueberry Lake Club House, a one-acre lot next to it, and other facilities that include an outdoor pool, barn, play areas, tennis courts, and an office/residential/warehouse/workshop building in the Blueberry Lake Resort.

Blueberry Lake Resort Inc. owns the common roads in the Blueberry Lake Resort as well as one small lot, as well as access rights and usage rights to Blueberry Lake (all in the Mont-Tremblant, Quebec area).

AIGIALEIA Hotel & Tourism S.A. holds the Panagopoula Resort in Patras, Greece, which is still under development and consists of a 30,000 square meter waterfront resort near Patras in Western Greece with 48 Villas and a hotel, which remains under construction.

2.4 Fundamental Change.

Immediately before listing on the CSE, Aydon and the Delma Entities completed the Acquisition. In conjunction with the Acquisition, Aydon changed its name to "The Delma Group Inc.". The Resulting Issuer will hold all shares of Delma Resorts & Hotels GP Inc. and all units of Delma Properties Canada LP and Delma Resorts & Hotels LP and all the units of SEC Bromont Units and the Bromont GP Shares. Please refer to Section 2.3.

2.5 Issuer Incorporated Outside of Canada.

This Section is not applicable to the Issuer.

3. GENERAL DEVELOPMENT OF THE BUSINESS

3.1 General Development of the Delma Group Business

The business of the Delma Entities, together with their affiliates (together referred to as the "**Delma Group**"), became the business of the Resulting Issuer upon completion of the Acquisition. Under the Acquisition Agreement Aydon will acquire all of the issued and outstanding Delma Shares, Delma Units, Bromont GP Shares and SEC Bromont Units. The Acquisition will result in the Delma Entities becoming wholly owned subsidiaries of Aydon.

Established in 2015, but tracing its corporate roots to 1990 in North America, the Delma Group is a Montreal, Canada-based multinational, diversified real estate company focused on but not limited to the ownership, development and management of properties and projects in Canada, the USA and Greece. The operations primarily involve the design, marketing and operations of small, medium, and large projects.

The Delma Group is a vertically integrated real estate investment, redevelopment and operating company, and was founded as a vehicle to give its stakeholders access to high return US, Canadian and international real estate and hospitality investments and subsequently attracted other investors and partners through the success of its portfolio.

Unlike industries that offer high growth but unpredictable cash flows, the Delma Group's business model offers low risk-adjusted returns with stable cash flows. In general, the Delma Group properties are less exposed to uncertain business and financial risks, and have generated returns that have consistently met management estimates of shareholder returns. The Delma Group aims to create diversified portfolios that are resilient to changing markets and macroeconomic conditions, and to provide long-term returns that outperform the real estate industry.

The Delma Group has acquired a diverse portfolio, both in geographical location and in product type. The properties collectively represent a dedication to long-term ownership and opportunistic buying. The Delma Group has been very successful in identifying hidden value and new markets that have produced above-average returns that other competitors have overlooked. Its goal is to have a stable portfolio with a steady stream of dividends for the long term.

The Delma Group has broad expertise across national sectors and markets and a history of creating value for our shareholders and investors. It combines a flexible, entrepreneurial approach with a swift but rigorous investment process.

The Delma Group's founders are a group of leading organizations from several countries around the world who bring together their resources, expertise, network of offices, facilities, and clients, to create a sustainable, growing and diverse company that can serve its clients, shareholders, and investors as a one-stop shop.

The Acquisition

On July 20, 2017, Aydon has entered into the Acquisition Agreement with the Delma Entities, under which Aydon has agreed to acquire all of the issued and outstanding Delma Shares, Delma Units, Bromont GP Shares and SEC Bromont Units on the following terms (before giving effect to the Consolidation):

a) Aydon to purchase the Delma GP Shares, the units of Delma LP and the units of Delma Properties LP at a total price of $33,480,000 and issue 490,916,667 Aydon Class A shares and 625,083,333 Aydon Class B shares to Delma Properties LP Unitholders and Delma LP Properties Unitholders;

b) Aydon to purchase the Bromont GP Shares and the SEC Bromont Units at a total price of $24,500,000 and issue 616,666,700 Aydon Class A shares and 200,000,000 Aydon Class B shares to SEC Bromont Unitholders and Bromont GP Shareholders.

The Board, in the course of a strategic review, has decided that the Reverse Take-over is the best available option to produce value for its shareholders. As a result, Aydon has entered into the Acquisition Agreement in order to complete the Reverse Take-over.

The Reverse Take-over was completed on January 19, 2018.

3.2 Significant Acquisition or Disposition

This section is not applicable to the Issuer.

3.3 Trend, Commitment, Event or Uncertainty

See Section 17 – Risk Factors.

4 NARRATIVE DESCRIPTION OF THE BUSINESS

4.1 General Business of the Resulting Issuer

The Resulting Issuer's business objective after completion of the Acquisition will be the same as previously carried on by the Delma Group.

The business of the Delma Entities, together with their affiliates (together referred to as the "**Delma Group**"), became the business of the Resulting Issuer upon completion of the Acquisition. Under the Acquisition Agreement Aydon will acquire all of the issued and outstanding Delma Shares, Delma Units, Bromont GP Shares and SEC Bromont Units. The Acquisition will result in the Delma Entities becoming wholly owned subsidiaries of Aydon.

The Delma Group is a vertically integrated real estate investment, redevelopment and operating company, and was founded as a vehicle to give its stakeholders access to high return US, Canadian and international real estate and hospitality investments and subsequently attracted other investors and partners through the success of its portfolio.

Unlike industries that offer high growth but unpredictable cash flows, the Delma Group's business model offers low risk-adjusted returns with stable cash flows. In general, the Delma Group properties are less exposed to uncertain business and financial risks, and have generated returns that have consistently met management estimates of shareholder returns. The Delma Group aims to create diversified portfolios that are resilient to changing markets and macroeconomic conditions, and to provide long-term returns that outperform the real estate industry.

The Delma Group has acquired a diverse portfolio, both in geographical location and in product type. The properties collectively represent a dedication to long-term ownership and opportunistic buying. The Delma Group has been very successful in identifying hidden value and new markets that have produced above-average returns that other competitors have overlooked. Its goal is to have a stable portfolio with a steady stream of dividends for the long term.

The Delma Group has broad expertise across national sectors and markets and a history of creating value for our shareholders and investors. It combines a flexible, entrepreneurial approach with a swift but rigorous investment process.

The Delma Group's founders are a group of leading organizations from several countries around the world who bring together their resources, expertise, network of offices, facilities, and clients, to create a sustainable, growing and diverse company that can serve its clients, shareholders, and investors as a one-stop shop.

Business Strategy

The Delma Group's business strategy is to capitalize on undervalued or distressed real estate assets while generating quality return on investments.

- Focus on high growth generating operations while effectively mitigating business risks
- Continued search of new projects on existing property in developed markets to deliver sustainable cash flows
- Focused, yet aggressive approach to real estate investing – Equity or debt investments in undervalued assets or ones which demonstrate strong prospects for value creation
- Continue to consolidate presence in the mid-size real estate via strategic bolt-on acquisitions
- Invest in areas that offer a demonstrable level of demand as well as compelling demographic fundamentals
- Focus on the preservation of capital while delivering superior risk-adjusted returns
- Continuously evaluate new complimentary opportunities to diversify revenue base
- Utilize our network of relationships that offers access to off-market opportunities
- Expand presence attractive, emerging markets for tourism

Transaction Knowledge

Every project is analyzed and reviewed in depth, including all financial, operational, environmental and capital market factors. Our strength is demonstrated in rigorous due diligence, careful market analysis and thorough knowledge of the capital markets.

Development & Value-Added Policy

Our strategy involves buying an existing property, improving it over a short to medium holding period through our proven track record of turning around such properties, and selling it at an opportune time for gain. This portfolio is usually expanded both in existing locations and new locations.

The key focus is on “asset selection” which involves identifying and purchasing assets at a low price, off-market deals - such as from banks, distressed sellers, or other properties at steep discounts.

Our Income Policy

Being an investor itself, the Delma Group derives maximize investor value by creating a wide portfolio of real estate & hospitality assets, as well as professional real estate services to third parties, generating strong cash flow and dividends, and ultimately, substantial capital gains as trends eventually reverse. This portfolio is expected to expand both in existing locations and to new locations.

Focus on “asset selection” by identifying and purchasing assets at a low price, off market deals - such as from banks, distressed sellers, or other properties at steep discounts, with the potential to increase yield from rent and reduced costs resulting from efficient management methodology.

Overview of Real Estate Investment Strategies:

Private equity real estate funds generally follow core, core-plus, value added, or opportunistic strategies when making investments. The Delma Group’s management strives to follow a similar approach.

Core: This is an unleveraged strategy with predictable cash flows. The business will generally invest in stable, fully leased, multi-tenant properties within strong, diversified metropolitan areas.

Core Plus: The business will generally invest in core properties; however, many of these properties will require some form of enhancements or value-added element.

Value Added: This involves buying a property, improving it in some way, and selling it at an opportune time for gain. Properties are considered value added when they exhibit management or operational problems, require physical improvement, and/or suffer from capital constraints.

Opportunistic: The properties will require a high degree of enhancement. This strategy may also involve investments in development, raw land, mortgage notes, and niche property sectors. Investments are tactical.

Delma Properties is a Montreal, Canada-based investment group that evaluates and focuses on developing, owning, and managing real estate. The Resulting Issuer will be a fully integrated real estate group with properties and operations in Canada, the United States and Greece. The operating portfolio includes office buildings, retail, residential, and industrial buildings, as well as millions of square feet of land for future development.

Delma Properties has demonstrated the capability to create significant value for its investors by investing in, developing, or acquiring undervalued assets and operating businesses, and repositioning these assets. The Delma Group was founded as a vehicle to access high return US and Canadian real estate investments and subsequently attracted investors the success of the portfolio.

Delma Properties has been, through its owners and affiliated companies, an active investor and operator in the United States and Canada since 1990 as well as in other countries. The management has a broad expertise across national sectors and markets and a history of creating significant value for investors. Since 1990 the Delma Group has acquired, operated, and managed income-producing properties both in geographical location and in product type, including office buildings, multi-family rental apartments and condominiums, anchored shopping centres, hotels, and securities in private real estate companies.

Since its inception, the Delma Group has found innovative solutions, in a holistic and pragmatic way, and success with a dedication to long term ownership while capitalizing on real estate opportunities. As a company, the management thrives on the challenges of a continuously fluctuating and sometimes volatile environment.

The Delma Group has designed innovative solutions and success in both bull and bear real estate markets. We thrive on the challenges of a continuously fluctuating environment. The Delma Group's success is attributed to solid investment strategies and strict adherence to the principals of dedicated service, business ethics and professional demeanor.

Delma Properties' business model is focused on a combination of 3 main businesses:

Cash Flow Assets: Long-term investments in revenue-generating properties that generate steady cash flow.

Value Added Assets: Short to medium term investments in value added situations, properties that require construction, repositioning, redevelopment, and/or additional leasing and will add a higher return to the portfolio and increase the dividend to the investors.

Development Asset: Assets that add a higher return to the portfolio and increase the dividend to the investors.

Delma Developments

The business unit operates exclusively in real estate, including the management and investment in commercial, industrial and multi-residential properties and development of land or redevelopment of existing buildings throughout the province of Quebec.

Delma Developments is a key player in real estate projects development and is known for its team approach with cities, professionals, partners, investors, bankers, contractors and other participants involved, and talent ability to address the particularities of each specific project.

The subsidiary being sensitive to environmental issues, it realizes its projects with a long-term vision respectful of the environment. Delma Developments' main goal is to develop commercial, industrial and multi-residential real estate projects throughout Canada, USA, Europe and Africa, through geographically strictly selected partners.

Delma Developments has completed, as developer or owner, projects of various scales in the commercial, industrial and multi-residential real estate areas for a total exceeding $200 million. Alone or with partners, Delma Developments has completed developments for large banners corporations like Couche-Tard, Tim Hortons, Subway, Petro-Canada, Esso, Ultramar, Familiprix, Uniprix, Groupe Jean Coutu, etc. and with governmental organizations.

Properties Overview

Delma Resorts & Hotels is a full service, multinational hotel & resort owner, developer, and manager. It is a builder, developer, owner, manager/operator, and marketer of resorts and vacation properties across North America and Europe. Founded by individuals from leading organizations the subsidiary serves its clients, shareholders and investors in a holistic way in order to deliver consistent revenue growth since 2010.

It is a product of a revolutionary vision that aims to have a leading niche presence in the real estate investment industry. The subsidiary is an integrated property investor, owner, operator, and manager offering a range of resorts & hotels investment, operations, and services to its clients. It is positioned as a mid-size operator which allows the subsidiary to find value in opportunities that might be considered too small for the major hotel chains, but which are too costly or complex for small developers or landowners aspiring to develop their own land or properties. This strategy allows the management to make fast opportunistic decisions.

An Industry Leader:

- Revenue growth driven by average daily rate every year since 2010

Delma Resorts' key offerings include:

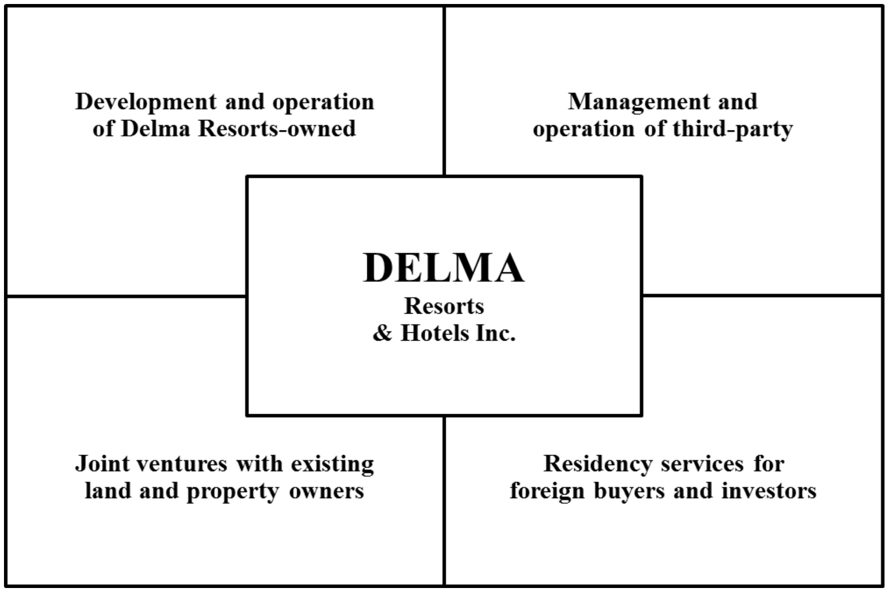
- Boutique resorts and hotels;
- international online reservation systems;
- dedicated sales and reservations team;
- an established network of real estate sales offices and associates;
- Delma-owned and operated call center with services in English, French and Spanish; has the possibility to expand to other languages;
- social media and marketing services;
- Delma Resorts' rewards club and gift certificates;
- access to existing network of tour operators and other channels;
- ownership mobility: buy one property freehold, and use others at our resorts around the world; and
- access to the Delma Resorts Loyalty Program and week exchanges.

Select Achievements in Resort Land, Home & Condo Sales:

- Sold $50 million of high-end log homes in one month to buyers from England.
- Sold 60% of Phase I lots at the Ellicottville Resort in New York State in one day.
- Have over $150 million of development projects currently under way in resorts in Canada, and the United States,
- Have several planned projects in Europe & Africa in the hundreds of millions of dollars.

Products and Services Overview

The chart summarizes the different types of services offered by Delma Resorts subsidiary.



International Sales & Reservation Network

Delma Resorts has its own reservation system and owns and operates its own call center. It also works with international reservation systems in multiple languages and access to clients, tour groups, business travellers and conventions from across the world. Delma Resorts also has an extensive sales network in England, France, China, Hong Kong, the Middle East, and North America to sell homes, condos, and lands at its various properties and projects.

Residency Visa, Immigration, & Citizenship Options

Delma Resorts has partnered with various immigration law firms in Canada, the United States, Europe, and the Caribbean to provide services for potential international clients and investors who are seeking the Schengen Area Residency Visa, the Canadian & United States permanent residency and citizenship programs, and the various Caribbean countries' citizenship programs.

The Delma Rewards Club & Gift Certificates

This is a points card available to the Delma Group's guests, clients, and homeowners from across the world. The points can be redeemed for accommodation or other goods and services offered by the Delma Group.

Delma's Ownership mobility

As a home / condo owner in one of the Delma Group's owned properties, the owner has the right to use any units at the subsidiary's resorts in other countries around the world including Canada.

The owner owns 100% of his home / condo freehold. But the owner also has the right to use other properties at the Delma Group's resorts in exchange for offering his own unit for rentals during his time of absence.

- A client can buy a chalet in Blueberry Lake in Canada,
- Generate revenue from it through Delma Resorts & Hotels' rental program,
- use it for their own vacation time as long as they want,
- As an owner, they can choose to use a chalet or condo at 42 Degrees North in New York State or in Kastos Island Resort, Greece, among many others.

Delma Resorts & Hotels' Lease to Own Program

Delma has a Lease-to-Own Program with banks in some of the regions it operates in, where clients can pay a down payment on a specific property and use the asset for personal use while making monthly payments. This allows the client to own the property within a specific period. The property can also generate income during the lease period for the client through the rental program.

The lease and purchase ("**LAP**") agreement is a rent-to-own agreement for a property that is leased in exchange of monthly installments with the option to purchase after 3 years of the signing of the contract. The LAP agreement was developed to facilitate access to property for non-residents by lowering financial / logistical barriers to entry.

Objectives:

- Offer all the benefits of ownership
- Lower the financial commitment and decision threshold
- Minimize the transaction complexity and management involvement

Target Markets:

- The LAP model was developed in the context of redevelopment of lower priced units

- The management estimates annual sales of 100 to 200 units in the UK market only

Delma Resorts Properties

Name	Location	Ownership
The Blueberry Lake Resort	Mont Tremblant, Quebec	100% excluding chalets and cottages
The Balmoral Resort, Estate, & Golf	Morin Heights, Quebec	50-50 joint venture
42 Degrees North Resort	Ellicottville, New York State	100%
Delma Panagopoula Resort	Patras, Greece	30%

The Blueberry Lake Resort

Blueberry Lake is a log chalet resort in the Tremblant region. The pet-friendly location comprises nearly 300 acres of forestry interspersed with 4 varieties of 50 luxury log chalets (each chalet has 3-6 bedrooms) and 60 log cottages. The site also offers two tennis courts that are exchangeable into skating rinks in winter, a beach volleyball court, an outdoor pool and a central clubhouse with sauna, steam, massage rooms and indoor thermal pool. The site currently has 60-70% land still vacant for future development which is owned by Delma.

Delma owns 100% of the Blueberry Lake Resort excluding the log chalets and log cottages. Assets owned by Delma include the clubhouse, the farmhouse, the lake, the primary and secondary roads on the resort and other facilities.


The site also provides access to trainers and guides for skiing, cross-country skiing, snowshoeing, skating, golf, ice hockey and biking amenities. The site also houses a central log clubhouse that offers more than 3000 sq. ft. of meeting space, from boardrooms and breakout rooms to larger conference halls.



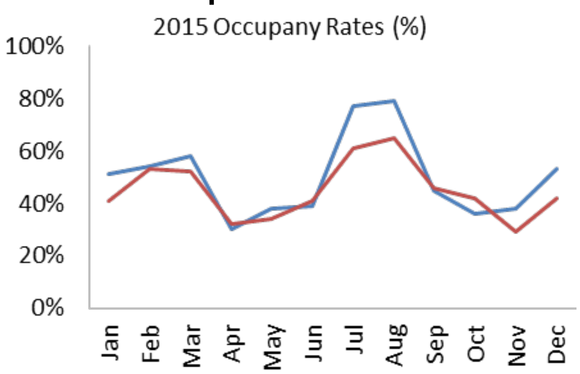
Other services offered include

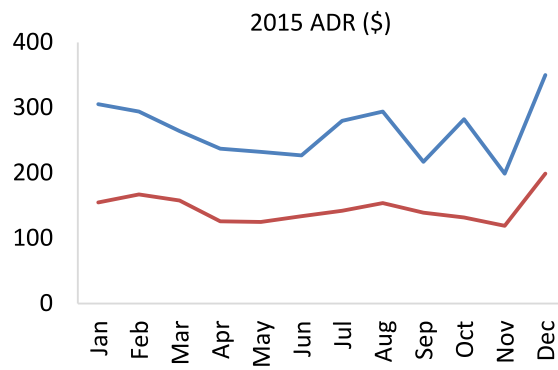
- 42" plasma TVs
- Pool tables
- Hot tubs
- Free high-speed wireless internet
- Concierge service
- Global cuisine
- Hiking and biking trails
- Acentral clubhouse and spa
- Indoor thermal baths, sauna and steam room
- Swimming pool
- Two private lakes
- Children playground

Second, Superior Occupancy and Client Satisfaction

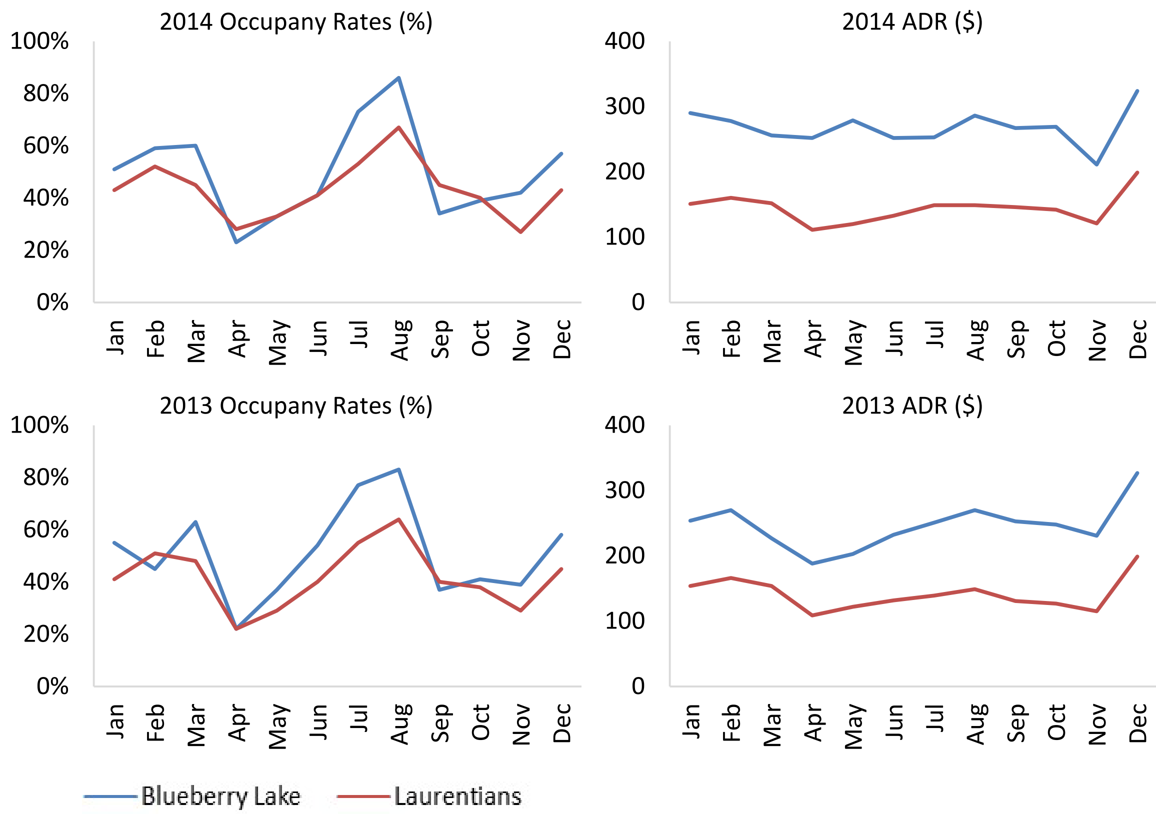
At Blueberry Lake Resort, the subsidiary has reported a consistent track record of growing rental business in “off mountain” locations. Despite being 30 minutes north of Mont Tremblant and two hours from Montreal, this property has historically delivered occupancy rates in excess of 75% and its average daily rate was up 15% in 2014 vs. 2013[1]. It is the “off mountain” expertise that the management believes would allow the site to deliver consistently growing results, well in excess of the average for the Laurentian region.

Strategic location and superior customer service is helping Blueberry Lake stay ahead of competition





[1]Chalets are independently owned. For competitive reasons, owners do no generally provide occupancy rates, and as such, occupancy rates after 2015 are not available.



The Balmoral Resort, Estate, and Golf

Delma Resorts holds a 50% stake in a Joint Venture that covers land in and around with the Balmoral Resort, Estate, and Golf under the Joint Venture Agreement, in connection with which Delma Corporation acts as a nominee for Delma Resorts under the Nominee Agreement. The Joint Venture owns land in and around the Balmoral Resort, Estate, and Golf but does not own the Balmoral Resort, Estate, and Golf. Delma intends to build from 64 to 80 condos which will be operated as a condo hotel. Delma has not started any sales yet pending the City zone change and other approvals. Sales may start early in 2019.

Built and designed in 1991 by leading golf course architect Graham Cooke, the Balmoral Golf Club occupies with 270 acres of land in the Laurentian Mountains of Quebec, Canada. The Domaine Balmoral features luxurious homes, a select private country club with an 18-hole golf course, various facilities, exquisite landscaping and a restaurant. The Balmoral Golf Club and the available lands of Domaine Balmoral offer attractive investment opportunities.

Beginning in 2004, the Balmoral Golf Club underwent a restructuring and a refitting of its landscape and premises. The development company of Balmoral was founded in 1989 and acquired by its present owner in 2004. The cost of construction of the Balmoral Golf Club exceeds $18 million, none of which was paid by Delma.

The Balmoral golf club's main promoters are the loyal clientele and residents of the Domaine Balmoral itself. Its features include:

- An 18-hole golf course
- The club house, featuring a restaurant, a bar, a pro shop, offices, a swimming pool and tennis courts
- A cart garage and various maintenance buildings
- A snack bar and multiple shelters and gazebos

The parties to the Joint Venture Agreement have agreed thereunder to refer clients to the Balmoral Resort. If and when 50% of the units that comprise the Balmoral Resort are sold, it will be transferred to a shell company ("**Newco**") to be incorporated upon reaching that milestone and the parties will negotiate and enter into a partnership agreement that will define their rights and obligations in connection with the Balmoral Resort. Delma Corporation will act as manager for a minimum of 20 years after the incorporation of Newco.

42 Degrees North Resort, Ellicottville, New York, USA

42 Degrees North Resort is situated on approximately 1,200 acres at the site of the former Concord Club private ski club. Facilities available on the site include tennis courts, a swimming pool and a Nordic Spa in Phase 1, along with an extensive network of trails for hiking, biking, skiing and snowshoeing private plots of up to 8 acres are available at affordable prices starting at $80,000.

Delma Panagopoula Resort

Delma owns 30% of the Panagopoula Resort through its 30% ownership of AIGIALEIA Hotel & Tourism S.A which entirely owns the Panagopoula Resort as its sole and only asset. The site is still under construction but is 80% finished with finishing and furnishing the only steps remaining. It is expected to be finalized in June, 2019 and will house 48 chalets and a small hotel resort that is situated on 30,000 square meters peninsula with a private beach. Costs associated with the completion of the project are estimated between 1.5 million and 2 million EUR. The construction that was carried out in 2017 related to connecting the entrance of the site to the new National Highway linking Athena with the City of Patras, which gave the Property excellent access and exposure.

4.2 Outstanding Asset-Backed Securities

This Section is not applicable to the Issuer.

4.3 Mineral Projects

This Section is not applicable to the Issuer.

4.4 Oil and Gas Operations

This Section is not applicable to the Issuer.

5. SELECTED CONSOLIDATED FINANCIAL INFORMATION

5.1 Annual Information

Annual and Quarterly Information of Aydon

The following table sets forth selected financial information for Aydon for the nine-month period ended September 30, 2017 and the financial years ended December 31, 2016, December 31, 2015 and April 30, 2015 and selected balance sheet data as at September 30, 2017 and as at December 31, 2016, December 31, 2015 and April 30, 2015. Such information is derived from the financial statements of Aydon and should be read in conjunction with such financial statements. See Schedule A "Financial Statements of Aydon".

Balance Sheet Data	**September 30, 2017 (unaudited) ($)**	**December 31, 2016 (audited) ($)**	**December 31, 2015 (audited) ($)**	**April 30, 2015 (audited) ($)**
Cash & Cash Equivalents	52,617	397,019	56,382	171,938
Total Assets	174,438	397,019	170,719	171,938
Shareholders' Equity	(734,524)	(518,049)	22,936	160,904

Income Statement Data	September 30, 2017 (unaudited) ($)	December 31, 2016 (audited) ($)	December 31, 2015 (audited) ($)	April 30, 2015 (audited) ($)
Total Expenses	292,422	445,512	230,806	655,194
Net Loss	360,486	667,391	170,314	654,634
Comprehensive Loss	368,997	676,885	169,439	655,703

Annual and Quarterly Information of the Delma Entities

The following table sets forth selected financial information for each Delma Entity for the financial years ended December 31, 2016 and 2015 and the nine-month period ended September 30, 2017. Such information is derived from the audited financial statements of Delma and should be read in conjunction with such financial statements. See "Schedule C - Financial Statements of the Delma Entities".

Delma GP, Delma Properties & Delma Resorts (Consolidated)

Balance Sheet Data	September 30, 2017 (unaudited) ($)	December 31, 2016 (audited) ($)	December 31, 2015 (audited) ($)
Cash and cash equivalents	606	606	49,605
Total Assets	16,241,760	16,301,760	647,305
Total Liabilities	963,000	423,000	47,253

Income Statement Data	September 30, 2017 (unaudited) ($)	December 31, 2016 (audited) ($)	December 31, 2015 (audited) ($)
Net Income (loss)	Nil	9,320,708	(48)
Administrative Expenses	Nil	12,368	(48)
Basic and diluted net loss per unit	Nil	571	(0.003)

Bromont GP & SEC Bromont (Consolidated)

Balance Sheet Data	September 30, 2017 (unaudited) ($)	December 31, 2016 (audited) ($)	December 31, 2015 (audited) ($)
Cash and cash equivalents	629	1,484	3,843
Total Assets	42,269,732	40,890,183	39,033,979
Total Liabilities	18,214,493	16,848,571	15,004,440

Income Statement Data	September 30, 2017 (unaudited) ($)	December 31, 2016 (audited) ($)	December 31, 2015 (audited) ($)
Net Income (loss)	13,150	16,799	16,679
Expenses	3,782	4,726	5,820

Pro forma information of the Resulting Issuer

See Schedule E – "Pro Forma Financial Statements of the Resulting Issuer".

5.2 Quarterly Information

See Section 5.1 – Annual Information.

5.3 Dividends

There are no restrictions that could prevent the Resulting Issuer from paying dividends. Any decision to pay dividends on its shares will be made by the Resulting Issuer's board of directors on the basis of the Resulting Issuer's earnings, financial requirements and other conditions existing at such future time. It is not contemplated that any dividends will be paid in the immediate or foreseeable future following completion of the Acquisition and that this policy will remain uncharged for at least 3 years.

5.4 Foreign GAAP

The financial statements of Aydon and the Delma Entities (including the pro-forma financial statements) contained in this Listing Statement have been prepared in accordance with Canadian GAAP or IFRS, as indicated herein.

6. MANAGEMENT'S DISCUSSION AND ANALYSIS

Aydon's management's discussion and analysis for the year ended December 31, 2016, and the nine-month period ended September 30, 2017, are attached as Schedule B hereto.

The Delma Entities' management's discussion and analysis for the year ended December 31, 2016, and the nine-month period ended September 30, 2017 are attached as Schedule D hereto.

7. MARKET FOR SECURITIES

Prior to listing of the Resulting Issuer Class A Shares on the CSE, (i) the Aydon Shares were listed on the CSE under the symbol "AYD" and (ii) none of the securities of the Delma Entities were listed on any stock exchange or quotation system.

8. CONSOLIDATED CAPITALIZATION

The following table sets forth the capitalization of the Resulting Issuer after giving effect to the Acquisition and the Consolidation including, without limitation, as described in the pro forma financial statements attached hereto as Schedule E.

Designation of Security	Amount Currently Outstanding	Amount Outstanding After Giving Effect to the Acquisition
Resulting Issuer Class A Shares	134,599	5,452,044
Resulting Issuer Class B Shares	Nil	4,510,890
Long term debt	$479,472	$13,242,472
Resulting Issuer Options under the Stock Option Plan	4,500	855,323
Resulting Issuer Warrants	7,934	7,934

9. OPTIONS TO PURCHASE SECURITIES

The following table provides information as to the option holders of the Resulting Issuer that, as of the date of this Listing Statement, are expected to be outstanding immediately following the completion of the Acquisition:

Category of Option Holder	Number of Options to Acquire Resulting Issuer Class A Shares Held as a Group
(a) All proposed officers of the Resulting Issuer	510,494
(b) All proposed directors of the Resulting Issuer who are not also proposed officers	170,164
(c) All other employees as a group	127,623
(d) All consultants as a group	47,041
(e) All other persons or companies (e.g. former officers and directors)	Nil
TOTAL NUMBER OF OUTSTANDING OPTIONS	**855,323**

The following table provides information as to material provisions of the options of the Resulting Issuer that are expected to be outstanding immediately following the completion of the Acquisition, after giving effect to the Consolidation:

Date of Grant	Number of Options	Exercise Price	Expiry Date
Closing Date	855,323	$6	Five years after the Closing Date

10. DESCRIPTION OF THE SECURITIES

10.1 General

Upon completion of the Acquisition, the outstanding capital of the Resulting Issuer consists of:

(i) 5,452,044 Resulting Issuer Class A Shares;

(ii) 4,510,890 Resulting Issuer Class B Shares;

(iii) 855,323 Resulting Issuer stock options to purchase Resulting Issuer Class A Shares at an exercise price of $6 each; and

(iv) 7,934 Resulting Issuer Warrants to purchase Resulting Issuer Class A Shares, of which (a) 1,159 Resulting Issuer Warrants are exercisable at a price of $20 each and will expire on May 31, 2018 and (b) 6,775 Resulting Issuer Warrants will be exercisable at a price of $15 each until January 27, 2018 and $20 each until their expiry on January 27, 2019.

Holders of Resulting Issuer Class A Shares are entitled to one vote per Resulting Issuer Class A Share at meetings of shareholders of the Resulting Issuer, to receive dividends if, as and when declared by the directors of the Resulting Issuer and to receive pro rata the remaining property and assets of the Resulting Issuer upon its dissolution, liquidation or winding up, subject to the rights of shares having priority over the Resulting Issuer Class A Shares. The Resulting Issuer Class A Shares includes takeover bid protective provisions (commonly known as "coattails"), which are summarized as follows. If an offer to purchase Resulting Issuer Class B Shares must, by reason of applicable securities legislation or the requirements of any stock exchange on which the Resulting Issuer Class A Shares are listed, be made to all or substantially all holders of Resulting Issuer Class B Shares, the holders of the Resulting Issuer Class A Shares shall have the right, after the sixth day after the offer was made, to convert each Resulting Issuer Class A Share into one Resulting Issuer Class B Share. The newly issued Resulting Issuer Class B Shares will be reconverted into Resulting Issuer Class A Shares if the offer to purchase Resulting Issuer Class B Shares is abandoned, withdrawn or not completed in accordance with its terms.

Holders of Resulting Issuer Class B Shares are entitled to a hundred (100) votes per Resulting Issuer Class B Share at meetings of shareholders of the Resulting Issuer, to receive dividends if, as and when declared by the directors of the Resulting Issuer and to receive pro rata the remaining property and assets of the Resulting Issuer upon its dissolution, liquidation or winding up, subject to the rights of shares having priority over the Resulting Issuer Class B Shares. On January 19, 2023, the Resulting Issuer Class B Shares will be automatically converted into Resulting Issuer Class A Shares and thereby lose their multiple-voting feature, without any compensation payable to the holders of Resulting Issuer Class B Shares.

10.2 Debt Securities

This Section is not applicable to the Issuer.

10.3 Other securities

This Section is not applicable to the Issuer.

10.4 Modification of terms:

This Section is not applicable to the Issuer.

10.5 Other attributes

This Section is not applicable to the Issuer.

10.6 Prior Sales

The following table sets forth the issuance of Aydon Shares (and securities convertible into Aydon Shares) during the 12-month period preceding the date of this Listing Statement:

Date of Issuance	Number of Securities	Price per Security	Aggregate Price
January 27, 2017	1,355,000 Aydon Shares	$0.10	$135,500
January 27, 2017	1,355,000 Aydon Warrants	N/A(1)	N/A(1)

(1) Exercisable until January 27, 2018 at a price of $0.15 each and January 27, 2019 at a price of $0.20 each.

No Delma Shares or Delma Units (or securities convertible into Delma Shares or Delma Units) were during the 12-month period preceding the date of this Listing Statement.

10.7 Stock Exchange Price

The following table sets out the price ranges and trading volume of the Aydon Shares for the periods indicated on the CSE:

Period	High ($)	Low ($)	Trading Volume
February 2018	N/A	N/A	Trading halted
January 2018	N/A	N/A	Trading halted
December 2017	N/A	N/A	Trading halted
November 2017	N/A	N/A	Trading halted
October 2017	N/A	N/A	Trading halted
Q3 2017	0.015	0.015	100,000
Q2 2017	0.18	0.015	413,350
Q1 2017	0.065	0.01	84,790
Q4 2016	0.15	0.01	117,673
Q3 2016	0.15	0.03	67,505
Q2 2016	0.16	0.10	13,250

Period	High ($)	Low ($)	Trading Volume
Q1 2016	0.17	0.11	90,854
Q4 2015	0.10	0.05	92,000

None of the securities of any Delma Entity are, or have been, posted for trading on any stock exchange.

11. ESCROWED SECURITIES

As required under the policies of the CSE, Principals of the Resulting Issuer entered into an escrow agreement as if the Resulting Issuer was subject to the requirements of NP 46-201. Escrow releases are scheduled at periods specified in NP 46-201 for emerging issuers, that is, 10% will be released on the date that the Consideration Shares commence trading on the CSE system following completion of the Acquisition, followed by six subsequent releases of 15% each every six months thereafter. The form of the escrow agreement is as provided in NP 46-201.

The table below includes the details of escrowed securities that are held by Principals of the Resulting Issuer upon the completion of the Transaction, after giving effect to the Consolidation.

Name and Municipality of Residence of Security holder	Prior to Giving Effect to the Acquisition		After Giving Effect to the Acquisition(1)	
	Number of securities held in escrow	Percent age of class	Number of securities to be held in escrow	Percent age of voting rights
Hassan al-Shawa.(2)	Nil	0%	707,250 Resulting Issuer Class A Shares 2,871,750 Resulting Issuer Class B Shares	67.88%
Henri Petit(3)	Nil	0%	343,337 Resulting Issuer Class A Shares 1,000,000 Resulting Issuer Class B Shares	21.97%

(1) Includes the 10% of the escrow securities that will be released of upon completion of the Acquisition.
(1) Held through Granada Canada Inc.
(2) Held through Gestion H. Petit Inc. and 9334-1063 Quebec Inc.

12. PRINCIPAL SHAREHOLDERS

To the knowledge of the directors and officers of each of the Resulting Issuer as of the date hereof, the following Persons will beneficially own, directly or indirectly, or exercise control or direction over voting securities carrying more than 10% of the voting rights attached to any class of voting securities of the Resulting Issuer after completion of the Acquisition.

Name and Municipality of Residence of Shareholder	Type of Ownership	Number and Percentage of Resulting Issuer Shares Owned After Completion of the Acquisition(1)	Number and Percentage of Voting Rights Owned After Completion of the Acquisition(1)
Hasan al-Shawa**(2)**	Indirect	707,250 Resulting Issuer Class A Shares 2,871,750 Resulting Issuer Class B Shares	67.88%
Henri Petit(3)	Indirect	343,337 Resulting Issuer Class A Shares 1,000,000 Resulting Issuer Class B Shares	21.97%

(3) Based on a total of 5,452,044 Resulting Issuer Class A Shares and 4,510,890 Resulting Issuer Class B Shares expected to be outstanding following completion of the Acquisition, on an undiluted basis.
(4) Held through Granada Canada Inc.
(5) Held through Gestion H. Petit Inc. and 9334-1063 Quebec Inc.

13 DIRECTORS AND OFFICERS

13.1 Directors and Officers of the Resulting Issuer

The following table sets forth the name of all directors and officers of the Issuer, their municipalities of residence, their current positions with the Issuer, their principal occupations during the past five years and the number and percentage of Issuer Shares beneficially owned, directly or indirectly, or over which control or direction is exercised as at the date of this Listing Statement. Such persons were appointed to the positions indicated below immediately following the completion of the Reverse Take-over. All directors cease to hold office immediately before the election or appointment of directors at the next annual general meeting.

Name, Province or State and Country of Residence and Anticipated Position with the Delma Group	Principal Occupation and Employment During the past Five Years(1)	Date of Appointment as a Director	Number of Shares Beneficially Owned(1)(2)	Number and of Shares Beneficially Owned and Percentage of Voting Rights Assuming Completion of the Acquisition
Hasan al-Shawa Quebec, Canada *Chairman & CEO*	Chairman & CEO of the SGI – Delma Properties Group since 2009.	N/A	Nil	707,250 Resulting Issuer Class A Shares 2,871,750 Resulting Issuer Class B Shares 67.88%
Henri Petit Quebec, Canada *Director, President, Properties – Development and Acquisitions & Corporate Secretary*	President & CEO, GHP Group since 1996.	N/A	Nil	343,337 Resulting Issuer Class A Shares 1,000,000 Resulting Issuer Class B Shares 21.97%
Joseph Cianci Quebec, Canada *Director, CFO & Treasurer*	Self-employed consultant since 1992. Trustee for privately-held family trusts.	N/A	Nil	Nil
Hazem al-Shawa Quebec, Canada *Director, President – Delma Resorts & Hotels*	Legal counsel, Delma Group, since 2009.	N/A	Nil	0%

Name, Province or State and Country of Residence and Anticipated Position with the Delma Group	Principal Occupation and Employment During the past Five Years(1)	Date of Appointment as a Director	Number of Shares Beneficially Owned(1)(2)	Number and of Shares Beneficially Owned and Percentage of Voting Rights Assuming Completion of the Acquisition
François Castonguay(3) Quebec, Canada *President and Director*	Former President & CEO, Uniprix Group. Consultant and strategic advisor.	N/A	Nil	Nil
Terry Badour(3) Vancouver, Canada *Director*	Executive Vice President, Law and Administration, for FRHI Holdings Limited (2010 to 2016). Currently retired.	N/A	Nil	Nil
Hubert Marleau(3)(4) Ontario, Canada *Director*	President, Founder and Director of Palos Capital Corporation	N/A	Nil	Nil

(1) The information as to principal occupation, business or employment and common shares beneficially owned or controlled is not within the knowledge of the management of Aydon and has been furnished by the respective nominees. Unless otherwise stated above, any nominees named above not elected at the last annual general meeting have held the principal occupation or employment indicated for at least five years.
(2) Voting securities beneficially owned, directly or indirectly, or over which control or direction is exercised.
(3) Proposed Member of the Audit Committee.
(4) Proposed chair of the Audit Committee.

Hasan al-Shawa is Chairman & CEO of the Delma Group. Mr. Shawwa has accumulated over 31 years of experience in business development and real estate in North America and the Middle East, and has been involved in investment & real estate projects in excess of USD $800 million since 1986. Mr. Shawwa sits on the board of directors of several North American and International companies and organizations. He is also the former President of the National Council on Canada Arab Relations and the former Vice President of Development for the Canadian Arab Federation. Mr. Shawwa holds board seats and senior executive positions with several other Canadian non-governmental organizations, and has advised the Canadian government with respect to the Canadian Arab community, foreign policy, and business relations with the Arab world. Mr. Shawwa and his wife were members of the Prime Minister of Canada's Round Table Conferences across the country in 2010 & 2011 covering the Canadian Economy, and the Immigration & Citizenship Policy. Mr. Shawwa is regularly quoted and interviewed in the Canadian mainstream media. He is a former member of two editorial boards at the Canadian Broadcasting Corporation (CBC). He was named Real Estate Businessman of the Year in 2005 by the Federal Minister of Development, received the Maple Leaf Award for Projects of the Year in 2007, and was recently nominated for the Ordre National du Quebec. Mr. Shawwa is also a member of the Advisory Board of the Shawwa Family Educational Fund.

Hazem al-Shawa is the internal legal counsel of the Delma Group. He has 25 years of experience in acquiring, owning, managing and redeveloping real estate and operating businesses. Mr. Shawwa served at several Middle Eastern and Canadian law firms in the early 1990s, then worked in the real estate field in Kuwait City, Cairo, Amman, New York, Seattle and Montreal. Mr. Shawwa sits on the boards of several North American and European companies.

Henri Petit is a trained lawyer, having started his practise in 1991 with Guy & Gilbert in Montreal, before starting his own law office. As president and CEO of GHP Group since 1996, has been acting as a developer and managing partner in various commercial, industrial and multi-residential real estate developments or redevelopments, developing and owning over $200 million in projects. Mr. Petit has extensive experience in real estate acquisitions, leasing, financing and management. Mr. Petit holds a B.A. from Laval University and an LL.L from the University of Ottawa.

Joseph Cianci has been a chartered accountant since 1986. He has extensive experience in banking, finance, taxation and management advisory services gained as an accountant at DBO Dunwoody, RCGT and as the chief financial officer of a financial services trust, a publicly listed real estate company, privately owned retail and real estate companies. He acts as a consultant and is a trustee for several privately held family trusts.

Francois Castonguay acted as President & Chief Executive Officer of Uniprix, a Canadian pharmaceutical company, from 2000 to 2015. He has a rich and diverse background in business, finance and retail and currently acts as a consultant and strategic advisor. He holds a degree in Business Administration and advanced in finance from York University in Toronto. He began his career as a director and then Vice-President at CitiBank Canada in financing medical equipment, leasing, medical, dental, hospitals, medical clinics and pharmacies. During his tenure, he pioneered the concept of financing goodwill in Quebec. He then joined Uniprix, where he spent five years as Executive Vice President before becoming President & CEO. At Uniprix, he was involved in implementing the acquisition of pharmacies from Cumberland Drugs in 1997. He also increased the number of Uniprix pharmacies from 147 to 374, and the company's revenues from $437 million to over $1.9 billion. Mr. Castonguay was a member of the IUSSM (Louis H. Lafontaine) as Chairman of the Board of Directors for more than 11 years and is active with the Cystic Fibrosis Foundation, the Charles Bruneau Foundation, the Cancer Research Society of Canada, the Arthritis Society, the Heart and Stroke Foundation, the Longueuil Symphony Orchestra, the Pierre-Boucher Hospital and the Charles-Lemoyne Hospital.

Hubert Marleau is President, Founder and Director of Palos Capital Corporation ("**Palos**"), a merchant bank and money management firm. With over 45 years of experience in the investment and financial community, Mr. Marleau is a leading figure in Canada's financial community. Mr. Marleau has been a governor of the Toronto Stock Exchange, the Montreal Stock Exchange, and the Vancouver Stock Exchange, and has been a director of the Investment Dealer Association of Canada. Mr. Marleau is or has been a board member of over 50 publicly traded companies. Before founding Palos in 2000, he was chief economist and director of research, then Senior Vice President, at Nesbitt Thomson (Nesbitt Burns-Bank of Montreal), Senior Executive Vice President for Levesque Beaubien (National Bank Financial) in charge of the money market, bond, research, derivative, equity and development departments. He was also President and CEO of Marleau Lemire, a publicly listed investment banking firm. He has raised funds privately and publicly for hundreds of emerging and mature companies, structured numerous mergers and acquisitions, and driven numerous financial deals in Canada. Mr. Marleau holds a Bachelor of Science in Economics from the University of Ottawa.

Terry Badour has over 30 years of professional experience, the bulk of which has been in the hospitality industry. He has in-depth experience in hotel purchase and sales, hotel financing, corporate structuring, management agreements, branded residential agreements and hotel operational matters, including food & beverage, spa and licensing. Mr. Badour was the Executive Vice President of Law and Administration at Fairmont Raffles Hotels and Resorts (Fairmont Raffles), having spent 19 years at the company and predecessor firms. In this role he was instrumental in taking a collection of 24 owned and operated hotels located exclusively in Canada and creating the luxury multi-brand global hospitality company that Fairmont Raffles became before it was acquired by Accor in 2016. Over his 19-year tenure at Fairmont Raffles, Mr. Badour was primarily responsible for the oversight of all legal, corporate services, compliance and related administrative functions, including executive compensation and internal audit, as well as serving as a member of Fairmont's Executive Committee. He oversaw execution of the company's development and strategic plans and all mergers and acquisitions. Before joining Fairmont Raffles, between 1996 and 1999, Mr. Badour was Corporate Counsel and Assistant Secretary at Canadian Pacific Limited (one of Canada's then leading conglomerates), where he was responsible for legal services at the company's executive office in Calgary, Canada. Prior to joining Canadian Pacific Limited, Mr.

Badour was in private practice at Norton Rose (formerly Ogilvy Renault) and subsequently at Lavery DeBilly. In 2002, Mr. Badour was named one of Canada's top general counsels by Lexpert magazine. In 2006, he was bestowed the Canadian General Counsel Award "Dealmaker of the Year". Mr. Badour holds a B.A. (cum laude) in Political Science from Concordia University (Montreal, Canada) and a LL.L. and J.D. from the University of Ottawa (Ottawa, Canada). In 2010 he was inducted into the University of Ottawa Law School Honour Society in recognition of his contribution to the legal community and the Law School. He is also a founding member of Legal Leaders for Diversity (LLD) and an active volunteer for the United Way of Toronto.

13.2 Period as Director

See Section 13.1 – Directors and Officers.

13.3 Securities held by Directors and Officers

See Section 13.1 – Directors and Officers.

13.4 Board Committees

The Resulting Issuer is expected to establish an Audit Committee, whose members shall be François Castonguay, Terry Badour and Hubert Marleau. The composition and mandate of the Audit Committee will be determined and periodically reviewed by the Resulting Issuer Board.

13.5 Principal Occupation

See Section 13.1 – Directors and Officers.

13.6 Corporate Cease Trade Orders and Bankruptcies

Except as noted below, to the knowledge of the Resulting Issuer, no proposed director of the Resulting Issuer:

a) is, at the date of this Listing Statement, or has been within 10 years before the date of this Listing Statement, a director, Chief Executive Officer ("**CEO**") or Chief Financial Officer ("**CFO**") of any company that:

    (i) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days, that was issued while the proposed director was acting in the capacity as director, CEO or CFO; or

(ii) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days, that was issued after the proposed director ceased to be a director, CEO or CFO and which resulted from an event that occurred while that person was acting in the capacity as director, CEO or CFO; or

b) is, as at the date of this Listing Statement, or has been within 10 years before the date of the Listing Statement, a director or executive officer of any company (including Aydon) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets, other than:

c) has, within 10 years before the date of this Listing sSatement, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director; or

d) has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or

e) has been subject to any penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

Henri Petit was director, officer and majority shareholder of Gestion L.S.D.C. Inc. (“**LSDC**”), Copie Lab (1994) Inc. Imprimerie Lemoyne (1996) Inc., Copieurs Rive-Sud Inc. when they filed for bankruptcy in 2009 (in the case of LSDC) and 2003 (in the case of the other companies). He had acquired these companies on December 31, 2002 and learned in March 2003 that their audited financial statements contained major errors. The bankruptcies were a result of their true financial situation, which had been concealed from him and led to a lawsuit against the auditors that was settled out of court under a confidentiality agreement.

Hubert Marleau was a director of Mitec Telecom Inc. (“**Mitec**”) when, on September 15, 2010, Mitec applied for and was granted a management cease trade order (an “**MCTO**”), as provided for in National Policy 12-203, from the *Autorité des marchés financiers* (the “**AMF**”), Mitec’s lead regulator. On September 29, 2010, Mitec announced its financial results, which resulted in the lifting of the MCTO.

On May 31, 2011, the AMF instituted proceedings before the *Bureau de decision et de révision* (the "**BDRVM**") wherein the AMF sought payment by Palos Management Inc. ("**Palos**"), a company for which Mr. Marleau was then acting as president and chairman, of a monetary penalty of $36,500 and an order requiring Palos to submit certain components of certain financial statements which the AMF alleged were not duly filed for periods ending June 30, 2009, December 31, 2009 and June 30, 2010. The proceedings related to investment funds managed by Palos and offered under statutory prospectus exemptions. In the interim, Mr. Marleau resigned as president and chairman of Palos. On November 23, 2011, Palos and the AMF entered into a joint submission and acknowledgement of facts in which Palos acknowledged the facts alleged by the AMF and agreed to pay an administrative penalty of $26,500.

Mr. Marleau was a director of GobiMin Inc. ("**GobiMin**") when, on May 1, 2013, cease trade orders were imposed on GobiMin by the Alberta Securities Commission ("ASC") and the British Columbia Securities Commission ("**BCSC**") due to GobiMin's delay in the filing its audited consolidated financial statements, management's discussion and analysis and certificates of annual filings which were due on April 30, 2013. Upon the publication of these documents and of related filings on SEDAR on May 16, 2013, a full revocation of the cease trade orders was granted to GobiMin by the ASC and the BCSC in mid-July 2013 and the trading of the Company's shares was reinstated by the TSX Venture Exchange on July 30, 2013.

13.7 Penalties and Sanctions

See Section 13.6 – Corporate Cease Trade Orders and Bankruptcies

13.8 Settlement Agreement entered into before December 31, 2000

This Section is not applicable to the Issuer.

13.9 Personal Bankruptcy

This Section is not applicable to the Issuer.

13.10 Conflict of Interest

Conflicts of interest may arise as a result of the directors, officers and promoters of the Delma Entities also holding positions as directors or officers of other companies. Some of the individuals who will be directors and officers of the Delma Entities have been and will continue to be engaged in the identification and evaluation of assets, businesses and companies on their own behalf and on behalf of other companies, and situations may arise where the directors and officers of the Delma Entities will be in direct competition with the Delma Entities. Conflicts, if any, will be subject to the procedures and remedies provided under CBCA.

13.11 Management

See Section 13.1 – Directors and Officers.

14. CAPITALIZATION

Issued Capital

	Number of Securities (non-diluted)	**Number of Securities (fully-diluted)**	**%of Issued (non-diluted)**	**% of Issued (fully diluted)**
Public Float				
Total outstanding (A)	5,452,044	6,315,301	100%	86,33%
Held by Related Persons or employees of the Issuer or Related Person of the Issuer, or by persons or companies who beneficially own or control, directly or indirectly, more than a 5% voting position in the Issuer (or who would beneficially own or control, directly or indirectly, more than a 5% voting position in the Issuer upon exercise or conversion of other securities held) (B)	1,249,528	2,112,785	22,91%	34,07%
Total Public Float (A-B)	4,202,516	4,202,516	77,09%	52,26%
Freely-Tradeable Float				
Number of outstanding securities subject to resale restrictions, including restrictions imposed by pooling or other arrangements or in a shareholder agreement and securities held by control block holders (C)	1,249,528	2,112,785	22,91%	34,07%
Total Tradeable Float (A-C)	4,202,516	4,202,516	22,91%	34,07%

Public Securityholders (Registered)

Instruction: For the purposes of this report, "public securityholders" are persons other than persons enumerated in section (B) of the previous chart. List registered holders only.

Class of Security

Size of Holding	**Number of holders**	**Total number of securities**
1 – 99 securities	0	0
100 – 499 securities	5	5
500 – 999 securities	18	88
1,000 – 1,999 securities	3	30
2,000 – 2,999 securities	1	15
3,000 – 3,999 securities	2	37
4,000 – 4,999 securities	5	4,267
5,000 or more securities	98	4,177,670

Public Securityholders (Beneficial)

Instruction: Include (i) beneficial holders holding securities in their own name as registered shareholders; and (ii) beneficial holders holding securities through an intermediary where the Issuer has been given written confirmation of shareholdings. For the purposes of this section, it is sufficient if the intermediary provides a breakdown by number of beneficial holders for each line item below; names and holdings of specific beneficial holders do not have to be disclosed. If an intermediary or intermediaries will not provide details of beneficial holders, give the aggregate position of all such intermediaries in the last line.

Class of Security

Size of Holding	**Number of holders**	**Total number of securities**
1 – 99 securities	0	0
100 – 499 securities	87	72
500 – 999 securities	24	107
1,000 – 1,999 securities	9	64
2,000 – 2,999 securities	7	83
3,000 – 3,999 securities	6	103
4,000 – 4,999 securities	5	4267
5,000 or more securities	175	4,197,802
Unable to confirm		

Non-Public Securityholders (Registered)

Instruction: For the purposes of this report, "non-public securityholders" are persons enumerated in section (B) of the issued capital chart.

Class of Security

Size of Holding	**Number of holders**	**Total number of securities**
1 – 99 securities		
100 – 499 securities		
500 – 999 securities		
1,000 – 1,999 securities		
2,000 – 2,999 securities		
3,000 – 3,999 securities		
4,000 – 4,999 securities		
5,000 or more securities	3	1,249,528

14.2 Provide the following details for any securities convertible or exchangeable into any class of listed securities

Description of Security (include conversion / exercise terms, including conversion / exercise price)	Number of convertible / exchangeable securities outstanding	Number of listed securities issuable upon conversion / exercise
Option to acquire Resulting Issuer Class A Shares	4,500	855,323
Resulting Issuer Warrants	7,934	7,934

14.3 Provide details of any listed securities reserved for issuance that are not included in section 14.2.

Not applicable.

15. EXECUTIVE COMPENSATION

The following table sets forth the anticipated compensation to be paid or awarded to the following executive officers of the Resulting Issuer: (i) the Chief Executive Officer; (ii) the Chief Financial Officer for the 12-month period after giving effect to the Acquisition; and (iii) each of the Resulting Issuer's three most highly-compensated executive officers (including of its subsidiaries), or the three most highly-compensated individuals acting in a similar capacity, other than the CEO and the CFO, whose total compensation is expected to be more than $150,000:

Name and principal position	**Year**	**Salary ($)**	**Share-based awards ($)**	**Option-based awards ($)**	**Non-equity incentive plan compensation ($)**		**Pension value ($)**	**All other compensation ($)**	**Total compensation ($)**
					Annual incentive plans	Long-term incentive plans			
Hasan al-Shawa, Chairman & CEO	2017	300,000	Nil	300,000	Nil	Nil	Nil	Nil	600,000
Joseph Cianci, CFO	2017	250,000	Nil	250,000	Nil	Nil	Nil	Nil	500,000
Henri Petit, President, Delma Properties, Corporate Secretary	2017	300,000	Nil	300,000	Nil	Nil	Nil	Nil	600,000
Hazem al-Shawa,	2017	150,000	Nil	150,000	Nil	Nil	Nil	Nil	300,000

Name and principal position	Year	Salary ($)	Share-based awards ($)	Option-based awards ($)	Non-equity incentive plan compensation ($)		Pension value ($)	All other compensation ($)	Total compensation ($)
					Annual incentive plans	Long-term incentive plans			
President, Delma Resorts									

16. INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

At any time since the beginning of the most recently completed financial year of Aydon or the Delma Entities, no director, executive officer or other senior officer of Aydon or a Delma Entity or person who acted in such capacity in the last financial year of Aydon or a Delma Entity, or proposed director or officer of the Reporting Issuer, or any Associate of any such director or officer is, or has been, indebted to Aydon or a Delma Entity nor has any such persons indebtedness to another entity been the subject of a guarantee, support agreement, letter of credit or other similar arrangement or ·understanding provided by Aydon or any Delma Entity or a subsidiary thereof.

17. RISK FACTORS

The Resulting Issuer will principally carry on the business of Delma. The business currently conducted by Delma and to be conducted by the Resulting Issuer, upon completion of the Acquisition, is subject to a number of risks as outlined below.

The Delma Group cautions that the foregoing list of risks is not exhaustive and other factors could also adversely affect its results. Investors and other readers are urged to consider the foregoing risks, uncertainties, factors and assumptions carefully in evaluating the forward- looking information and are cautioned not to place undue reliance on such forward-looking information. For more information on the risks, uncertainties and assumptions that could cause The Delma Group actual results to differ from current expectations, please also refer to The Delma Group.

Statements that include forward-looking information do not take into account the effect that transactions or non-recurring or other special items announced or occurring after the statements are made, have on the Delma Group business. For example, they do not include the effect of any dispositions, acquisitions, asset write-downs or other charges announced or occurring after such statements are made. The Delma Group does not undertake to update any forward-looking information, whether written or oral, that may be made from time to time by it or on its behalf, to reflect new information, future events or otherwise, except as is required by applicable securities laws.

17.1 RISKS RELATING TO THE PROPERTIES

The Properties have rental cycles in which a substantial number of rooms are rented seasonally. The concentration of rental cycles heightens The Delma Group exposure to the typical risks associated with rental cycles, including the risk of vacancies following non-rental of rooms, reduced occupancy rates and lower Rental Income.

The Properties may face increased competition from other properties.

The Properties are located in areas where other competing properties are present and new properties may be developed which may compete with the Properties. The appeal and attractiveness of the Properties may decrease in the future, especially if new hotels and resorts are built and/or existing properties undergo upgrading and the Properties fail to keep pace. The income from, and the market value of the Properties will be dependent on the ability of the Properties to compete against other properties for business. If, in the future, competing properties are more successful in attracting and retaining customers, the income from the Properties could be reduced, thereby adversely affecting The Delma Group' cash flow.

The Properties may require significant capital expenditure beyond the Management's current estimate and The Delma Group may not be able to secure funding.

The Properties may require significant capital expenditure beyond the Management's current estimate for refurbishment, renovation and improvements The Delma Group may not be able to fund capital improvements solely from cash derived from its operating activities and/or obtain additional equity and/or debt financing on favourable terms or at all. If The Delma Group is not able to procure such financing, the Management may be unable to refurbish, renovate and/or improve the Properties which may adversely affect rental negotiations and rental rates in the future The Delma Group may also require additional debt and equity financing to fund future expansion, operational needs and debt service payments. Without the required funds, The Delma Group may not be able to carry out its operations effectively, incur sufficient capital expenditures or respond to competitive pressures.

Transportation infrastructure near the Properties may be redirected, relocated, terminated, delayed or not completed.

There is no assurance that the existing and/or planned transportation infrastructure and public transport services around the Properties will not be redirected, relocated, terminated or delayed. If the current infrastructure or planned infrastructure is redirected, relocated, terminated, delayed or not completed, it may have an adverse effect on the accessibility of the Properties, including worsening traffic congestion around the Properties, and reduce the flow of traffic to Properties. This may then have an adverse effect on the demand, appeal and the rental rates for the Properties and have an adverse effect on the financial condition and results of operations of The Delma Group

The Delma Group may be adversely affected by construction or development works around the vicinity of the Properties.

Construction or development works around the vicinity of the Properties may cause physical damage to the Properties or disruption to operations of The Delma Group. Any damage to the Properties will result in disruption to the business and operations often ants and may result in The Delma Group being unable to collect Rental Income on space affected by such damage. Traffic will also be affected by potential inconveniences resulting from such damage. Renovations, redevelopment works or physical damage to the Properties or continued development of the Properties may disrupt the operations of the Properties and collection of rental income or otherwise resulting in an adverse impact on the financial condition of The Delma Group.

The quality and design of the Properties have a direct influence over the demand for space in, and the rental rates of, the Properties.

The Properties may need to undergo renovation, upgrading, development; redevelopment or asset enhancement programs from time to time to retain their competitiveness and may also require unforeseen ad hoc maintenance or repairs in respect of faults or problems that may develop or because of new planning laws or regulations. The costs of maintaining retail and office properties and the risk of unforeseen maintenance or repair requirements tend to increase over time as the building ages. In addition, the Properties may be required to undergo rectification works to comply with local regulatory requirements. The business and operations of the Properties may suffer some disruption and it may not be possible to collect any rental income in full, or at all, on space affected by such renovation or redevelopment works. Any inconvenience caused may also potentially lower customer rentals. In addition, physical damage to the Properties resulting from fire or other causes may lead to a significant disruption to the business and operation of the Properties and, may impose unbudgeted costs on The Delma Group and result in an adverse impact on the financial condition and results of operations The Delma Group.

The Delma Group may suffer material losses in excess of insurance proceeds or The Delma Group may not put in place or maintain adequate insurance in relation to the Properties and its potential liabilities to third parties.

The Properties face the risk of suffering physical damage caused by wear, acts of God such as natural disasters or other causes, as well as potential public liability claims. In addition, certain types of risks (such as war risk and losses caused by the outbreak of contagious diseases, contamination or other damages caused by breaches of environmental law) may be uninsurable or the cost of insurance may be prohibitive when compared to the risk. Currently, The Delma Group insurance policies for the Properties include property damage caused by fire, lightning or explosion, consequential losses (including loss of revenue), machinery breakdown, equipment damage, theft, accidental damage and public liability but do not in general cover acts of war, outbreaks of contagious diseases, contamination or other damages caused by breaches of environmental law. Should an uninsured loss or a loss in excess of insured amounts occur, The Delma Group could be required to incur additional unbudgeted capital expenditure, pay compensation and/or lose capital invested in the affected Property as well as anticipated future revenue from that Property as it may not be able to rent out or sell the affected property. No assurance can be given that material losses in excess of insurance proceeds (if any) will not occur. In addition, The Delma Group insurance policies and terms of coverage will be subject to renewal and negotiations on a periodic basis in the future and there is no assurance as to the nature and extent of coverage that will be available on commercially reasonable terms in the future. Any material increases in insurance rates or decrease in available coverage in the future will adversely affect Delma Group's business, results of operations and financial condition.

The due diligence on the Properties may not have identified all material defects, breaches of laws and regulations and other deficiencies.

Save for due diligence on the tile and legal matters affecting the Properties, no other due diligence was carried out in respect of the Properties. Such due diligence may not have revealed all breaches of laws or regulations or defects or deficiencies affecting the Properties, including to the title thereof. No technical due diligence was undertaken by the Management on the Properties. There can be no assurance that the Properties do not or will not have defects or deficiencies, which will require additional expenditure, special repair or maintenance expenses or the payment of damages or other obligations to third parties. Such costs or liabilities may involve significant and potentially unpredictable levels of expenditure that could have a material adverse effect on The Delma Properties Group business, financial condition results of operations and prospects.

The Delma Groups dependent on third parties for certain services.

Certain services to the Properties, for example, water, electricity and sewerage treatment may be provided by third-party service providers or may not be located within the Properties. There is no assurance that the third parties or other parties contracted by third parties will fulfill their obligations under any contracts of service. The Delma group is also dependent on the Property Management for providing property management services, tenancy management services, marketing and marketing coordination services and project management services. Any interruption to such services to the Properties may disrupt business operations and have a material adverse effect on Delma Resorts & Hotels' business, financial condition, results of operations and prospects.

17.2 Risk Relating to The Delma Group Operations

The Delma Group is exposed to economic and real estate market conditions (including uncertainties and instability in global market conditions and increased competition in the hospitality market).

The Delma Group results of operations depend, to a large extent, on the performance of the local real estate market conditions. A decline in the local economy could adversely affect The Delma Group results of operations and future growth. The performance of The Delma Group may also be adversely affected by a number of local real estate market conditions, such as the competitiveness of competing hospitality properties or the supply and demand of hospitality properties. There can be no assurance that the local economy will continue to improve, that property values, rents and occupancy rates will not decline, or that interest rates or inflation will not rise in the future. An economic decline in the local economy, a decline in real estate market conditions or other developments outside the control of The Delma Group and the Management, would have a material adverse effect on The Delma Group business, financial condition and results of operations.

The Delma Group may have difficulty accessing the financial markets, which could make it more difficult or expensive to obtain funding in the future. There can be no assurance that The Delma Group will be able to raise funds at a reasonable cost that could have a material adverse effect on The Delma Group Hotels' business, financial condition and results of operations.

The Total Revenue earned from, and the value of, the Properties may be adversely affected by a number of factors. The Total Revenue streams from, and the value of the Properties may be adversely affected by a number of factors, including, but not limited to:

(i) The ability to collect rent from the patrons on a timely basis or at all;
(ii) the amount and extent to which The Delma Group may grant rental rebates to patrons;
(iii) defects affecting the Properties that could affect operations
(iv) a drop in rental rates due to changes in rental rates of comparable hospitality properties;
(v) the general macroeconomic and supply and demand trends affecting the economic conditions in the real estate market sector in the local economies;
(vi) the Management's ability to provide adequate management and maintenance or to purchase or put in place adequate insurance;
(vii) changes in laws and governmental regulations in relation to real estate, including those governing usage, zoning, taxes and government charges. Rights related to the properties may also be restricted by legislative actions, such as revisions to the laws relating to building standards or town planning laws, or the enactment of new laws related to condemnation and redevelopment; and
(viii) acts of God, wars, terrorist attacks, riots, civil commotions, widespread communicable diseases, natural disasters and other events beyond the control of the Management.

Operating risks inherent to the hospitality property industry and increases in operating and other expenses of the Properties could have an adverse effect on The Delma Group financial condition and results of operations. The Delma Group ability to maintain a certain level of cash flow liquidity could be affected if it's operating and other expenses increase without a corresponding increase in revenue. In addition to other factors mentioned herein, factors that could increase operating and other costs of the Properties, include, but are not limited to, the following:

(ii) Increase in utility costs (including any increase in preferential tariffs granted by utility service providers);
(iii) increase in construction, repair and maintenance costs (including mechanical and engineering costs);
(iv) increase in third party subcontracted service costs;
(v) increase in insurance premiums;
(vi) increase in payroll expenses;
(vii) increase property and related taxes and other statutory charges;
(viii) increase in property management costs and Management Fee;
(ix) changes in statutory laws, regulations or government policies which

increase the cost of compliance with such laws, regulations or policies; and

(i) increase in costs of financing for operating or capital requirements.

Additionally, capital expenditures and other expenses may be irregular since ongoing repairs and maintenance involves significant and potentially unpredictable expenditures. Both the amount and timing of such expenditures will have an impact on the cash flow of The Delma Group. If the Properties do not generate revenue sufficient to meet operating expenses, debt service and capital expenditures, The Delma Group income and cash flow may be affected.

The Delma Group is subject to risks inherent in concentrating investments primarily in hospitality properties.

The Delma Group principal investment policy is to invest in hospitality Real Estate Assets. As such, The Delma Group will be subject to additional risks compared to a portfolio that is diversified in terms of location and type. These risks include, and are not limited to, a downturn in the local economy, movements in interest rates and changes in policies or laws affecting real property, which could in turn affect the valuation of the Properties, reduce patrons' rental income, decrease rental and occupancy rates, and have a material adverse effect on The Delma Group business, results of operations and financial conditions.

The Delma Group may face risks associated with debt financing and existing and future debt facilities and debt covenants may limit or affect The Delma Group operations.

The Delma Group is subject to risks associated with existing and future debt financing, including the risk that its cash flow will be insufficient to meet the required payments of principal and interest under such financing.

The Delma Group may not be able to meet all of its obligations to repay any future borrowings through its cash flow from operations. The Delma Group may be required to repay maturing debt with funds from additional debt or equity financing or both. There is no assurance that such financing will be available on acceptable terms or at all.

If principal amounts due for repayment at maturity cannot be refinanced, extended or paid with proceeds of other capital transactions, such as new equity capital, The Delma Group will not be able to repay all maturing debt. In such cases, if The Delma Group defaults under such debt facilities, the lenders may be able to declare a default and initiate enforcement. Proceedings in respect of any security provided, and/or call upon any guarantees provided. Further, if The Delma Group properties are mortgaged, the lender could foreclose such properties or the lender could require a forced sale of the properties with a consequent loss of income and asset value to The Delma Group. Even if The Delma Group is able to secure new debt financing, The Delma Group may be subject to the risk that the terms of any refinancing undertaken will be less favourable than the terms of the borrowings sought to be refinanced (including bank borrowings or issuances of debentures and bonds). The Delma Group may also be subject to certain covenants that may limit or otherwise adversely affect its operations. Such covenants may also restrict The Delma Group ability to acquire properties or undertake other capital expenditure and may require it to set aside funds for maintenance or repayment of security deposits or require The Delma Group to maintain certain financial ratios (such as loan to value ratios). The trigger in go of any of such covenants may have an adverse impact on The Delma Group financial condition. Increases in interest rates could significantly affect The Delma Group financial condition and results of operations. The interest rates of borrowings could be subject to changes based on the cost of funds of the respective lenders, which could be subject to renegotiation on a periodic basis. If the interest rates for The Delma Group existing or future borrowings increase significantly, its cost of funds will increase which may adversely impact its results of operations, planned capital expenditure and cash flows.

The Management may not be able to successfully implement its investment strategies, including asset enhancements, for The Delma Group.

There is no assurance that the Management will be able to implement its investment strategies successfully or that it will be able to expand The Delma Group portfolio at any specified rate or to any specified size. The success of the implementation of its investment strategies depends on the identification of suitable assets and the ability to obtain financing. The Management may not be able to make acquisitions or investments on favourable terms or within a desired timeframe, which will impede the growth of The Delma Group. The Delma Group ability to make new property acquisitions under its acquisition growth strategy may be adversely affected by the emergence of competitors in hospitality property markets. There may be significant competition for investment opportunities from other property investors, commercial property development companies and private investment funds. There is no assurance that The Delma Group will be able to compete effectively against such entities. Even if The Delma Group were able to successfully acquire property or investments, there is no assurance that The Delma Group will achieve its intended return on such acquisitions or investments. Further, The Delma Group external growth strategy and its asset selection process may not be successful and may not provide positive returns to shareholders. Acquisitions may divert management attention away from day-to-day operations and cause disruptions to The Delma Group operations. Even if the Management can identify suitable assets and investment opportunities for The Delma Group, obtaining funding for such acquisitions and investments may be difficult. Potential vendors may view negatively the prolonged timeframe and lack of certainty associated with the raising of equity capital to fund any such purchase. They may instead prefer other potential purchasers. The Management may from time to time initiate asset enhancement on some of the Properties. There is no assurance that such plans for asset enhancement will materialize, or in the event that they do materialize, they may not achieve their desired results or may incur significant costs.

The Delma Group depends on certain key personnel and the loss of any key personnel may adversely affect its operations.

The Delma Group performance depends, in part, upon the continued service and performance of the executive officers of the Management. These key personnel may leave the employment of the Management. If the above were to occur, the Management will need to spend lime searching for a replacement and the duties that such executive officers are responsible for may be affected. The loss of any of these individuals could have a material adverse effect on The Delma Group financial condition and the results of operations. The removal of the Management could have an adverse effect on The Delma Group financial condition and results of operations. No guarantee can be given that the Management will remain the management of The Delma Group. In the event that the Management ceases to be eligible, The Delma Group may need to appoint another management, which may materially and adversely affect The Delma Group financial condition and results of operations.

The Delma Group may be adversely affected by the illiquidity of real estate investments and the lack of alternative uses and may be exposed to a higher level of risk compared to other types of companies that have a more diverse range of investments.

The Delma Group focus on hospitality properties involves a higher level of risk as compared to a portfolio that has a more diverse range of investments that are more liquid. Real estate investments are relatively illiquid and such illiquidity may The Delma Group ability to vary its investment portfolio or liquidate part of its assets in response to changes in economic, real estate market or other conditions. The Delma Group may be unable to sell its assets on short notice or may be forced to give a substantial reduction in the price that may otherwise be sought for such assets if a quick sale is required. The Delma Group may face difficulties in securing timely and commercially favourable financing in asset-based lending transactions secured by real estate due to the illiquid nature of real estate assets. These factors could have an adverse effect on The Delma Group financial condition and results of operations. Further, The Delma Group principal policy of investing, directly or indirectly, in Real Estate will subject The Delma Group to risks inherent in concentrating in Real Estate. The level of risk could be higher as compared to other types of companies that have a more diverse range of investments in other sectors. A concentration of investments in Real Estate Assets exposes The Delma Group to the risk of downtime in the real estate market. Such downturns may lead to a decline in occupancy for properties or Real Estate related assets in The Delma Group portfolio. This will affect The Delma Group Rental Income from the Properties, and/or a decline in the capital value of The Delma Group portfolio and on the results of operations and the financial condition of The Delma Group.

Possible change of investment strategies may adversely affect shareholders' investments The Delma Group.

The Delma Group policies with respect to certain activities, including investments and acquisitions, will be determined by the Management shareholders and potential investors should note that the Management has wide discretion to determine the investment strategies of The Delma Group and may decide to invest in other types of assets, including any Real Estate Assets, Real Estate related assets, as well as Non-Real Estate related assets. Furthermore, as with other investment decisions, there are risks and uncertainties with respect to the selection of investments and with respect to the investments themselves.
The Delma Group is subject to third-party litigation risk by shoppers, contractors and patrons of the Properties which could result in significant liabilities and damage to The Delma Group reputation.
The Delma Group is exposed to the risk of litigation or claims, contractors or patrons of the Properties, which may arise for a variety of reasons, including accidents or injuries that may be suffered by them while at the Properties. If The Delma Group is required to bear all or a portion of the costs arising out of such litigation, this may have a material adverse effect on The Delma Group business, financial condition, results of operations and prospects.

The Delma Group may engage in interest rate hedging transactions, which can limit gains and increase costs.

Subject to the approval of the relevant authorities, if any, The Delma Group may enter into interest rate hedging transactions to protect itself from the effects of interest rate on floating rate debt. Interest rate hedging activities may not have the desired beneficial impact on the results of operations or financial condition of The Delma Group. Interest rate hedging could adversely affect The Delma Group because among others:

(i) The party owing money in the hedging transaction may default on its obligation to pay;

(ii) the credit quality of the party owing money on the hedge may be downgraded to such an extent that it impairs the company's ability to sell or assign its side of the hedging transaction; and

(iîi) the value of the derivatives used for hedging may be adjusted from time to time in accordance with accounting standards to reflect changes in fair value. Such changes although unrealized, would reduce the NAV of The Delma Group if it is due to downward adjustments.

Interest rate hedging involves risks and transaction costs, which may reduce overall returns.

The Delma Group may incur unanticipated costs and liabilities, in connection with environmental laws and regulations.

Under various laws, an owner or operator of real property may become liable for the costs of removal of certain hazardous substances released on its property. These laws may impose liability without regard to whether the owner or operator knew of, or was responsible for, the release of such hazardous substances. The presence of hazardous substances on any Property owned by The Delma Group may have an adverse effect on The Delma Group ability to sell any of its Properties or borrow using its Properties as collateral. To the extent that The Delma Group becomes liable for costs of removing any hazardous substances, it will have on the adverse effect on cash flow.

Occurrence of any acts of God, war and terrorist attacks may adversely and materially affect the business and operations of the Properties.

Acts of God, such as natural disasters, are beyond the control of The Delma Group or the Management. These may materially and adversely affect the economy, infrastructure and livelihood of the local population including The Delma Group. The Delma Group business and income available for distribution may be adversely affected should such acts of God occur. There is no assurance that any war, terrorist attack or other hostilities in any part of the world, potential, threatened or otherwise, will not, directly or indirectly, have an adverse effect on the operations of the Properties.

17.3 RISKS RELATING TO AN INVESTMENT IN THE SHARES

The actual performance of The Delma Group and the Properties could differ materially from the forward-looking statements in this Listing Form.

This Listing Form contains forward-looking statements regarding, among others, forecast and projected distribution/yield levels for the forecast period and the forecast year. These forward-looking statements are based on a number of assumptions that are subject to uncertainties and contingencies that are outside of the Management's control. In particular, the Profit Forecasts were prepared based on an assumed occupancy rate. The Delma Group's ability to achieve the forecast and projected distributions/yields is subject to events and circumstances assumed which may not occur as expected, or events and circumstances not anticipated which may arise. No assurance is given that the assumptions will be realized. The sale of a substantial number of shares by the Major Shareholders and/or any of their transferees of the Shares (following the lapse of the lock-up arrangements) could adversely affect the price of the Shares and The Delma Group rights. Upon Listing, The Delma Group will have 5,452,044 class A common Shares and 4,510,890 class B common Shares outstanding, of which a considerable amount of class A common Shares and class B common Shares (representing a 67.86% voting interest) will be held by Granada Canada Inc. (a corporation controlled by Hassan Al-Shawa) and a considerable amount of class A common Shares and class B common Shares (representing a 20.8% voting interest) will be held by Gestion H, Petit Inc. (a corporation controlled by Henri Petit). If the Major shareholders and/or any of their transferees of the Shares (following the lapse of the relevant respective lock-up arrangements, or pursuant to any applicable waivers) sells or is perceived as intending to sell a substantial amount of its Shares, the market price for the Shares could be adversely affected. Further, the Major shareholders may charge, grant security over or create any encumbrances over the Shares held in connection with credit facilities obtained/to be obtained, which may subsequently be enforced (following the lapse of the relevant respective lock-up arrangements, or pursuant to any applicable waivers).

The NAV per Share may be diluted if further issues are priced below the then current NAV per share.

When the company contemplates new issues of Shares, the offering share price for which may be above, at or below the then current NAV per Share. The NAV per Share may be diluted if new Shares are issued and the use of proceeds from such issue of Shares generates insufficient cash flow to cover the dilution. Where new Shares, including Shares that may be issued to the Management in payment of the Management Fee, are issued at less than the NAV per share, the then current NAV of each existing share may be diluted.

Shareholders who do not or are not able to participate in future equity financing by The Delma Group will experience a dilution in their interest in The Delma Group.

If shareholders do not or are not able to participate in any future equity fund raising, such as rights issues or private placements, their proportionate interest in The Delma Group will be reduced. Any consideration received by such shareholders in exchange for any rights under future equity fund raisings may not be sufficient to compensate for the dilution of their shareholdings as a result of the equity fund raising.

The price of the Shares may decline after the Listing.

The final retail price and the institutional price may not be indicative of the market price for the Shares upon completion of the Listing. The trading price of the Shares will depend on many factors, including, but not limited to:

(i) The perceived prospects of The Delma Group business and investments and the market hospitality properties or Real Estate related assets;
(ii) differences between The Delma Group actual financial and operating results and those expected by investors and analysts;
(iii) changes in analysts' recommendations or projections, if any;
(iv) changes in general economic or market conditions;
(v) the market value of The Delma Group assets;
(vi) the perceived attractiveness of the Shares against those of other equity or debt securities, including those not in the real estate sector;
(vii) the balance of buyers and sellers of the Shares;
(viii) any changes to the regulatory system, including the tax system,
(ix) the ability of the Management's part to implement successfully its investment and growth strategies; and
(x) broad market fluctuations, including increases in interest rates and weakness of the equity and debt markets.

Shares may trade at prices that are higher or lower than the NAV per share. To the extent that The Delma Group retains operating cash flow for investment purposes, working capital reserves or other purposes, these retained funds, white increasing the value of The Delma Group Total Asset Value and NAV, may not correspondingly increase the market price of the Shares. Any failure to meet market expectations with regards to future earnings may adversely affect the market price for the Shares. Where new Shares are issued at less than the market price of Shares, the value of an investment in Shares may be affected. The Shares are not capitalprotected/guaranteed products. There is no guarantee that shareholders can regain the amount invested.

Cyclical market and economic conditions may affect the price and demand for the Shares.

Cyclical movements in domestic and international securities markets, economic conditions, foreign exchange rates and interest rates may affect the market price of, and demand for, the Shares. In particular, an increase in market interest rates may have an adverse impact on the market price of the Shares if the annual yield on the price paid for the Shares gives investors a lower return compared to other investments.

There is no assurance that the Shares will remain listed and/or not be suspended from trading.

Although it is intended that the Shares will remain listed, there is no guarantee of the continued listing of the Shares. Among other factors, The Delma Group may not continue to satisfy the public spread requirements under the Listing Requirements. Accordingly, Shareholders will not be able to sell their Shares through trading if the Shares are no longer listed and/or are suspended from trading for an indefinite period.

An investment in the securities of the Resulting Issuer should be considered speculative due to the nature of the Resulting Issuer's business, the Resulting Issuer's early stage of development and certain other factors.

If the Resulting Issuer is unable to effectively address these and other potential risks and uncertainties following the completion of the Acquisition, its business, financial condition or results of operations could be materially and adversely affected. In this event, the value of the Resulting Issuer Class A Shares could decline and you could lose all or part of your investment.

While this Listing Statement has described the risks and uncertainties that management of Aydon and the Delma Entities believe to be material to the Resulting Issuer's business, it is possible that other risks and uncertainties affecting the Resulting Issuer's business will arise or become material in the future.

18. PROMOTERS

No person or company will be a promoter of the Resulting Issuer, or has been within the two years immediately preceding the date of this Circular a promoter of Aydon or a Delma Entity.

19. LEGAL PROCEEDINGS

Management knows of no legal proceedings, contemplated or actual, involving the Resulting Issuer or which could materially affect the Resulting Issuer.

20. INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

No director or executive officer of the Resulting Issuer or any person or company that is the direct or indirect beneficial owners of, or who exercises control or direction over, more than 10 percent of any class of the Resulting Issuer's outstanding voting securities, or an associate or affiliate of any persons or companies referred to in this paragraph, has any material interest, direct or indirect, in any transaction within the three years before the date of this Listing Statement, or in any transaction, that has materially affected or will materially affect the Resulting Issuer or a subsidiary of the Resulting Issuer.

21. AUDITORS, TRANSFER AGENTS AND REGISTRARS

21.1 Auditor

The Resulting Issuer's auditors will be RCGT at its Montreal office located at 600 de la Gauchetiere Street West, Suite 2000, Montreal, Quebec, H3B 4L8.

21.2 Transfer Agent and Registrar

Aydon's transfer agent and registrar, TSX Trust, will remain the transfer agent and registrar of the Resulting Issuer.

22. MATERIAL CONTRACTS

Aydon has not entered into any material contracts and will not enter into any material contracts prior to completion of the Acquisition other than:

(i) the Acquisition Agreement; and

(ii) the Escrow Agreement.

The following are the only material agreements of the Delma Entities (other than certain agreements entered into in the ordinary course of business):

a) the Acquisition Agreement;

b) the Escrow Agreement;

c) the Joint Venture Agreement;

d) the Nominee Agreement;

e) the Delma Properties LP Agreement;

f) the Delma Resorts LP Agreement; and

g) the SEC Bromont LP Agreement.

23 INTEREST OF EXPERTS

No person or company who is named as having prepared or certified a part of this Listing Statement or prepared or certified a report or valuation described or included in this Listing Statement has any direct or indirect interest in the Resulting Issuer.

24. OTHER MATERIAL FACTS

There are no other material facts that are not elsewhere disclosed herein and which are necessary in order for this document to contain full, true and plain disclosure of all material facts relating to the Resulting Issuer and its securities.

25. FINANCIAL STATEMENTS

Please refer to Schedule A for financial statements of Aydon.

Please refer to Schedule C for financial statements of the Delma Entities.

Please refer to Schedule E for pro forma financial statements of the Resulting Issuer.

SCHEDULE A – FINANCIAL STATEMENTS OF AYDON

(PLEASE SEE ATTACHED)

Aydon Income Properties Inc.

Consolidated Financial Statements

September 30, 2017

(Expressed in Canadian Dollars)

Aydon Income Properties Inc.
Consolidated statements of financial position
(Expressed in Canadian dollars)

	Notes	September 30, 2017	December 31, 2016
ASSETS			
Current assets			
Cash		$ 52,617	$ 1,646
Receivables	4	21,898	22,037
Assets held for sale	8	95,115	329,027
Refundable deposit		4,808	44,309
		174,438	397,019
TOTAL ASSETS		**$ 174,438**	**$ 397,019**
LIABILITIES			
Current liabilities			
Trade payables and accrued liabilities	5	$ 341,841	$ 258,287
Loan payable		59,049	44,362
Liabilities of assets held for sale	7	28,600	87,947
Obligation to issue shares		-	45,000
		429,490	435,596
Non-current liabilities			
Convertible debentures	6	479,472	479,472
TOTAL LIABILITIES		**908,962**	**915,068**
SHAREHOLDERS' EQUITY			
Share capital	9	809,667	674,167
Share-based payment reserve	9	325,921	325,921
Currency translation reserve	9	(1,177)	(9,688)
Deficit		(1,868,935)	(1,508,449)
TOTAL SHAREHOLDERS' EQUITY		**(734,524)**	**(518,049)**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**$ 174,438**	**$ 397,019**

Going concern (Note 1)

Approved on behalf of the Board of Directors:

"V. Wadhwani" ***"D. Carkeek"***

Chief Executive Officer **Chief Financial Officer**

Aydon Income Properties Inc.
Consolidated statements of comprehensive loss
(Expressed in Canadian dollars)

	Notes	Quarter ending September 30, 2017	Quarter ended September 30, 2016	Period ending September 30, 2017	Period ended September 30, 2016
Management fee income		$1,509	$744	$14,873	$ 1,786
Expenses					
Communications		-	-	1,601	1,114
Filing and listing costs		19,907	9,376	41,130	23,942
Foreign exchange loss realised		1,956	-	14,183	-
Management fees	10	66,280	137,594	181,220	218,450
Office and miscellaneous		1,836	883	3,667	10,194
Professional fees		23,320	-	46,305	21,379
Travel expense		2,002	-	4,315	-
		115,302	147,853	292,422	275,079
Other items					
Forgiveness of debt		-	-	(6,300)	-
Loss on disposition of assets held for sale	7	12,243	-	41,989	-
Interest expense		15,509	6,339	47,248	17,212
		27,753	6,339	82,938	17,212
Net loss		**141,545**	**153,448**	**360,486**	**290,505**
Other comprehensive (loss) gain					
Foreign currency translation		800	87	8,511	308
Comprehensive loss		**142,345**	**153,361**	**$ 368,997**	**$ 290,813**
Loss per share – basic and diluted	9	**(0.005)**	**(0.006)**	**$ (0.01)**	**$ (0.012**
Weighted average shares outstanding	9	**26,790,377**	**24,314,899**	**26,790,377**	**24,314,899**

Aydon Income Properties Inc.
Consolidated statements of changes in equity
(Expressed in Canadian dollars)

		Share capital			Reserves			
	Notes	Number of shares	Amount	Obligation to Issue Shares	Share Based Payment Reserve	Currency translation reserve	Deficit	Total
Balance at April 30, 2015		**24,083,081**	**$ 601,217**	**$ (18,5**	**$ 250,000**	**$ (1,069)**	**$ (670,744)**	**$ 160,904**
Convertible debenture	6	-	-	-	12,971	-	-	12,971
Net loss		-	-	-	-	-	(170,314)	(170,314)
Other comprehensive loss		-	-	-	-	875	-	875
Subscriptions received		-	-	18,500	-	-	-	18,500
Balance at December 31, 2015		**24,083,081**	**601,217**	**-**	**262,971**	**(194)**	**(841,058)**	**22,936**
Net loss		-	-	-	-	-	(290,813)	(290,813)
Other comprehensive loss		-	-	-	-	(5,169)	-	(5,169)
Shares issued	9	231,818	25,500	-	-	-	-	25,500
Prior year Deconsolidation Adj							(1,140)	(1,140)
Balance at September 30, 2016		**24,314,899**	**626,717**	**-**	**262,971**	**(5,363)**	**(1,133,011)**	**(248,686)**
Net loss		-	-	-	-	-	(375,438)	(375,438)
Other comprehensive loss		-	-	-	-	(4,325)	-	(4,325)
Shares issued for consulting	9	1,250,000	50,000	-	-	-	-	50,000
Share issue costs	9	-	(2,550)	-	-	-	-	(2,550)
Convertible debentures	6	-	-	-	35,267	-	-	35,267
Stock based compensation	9	-	-	-	27,683	-	-	27,683
Balance at December 31, 2016		**25,564,899**	**$ 674,167**	**$ -**	**$ 325,921**	**$ (9,688)**	**$ (1,508,449)**	**$ (518,049)**
Net loss		-	-	-	-	-	(360,486)	(360,486)
Other comprehensive gain/loss		-	-	-	-	8,511	-	8,511
Shares issued	9	1,355,000	135,500	-	-	-	-	135,500
Balance at September 30, 2017		**26,919,899**	**$ 809,667**	**$ -**	**$ 325,921**	**$ (1,177)**	**$ (1,868,935)**	**$ (734,524)**

(Expressed in Canadian dollars)

		Period ended September 30, 2017		Year ended September 30, 2016
Operating activities				
Net loss	$	(360,486)	$	(290,505)
Items not affecting cash:				
Non-cash interest expense		27,380		17,212
Foreign exchange		(18,869)		
		(351,976)		(273,293)
Changes in non-cash working capital items:				
Receivables		39,640		12,992
Assets held for sale		233,912		
Trade payables and accrued liabilities		(6,105)		231,549
Net cash flows used in operating activities		**(84,529)**		**(54,736)**
Financing activities				
Proceeds on issuance of common shares		135,500		25,500
Proceeds on issuance of convertible debentures				10,000
Net cash flows from financing activities		**135,500**		**35,500**
Effect of foreign currency translation and reserves				**5,336**
Increase (decrease) in cash		50,971		(13,900)
Cash, beginning		1,646		9,459
Cash, ending	**$**	**52,617**	**$**	**(4,441)**

1. Nature and continuance of operations

Genesis Income Properties Inc. ("Genesis) was incorporated on April 7, 2014 under the laws of the province of British Columbia. Aydon Income Properties Inc. (the "Company") was formed by amalgamation of Genesis and Forbairt Development Acquisition Corp. ("Forbairt") under a Plan of Arrangement approved by the Supreme Court of British Columbia on August 27, 2014. The Company completed all requirements for a listing on the Canadian Stock Exchange ("CSE") under the symbol "AYD" and started trading on March 12, 2015.

During the period ended December 31, 2015, the Company changed its fiscal year end from April 30 to December 31.

The principal address and records office of the Company is located at 202 - 5626 Larch Street, Vancouver, BC, V6M 4E1.

The Company was established for the purpose of investing in income-producing residential properties in the USA and Canada. The Company's business model calls for the financing of the acquisition of rental and development properties through the establishment of Limited Partnerships which will be under the management of General Partners owned and operated by the Company.

These consolidated 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. A different basis of measurement may be appropriate if the Company is not expected to continue operations for the foreseeable future. The success of the Company is dependent on certain factors that may be beyond management's control such as economic, currency and liquidity risk. If the Company is unable to fund its investments or otherwise fails to invest in properties, its business, financial condition and results of operations could be materially affected. The Company has incurred operating losses since incorporation and has an accumulated deficit totalling $1,868,935. The Company's continuation as a going concern is dependent upon successful results from its activities, its ability to raise sufficient equity financings, issuing debt or securing related party advances to complete the identification and acquisition of suitable properties in accordance with its business plan and ultimately achieving profitable operations. 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 consolidated financial statements do not include any adjustments relating to the recoverability and classification of recorded asset and classification of liabilities that might be necessary should the Company be unable to continue as a going concern. Management intends to finance operating costs over the next twelve months with existing working capital, public and private placements of common shares and loans from directors. While management has been successful in obtaining sufficient funding for its operating, capital and operations requirements from the inception of the Company to date, there is no assurance that additional funding will be available to the Company, when required, or on terms which are acceptable to management.

2. Significant accounting policies and basis of preparation

The financial statements were authorized for issue on November 22, 2017 by the directors of the Company.

Statement of compliance

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB") and including interpretations of the International Financial Reporting Interpretations Committee ("IFRIC") as applicable to the preparation of financial statements.

2. Significant accounting policies and basis of preparation (continued)

Basis of preparation

The consolidated financial statements of the Company have been prepared on an accrual basis and are based on historical costs, modified where applicable. The consolidated financial statements are presented in Canadian dollars unless otherwise noted.

Consolidation

The consolidated financial statements include the accounts of the Company and its controlled entities. Details of controlled entities are as follows:

		Percentage owned*	
	Country of incorporation	September 30, 2017	December 31, 2016
AIP General Partner Ltd.	Canada	100%	100%
AIP General Partner USA Inc.	USA	100%	100%
AIP Limited Partnership	Canada	100%	100%
AIP USA Limited Partnership 1	USA	100%	100%

*Percentage of voting power is in proportion to ownership.

Inter-company balances and transactions, including unrealized income and expenses arising from inter-company transactions, are eliminated on consolidation. AIP Limited Partnership and AIP USA Limited Partnership 1 have been consolidated from November 1, 2016, the day the Company obtained control. Prior to November 1, 2016 they were accounted for under the equity method.

Jointly controlled entities

A jointly controlled entity is a corporation or other entity in which each venture holds an interest. A jointly controlled entity operates in the same way as other entities, except that a contractual arrangement established joint control. A jointly controlled entity controls the assets of the joint venture, earns its own income and incurs its own liabilities and expenses. Interests in jointly controlled entities are accounted for using the equity method.

Significant accounting judgments, estimates and assumptions

The preparation of the Company's financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates.

Areas requiring a significant degree of estimation and judgment relate to fair value measurements of financial instruments, stock-based compensation and other equity-based payments, and the recoverability of deferred tax assets and liabilities. Actual results may differ from those estimates and judgments.

2. Significant accounting policies and basis of preparation (continued)

Significant judgements

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 include:

- 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 a significant uncertainty; and
- the determination of the functional currency of the parent company and its subsidiaries.

Foreign currency translation

The functional currency of each entity is measured using the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Canadian dollars which is the Company's and AIP General Partners Ltd's functional and presentation currency. The functional currency of AIP General Partner USA Inc., AIP USA Limited Partnership 1, and AIP Limited Partnership is the US dollars.

Transactions and balances:

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the period-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined. Exchange differences arising on the translation of monetary items or on settlement of monetary items are recognized in profit or loss in the statement of comprehensive income in the period in which they arise, except where deferred in equity as a qualifying cash flow or net investment hedge. Exchange differences arising on the translation of non-monetary items are recognized in other comprehensive income in the statement of comprehensive income to the extent that gains and losses arising on those non-monetary items are also recognized in other comprehensive income. Where the non-monetary gain or loss is recognized in profit or loss, the exchange component is also recognized in profit or loss.

Exchange differences arising on translation of foreign operations are recognized in other comprehensive income and recorded in the Company's foreign currency translation reserve in equity. These differences are recognized in the profit or loss in the period in which the operation is disposed.

Share-based payments

Share-based payments to employees are measured at the fair value of the instruments issued and amortized over the vesting periods. Share-based payments to non-employees are measured at the fair value of goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. The corresponding amount is recorded to the option reserve. The fair value of options is determined using the Black–Scholes Option Pricing Model which incorporates all market vesting conditions. The number of shares and options expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognized for services received as consideration for the equity instruments granted shall be based on the number of equity instruments that eventually vest.

2. Significant accounting policies and basis of preparation (continued)

Loss per share

The Company presents basic and diluted loss per share data for its common shares. Basic loss per share is calculated by dividing the loss attributable to common shareholders by the weighted average number of common shares outstanding in the period. For all periods presented, the loss attributable to common shareholders equals the reported loss attributable to owners of the Company. Diluted loss per share is calculated by the treasury stock method. Under the treasury stock method, the weighted average number of common shares outstanding for the calculation of diluted loss per share assumes that the proceeds to be received on the exercise of dilutive share options and warrants are used to repurchase common shares at the average market price during the period.

Financial instruments

The Company classifies its financial instruments in the following categories: at fair value through profit or loss, loans and receivables, held-to-maturity investments, available-for-sale and financial liabilities. The classification depends on the purpose for which the financial instruments were acquired. Management determines the classification of its financial instruments at initial recognition.

Financial assets are classified at fair value through profit or loss when they are either held for trading for the purpose of short-term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying value being included in profit or loss.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortized cost. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets.

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the Company’s intention to hold these investments to maturity. They are subsequently measured at amortized cost. Held-to-maturity investments are included in non-current assets, except for those which are expected to mature within 12 months after the end of the reporting period.

Available-for-sale financial assets are non-derivative financial assets that are designated as available-for-sale or are not suitable to be classified as financial assets at fair value through profit or loss, loans and receivables or held-to-maturity investments and are subsequently measured at fair value. These are included in current assets. Unrealized gains and losses are recognized in other comprehensive income, except for impairment losses and foreign exchange gains and losses on monetary financial assets.

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortized cost.

Regular purchases and sales of financial assets are recognized on the trade-date – the date on which the Company commits to purchase the asset.

2. Significant accounting policies and basis of preparation (continued)

Financial instruments (continued)

Financial assets are derecognized when the rights to receive cash flows from the investments have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership.

At each reporting date, the Company assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a significant and prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen.

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.

Financial instruments measured at Level 1 include cash.

Impairment of assets

The carrying amount of the Company's assets is reviewed at each reporting date to determine whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognized in the statement of comprehensive income.

The recoverable amount of assets is the greater of an asset's fair value less cost to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is only reversed if there is an indication that the impairment loss may no longer exist and there has been a change in the estimates used to determine the recoverable amount, however, not to an amount higher than the carrying amount that would have been determined had no impairment loss been recognized in previous years.

Assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

Equity accounted investment

Under the equity method, the investment is carried in the statements of financial position at cost and is adjusted for the Company's share of the investee's profit or loss subsequent to the

2. Significant accounting policies and basis of preparation (continued)

Equity accounted investment (continued)

investment. Losses are recorded until the carrying amount is reduced to $Nil; losses beyond this point are not recognized until the Company makes additional investment in the investee or positive earnings are achieved by the investee and the Company's share of profits equals its share of losses not previously recognized. Additional losses are provided for, and a liability is recognized, only to the extent that the Company has incurred obligations to provide funding to the investee.

Revenue recognition

Revenue consists of service revenue generated from management, consulting and rental income. Revenue is recognized when services have been provided, the amount can be measured reliably, collection is probable and cost incurred or to incur can be measured reliably.

Income taxes

Current income tax:

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date, in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognized directly in other comprehensive income or equity is recognized in other comprehensive income or equity and not in profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred income tax:

Deferred income tax is provided annually, using the statement of financial position method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

The carrying amount of deferred income tax assets is reviewed annually, at the end of each reporting period and recognized only to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred income tax assets and deferred income tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority.

3. Accounting standards issued by not yet effective

New standard IFRS 9 "Financial Instruments"

This new standard is a partial replacement of IAS 39 "Financial Instruments: Recognition and Measurement". 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

(Expressed in Canadian dollars)

3. Accounting standards issued by not yet effective (continued)

an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. IFRS 9 is effective for annual periods beginning on or after January 1, 2018 with early adoption permitted.

The Company has not early adopted this revised standard and is currently assessing the impact that this standard will have on its consolidated financial statements.

Other accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's financial statements.

4. Receivables

		September 30, 2017		December 31, 2016
Trade receivables	$	4,225	$	4,364
GST receivable		17,673		17,673
	$	21,898	$	22,037

5. Trade payables and accrued liabilities

		September 30, 2017		December 31, 2016
Trade payables	$	50,708	$	31,421
Amounts due to related parties (Note 10)		204,112		165,764
Accrued liabilities		87,022		61,102
	$	341,842	$	258,287

6. Convertible debenture

On March 30, 2016, the Company issued a $10,000 convertible debenture. The debenture is secured by a general security agreement in respect of all present and after acquired personal property of the Company. The debenture pays interest quarterly at 8.8% per annum and matures on December 31, 2018. At the holder's option, the debenture may be converted into common shares of the Company at a price of $0.30 per share prior to December 31, 2016 and $0.40 per share on or before December 31, 2016 and until December 31, 2017 and at a price of $0.50 per share after December 31, 2017 and until December 31, 2018.

On October 31, 2016, the Company issued a $30,000 convertible debenture. The debenture is secured by a general security agreement in respect of all present and after acquired personal property of the Company. The debenture pays interest semi-annually at 10% per annum and matures on November 30, 2018. At the holder's option, the debenture may be converted into common shares of the Company at a price of $0.30 per share prior to November 30, 2016 and at a price of $0.50 per share on or after November 30, 2016 and until November 16, 2018. The holder also has the option to convert the debenture into units of the AIP Limited Partnership held by the Company at a price of US$1,100 per partnership unit.

(Expressed in Canadian dollars)

6. Convertible debenture (continued)

On October 31, 2016, the Company issued a $360,000 (US$273,000) convertible debentures for redemption of units in AIP Limited Partnership. The debentures are secured by a general security agreement in respect of all present and after acquired personal property of the Company. The debenture pays interest semi-annually at 10% per annum and matures on December 10, 2018.

On November 15, 2016, the Company issued a $13,556 (US$10,000) convertible debenture for redemption of units in AIP Limited Partnership. The debenture is secured by a general security agreement in respect of all present and after acquired personal property of the Company. The debenture pays interest quarterly at 8.8% per annum and matures on November 15, 2019. At the holder's option, the debenture may be converted into common shares of the Company at a price of $0.30 per share in the first year and $0.40 per share in the second year and $0.50 per share up until October 25, 2019. The holder also has the option to convert the debenture into units of AIP Limited Partnership held by the Company at a price of US$1,100 per partnership unit. The principal is denominated in a currency that is different from the Company's functional currency. IFRS requires the conversion right to be accounted as a derivative liability as the Company will be obliged to issue a variable number of shares upon conversion. As at November 15, 2016 the Company determined the fair value of the derivative liability to be $5,300 using the Black-Sholes Option Pricing Model with the following assumptions: Expected dividend yield – 0%; Volatility – 262%; Risk-free interest rate – 0.72%; Expected life: three years. The residual value of $8,256 was allocated to the convertible debenture. There was no value attributed to the equity component. As at December 31, 2016, the Company determined the fair value of the derivative liability to be $2,200 using the Black-Sholes Option Pricing Model with the following assumptions: Expected dividend yield – 0%; Volatility – 260%; Risk-free interest rate – 0.84%; Expected life: three years.

On December 10, 2015, the Company issued a $126,000 convertible debenture. The debenture is secured by a general security agreement in respect of all present and after acquired personal property of the Company. The debenture pays interest semi-annually at 10% per annum and matures on December 10, 2018. At the holder's option, the debenture may be converted into common shares of the Company at a price of $0.30 per share in the first year and $0.50 per share on or after December 10, 2016 and up until December 3, 2018. The holder also has the option to convert the debenture into units of AIP Limited Partnership held by the Company at a price of US$1,100 per partnership unit.

For all of the above debentures, the Company used the residual value method to allocate the principal amount of the debenture, less issuance costs, between the liability and the equity component. The fair value of the liability component at issuance was calculated using a market interest rate for an equivalent non-convertible bond, which the Company determined to be 15%. The residual amount, representing the value of the equity conversion option, is included in shareholders equity in the share-based payment reserve.

		Period ended September 30, 2017		Year ended December 31, 2016
Balance, beginning	$	97,985	$	97,985
Cash proceeds from issuance of convertible debentures		40,000		40,000
Non-cash convertible debentures issued		373,556		373,556
Issuance costs		(4,000)		(4,000)
Amount allocated to equity		(35,267)		(35,267)
Change in derivative liability		(3,100)		(3,100)
Non-cash interest		10,299		10,299
Balance, ending	$	479,472	$	479,472

(Expressed in Canadian dollars)

7. Assets held for sale

The Company owned seven investment properties at December 31, 2016. These investment properties were acquired through the acquisition of AIP Limited Partnership. During the quarter, the Company sold four of these properties and intends to dispose of the remaining investment properties. Accordingly the investment properties are classified as held for sale. At September 30, 2017 the remaining investment properties are measured at fair value less costs to sell of $95,115 (US$70,000).

The Company has one mortgage on the remaining investment properties held for sale totalling $28,600 (US$22,000). The mortgage is repayable in monthly interest only payments at 8% per annum. However, the entire mortgage principal and any interest shall be repaid in 5 years by December 31, 2021. The mortgages are unsecured.

8. Income taxes

A reconciliation of the expected income tax recovery to the actual income tax recovery is as follows:

		Period ended September 30, 2017		**Year ended December 31, 2016**
Net loss	$	360,486	$	667,391
Statutory tax rate		26%		26%
Expected income tax recovery at the statutory tax rate	$	(93,726)	$	(173,522)
Non-deductible items and other				19,641
Temporary differences not recognized				153,881
Income tax recovery	$	-	$	-

9. Share capital

Authorized share capital

Unlimited number of common shares without par value.

Issued share capital

At September 30, 2017 there were 26,919,899 issued and fully paid common shares (2016 – 24,314,899) outstanding.

For the period ended September 30, 2017:

On January 27, 2017, the Company completed a non-brokered private placement of 1,355,000 units at $0.10 per unit for gross proceeds of $135,500. Each unit consists of one common share and one non-transferable share purchase warrant, which will be exercisable at $0.15 per share if exercised during the first year or $0.20 if exercised during the second year. All unexercised warrants shall expire after a term of 2 years.

Basic and diluted loss per share

The calculation of basic and diluted loss per share for the period ended September 30, 2017 was based on the loss attributable to common shareholders of $360,486 (2016 - $667,391) and the weighted average number of common shares outstanding of 26,790,377 (2016 – 24,417,626).

Diluted loss per share did not include the effect of stock options and share purchase warrants, as the effect would be anti-dilutive.

(Expressed in Canadian dollars)

9. Share capital (continued)

Stock options

The Company has adopted an incentive stock 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 CSE requirements, grant to directors, officers, employees and technical consultants to the Company, non-transferable stock options to purchase common shares, provided that the number of common shares reserved for issuance will not exceed 20% of the Company's issued and outstanding common shares. Such options will be exercisable for a period of up to 10 years from the date of grant. In connection with the foregoing, the number of common shares reserved for issuance to any one optionee will not exceed five percent (5%) of the issued and outstanding common shares and the number of common shares reserved for issuance to all technical consultants will not exceed two percent (2%) of the issued and outstanding common shares. Options may be exercised no later than 90 days following cessation of the optionee's position with the Company or 30 days following cessation of an optionee conducting investor relations activities' position.

On November 1, 2016, the Company granted 900,000 stock options to directors and consultants, which vested immediately and are exercisable at $0.10 per share for a period of five years. The fair value of this grant was determined by the Black-Scholes Option Pricing Model using the following assumptions: expected life – 5 years, average risk-free interest rate 0.70%, expected dividend yield – 0%, and average expected stock price volatility – 200%. During the year ended December 31, 2016, $27,683 was recognized in share-based payment and recorded in share-based payment reserve for vested options.

The continuity schedule of stock options is as follows:

	Number of stock options
Balance, December 31, 2015	-
Granted, November 1, 2016	900,000
Balance, September 30, 2017	**900,000**

A summary of the Company's outstanding and exercisable stock options as at September 30, 2017 is as follows:

Weighted average exercise price	Remaining contractual life	Number of options outstanding	Expiry Dates
$0.10	4.09 years	900,000	October 31, 2021

The following is a summary of the Company's share purchase warrant activity during the period ended September 30, 2017:

	Number of shares	Weighted average exercise price
Outstanding, December 31, 2016	3,379,285	$ 0.15
Issued	1,355,000	0.15
Expired	3,147,467	0.15
Outstanding, September 30, 2017	1,586,818	$ 0.15

At September 30, 2017, the weighted average remaining life of warrants is 1.23 years (2016 - .95 years).

(Expressed in Canadian dollars)

9. Share capital (continued)

Details of warrants outstanding as at September 30, 2017 are as follows:

Exercise price	Contractual life remaini	Number of warrants outstanding	Expiry
$0.15 first year and $0.20 in second year	1.33 years	1,355,000	January 27, 2019
$0.15 first year and $0.20 in second year	.67 years	231,818	May 31, 2018
$0.15 (Weighted average)	1.23 years	1,586,818	

Share-based payment reserve

The share-based payment reserve represents the fair value of stock, stock options, compensation warrants and the convertible debentures charge to equity (Note 6).

Currency translation reserve

The foreign currency translation reserve records unrealized exchange differences arising on translation of foreign operations that have a functional currency other than the Company's reporting currency.

10. Related party transactions

i) Related party balances

As at September 30, 2017 the Company was indebted to certain directors in the amount of $204,112 (September 30, 2016 - $218,207). These amounts are unsecured, non-interest bearing and have no fixed terms of repayment (Note 5).

ii) Related party transactions

The Company incurred the following transactions with entities that are controlled by directors of the Company.

	Period ended September 30, 2017	Period ended September 30, 2016
Professional fees	$ -	$ 1,800
Management fees	136,000	67,500
	$ 136,000	$ 69,300

Key management personnel compensation

	Period ended September 30, 2017	Period ended September 30, 2016
Short-term employee benefits	$ 136,000	$ 67,500

11. Financial risk and capital management

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its cash held in bank accounts. The majority of cash is deposited in bank accounts held with major banks in Canada. As most of the Company's cash is held by one bank there is a concentration of credit risk. This risk is managed by using major banks that are high credit quality financial institutions as determined by rating agencies. The Company's secondary exposure to risk is on its trade receivables. The Company assessed credit risk as low.

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 has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. The Company ensures that there are sufficient funds to meet its short-term business requirements, taking into account its anticipated cash flows from operations and its holdings of cash and cash equivalents.

Historically, the Company's sole source of funding has been the issuance of equity securities for cash, primarily through private placements. The Company's access to financing is always uncertain. There can be no assurance of continued access to significant equity funding. The Company assesses liquidity risk as high.

The following is an analysis of the contractual maturities of the Company's non-derivative financial liabilities as at September 30, 2017:

	Within one year	Between one and five years	More than five years
Trade payables & accrued	$ 196,779	$ -	$ -
Due to related parties	204,112	-	-
Liabilities of assets held for sale	28,600	-	-
Convertible debentures	-	479,472	-

Foreign exchange risk

Foreign currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. The Company does not hedge its exposure to fluctuations in foreign exchange rates. The Company assesses foreign exchange risk to be low.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's current exposure to interest rate risk relates to its ability to earn interest income on bank balances. The fair value of the Company's bank account is not significantly affected by changes in short term interest rates.

(Expressed in Canadian dollars)

11. Financial risk and capital management (continued)

Capital Management

The Company's policy is to maintain a strong capital base so as to maintain investor and creditor confidence and to sustain future development of the business. The capital structure of the Company consists of equity, net of cash and cash equivalents.

The Company is currently dependent on equity financing to fund its business investigation activities. Management reviews its capital management approach on an ongoing basis and believes that this approach is reasonable for the current state of the markets and activities of the Company. There were no changes in the Company's approach to capital management during the year. The Company is not subject to any externally imposed capital requirements.

Classification of financial instruments

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

		September 30, 2017		December 31, 2016
Loans and receivables:				
Cash	$	52,6	$	1,6
Trade receivables		21,8		4,3
	$	74,5	$	6,0

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

		September 30, 2017		December 31, 2016
Non-derivative financial liabilities:				
Trade payables & accrued	$	196,779	$	31,421
Due to related parties		204,112		210,126
Obligation to issue shares		-		45,000
Convertible debentures		479,472		479,472
	$	880,362	$	766,019

SCHEDULE C – FINANCIAL STATEMENTS OF THE DELMA ENTITIES

(PLEASE SEE ATTACHED)

Société en Commandite Bromont 1

Interim Financial Statements
September 30, 2017

Société en Commandite Bromont 1
Interim Statement of Financial Position

As at September 30, 2017 and December 31, 2016
(expressed in Canadian Dollars)

	September 30 2017 (unaudited)		December 31 2016 (audited)	
ASSETS				
Current				
Cash	152	$	1,484	$
Sales taxes receivable	2,112		2,644	
Prepaids	11,738		5,096	
	14,002		9,224	
Non-current				
Land held for development	10,963,955		10,139,380	
Investment property (note 5)	31,291,298		30,741,579	
Total assets	42,269,255		40,890,183	
LIABILITIES				
Current				
Trade and other payables	131,493		115,571	
Advances (note 6)	7,083,000		5,733,000	
Term loan (note 7)	11,000,000		11,000,000	
Total liabilities	18,214,493		16,848,571	
CAPITAL				
General partner	96,907		96,381	
Limited partners	23,957,855		23,945,231	
Total capital	24,054,762		24,041,612	
Total liabilities and capital	42,269,255		40,890,183	

The accompanying notes are an integral part of the interim financial statements.

Société en Commandite Bromont 1
Interim Statement of Comprehensive Income

Periods ended September 30, 2017 and 2016
(expressed in Canadian Dollars)

	Three-month periods ended September 30,		Nine-month periods ended September 30,	
	2017	2016	2017	2016
Rental income	16,932	16,799	16,932	16,799
Administrative expenses	115	66	3,782	9,912
Net income and comprehensive income	16,817	16,733	13,150	6,887

The accompanying notes are an integral part of the interim financial statements.

Société en Commandite Bromont 1
Interim Statement of Changes in Capital

Periods ended September 30, 2017 and 2016
(expressed in Canadian Dollars)

	Units Issued Number	General Partner $	Limited Partners $	Total Capital $
Balance on January 1, 2016	1,000	96,332	23,933,207	24,029,539
Net comprehensive income	-	275	6,612	6,887
Balance on September 30, 2016	1,000	96,607	23,939,819	24,036,426
Balance on January 1, 2017	1,000	96,381	23,945,231	24,041,612
Net comprehensive income	-	526	12,624	13,150
Balance on September 30, 2017	1,000	96,907	23,957,855	24,054,762

The accompanying notes are an integral part of the interim financial statements.

Société en Commandite Bromont 1
Interim Statements of Cash Flows

Periods ended September 30, 2017 and 2016
(expressed in Canadian dollars)

	2017	2016
OPERATING ACTIVITIES		
Net income	13,150	6,887
Changes in working capital	9,812	24,468
Cashflows from operating activities	22,962	31,355
INVESTING ACTIVITIES		
Land held for residential development	(824,575)	(847,972)
Investment property	(549,719)	(565,315)
Cash flows from investing activities	(1,374,294)	(1,413,287)
FINANCING ACTIVITIES		
Advances and cashflows from financing activities	1,350,000	1,379,000
Net change in cash	(1,332)	(2,932)
Cash beginning of the period	1,484	3,843
Cash end of the period	152	911

The accompanying notes are an integral part of the interim financial statements.

1- *STATUTES* OF *INCORPORATION, NATURE* OF *OPERATIONS AND STATEMENT* OF *COMPLIANCE*

Société en commandite Bromont 1 is a limited partnership (the "Limited Partnership") formed under the Civil Code of the Province of Quebec. The Limited Partnership invests in commercial, recreotouristical and residential real estate development projects located in Bromont. The Limited Partnership was established pursuant to the terms of a limited partnership agreement dated December 10, 2009 and it's head office and address for service is located at 100-640 Orly, Dorval, Quebec, H9P 1E9.

These interim financial statements have been prepared in accordance with IAS 34 “Interim Financial Reporting”. They do not contain all of the information required in annual financial statements in accordance with International Financial Reporting Standards (IFRSs) and should be read in conjunction with the financial statements for the year ended December 31, 2016.

The interim financial statements include only the assets, liabilities, revenue and expenses of the Limited Partnership's operations. The statement of comprehensive income does not include any remuneration to the partners in determining net income and comprehensive income of the Limited Partnership.

2 - *CHANGES IN ACCOUNTING POLICIES*

Standards, Amendments and Interpretations to Existing Standards That Are Not Yet Effective and Have Not Been Adopted Early by the Limited Partnership

At the date of authorization of these interim financial statements, certain new standards, and amendments to existing standards have been published by the International Accounting Standards Board ("IASB") that are not yet effective, and have not been adopted early by the Limited Partnership. Information on those expected to be relevant to the financial statements is provided below. Management anticipates that all relevant pronouncements will be adopted in for the first period beginning after the effective date of the pronouncement. New standards, interpretations and amendments not either adopted or listed below are not expected to have a material impact on the financial statements.

IFRS 9 *Financial Instruments*

In July 2014, the IASB published IFRS 9 which replaces IAS 39 Financial Instruments: Recognition and Measurement (IAS 39). IFRS 9 introduced improvements which include a logical model for classification and measurement of financial assets, a single, forward-looking expected loss impairment model and a substantially-reformed approach to hedge accounting. IFRS 9 is effective for annual reporting periods beginning on or after January 1, 2018. Earlier application is permitted. The Limited Partnership does not expect this new standard to have a significant impact on its financial statements.

2 • CHANGES IN ACCOUNTING POLICIES (Continued)

Standards, Amendments and Interpretations to Existing Standards That Are Not Yet Effective and Have Not Been Adopted Early by the Limited Partnership (continued)

IFRS 15 Revenue from Contracts with Customers

IFRS 15 presents new requirements for the recognition of revenue, replacing IAS 18 Revenue, IAS 11 Construction Contracts, and several revenue-related Interpretations. The new standard establishes a control-based revenue recognition model and provides additional guidance in many areas not covered in detail under existing IFRSs, including how to account for arrangements with multiple performance obligations, variable pricing, customer refund rights, supplier repurchase options, and other common complexities. IFRS 15 is effective for annual reporting periods beginning on or after 1 January 2018. The Limited Partnership does not expect this new standard to have a significant impact on its financial statements.

IFRS 16 Leases

In January 2016, the IASB published IFRS 16 which will replace IAS 17 Leases and three related interpretations. IFRS 16 largely retains IAS 17's approach to lessor accounting, but introduces numerous and significant changes to lessee accounting, such as the elimination of the classification as an operating lease and the requirement for lessees to recognize a right-of-use asset and a lease liability in the balance sheet for all leases, with exemptions permitted for short-term leases and leases of low value assets. In addition, IFRS 16 changes the definition of a lease, sets requirements on how to account for the asset and liability, including complexities such as non-lease elements, variable lease payments and options periods, changes the accounting for sale and leaseback arrangements, and introduces new disclosure requirements. IFRS 16 is effective for annual periods beginning on or after January 1, 2019 with early application permitted in certain circumstances. The Limited Partnership does not expect this new standard to have a significant impact on its financial statements.

3 - SIGNIFICANT ACCOUNTING POLICIES

Basis of Measurement

These interim financial statements have been prepared using the significant accounting policies and measurement bases summarized below.

Functional and Presentation Currency

The Limited Partnership's interim financial statements are presented in Canadian dollars, which is also its functional currency.

3 - SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial Instruments

Recognition, Initial Measurement and Derecognition

Financial assets and financial liabilities are recognized when the Limited Partnership becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs. Subsequent measurement of financial assets and financial liabilities are described below.

Financial assets are derecognized when contractual rights to the cash flows from the financial assets expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is derecognized when it is extinguished, discharged, cancelled or expires.

Financial Assets

For subsequent measurement, financial assets are classified into "Loans and Receivables" upon initial recognition:

All financial assets are subject to review for impairment annually and written down when there is evidence of impairment.

Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition, these are measured at amortized cost using the effective interest method, less provision for impairment. Discounting is omitted where the effect of discounting is immaterial. The Limited Partnership's cash fall into this category.

Financial Liabilities

The Limited Partnership's financial liabilities include trade and other payables, advances and term loan. Financial liabilities are measured subsequently at amortized cost using the effective interest method.

Investment Property

Investment properties are properties held to earn rentals or for capital appreciation, or both, and are initially accounted at acquisition cost, including any costs directly attributable to bringing the assets to the location and condition necessary for them to be capable of operating in the manner intended by management and subsequently measured using the fair value model. Investment properties are revalued annually with resulting gains and losses recognized in profit or loss, and are included in the statement of financial position at their fair values.

3 - SIGNIFICANT ACCOUNTING POLICIES (Continued)

Land Held for Residential Development

Land held for residential development is accounted at acquisition cost and is valued at the lower of cost or net realizable value. Cost include the costs related to the development of the land as well as borrowing costs.

Provisions

Provisions are recognized to cover probable outflows of resources that can be estimated and that result from present obligations resulting from past events. No liability is recognized when the outflow of resources from a potential obligation resulting from past events is not probable, such situations are disclosed as contingent liabilities unless the outflow of resources is remote. The provisions are measured based on management's best estimate of the outcome based on facts known at the reporting date. Provisions are discounted to their present values, where the time value of money is material. As at September 30, 2017 and 2016, the Limited Partnership has no provisions.

Revenue

Rental income is recognized on a straight-line basis over the term of the lease when collection is reasonably assured

Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period that is necessary to complete and prepare the asset for its intended use or sale. Other borrowing costs are expensed in the period in which they are incurred and reported in finance costs.

Partners' Capital

Partners' Capital represents the value received for the units upon issuance as well as the current and prior period retained profits and losses after distribution to the partners.

Income Taxes

The Limited Partnership is not subject to tax under Part I of the Income Tax Act (Canada) (the "Tax Act"). Each partner of the Limited Partnership is required to include in computing the partner's income for a taxation year the partner's share of the income or loss of the Limited Partnership for its fiscal year ending in or on the partner's taxation year-end, whether any of that income or loss is distributed to the partner in the taxation year. Accordingly, no provision has been made for Canadian income taxes under Part I of the Tax Act.

(expressed in Canadian dollars)

4 - PRINCIPAL UNCERTAINTIES ARISING FROM THE USE OF ESTIMATES AND CRITICAL JUDGEMENT BY MANAGEMENT

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. These estimates are reviewed periodically, and as adjustments become necessary, they are reported in profit or loss in the period in which they become known.

Items for which actual results may differ materially from these estimates are described in the following section.

Significant Management Judgement

There is no significant management judgement in the preparation of these financial statements.

Estimation Uncertainty

Fair Value Measurement

Management uses valuation techniques to determine the fair value of non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the non-financial assets. Management bases its assumptions on observable data as far as possible but this is not always available. In that case, management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

Investment properties are stated at their fair values at the statement of financial position date. Independent appraisal values obtained are subject to significant estimates and assumptions about market conditions in effect at the statement of financial position date.

5 - INVESTMENT PROPERTY

A reconciliation of the investment property is as follows:

	September 30, 2017	December 31, 2016
	$	$
Balance, beginning of the period	**30,741,579**	30,000,000
Development costs	**-**	79,771
Borrowing costs	**549,719**	661,808
Balance end of the period	**31,291,298**	30,741,579

(expressed in Canadian dollars)

5 - INVESTMENT PROPERTY (Continued)

Valuation Process

Fair value of the Limited Partnership's main property assets is estimated based on appraisals performed by independent, professionally-qualified property valuators. The significant inputs and assumptions are developed in close consultation with management. The valuation process and fair value changes are reviewed at each reporting date. The fair value is categorized in Level 2 in the fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: Input other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly;
- Level 3: Unobservable input for the asset or liability.

The appraisals for each of the investment properties at fair value were carried out using a market approach that reflects observed prices for recent market transactions for similar properties and incorporates adjustments for factors specific to the land in question, including plot size, location and current use. The extent and direction of this adjustment depends on the number of characteristics of the observable market transactions in similar properties that are used as the starting point for valuation. Although this is a subjective judgement, management considers that the overall valuation could not be materially affected by reasonably possible alternative assumptions.

6-ADVANCES

	September 30, 2017	December 31, 2016
	$	$
Advances from the limited partners, without interest nor repayment terms	**5,459,000**	3,067,000
Advances from a company controlled by a limited partner, without interest nor repayment terms	**893,000**	1,935,000
Advances from a company controlled by two limited partners, without interest nor repayment terms	**731,000**	731,000
	7,083,000	5,733,000

7-TERM LOAN

	September 30, 2017	December 31, 2016
	$	$
Term loan, 15%, payable on demand, secured by the investment property	11,000,000	11,000,000

8 - PARTNERS' CAPITAL

Authorized

The capital of the Limited Partnership is composed of an unlimited number of units without par value, having voting rights.

Allocation of Net Income or Net Loss

Net income or net loss for each given year shall be allocated among all partners as follows:

i) The general partner shall receive 0.4% of the net income of the partnership as well as all net losses not allocated to the limited partners;

ii) The limited partners shall receive net income prorate the number of units held as well as attributed net loss up to their initial investment in the partnership.

9 - FINANCIAL INSTRUMENTS

The Limited Partnership is exposed to various financial risks through its financial instruments: liquidity risk and interest rate risk. The following analysis enables users to evaluate the nature and extent of the risks at the end of the reporting period.

Liquidity Risk

Liquidity risk is that the Limited Partnership might be unable to meet its obligations. The Limited Partnership manages its liquidity needs by monitoring scheduled debt servicing payments for long-term financial liabilities as well as forecast cash inflows and outflows due in day-to-day business. The data used for analyzing these cash flows is consistent with that used in the contractual maturity analysis below.

The Limited Partnership's funding is provided in the form of advances and available cash on hand which provide adequate resources to meet its financial obligations as they become due.

The Limited Partnership's financial liabilities mature within the next 12 months.

10 -CAPITAL MANAGEMENT DISCLOSURES

The Limited Partnership's objectives when managing capital are to:

- maintain financial flexibility in order to preserve its ability to meet its financial obligations, including potential liabilities resulting from additional acquisitions;

- maintain a capital structure that allows it to finance its growth strategy with cash flows from its operations and its debt capacity; and

- optimize the use of its capital to provide an appropriate return on investment.

The capital structure of the Limited Partnership consists of the Partner's Capital, advances and the term loan.

The Limited Partnership's financial strategy is developed and adapted on the basis of market conditions to maintain a flexible capital structure consistent with the objectives stated above and to respond to the risk characteristics of the underlying assets. In order to maintain or adjust its capital structure, the Limited Partnership may finance an existing debt, take out new borrowings or repurchase units or issue new units.

The Limited Partnership's financial strategy and objectives have remained substantially unchanged for the past year fiscal year. The objectives and strategy are reviewed annually. The Limited Partnership believes that its current ratios are satisfactory, given its size, capital management objectives and growth strategy.

11 - RELATED PARTIES

Related parties of the Limited Partnership include the general partner and limited partners as well as companies controlled by the limited partners.

The balances and amounts owed from the Limited Partnership to related parties are presented separately in the financial statements.

Delma Properties Canada LP

Interim Consolidated Financial Statements
September 30, 2017
(Expressed in Canadian dollars)

Interim Consolidated Financial Statements

Delma Properties Canada LP
Interim Consolidated Statements of Financial Position
As at September 30, 2017 and December 31, 2016
(Expressed in Canadian dollars)

	Notes	**September 30, 2017 (unaudited)**	December 31, 2016 (audited)
		$	$
ASSETS			
Current			
Cash		606	606
Advances to companies under common control, without interest		1,035,954	1,095,954
		1,036,560	1,096,560
Non-current			
Investment properties	4	14,875,200	14,875,200
Investment in a private company, at cost		250,000	250,000
Property and equipment		80,000	80,000
Total assets		16,241,760	16,301,760
LIABILITIES			
Current			
Trade and other payables			
Current portion of long term debt		423,000	130,000
Non-current			
Long term debt	5	540,000	293,000
Total liabilities		963,000	423,000
CAPITAL			
General Partner		735	735
Limited partners		12,056,355	12,656,355
Total partners' capital		12,057,090	12,657,090
Non-controlling interests		3,221,670	3,221,670
Total capital		15,278,760	15,878,760
Total liabilities and capital		16,241,760	16,301,760

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

Delma Properties Canada LP
Interim Consolidated Statements of Comprehensive Income
Three-month and nine-month periods ended September 30, 2017 and 2016
(Expressed in Canadian dollars)
(Unaudited)

	Notes	Three-month period ended September 30, 2017	2016	Nine-month period ended September 30, 2017	2016
		$	$	**$**	$
Rental income		**–**	30,977	**–**	90,977
Increase in fair value of investment properties		**–**		**–**	10,000
		–	30,977	**–**	100,977
Administrative expenses		**–**	219	**–**	329
Net income and comprehensive income		**–**	30,758	**–**	100,648
Basic and diluted net loss per unit		**–**	1.9	**–**	6.4
Weighted average number of units outstanding		**17,835**	15,804	**17,835**	15,804
Net income (loss) attributable to					
Partners of Delma Properties Canada LP		**–**	14,444	**–**	47,264
Non-controling interests		**–**	16,314	**–**	53,384
		–	30,758	**–**	100,648

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

Delma Properties Canada LP
Consolidated Statements of Capital
Nine-month periods ended September 30, 2017 and 2016
(Expressed in Canadian dollars)
(Unaudited)

	Notes	Units Issued	General Partner	Limited Partners	Partners' Capital	Non-controlling interests	Total Capital
		Number	$	$	$	$	$
Balance on January 1, 2016		15,804	1	600,076	600,077	(25)	600,052
Net income		–	–	47,264	47,264	53,384	100,648
Balance on September 30, 2016		15,804	1	647,340	647,341	53,359	700,700
Balance on January 1, 2017		17,764	735	12,656,355	12,657,090	3,221,670	15,878,760
Transactions between controlling partner and non-controlling interests		12,857	–	(600,000)	(600,000)	–	(600,000)
Net income		–	–	–	–	–	–
Balance on September 30, 2017		30,621	735	12,056,355	12,057,090	3,221,670	15,278,760

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

Delma Properties Canada LP
Consolidated Statements of Cash Flows
Nine-month periods ended September 30, 2017 and 2016
(Expressed in Canadian dollars)
(Unaudited)

	Notes	**2017**	2016
		$	$
OPERATING ACTIVITIES			
Net income		**–**	100,648
Adjustments			
Increase in fair value of investment properties		**–**	(10,000)
		–	90,648
Change in working capital items			(20,253)
Cash flows from operating activities		**–**	70,395
INVESTING ACTIVITIES			
Advances to companies under common control		**–**	(56,354)
Investment properties		**–**	(61,000)
Disposal of investment properties		**–**	77,000
Cash flows from investing activities		**–**	(40,354)
FINANCING ACTIVITIES			
Long term debt			130,000
Repayment of long term debt			(162,000)
Cash flows from financing activities		**–**	(32,000)
Net change in cash		**–**	(1,959)
Cash, beginning of period		**606**	49,605
Cash, end of period		**606**	47,646

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

1. Statutes of Incorporation, Nature of Operations and Basis of Preparation

Delma Properties Canada LP ("Delma") is a limited partnership formed under the Civil Code of the Province of Quebec. Delma together with its subsidiaries (together referred to as the "Limited Partnership") invest in the hospitality industry, to perform property management services and land development. Delma was established pursuant to the terms of a Limited Partnership Agreement dated September 1, 2009. Delma's head office and address for service is located at 310 – 925 Blvd. De Maisonneuve West, Montreal, Quebec, H3A 0A5.

The management activities of the Limited Partnership are performed through a net, net, net, net, net master lease agreement with Delma Resorts & Hotels Canada Corporation, a company under common control. The agreement is for all the investment properties owned by the Limited Partnership. The investment properties are mainly owned by the Limited Partnership's subsidiaries who act as nominees for the Limited Partnership.

The condensed interim consolidated financial statements (the interim consolidated financial statements) have been prepared in accordance with IAS 34 "Interim Finanical Reporting". They do not include all of the information required in annual financial stataments in accordance with International Financial Reporting Standards (IFRSs), and should be read in conjunction with the consolidated financial statements for the year ended December 31, 2016.

The interim consolidated financial statements were approved and authorized by the General Partner on November •, 2017.

2. Significant Accounting Policies

The interim consolidated financial statements have been prepared in accordance with the accounting policies adopted in the Limited Partnership's most recent annual consolidated financial statements for the year ended December 31, 2016.

3. Estimates

When preparing the interim consolidated financial statements, management undertakes a number of judgements, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. The actual results may differ from judgements, estimates and assumptions made by management and will seldom equal estimated results.

The judgements, estimates and assumptions applied in the interim consolidated financial statements, including the key sources of estimation uncertainty, were the same as those applied in the Limited Partnership's last annual consolidated financial statements for the year ended December 31, 2016.

4. Investment Properties

A reconciliation of the investment properties is as follows:

	2017	2016
	$	$
Balance, beginning of perod	**14,875,200**	145,100
Acquisitions	**-**	622,000
Dispositions	**-**	(15,000)
Change in fair value	**-**	10,000
Balance end of period	**14,875,200**	762,100

The investment properties are composed of the following:

	2017-09-30	2016-12-31
	$	$
Investment properties at fair value		
Blueberry Lake Resort, Quebec, Canada	**3,800,100**	3,800,100
Lake Alphonse, Quebec, Canada	**3,075,000**	3,075,000
42 North Resort, New York, USA, US$2,240,000	**3,000,100**	3,000,100
Investment properties at acquisition cost to be accounted as joint ventures upon formation of joint venture		
Panagopoula Resort, Panagopoula, Greece	**4,500,000**	4,500,000
Domaine Balmoral Development Project, Quebec, Canada	**500,000**	500,000
	14,875,200	14,875,200

In March 2016, the Limited Partnership concluded a private agreement to acquire the remaining assets of the Blueberry Lake Resort and Lake Alphonse, including the clubhouse and other lands as well as the property and equipment of $80,000. The various definitive agreements were concluded in July 2016. The consideration paid for these acquisitions is a term loan of $675,000. The cost was allocated between the properties as follows:

	$
Blueberry Lake Resort, Quebec, Canada	82,000
Lake Alphonse, Quebec, Canada	513,000

This transaction was concluded through a bankruptcy process of the former owner.

5. Long-Term Debt

	2017-09-30	2016-12-31
	$	$
Term loan 10%, interest and capital payable at maturity, maturing in June 2018, secured by a hypothec on lands of the Blueberry Lake and Lake Alphonse projects with a carrying amount of $3,957,600 as at December 31, 2016 (a)	**293,000**	293,000
Term loan, 13%, capital payable at maturity, maturing in June 2018, secured by a hypothec on the Blueberry Lake Club house having a carrying amount of $1,879,128 as at December 2016	**130,000**	130,000
Loan, without interest, maturing in April 2019, $100,000 increase in capital if unpaid at maturity, secured by land on the Blueberry Lake project.	**540,000**	-
	963,000	423,000
Short-term portion	**(423,000)**	(130,000)
	540,000	293,000

(a) The same assets also guarantee a $20,000 account payable of a company under common control. The loan has the same conditions.

6. Segmental Information

Non-current assets are owned in the following countries:

	2017-09-30	2016-12-31
	$	$
Canada	**7,455,100**	7,455,100
United States	**3,000,100**	3,000,100
Greece	**4,500,000**	4,500,000

7. Partners’ Capital

Authorized

The capital of Delma is composed of an unlimited number of units without par value, having voting rights.

Issued

During the nine-month period ended September 30, 2017, the Limited Partnership, its’ partners and non-controlling interests concluded various transactions which resulted in the issuance of 17,835 units and a $600,000 loan.

Société en Commandite Bromont 1

Financial Statements
December 31, 2016 and 2015
and January 1, 2015

Raymond Chabot Grant Thornton

Independent Auditor's Report

Raymond Chabot Grant Thornton LLP
Suite 2000
National Bank Tower
600 De La Gauchetière Street West
Montréal, Quebec H3B 4L8

Telephone: 514-878-2691
Fax: 514-878-2127
www.rcgt.com

To the partners of
Société en commandite Bromont 1

We have audited the accompanying financial statements of Société en commandite Bromont 1 which comprise the statements of financial position as at December 31, 2016 and 2015 and January 1, 2015 and the statements of comprehensive income, the statements of changes in capital and the statements of cash flows for the years ended December 31, 2016 and 2015, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards (IFRS) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these 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 audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 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 financial statements.

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Société en commandite Bromont 1 as at December 31, 2016 and 2015 and January 1, 2015 and its financial performance and and its cash flows for the years ended December 31, 2016 and 2015 in accordance with International Financial Reporting Standards (IFRS).

Raymond Chabot Grant Thornton LLP[1]

Montreal
August 30, 2017

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[1] CPA auditor, CA public accountancy permit no. A121855

Société en Commandite Bromont 1
Statements of Financial Position
December 31, 2016 and 2015 and January 1, 2015
(expressed in Canadian Dollars)

	Notes	December 31, 2016	December 31, 2015	January 1, 2015
		$	$	$
ASSETS				
Current				
Cash		1,484	3,843	133,315
Sales taxes receivable		2,644		2,021
Prepaids		5,096	3,124	2,987
		9,224	6,967	138,323
Non-current				
Land held for residential development		10,139,380	9,027,012	7,988,066
Investment property	5	30,741,579	30,000,000	29,307,369
Total assets		40,890,183	39,033,979	37,433,758
LIABILITIES				
Current				
Trade and other payables		115,571	82,440	82,102
Advances	6	5,733,000	3,922,000	2,333,000
Term loan	7	11,000,000	11,000,000	11,000,000
Total liabilities		16,848,571	15,004,440	13,415,102
CAPITAL				
General Partner		96,381	96,332	96,288
Limited partners		23,945,231	23,933,207	23,922,368
Total capital		24,041,612	24,029,539	24,018,656
Total liabilities and capital		40,890,183	39,033,979	37,433,758

The accompanying notes are an integral part of the financial statements.

Société en Commandite Bromont 1
Statements of Comprehensive Income
Years ended December 31, 2016 and 2015
(expressed in Canadian Dollars)

	Notes	**2016**	2015
		$	$
Rental income		**16,799**	16,679
Interest			24
		16,799	16,703
Administrative expenses		**(4,726)**	(5,820)
Net income and comprehensive income		**12,073**	10,883

The accompanying notes are an integral part of the financial statements.

Société en Commandite Bromont 1
Statements of Changes in Capital
Years ended December 31, 2016 and 2015
(expressed in Canadian Dollars)

	Units Issued	General Partner	Limited Partners	Total Capital
	Number	$	$	$
Balance on January 1, 2015	1,000	96,288	23,922,368	24,018,656
Net income and comprehensive income		44	10,839	10,883
Balance on December 31, 2015	1,000	96,332	23,933,207	24,029,539
Balance on January 1, 2016	1,000	96,332	23,933,207	24,029,539
Net income and comprehensive income		49	12,024	12,073
Balance on December 31, 2016	1,000	96,381	23,945,231	24,041,612

The accompanying notes are an integral part of the financial statements.

Société en Commandite Bromont 1
Statements of Cash Flows
Years ended December 31, 2016 and 2015
(expressed in Canadian Dollars)

	Notes	**2016**	2015
		$	$
OPERATING ACTIVITIES			
Net income		**12,073**	10,883
Changes in working capital items		**28,515**	2,222
Cash flows from operating activities		**40,588**	13,105
INVESTING ACTIVITIES			
Land held for residential development		**(1,112,368)**	(1,038,946)
Investment property		**(741,579)**	(692,631)
Cash flows from investing activities		**(1,853,947)**	(1,731,577)
FINANCING ACTIVITIES			
Advances and cash flows from financing activities		**1,811,000**	1,589,000
Net change in cash		**(2,359)**	(129,472)
Cash, beginning of year		**3,843**	133,315
Cash, end of year		**1,484**	3,843

The accompanying notes are an integral part of the financial statements.

Société en Commandite Bromont 1
Notes to the Financial Statements
December 31, 2016 and 2015 and January 1, 2015
(expressed in Canadian Dollars)

1 - STATUTES OF INCORPORATION, NATURE OF OPERATIONS AND STATEMENT OF COMPLIANCE

Société en commandite Bromont 1 is a limited partnership (the "Limited Partnership") formed under the Civil Code of the Province of Quebec. The Limited Partnership invests in commercial, recreotouristical and residential real estate development projects located in Bromont. The Limited Partnership was established pursuant to the terms of a limited partnership agreement dated December 10, 2009 and it's head office and address for service is located at 100 – 640 Orly, Dorval, Quebec, H9P 1E9.

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs).

The financial statements include only the assets, liabilities, revenue and expenses of the Limited Partnership's operations. The statement of comprehensive income does not include any remuneration to the partners in determining net income and comprehensive income of the Limited Partnership.

The financial statements were approved and authorized by the General Partner on August 30, 2017.

2 - CHANGES IN ACCOUNTING POLICIES

Standards, Amendments and Interpretations to Existing Standards That Are Not Yet Effective and Have Not Been Adopted Early By the Limited Partnership

At the date of authorization of these financial statements, certain new standards, and amendments to existing standards have been published by the International Accounting Standards Board ("IASB") that are not yet effective, and have not been adopted early by the Limited Partnership. Information on those expected to be relevant to the financial statements is provided below. Management anticipates that all relevant pronouncements will be adopted in for the first period beginning after the effective date of the pronouncement. New standards, interpretations and amendments not either adopted or listed below are not expected to have a material impact on the financial statements.

IFRS 9 Financial Instruments

In July 2014, the IASB published IFRS 9 which replaces IAS 39 Financial Instruments: Recognition and Measurement (IAS 39). IFRS 9 introduced improvements which include a logical model for classification and measurement of financial assets, a single, forward-looking expected loss impairment model and a substantially-reformed approach to hedge accounting. IFRS 9 is effective for annual reporting periods beginning on or after January 1, 2018. Earlier application is permitted. The Limited Partnership has yet to assess the impact of this new standard on its financial statements but does not expect to have a significant impact.

2 - CHANGES IN ACCOUNTING POLICIES (Continued)

Standards, Amendments and Interpretations to Existing Standards That Are Not Yet Effective and Have Not Been Adopted Early By the Limited Partnership (continued)

IFRS 15 Revenue from Contracts with Customers

IFRS 15 presents new requirements for the recognition of revenue, replacing IAS 18 Revenue, IAS 11 Construction Contracts, and several revenue-related Interpretations. The new standard establishes a control-based revenue recognition model and provides additional guidance in many areas not covered in detail under existing IFRSs, including how to account for arrangements with multiple performance obligations, variable pricing, customer refund rights, supplier repurchase options, and other common complexities. IFRS 15 is effective for annual reporting periods beginning on or after 1 January 2018. The Limited Partnership has yet to assess the impact of this new standard on its financial statements but does not expect to have a significant impact.

IFRS 16 Leases

In January 2016, the IASB published IFRS 16 which will replace IAS 17 Leases and three related interpretations. IFRS 16 largely retains IAS 17’s approach to lessor accounting, but introduces numerous and significant changes to lessee accounting, such as the elimination of the classification as an operating lease and the requirement for lessees to recognize a right-of-use asset and a lease liability in the balance sheet for all leases, with exemptions permitted for short-term leases and leases of low value assets. In addition, IFRS 16 changes the definition of a lease, sets requirements on how to account for the asset and liability, including complexities such as non-lease elements, variable lease payments and options periods, changes the accounting for sale and leaseback arrangements, and introduces new disclosure requirements. IFRS 16 is effective for annual periods beginning on or after January 1, 2019 with early application permitted in certain circumstances. The Limited Partnership has yet to assess the impact of this new standard on its financial statements.

3 - SIGNIFICANT ACCOUNTING POLICIES

Basis of Measurement

These financial statements have been prepared using the significant accounting policies and measurement bases summarized below.

Functional and Presentation Currency

The Limited Partnership's financial statements are presented in Canadian dollars, which is also its functional currency.

3 - SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial Instruments

Recognition, Initial Measurement and Derecognition

Financial assets and financial liabilities are recognized when the Limited Partnership becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs. Subsequent measurement of financial assets and financial liabilities is described below.

Financial assets are derecognized when contractual rights to the cash flows from the financial assets expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is derecognized when it is extinguished, discharged, cancelled or expires.

– Financial Assets

For the purpose of subsequent measurement, financial assets are classified into "Loans and Receivables" upon initial recognition:

All financial assets are subject to review for impairment annually and written down when there is evidence of impairment.

Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition, these are measured at amortized cost using the effective interest method, less provision for impairment. Discounting is omitted where the effect of discounting is immaterial. The Limited Partnership’s cash fall into this category.

– Financial Liabilities

The Limited Partnership's financial liabilities include trade and other payables, advances and term loan. Financial liabilities are measured subsequently at amortized cost using the effective interest method.

Investment Property

Investment properties are properties held to earn rentals or for capital appreciation, or both, and are initially accounted at acquisition cost, including any costs directly attributable to bringing the assets to the location and condition necessary for them to be capable of operating in the manner intended by management and subsequently measured using the fair value model. Investment properties are revalued annually with resulting gains and losses recognized in profit or loss, and are included in the statement of financial position at their fair values.

Société en Commandite Bromont 1
Notes to the Financial Statements
December 31, 2016 and 2015 and January 1, 2015
(expressed in Canadian Dollars)

3 - SIGNIFICANT ACCOUNTING POLICIES (Continued)

Land Held for Residential Development

Land held for residential development is accounted at acquisition cost and is valued at the lower of cost or net realisable value. Cost include the costs related to the development of the land as well as borrowing costs.

Provisions

Provisions are recognized to cover probable outflows of resources that can be estimated and that result from present obligations resulting from past events. No liability is recognized when the outflow of resources from a potential obligation resulting from past events is not probable, such situations are disclosed as contingent liabilities unless the outflow of resources is remote. The provisions are measured based on management’s best estimate of the outcome based on facts known at the reporting date. Provisions are discounted to their present values, where the time value of money is material. As at December 31, 2016 and 2015 and January 1, 2015, the Limited Partnership has no provisions.

Revenue

Rental income is recognized on a straight-line basis over the term of the lease when collection is reasonably assured

Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is necessary to complete and prepare the asset for its intended use or sale. Other borrowing costs are expensed in the period in which they are incurred and reported in finance costs.

Partners’ Capital

Partners’ Capital represents the value received for the units upon issuance as well as the current and prior period retained profits and losses after distribution to the partners.

Income Taxes

The Limited Partnership is not subject to tax under Part I of the Income Tax Act (Canada) (the “Tax Act”). Each partner of the Limited Partnership is required to include in computing the partner’s income for a particular taxation year the partner’s share of the income or loss of the Limited Partnership for its fiscal year ending in or on the partner’s taxation year-end, whether or not any of that income or loss is distributed to the partner in the taxation year. Accordingly, no provision has been made for Canadian income taxes under Part I of the Tax Act.

(expressed in Canadian Dollars)

4 - PRINCIPAL UNCERTAINTIES ARISING FROM THE USE OF ESTIMATES AND CRITICAL JUDGEMENT BY MANAGEMENT

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. These estimates are reviewed periodically, and as adjustments become necessary, they are reported in profit or loss in the period in which they become known.

Items for which actual results may differ materially from these estimates are described in the following section.

Significant Management Judgement

There is no significant management judgement in the preparation of these financial statements.

Estimation Uncertainty

Fair Value Measurement

Management uses valuation techniques to determine the fair value of non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the non-financial assets. Management bases its assumptions on observable data as far as possible but this is not always available. In that case, management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

Investment properties are stated at their fair values at the statement of financial position date. Independent appraisal values obtained are subject to significant estimates and assumptions about market conditions in effect at the statement of financial position date.

5 - INVESTMENT PROPERTY

A reconciliation of the investment property is as follows:

	December 31, 2016	December 31, 2015
	$	$
Balance, beginning of year	**30,000,000**	29,307,369
Development costs	**79,771**	32,631
Borrowing costs	**661,808**	660,000
Balance end of year	**30,741,579**	30,000,000

Société en Commandite Bromont 1
Notes to the Financial Statements
December 31, 2016 and 2015 and January 1, 2015
(expressed in Canadian Dollars)

5 - INVESTMENT PROPERTY (Continued)

Valuation Process

Fair value of the Limited Partnership's main property assets is estimated based on appraisals performed by independent, professionally-qualified property valuers. The significant inputs and assumptions are developed in close consultation with management. The valuation process and fair value changes are reviewed at each reporting date. The fair value is categorized in Level 2 in the fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows :

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: Input other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly;
- Level 3: Unobservable input for the asset or liability.

The appraisals for each of the investment properties at fair value were carried out using a market approach that reflects observed prices for recent market transactions for similar properties and incorporates adjustments for factors specific to the land in question, including plot size, location and current use. The extent and direction of this adjustment depends on the number of characteristics of the observable market transactions in similar properties that are used as the starting point for valuation. Although this is a subjective judgement, management considers that the overall valuation could not be materially affected by reasonably possible alternative assumptions.

6 - ADVANCES

	December 31, 2016	December 31, 2015	January 1, 2015
	$	$	$
Advances from the limited partners, without interest nor repayment terms	**3,067,000**	3,067,000	2,333,000
Advances from a company controlled by a limited partner, without interest nor repayment terms	**1,935,000**	545,000	
Advances from a company controlled by two limited partners, without interest nor repayment terms	**731,000**	310,000	
	5,733,000	3,922,000	2,333,000

Société en Commandite Bromont 1
Notes to the Financial Statements
December 31, 2016 and 2015 and January 1, 2015
(expressed in Canadian Dollars)

7 - TERM LOAN

	December 31, 2016	December 31, 2015	January 1, 2015
	$	$	$
Term loan, 15%, payable on demand, secured by the investment property	11,000,000	11,000,000	11,000,000

Borrowing costs for the term loan were capitalized in Land held for residential development for $992,712 ($990,000 in 2015) and in Investment property for $ 661,808 ($660,000 in 2015).

8 - PARTNERS' CAPITAL

Authorized

The capital of the Limited Partnership is composed of an unlimited number of units without par value, having voting rights.

Allocation of Net Income or Net Loss

Net income or net loss for each given year shall be allocated among all partners as follows :

i) The general partner shall receive 0.4% of the net income of the partnership as well as all net losses not allocated to the limited partners;

ii) The limited partners shall receive net income prorata the number of units held as well as attributed net loss up to their initial investment in the partnership.

9 - FINANCIAL INSTRUMENTS

The Limited Partnership is exposed to various financial risks through its financial instruments: liquidity risk and interest rate risk. The following analysis enables users to evaluate the nature and extent of the risks at the end of the reporting period.

Liquidity Risk

Liquidity risk is that the Limited Partnership might be unable to meet its obligations. The Limited Partnership manages its liquidity needs by monitoring scheduled debt servicing payments for long-term financial liabilities as well as forecast cash inflows and outflows due in day-to-day business. The data used for analyzing these cash flows is consistent with that used in the contractual maturity analysis below.

The Limited Partnership’s funding is provided in the form of advances and available cash on hand which provide adequate resources to meet its financial obligations as they become due.

The Limited Partnership's financial liabilities mature within the next 12 months.

Société en Commandite Bromont 1
Notes to the Financial Statements
December 31, 2016 and 2015 and January 1, 2015
(expressed in Canadian Dollars)

10 - CAPITAL MANAGEMENT DISCLOSURES

The Limited Partnership's objectives when managing capital are to:

– maintain financial flexibility in order to preserve its ability to meet its financial obligations, including potential liabilities resulting from additional acquisitions;

– maintain a capital structure that allows it to finance its growth strategy with cash flows from its operations and its debt capacity; and

– optimize the use of its capital to provide an appropriate return on investment.

The capital structure of the Limited Partnership consists of the Partner's Capital, advances and the term loan.

The Limited Partnership's financial strategy is developed and adapted on the basis of market conditions to maintain a flexible capital structure consistent with the objectives stated above and to respond to the risk characteristics of the underlying assets. In order to maintain or adjust its capital structure, the Limited Partnership may finance an existing debt, take out new borrowings or repurchase units or issue new units.

The Limited Partnership's financial strategy and objectives have remained substantially unchanged for the past year fiscal year. The objectives and strategy are reviewed annually. The Limited Partnership believes that its current ratios are satisfactory, given its size, capital management objectives and growth strategy.

11 - RELATED PARTIES

Related parties of the Limited Partnership include the general partner and limited partners as well as companies controlled by the limited partners.

The balances and amounts owed from the Limited Partnership to related parties are presented separately in the financial statements.

12 - FIRST-TIME ADOPTION OF IFRS

These are the Limited Partnership's first financial statements prepared in accordance with International Financial Reporting Standards (IFRS). The date of transition to IFRS is January 1, 2015.

The Limited Partnership's accounting policies presented in Note 3 have been applied in preparing the financial statements for the year ended December 31, 2016, the comparative period and the opening statement of financial position at the date of transition.

12 - FIRST-TIME ADOPTION OF IFRS (Continued)

The Limited Partnership has applied IFRS 1 First-time Adoption of International Financial Reporting Standards in preparing these first IFRS financial statements. The effects of the transition to IFRS on capital, total comprehensive income already established are presented in this section.

First Time Adoption Exemptions Applied

Upon transition, IFRS 1 permits certain exemptions from full retrospective application. The Limited Partnership has applied the mandatory exceptions as set out below.

Mandatory Exceptions

The estimates established by the Limited Partnership in accordance with IFRS at the date of transition are consistent with estimates made for the same date in accordance with pre-change accounting standards unless the objective evidence of those estimates was in error. Financial assets and liabilities that had been de-recognized before January 1, 2015 under pre-change accounting standards have not been recognized under IFRS.

Reconciliation of Capital and Comprehensive Loss

The Limited Partnership's capital as at the transition date with the amount reported under previous GAAP is reconciled below. The impact of the transition to IFRS on the Limited Partnership's capital as at December 31, 2015 and for the year then ended is not significant.

Limited Partnership's capital	$
Amounts reported under previous GAAP	36,656
Investment property (a)	23,982,000
Amounts reported under IFRS	24,018,656

(a) Under IFRS, investment properties are revalued annually and included in the statement of financial position at their fair values.

Delma Properties Canada LP

Consolidated Financial Statements
Years ended December 31, 2016 and 2015
and January 1, 2015
(Expressed in Canadian dollars)

Independent Auditor's Report

Raymond Chabot Grant Thornton LLP
Suite 2000
National Bank Tower
600 De La Gauchetière Street West
Montréal, Quebec H3B 4L8

Telephone: 514-878-2691
Fax: 514-878-2127
www.rcgt.com

To the partners of
Delma Properties Canada LP

We have audited the accompanying consolidated financial statements of Delma Properties Canada LP which comprise the consolidated statements of financial position as at December 31, 2016 and 2015 and January 1, 2015 and the consolidated statements of comprehensive income, the consolidated statements of change in capital and the consolidated statements of cash flows for the years ended December 31, 2016 and 2015, 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 (IFRS) 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

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 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.

We believe that the audit evidence we have obtained during 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 Delma properties Canada LP as at December 31, 2016 and 2015 and January 1, 2015 and its financial performance and and its cash flows for the years ended December 31, 2016 and 2015 in accordance with International Financial Reporting Standards (IFRS).

Raymond Chabot Grant Thornton LLP[1]

Montreal
June 13, 2017

[1] CPA auditor, CA public accountancy permit no. A121855

Delma Properties Canada LP
Consolidated Statements of Financial Position

As at December 31, 2016 and 2015 and January 1, 2015
(Expressed in Canadian dollars)

	Notes	**December 31, 2016**	December 31, 2015	January 1, 2015
		$	$	$
ASSETS				
Current				
Cash		606	49,605	
Advances to companies under common control, without interest		1,095,954	202,600	
		1,096,560	252,205	
Non-current				
Investment properties	6	14,875,200	145,100	
Investment in a private company, at cost		250,000	250,000	250,000
Property and equipment	7	80,000		
Total assets		16,301,760	647,305	250,000
LIABILITIES				
Current				
Trade and other payables			47,253	
Current portion of long term debt		130,000		
		130,000	47,253	
Non-current				
Long term debt	8	293,000		
Total liabilities		423,000	47,253	
CAPITAL				
General Partner		735	1	1
Limited partners		12,656,355	600,076	249,999
Total partners' capital		12,657,090	600,077	250,000
Non-controlling interests		3,221,670	(25)	600,052
Total capital		15,878,760	600,052	850,052
Total liabilities and capital		16,301,760	647,305	850,052

The accompanying notes are an integral part of the consolidated financial statements.

Delma Properties Canada LP
Consolidated Statements of Comprehensive Income
Years ended December 31, 2016 and 2015
(Expressed in Canadian dollars)

	Notes	2016	2015
		$	$
Rental income		**120,976**	
Increase in fair value of investment properties	6	**9,212,100**	
		9,333,076	
Administrative expenses		**12,368**	48
Net income (loss) and comprehensive income (loss)		**9,320,708**	(48)
Basic and diluted net loss per unit		**571**	(0.003)
Weighted average number of units outstanding		**16,333**	15,134
Net income (loss) attributable to			
Partners of Delma Properties Canada LP		**7,335,863**	(23)
Non-controling interests		**1,984,845**	(25)
		9,320,708	(48)

The accompanying notes are an integral part of the consolidated financial statements.

Delma Properties Canada LP
Consolidated Statements of Capital
Years ended December 31, 2016 and 2015
(Expressed in Canadian dollars)

	Notes	Units Issued	General Partner	Limited Partners	Partners' Capital	Non-controlling interests	Total Capital
		Number	$	$	$	$	$
Balance on January 1, 2015		14,196	1	249,999	250,000		250,000
Units issued	10	1,608		350,100	350,100		350,100
Transactions with partners		1,608		350,100	350,100		350,100
Net loss				(23)	(23)	(25)	(48)
Balance on December 31, 2015		15,804	1	600,076	600,077	(25)	600,052
Balance on January 1, 2016		15,804	1	600,076	600,077	(25)	600,052
Units issued	10	1,460		726,000	726,000		726,000
Units paid to be issued	10	500		500,000	500,000		500,000
Transactions with non-controling interests				3,495,150	3,495,150	1,236,850	4,732,000
Transactions with partners		1,960		4,721,150	4,721,150	1,236,850	5,958,000
Net income			734	7,335,129	7,335,863	1,984,845	9,320,708
Balance on December 31, 2016		17,764	735	12,656,355	12,657,090	3,221,670	15,878,760

The accompanying notes are an integral part of the consolidated financial statements.

Delma Properties Canada LP
Consolidated Statements of Cash Flows

Years ended December 31, 2016 and 2015
(Expressed in Canadian dollars)

	Notes	**2016**	2015
		$	$
OPERATING ACTIVITIES			
Net income (loss)		**9,320,708**	(48)
Adjustments			
Increase in fair value of investment properties	6	**(9,212,100)**	
Units issued as payment of expenses	10	**12,000**	
		120,608	(48)
Change in working capital items		**(20,253)**	20,253
Cash flows from operating activities		**100,355**	20,205
INVESTING ACTIVITIES			
Advances to companies under common control		**(393,354)**	(202,600)
Investment properties	6	**(527,000)**	(118,100)
Disposal of investment properties	6	**77,000**	
Cash flows from investing activities		**(843,354)**	(320,700)
FINANCING ACTIVITIES			
Long-term debt		**130,000**	
Repayment of long term debt		**(162,000)**	
Units issued and units paid to be issued	10	**726,000**	350,100
Cash flows from financing activities		**694,000**	350,100
Net change in cash		**(48,999)**	49,605
Cash, beginning of year		**49,605**	
Cash, end of year		**606**	49,605

The accompanying notes are an integral part of the consolidated financial statements.

1. Statutes of Incorporation, Nature of Operations and Statement of Compliance

Delma Properties Canada LP (“Delma”) is a limited partnership formed under the Civil Code of the Province of Quebec. Delma together with its subsidiaries (together referred to as the “Limited Partnership”) invest in the hospitality industry, to perform property management services and land development. Delma was established pursuant to the terms of a Limited Partnership Agreement dated September 1, 2009. Delma’s head office and address for service is located at 310 – 925 Blvd. De Maisonneuve West, Montreal, Quebec, H3A 0A5.

The management activities of the Limited Partnership are performed through a net, net, net, net, net master lease agreement with Delma Resorts & Hotels Canada Corporation, a company under common control. The agreement is for all the investment properties owned by the Limited Partnership. The investment properties are mainly owned by the Limited Partnership’s subsidiaries who act as nominees for the Limited Partnership.

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) which were consistently applied from the inception of the partnership.

The financial statements were approved and authorized by the General Partner on June 13, 2017.

2. Changes in Accounting Policies

Standards, Amendments and Interpretations to Existing Standards That Are Not Yet Effective and Have Not Been Adopted Early By the Limited Partnership

At the date of authorization of these financial statements, certain new standards, and amendments to existing standards have been published by the IASB that are not yet effective, and have not been adopted early by the Limited Partnership. Information on those expected to be relevant to the consolidated financial statements is provided below. Management anticipates that all relevant pronouncements will be adopted in for the first period beginning after the effective date of the pronouncement. New standards, interpretations and amendments not either adopted or listed below are not expected to have a material impact on the consolidated financial statements.

IFRS 9 Financial Instruments

In July 2014, the IASB published IFRS 9 which replaces IAS 39 Financial Instruments: Recognition and Measurement (IAS 39). IFRS 9 introduced improvements which include a logical model for classification and measurement of financial assets, a single, forward-looking "expected loss" impairment model and a substantially-reformed approach to hedge accounting. IFRS 9 is effective for annual reporting periods beginning on or after January 1, 2018. Earlier application is permitted. The Limited Partnership has yet to assess the impact of this new standard on its consolidated financial statements but does not expect to have a significant impact.

2. Changes in Accounting Policies (Continued)

IFRS 15 Revenue from Contracts with Customers

IFRS 15 presents new requirements for the recognition of revenue, replacing IAS 18 Revenue, IAS 11 Construction Contracts, and several revenue-related Interpretations. The new standard establishes a control-based revenue recognition model and provides additional guidance in many areas not covered in detail under existing IFRSs, including how to account for arrangements with multiple performance obligations, variable pricing, customer refund rights, supplier repurchase options, and other common complexities. IFRS 15 is effective for annual reporting periods beginning on or after 1 January 2018. The Limited Partnership has yet to assess the impact of this new standard on its consolidated financial statements but does not expect to have a significant impact.

IFRS 16 Leases

In January 2016, the IASB published IFRS 16 which will replace IAS 17 Leases and three related interpretations. IFRS 16 largely retains IAS 17's approach to lessor accounting, but introduces numerous and significant changes to lessee accounting, such as the elimination of the classification as an operating lease and the requirement for lessees to recognize a right-of-use asset and a lease liability in the balance sheet for all leases, with exemptions permitted for short-term leases and leases of low value assets. In addition, IFRS 16 changes the definition of a lease, sets requirements on how to account for the asset and liability, including complexities such as non-lease elements, variable lease payments and options periods, changes the accounting for sale and leaseback arrangements, and introduces new disclosure requirements. IFRS 16 is effective for annual periods beginning on or after January 1, 2019 with early application permitted in certain circumstances. The Limited Partnership has yet to assess the impact of this new standard on its combined financial statements.

3. Significant Accounting Policies

Basis of Measurement

These consolidated financial statements have been prepared using the significant accounting policies and measurement bases summarized below.

Basis of Consolidation

The Limited Partnership's consolidated financial statements consolidate those of Delma and of its subsidiaries as at December 31, 2016. All subsidiaries have a reporting date December 31. All transactions and balances between the entities are eliminated on consolidation, including unrealized gains and losses on transactions between companies. Where unrealized losses on intra-group asset sales are reversed on consolidation, the underlying asset is also tested for impairment from a group perspective. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by Delma. Profit or loss and other comprehensive income of subsidiaries acquired or disposed of during the year are recognized from the effective date of acquisition, or up to the effective date of disposal, as applicable.

3. Significant Accounting Policies (Continued)

Basis of Consolidation (continued)

Delma attributes total comprehensive income or loss of subsidiaries between the partners of Delma and the non-controlling interests based on their respective ownership interests.

Set out below details of subsidiaries held directly by the Limited Partnership. All subsidiaries are wholly-owned and are Canadian corporations.

Name of the subsidiary	Ownership	Activity
Delma Resorts & Hotels L.P.	78.7% (47.0% in 2015)	Limited Partnership having beneficial ownership of the investment properties
Blueberry Lake resorts Inc.	100%	Inactive
Auberge Blueberry Lake Inc.	100%	Nominee for the Blueberry lake clubhouse
Gestion 42 Degrés Nord Inc.	100%	Nominee for the Ellicottville project
BBL Holdings Inc.	100%	Nominee for Lake Alphonse as well as various lands around Blueberry Lake

Investments in Joint Ventures

Investments in joint ventures are accounted for using the equity method.

The carrying amount of the investment in joint ventures is increased or decreased to recognize Delma's share of the profit or loss and other comprehensive income of the joint venture, adjusted where necessary to ensure consistency with the accounting policies of Delma.

Unrealized gains and losses on transactions between Delma and its joint ventures are eliminated to the extent of Delma's interest in those entities. Where unrealized losses are eliminated, the underlying asset is also tested for impairment.

Foreign Currency Translation

Presentation Currency and Translation of Foreign-Currency Transactions

Delma's consolidated financial statements are presented in Canadian dollars, which is also Delma's functional currency. Transactions in foreign currencies are translated using the exchange rate prevailing at the date of the transaction. At each reporting date, foreign currency denominated monetary assets and liabilities are translated at year-end exchange rates. Exchange differences arising from the transactions are recorded in profit or loss.

Non-monetary items are not retranslated at year-end and are measured at historical cost except for non-monetary items measured at fair value which are translated using the exchange rate at the date when fair value was determined.

3. Significant Accounting Policies (Continued)

Financial Instruments

Recognition, Initial Measurement and Derecognition

Financial assets and financial liabilities are recognized when Delma becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs, except for those carried at fair value through profit or loss which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities is described below.

Financial assets are derecognized when contractual rights to the cash flows from the financial assets expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is derecognized when it is extinguished, discharged, cancelled or expires.

a) Financial Assets

For the purpose of subsequent measurement, financial assets are classified into the following categories upon initial recognition:

- Loans and receivables
- Available – for - sale financial assets

All financial assets are subject to review for impairment annually and written down when there is evidence of impairment based on different criteria applied for each category of financial assets which are described below.

Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition, these are measured at amortized cost using the effective interest method, less provision for impairment. Discounting is omitted where the effect of discounting is immaterial. The Limited Partnership's cash and advances to companies under common control fall into this category. Individually significant other receivables and advances are considered for impairment when they are past due or when other objective evidence is received that a specific counterparty will default.

Available - for - sale financial assets

Available - for - sale financial assets are non-derivative financial assets that are either designated to this category or do not qualify for inclusion in any other categories of financial assets. The Limited Partnership's investment in a private company is included in this category. This equity investment is measured at cost less any impairment charges. Impairment charges are recognized in comprehensive income. The limited partnership is unable to evaluate the fair value because it does not have access to the relevant information required to do such a valuation.

3. Significant Accounting Policies (Continued)

b) Financial Liabilities

Delma's financial liabilities include trade and other payables and long-term debt. Financial liabilities are measured subsequently at amortized cost using the effective interest method. All interest-related charges are included within finance costs or finance income.

Investment Property

Investment properties are properties held to earn rentals or for capital appreciation, or both, and are initially accounted at acquisition cost, including any costs directly attributable to bringing the assets to the location and condition necessary for them to be capable of operating in the manner intended by management and subsequently measured using the fair value model. Investment properties are revalued annually with resulting gains and losses recognized in profit or loss, and are included in the statement of financial position at their fair values.

Property, Plant and Equipment

All items of property, plant and equipment are initially recognized at acquisition cost, including any costs directly attributable to bringing the assets to the location and condition necessary for them to be capable of operating in the manner intended by management, and subsequently measured at cost less any accumulated depreciation and any accumulated impairment losses.

Depreciation of property plant and equipment is calculated based on estimated useful lives by using the declining balance method using the annual rates:

Asset	Rate
Equipment	20%
Rolling stock	30%

Useful lives, residual values and depreciation methods are reviewed annually.

Gain or losses on disposals are determined by comparing the proceeds with the carrying amount and are recognized in "Other gains (losses)" in the statement of comprehensive income.

Provisions

Provisions are recognized to cover probable outflows of resources that can be estimated and that result from present obligations resulting from past events. No liability is recognized when the outflow of resources from a potential obligation resulting from past events is not probable, such situations are disclosed as contingent liabilities unless the outflow of resources is remote. The provisions are measured based on management's best estimate of the outcome based on facts known at the reporting date. Provisions are discounted to their present values, where the time value of money is material. As at December 31, 2016, Delma has no provisions.

3. Significant Accounting Policies (Continued)

Revenue

Revenue arising from the rendering of services is measured at the fair value of the consideration received or to be received, excluding sales taxes. Rental income is recognized on a straight-line basis over the term of the lease.

Borrowing costs

Borrowing costs are expensed in the period in which they are incurred and reported in finance costs

Operating Segments

The Company presents and discloses segmental information based on information that is regularly reviewed by the chief operating decision-maker, i.e. the Chairman and the Board of Directors. Management currently identifies only one operating segment that is the management of properties in Canada and the United States.

Partners' Capital

Partners' Capital represents the value received for the units upon issuance as well as the current and prior period retained profits and losses after distribution to the partners.

Net Income per Unit

Basic and diluted net income per unit is calculated by dividing net income and comprehensive income by the weighted average number of units (basic and diluted) outstanding during the reporting period.

Income taxes

Delma is not subject to tax under Part I of the Income Tax Act (Canada) (the "Tax Act"). Each partner of Delma is required to include in computing the partner's income for a particular taxation year the partner's share of the income or loss of Delma for its fiscal year ending in or on the partner's taxation year-end, whether or not any of that income or loss is distributed to the partner in the taxation year. Accordingly, no provision has been made for Canadian income taxes under Part I of the Tax Act.

4. Principal Uncertainties Arising From The Use Of Estimates And Critical Judgments By Management

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. These estimates are reviewed periodically, and as adjustments become necessary, they are reported in profit or loss in the period in which they become known.

Items for which actual results may differ materially from these estimates are described in the following section.

Significant management judgement

There is no significant management judgement in the preparation of these consolidated financial statements.

Estimation Uncertainty

Fair Value Measurement

Management uses valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management bases its assumptions on observable data as far as possible but this is not always available. In that case management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm’s length transaction at the reporting date.

Investment properties are stated at their fair values at the consolidated statement of financial position date. Independent appraisal values obtained are subject to significant estimates and assumptions about market conditions in effect at the consolidated statements of financial position date.

5. Interests in subsidiaries

No distributions were paid to the non-controlling interests during the years 2016 and 2015.

Summarized financial information for Delma Resorts & Hotels L.P., before intercompany eliminations, is set out below :

	2016	2015
	$	$
Current assets	**596,560**	252,205
Non-current assets	**14,955,200**	145,100
Total assets	**15,551,760**	397,305
Current liabilities	**130,000**	47,253
Non-current liabilities	**293,000**	-
Total liabilities	**423,000**	47,253
Capital attributable to partners	**15,128,760**	350,052
Increase in fair value of investment properties	**9,212,100**	-
Net income (loss) and comprehensive income (loss)	**9,320,708**	(48)
Cash flows from operating activities	**100,355**	20,205
Cash flows from investing activities	**(843,354)**	(320,700)
Cash flows from financing activities	**694,000**	350,100
Net increase (decrease) in cash	**(48,999)**	49,605

6. Investment Properties

A reconciliation of the investment properties is as follows:

	2016	2015
	$	$
Balance, beginning of year	**145,100**	-
Acquisitions	**5,595,000**	145,100
Dispositions	**(77,000)**	
Change in fair value	**9,212,100**	-
Balance end of year	**14,875,200**	145,100

6. Investment Properties (Continued)

The investment properties are composed of the following:

	2016	2015
	$	$
Investment properties at fair value		
Blueberry Lake Resort, Quebec, Canada (a)	**3,800,100**	112,100
Lake Alphonse, Quebec, Canada (a)	**3,075,000**	32,900
42 North Resort, New York, USA, US$2,240,000 (a)	**3,000,100**	100
Investment properties at acquisition cost to be accounted as joint ventures upon formation of joint venture		
Panagopoula Resort, Panagopoula, Greece (b)	**4,500,000**	-
Domaine Balmoral Development Project, Quebec, Canada (c)	**500,000**	-
	14,875,200	145,100

(a) In November 2015, the Limited Partnership signed a of deed of sale to acquire several assets of the Blueberry Lake Resort, Lake Alphonse and the 42° North Resort for a total consideration $145,100 composed of assumed trade and other payables of $45,100, and of cash payments of $100,000 of which $27,000 was paid in February 2016. The cost was allocated between the properties as follows:

	$
Blueberry Lake Resort	112,100
Lake Alphonse	32,900
42 North Resort	100

In March 2016, the Limited Partnership concluded a private agreement to acquire the remaining assets of the Blueberry Lake Resort and Lake Alphonse, including the clubhouse and other lands as well as the property and equipment of $80,000. The various definitive agreements were concluded in July 2016. The consideration paid for these acquisitions is a term loan of $675,000. The cost was allocated between the properties as follows:

	$
Blueberry Lake Resort	82,000
Lake Alphonse	513,000

These transactions were concluded through a bankruptcy process of the former owner.

(b) In December 2015, the Limited Partnership signed a joint venture agreement to develop a Resort in Panagopoula, Greece. The Limited Partnership concluded the transaction in December 2016 by issuing 1,260 Class A units in exchange for 30% ownership in the lands and buildings of this property. The transaction was recorded based on the value of the consideration received which was $4,500,000 (€3,145,965). As at December 30, 2016, no joint venture was yet created regarding this property.

6. Investment Properties (Continued)

(c) In November 2015, the Limited Partnership signed a joint venture agreement to develop certain lands and properties located in the Domaine Balmoral in Quebec, Canada. In 2016, the Limited Partnership invested $500,000 into the development of this project. As at December 31, 2016, no joint venture was created regarding this property and the recorded amount represents the cost incurred by the Limited Partnership.

(d) Subsequent to year-end, the Limited Partnership signed a joint venture agreement to redevelop and launch the Chateau Carling Lake hotel in Quebec, Canada.

Valuation Process

Fair value of the Limited Partnership's main property assets is estimated based on appraisals performed by independent, professionally-qualified property valuers. The significant inputs and assumptions are developed in close consultation with management. The valuation processes and fair value changes are reviewed by the board of directors at each reporting date. The fair value is categorized in Level 3 (Note 11)

The appraisals for each of the investment properties at fair value were carried out using a market approach that reflects observed prices for recent market transactions for similar properties and incorporates adjustments for factors specific to the land in question, including plot size, location and current use. The significant unobservable input is the adjustment for factors specific to the land in question. The extent and direction of this adjustment depends on the number of characteristics of the observable market transactions in similar properties that are used as the starting point for valuation. Although this is a subjective judgement, management considers that the overall valuation could not be materially affected by reasonably possible alternative assumptions.

7. Property and Equipment

	Equipment	Rolling Stock	Total
Cost	$	$	$
Acquisition and closing balance as at December 31, 2016	60,000	20,000	80,000
Accumulated depreciation	-	-	-
Net carrying amount as at December 31, 2016	60,000	20,000	80,000

8. Long-Term Debt

	2016	2015
	$	$
Term loan 10%, interest and capital payable at maturity, maturing in June 2018, secured by a hypothec on lands of the Blueberry Lake and Lake Alphonse projects with a carrying amount of $3,957,600 as at December 31, 2016 (a) (b)	**293,000**	-
Term Loan, 13%, capital payable at maturity, maturing in June 2017, secured by a hypothec on the Blueberry Lake Club house having a carrying amount of $1,879,128 as at December 2016	**130,000**	-
	423,000	-
Short-term portion	**(130,000)**	-
	293,000	-

(a) During the year, the loan was repaid by converting principal amounts of $220,000 into units of Delma Resorts & Hotels L.P.

(b) The same assets also guarantee a $20,000 account payable of a company under common control. The loan has the same conditions.

9. Segmental Information

Non-current assets are owned in the following countries:

	2016	2015
	$	$
Canada	**7,455,100**	145,000
United States	**3,000,100**	100
Greece	**4,500,000**	-

10. Partners' Capital

Authorized

The capital of Delma is composed of an unlimited number of units without par value, having voting rights.

Issued

In June 2015, 1,608 units were issued in consideration of $350,100 in cash.

During the year ended December 31, 2016, 1,460 units were issued in consideration of $726,000 in cash.

10. Partners' Capital (Continued)

During the year ended December 31, 2016, 500 units were subscribed to in consideration of $500,000 of advances to companies under common control. The 500 units were issued subsequent to year-end.

Allocation of Net Income or Net Loss

Net income or net loss for each given year shall be allocated among all partners in proportion to their unit holdings.

11. Fair Value of Financial Instruments

Financial assets and financial liabilities measured at fair value in the consolidated statement of financial position, as well as financial assets and financial liabilities not measured at fair value in the statement of financial position but for which the fair value is disclosed, are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;

- Level 2: Input other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly;

- Level 3: Unobservable input for the asset or liability.

The net carrying amounts of cash, advances to companies under common control and trade and other payables are considered a reasonable approximation of fair value since all amounts are short-term in nature.

The estimated fair value of the long-term debt was calculated based on the discounted value of future payments using interest rates that the Limited Partnership could have obtained as at the reporting date for similar instruments with similar terms and maturities. The fair value of the long-term debt is equivalent to its carrying amount and is categorized in Level 2.

12. Financial Instruments

The Limited Partnership is exposed to various financial risks through its financial instruments: credit risk, liquidity risk, interest rate risk and other price risk. The following analysis enables users to evaluate the nature and extent of the risks at the end of the reporting period.

Credit Risk

Credit risk is the risk that a counterparty fails to discharge an obligation to the Limited Partnership. The Limited Partnership's credit risk is due mainly to its advances to companies under common control which are managed and analyzed regularly to detect any potential loss in value.

In light of the above, the Limited Partnership is of the opinion that the credit risk is not significant.

12. Financial Instruments (Continued)

Liquidity Risk

Liquidity risk is that the Limited Partnership might be unable to meet its obligations. The Limited Partnership manages its liquidity needs by monitoring scheduled debt servicing payments for long-term financial liabilities as well as forecast cash inflows and outflows due in day-to-day business. The data used for analyzing these cash flows is consistent with that used in the contractual maturity analysis below.

The Limited Partnership's funding is provided on the form of long-term debt and available cash on hand which provide adequate resources to meet its financial obligations as they become due.

The maturities of the Limited Partnership's financial liabilities on an undiscounted basis are $146,900 in 2017 and $376,397 in 2018.

Interest Rate Risk

The Limited Partnership is exposed to interest rate risk on its fixed rate long-term debt. Fixed rate long-term debt subjects the Limited Partnership to a fair value risk. Variations in the interest rate would not affect profit or loss significantly.

Other Price Risk

The Limited Partnership is exposed to other price risk in respect of its investment in a private company. The exposure to this risk is not significant.

13. Capital Management Disclosures

The Limited Partnership's objectives when managing capital are to:

- maintain financial flexibility in order to preserve its ability to meet its financial obligations, including potential liabilities resulting from additional acquisitions;

- maintain a capital structure that allows it to finance its growth strategy with cash flows from its operations and its debt capacity; and

- optimize the use of its capital to provide an appropriate return on investment.

The capital structure of the Limited Partnership consists of the Partner's Capital and the non-controlling interests.

The Limited Partnership's financial strategy is developed and adapted on the basis of market conditions to maintain a flexible capital structure consistent with the objectives stated above and to respond to the risk characteristics of the underlying assets. In order to maintain or adjust its capital structure, the Limited Partnership may finance an existing debt, take out new borrowings or repurchase units or issue new units.

13. Capital Management Disclosures (Continued)

The Limited Partnership's financial strategy and objectives have remained substantially unchanged for the past year fiscal year. The objectives and strategy are reviewed annually. The Limited Partnership believes that its current ratios are satisfactory, given its size, capital management objectives and growth strategy.

14. Related Parties

Related parties of the Limited Partnership include the general partner and limited partners as well as companies under common control.

The intercompany balances and the amounts owed to the Limited Partnership are presented separately in the consolidated financial statements.

The Limited Partnership's total management income under a net, net, net, net ,net master lease is paid by affiliated parties. The annual rental for each year is $120,000. The rental income is provided on terms equivalent to those that retail in arm's length transactions.

15. First-time adoption of IFRS

These are the Limited Partnership's first consolidated financial statements prepared in accordance with International Financial Reporting Standards (IFRS). The date of transition to IFRS is January 1, 2015.

The Limited Partnership's accounting policies presented in note 3 have been applied in preparing the consolidated financial statements for the year ended December 31, 2016, the comparative period and the opening consolidated statement of financial position at the date of transition.

The Limited Partnership has applied IFRS 1 First-time Adoption of International Financial Reporting Standards in preparing these first IFRS consolidated financial statements. The effects of the transition to IFRS on capital, total comprehensive income and reported cash flows already established are presented in this section.

First time adoption exemptions applied

Upon transition, IFRS 1 permits certain exemptions from full retrospective application. The Limited Partnership has applied the mandatory exceptions and certain optional exemptions as set out below.

Mandatory exceptions

The estimates established by the Limited Partnership in accordance with IFRS at the date of transition are consistent with estimates made for the same date in accordance with pre-change accounting standards, after adjustments to reflect any difference in accounting principles, if applicable.

Financial assets and liabilities that had been de-recognized before January 1, 2010 under pre-change accounting standards have not been recognized under IFRS.

15. First-time adoption of IFRS (Continued)

Reconciliation of Capital and comprehensive loss

The impact of the transition to IFRS on the Limited Partnership’s capital at the date of transition and on the comprehensive loss for the year ended December 31, 2015 is not significant.

SCHEDULE E – PRO FORMA FINANCIAL STATEMENTS OF THE RESULTING ISSUER

(PLEASE SEE ATTACHED)

The Delma Group Inc. (formerly Aydon Income Properties Inc.)

Unaudited Pro Forma Consolidated Financial Statements
September 30, 2017 and December 31, 2016
(Expressed in Canadian dollars)

Unaudited Pro Forma Consolidated Financial Statements

The Delma Group Inc. (formerly Aydon Income Properties Inc.)
Unaudited Pro Forma Consolidated Statement of Financial Position
As at September 30, 2017

(Expressed in Canadian dollars)

	Delma Properties Canada LP September 30, 2017	Delma Resorts & Hotels GP Inc. September 30, 2017	Société en commandite Bromont I September 30, 2017	9216-3583 Québec Inc. September 30, 2017	Aydon Income Properties Inc. September 30, 2017	Note	Pro forma Adjustments	Pro forma consolidated September 30, 2017
	$	$	$	$	$		$	$
ASSETS								
Current								
Cash	606		152	477	52,617			53,852
Other receivables			2,112		21,898			24,010
Assets held for sale					95,115			95,115
Advances to companies under common control, without interest	1,035,954							1,035,954
Prepaids and deposits			11,738		4,808			16,546
	1,036,560		14,002	477	174,438			1,225,477
Non-current								
Land held for residential development			10,963,955					10,963,955
Investment properties	14,875,200		31,291,298					46,166,498
Investment in a private company, at cost	250,000							250,000
Investment		100		96,907		2b.1)	(100)	
						2b.2)	(96,907)	
Property and equipment	80,000							80,000
Total assets	16,241,760	100	42,269,255	97,384	174,438		(97,007)	58,685,930
LIABILITIES								
Current								
Trade and other payables			131,493		341,841	2e)	100,000	573,334
Loan payable					59,049			59,049
Liabilities of assets held for sale					28,600			28,600
Advances			7,083,000					7,083,000
Term Loan			11,000,000					11,000,000
Current portion of long term debt	423,000							423,000
	423,000		18,214,493		429,490		100,000	19,166,983
Non-current								
Long term debt	540,000				479,472	2b.1)	800,000	1,819,472
Total liabilities	963,000		18,214,493		908,962		900,000	20,986,455

The Delma Group Inc. (formerly Aydon Income Properties Inc.)
Unaudited Pro Forma Consolidated Statement of Financial Position
As at September 30, 2017
(Expressed in Canadian dollars)

	Delma Properties Canada LP September 30, 2017	Delma Resorts & Hotels GP Inc. September 30, 2017	Société en commandite Bromont I September 30, 2017	9216-3583 Québec Inc. September 30, 2017	Aydon Income Properties Inc. September 30, 2017	Note	Pro forma Adjustments	Pro forma consolidated September 30, 2017
	$	$	$	$	$		$	$
SHAREHOLDERS' EQUITY								
Share Capital				100	809,667	2b.1)	15,278,760	39,737,799
						2b.1)	403,800	
						2b.1)	(809,667)	
						2b.2)	(100)	
						2b.2)	24,055,239	
Share-based payment reserve					325,921	2b.1)	(277,683)	48,238
Currency translation reserve					(1,177)	2b.1)	1,177	
Retained Earnings (deficit)		100		97,284	(1,868,935)	2b.1)	(1,986,562)	(2,086,562)
						2b.1)	1,868,935	
						2b.1)	(100)	
						2b.2)	(97,284)	
						2d.1)	(100,000)	
Total shareholders' equity		100		97,384	(734,524)		38,336,515	37,699,475
CAPITAL								
General Partner	735		96,907			2b.1)	(735)	
						2b.2)	(96,907)	
Limited partners	12,056,355		23,957,855			2b.1)	(12,056,355)	
						2b.2)	(23,957,855)	
Total partners' capital	12,057,090		24,054,762				(36,111,852)	
Non-controlling interests	3,221,670					2b.1)	(3,221,670)	
Total capital	15,278,760		24,054,762				(39,333,522)	
Total liabilities, shareholders' equity and capital	16,241,760	100	42,269,255	97,384	174,438		(97,007)	58,685,930

The accompanying notes are an integral part of the unaudited pro forma consolidated financial statements.

The Delma Group Inc. (formerly Aydon Income Properties Inc.)
Unaudited Pro Forma Consolidated Statement of Comprehensive Income
Nine-month period ended September 30, 2017
(Expressed in Canadian dollars)

	Delma Properties Canada LP September 30, 2017	Delma Resorts & Hotels GP Inc. September 30, 2017	Société en commandite Bromont I September 30, 2017	9216-3583 Québec Inc. September 30, 2017	Aydon Income Properties Inc. September 30, 2017	Note	Pro forma Adjustments	Pro forma consolidated September 30, 2017
	$	$	$	$	$		$	$
Rental income			**16,932**					16,932
Management fee income					14,873			14,873
Increase in fair value of investment properties								
			16,932		14,873			31,805
Administrative expenses			**3,782**		292,422			296,204
Operating loss			**13,150**		(277,549)			(264,399)
Gain on debt settlement					(6,300)			(6,300)
Loss on disposal of assets held for sale					41,989			41,989
Share of limited partnership net loss				15				15
Listing costs						2b.1)	1,986,562	1,986,562
Transaction costs						2d)	100,000	100,000
Interest expense					47,248			47,248
Net loss			**13,150**	**(15)**	**(360,486)**		**(2,086,562)**	**(2,433,913)**
Other comprehensive income								
Foreign currency translation and other comprehensive income					(8,511)			(8,511)
Comprehensive loss			13,150	(15)	(368,997)		(2,086,562)	(2,442,424)
Basic and diluted net loss per unit/share			**13.15**		0.01			(0.25)
Weighted average number of units/shares outstanding	**17,835**		**1,000**		26,790,377			9,797,934
Comprehensive loss attributable to								
Shareholders of the Company				**(15)**	**(368,997)**		**(2,073,412)**	(2,442,424)
Partners of the limited partnership			**13,150**				**(13,150)**	
Non-controlling interests								
			13,150	**(15)**	**(368,997)**		**(2,086,562)**	**(2,442,424)**

The accompanying notes are an integral part of the unaudited pro forma consolidated financial statements.

The Delma Group Inc. (formerly Aydon Income Properties Inc.)
Unaudited Pro Forma Consolidated Statement of Comprehensive Income
Year ended December 31, 2016
(Expressed in Canadian dollars)

	Delma Properties Canada LP Year ended December 31, 2016	Delma Resorts & Hotels GP Inc. Year ended December 31, 2016	Société en commandite Bromont I Year ended December 31, 2016	9216-3583 Québec Inc. Year ended December 31, 2016	Aydon Income Properties Inc. Year ended December 31, 2016	Note	Pro forma Adjustments	Pro forma consolidated Year ended December 31, 2016
	$	$	$	$	$		$	$
Rental income	**120,976**		**16,799**					137,775
Management fee income								
Increase in fair value of investment properties	**9,212,100**							9,212,100
	9,333,076		**16,799**					**9,349,875**
Administrative expenses	**12,368**		**4,726**		445,512			462,606
Operating income (loss)	**9,320,708**		**12,073**		(445,512)			8,887,269
Gain on debt settlement					(43,313)			(43,313)
Loss on acquisition of limited partnerships					184,516			184,516
Share of limited partnership net loss (income)				(44)	53,425			53,381
Interest expense					30,842			30,842
Listing costs						2b.1)	1,986,562	1,986,562
Transaction costs						2d)	100,000	100,000
Other					(3,591)			(3,591)
Net income (loss)	**9,320,708**		**12,073**	**44**	**(667,391)**		**(2,086,562)**	**6,578,872**
Other comprehensive loss								
Foreign currency translation and other comprehensive loss					(9,494)			(9,494)
Comprehensive income (loss)	9,320,708		12,073	44	(676,885)		(2,086,562)	6,569,378
Basic and diluted net income (loss) per unit/share	**571**		**12.07**		0.03			0.67
Weighted average number of units/shares outstanding	**16,333**		**1,000**		24,417,626			9,797,934
Comprehensive income (loss) attributable to								
Shareholders of the Company				**44**	**(676,885)**		7,246,219	6,569,378
Partners of the limited partnership	**7,335,863**		**12,073**				(7,347,936)	
Non-controlling interests	**1,984,845**						(1,984,845)	
	9,320,708		**12,073**	**44**	**(676,885)**		**(2,086,562)**	**6,569,378**

The accompanying notes are an integral part of the unaudited pro forma consolidated financial statements.

The Delma Group Inc. (formerly Aydon Income Properties Inc.)

Notes to Unaudited Pro Forma Consolidated Financial Statements
As at September 30, 2017
(Expressed in Canadian dollars)

1 - BASIS OF PRESENTATION

On July 20, 2017, Aydon Income Properties Inc. ("Aydon") and Delma Resorts & Hotels GP Inc., Delma Resorts & Hotels LP, Delma Properties Canada LP (together "Delma"), Société en Commandite Bromont I and 9216-3583 Québec Inc. (together "Bromont") and (collectively "the Delma Group") entered into a share purchase agreement whereby Aydon will acquire all of the issued and outstanding shares and units of the Delma Group in exchange for shares of Aydon. The accompanying unaudited pro forma consolidated financial statements have been prepared to reflect the acquisition of Delma Group by Aydon as if it had occurred on September 30, 2017 (the "Transaction"). Pursuant to the Transaction, the company's name will be changed to The Delma Group Inc.

The closing of the Transaction is subject to the satisfaction of certain conditions included in the share purchase agreement and obtaining required approvals.

In accordance with IFRS 3, Business Combinations, the substance of the Transaction whereby Aydon acquires Delma, is a reverse acquisition of Aydon by Delma as the partners of Delma will hold the majority of the voting rights of the resulting company. The acquisition of Aydon does not constitute a business combination as Aydon does not meet the definition of a business under that standard. As a result, the acquisition of Aydon is accounted for as a capital transaction with Delma and its general partner identified as the acquirer and the equity consideration being measured at fair value. The resulting financial statements are presented as a continuation of Delma. In addition, the portion of the Transaction relating to the acquisition of Bromont is accounted for as an acquisition of assets by the resulting company.

The accompanying pro forma consolidated financial statements have been prepared in accordance with IFRS. The unaudited pro forma consolidated financial statements have been prepared from information derived from the unaudited condensed consolidated financial statements of Delma as at September 30, 2017, the unaudited internal financial statements of Bromont as at September 30, 2017, the unaudited consolidated financial statements of Aydon as at September 30, 2017, the audited consolidated financial statements of Delma for the year ended December 31, 2016, the audited financial statements of Bromont for the year ended December 31, 2016 and the audited consolidated financial statements of Aydon for the year ended December 31, 2016.

Management believes that the assumptions used provide a reasonable basis for presenting all of the significant effects of the Transaction and that the pro forma adjustments give appropriate effect to those assumptions and are appropriately applied in the unaudited pro forma consolidated financial statements.

The unaudited pro forma consolidated financial information is not intended to be indicative of the results that would actually have occurred, or the results expected in future periods, had the events reflected herein occurred on the dates indicated. Actual amounts recorded upon consummation of the transaction will differ from those recorded in the unaudited pro forma consolidated financial statement information.

The Delma Group Inc. (formerly Aydon Income Properties Inc.)

Notes to Unaudited Pro Forma Consolidated Financial Statements
As at September 30, 2017
(Expressed in Canadian dollars)

2 - PRO FORMA ASSUMPTIONS

The unaudited pro forma consolidated financial statements give effect to the following assumptions and adjustments:

a) Modification of Aydon's authorized share capital to provide for the existence of at least two classes of common shares, class "A" and class "B", identical in all respects except that the class "B" share will carry 100 voting rights per share.

b) On July 20, 2017, Aydon and Delma Group entered into a share purchase agreement, as amended on November 27, 2017, whereby Aydon will issue 490,916,667 class "A" shares and 625,083,333 class "B" shares to the partners of Delma to acquire all of the issued and outstanding units of Delma and Aydon will issue 616,666,700 class "A" shares and 200,000,000 class "B" shares to shareholders and partners of Bromont to acquire all of the issued and outstanding units of Bromont.

The Aydon shareholders that held Aydon shares before the Transaction will receive $800,000 in value (the “Additional Value”) if and when Aydon is able to generate $400,000 in net income from its student housing projects . The additional income shall be recognized at the latest in the Delma Group Inc's 2019 audited consolidated financial statements. The additional value will be paid by the issuance of shares.

For accounting purposes Delma is the acquirer of both Aydon and Bromont.

The acquisition of Aydon will be accounted for as a reverse takeover. Considering that Aydon does not meet the definition of a business the acquisition of Aydon will be considered a capital transaction in substance. Accordingly, the acquisition of Aydon is equivalent to the issuance of shares by Delma acquirers for the net assets of Aydon.

The acquisition of Bromont will be considered an acquisition of assets.

b.1) Acquisition of Aydon

The fair value of the consideration for the net assets acquired by Delma is as follows:

	$
26,919,899 shares issued and outstanding of Aydon	403,800
Fair value of the conversion option on long-term debt of Aydon	48,238
	452,038

The fair value of the Aydon shares issued and outstanding has been determined based on the fair value the Aydon shares were trading at prior to the announcement of the Transaction at $0.015 per share.

The Delma Group Inc. (formerly Aydon Income Properties Inc.)

Notes to Unaudited Pro Forma Consolidated Financial Statements
As at September 30, 2017
(Expressed in Canadian dollars)

2 - PRO FORMA ASSUMPTIONS (Continued)

b.1) Acquisition of Aydon (continued)

The estimated fair value of the net assets acquired by Delma is:

	$
Cash	52,617
Other receivables	21,898
Assets held for sale	95,115
Deposits	4,808
Trade and other payables	(341,841)
Loan Payable	(59,049)
Liabilities of assets held for sale	(28,600)
Contingent consideration	(800,000)
Long-term debt	(479,472)
Listing costs expensed	1,986,562
	452,038

Following the closing of the Transaction, the issued and outstanding options to officers and directors of Aydon will be cancelled and no value has been determined for these.

Following the closing of the Transaction, the issued and outstanding warrants of Aydon will continue to be in effect with their original terms and conditions, except for the adjustment described in c) and are deemed to be issued as part of the Transaction. The fair value has been estimated at nil by management.

As a result of this Transaction the share capital, share-based payment reserve (except the reserve related to the convertible debt as it reflects the fair value of the conversion option), currency translation reserve and deficit of Aydon are eliminated.

b.2) Acquisition of Bromont

The fair value of the consideration for the net assets acquired by Delma was estimated at $24,055,239. The fair value was based on the estimated value of the net assets of Bromont as it was more reliable than the fair value of the acquirer's issued shares.

The estimated fair value of the net assets acquired by Delma is:

	$
Cash	629
Other receivables	2,112
Prepaids	11,738
Land held for residential development	10,963,955
Investment properties	31,291,298
Liabilities of assets held for sale	(131,493)
Advances	(7,083,000)
Term Loan	(11,000,000)
	24,055,239

(Expressed in Canadian dollars)

2 - PRO FORMA ASSUMPTIONS (Continued)

c) After the acquisitions, the Company will implement a share consolidation on the basis of 1 new class "A" or "B" share for every 200 outstanding class "A" or "B" shares.

The principal effects of the share consolidation will be that:

i) the number of class "A" and class "B" shares issued and outstanding respectively be reduced to 5,672,517 class "A" shares and 4,125,417 class "B" shares;

ii) the exercise price and/or the number of shares issuable under any of the Company's outstanding convertible securities, purchase warrants, stock options and any other similar securities will be proportionately adjusted upon the consolidation; and

iii) the number of class "A" shares reserved for issuance under the Stock Option Plan will be reduced proportionately upon the consolidation.

d) Total Transaction costs will be approximately $100,000. Transaction costs are joined to the entire organization and cannot be attributed to any single transaction and are therefore expensed and recorded as an increase to the deficit.

e) The pro forma effective income tax rate will be approximately 27%.

3 - SHARE CAPITAL

A continuity of issued share capital and related recorded values after giving effect to the pro forma adjustments described in Note 2 is set out as follows:

	Notes	Class "A" shares	Class "B" shares	Amount
				$
Aydon shares, issued and outstanding		26,919,899		403,800
Delma shares, issued and outstanding	2 b.1)	490,916,667	625,083,333	15,278,760
Bromont shares, issued and outstanding	2 b.2)	616,666,700	200,000,000	24,055,239
Share consolidation	2 c)	(1,128,830,749)	(820,957,916)	
Pro forma share capital at September 30, 2017		5,672,517	4,125,417	39,737,799

4 - SHARE BASED PAYMENT RESERVE

	$
Aydon, share-based payment reserve	325,921
Aydon stock options cancelled and minimal fair value for warrants	(277,683)
Fair value of the conversion option on long-term debt	48,238

CERTIFICATE OF THE DELMA GROUP INC.

Pursuant to a resolution duly passed by its Board of Directors, The Delma Group Inc., hereby applies for the listing of the above-mentioned securities on the Exchange. The foregoing contains full, true and plain disclosure of all material information relating to (full legal name of the Issuer). It contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to prevent a statement that is made from being false or misleading in light of the circumstances in which it was made.

Dated at : Montréal

this 21st day of March, 2018.

Hasan Al-Shawa	**Joseph Cianci**
Chief Executive Officer	Chief Financial Officer

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