

TRUE LEAF MEDICINE INTERNATIONAL LTD.

INTERIM FINANCIAL STATEMENTS

For the period from June 9, 2014 (Date of Incorporation) to December 31, 2014

(Unaudited - Prepared by Management)

(Expressed in Canadian Dollars)

TRUE LEAF MEDICINE INTERNATIONAL LTD.
INTERIM STATEMENT OF FINANCIAL POSITION
(Unaudited)
(Expressed in Canadian Dollars)

Dec. 31, 2014

ASSETS

Current Assets

Cash

\$ 1

LIABILITIES AND EQUITY

Share capital (Note 4)

\$ 1

Approved by the Board of Directors

"Kevin Bottomley" Director

"Darcy Bomford" Director

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

TRUE LEAF MEDICINE INTERNATIONAL LTD.
INTERIM STATEMENT OF OPERATIONS AND COMPREHENSIVE INCOME (LOSS)
(Unaudited)
(Expressed in Canadian Dollars)

Period from June 9, 2014
(Date of Incorporation) to
Dec. 31, 2014

REVENUE	\$	-
EXPENSES		-
Net income (loss) for the period	\$	-

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

**TRUE LEAF MEDICINE INTERNATIONAL LTD.
INTERIM STATEMENT OF CHANGES IN EQUITY**

For the period from June 9, 2014 (Date of Incorporation) to December 31, 2014

(Unaudited)

(Expressed in Canadian Dollars)

	Number of shares	Share capital	Deficit	Total shareholders equity
Balance, June 9, 2014	-	\$ -	\$ -	\$ -
Issued during the period:	10,000	1		1
Net loss for the period			-	-
Balance, December 31, 2014	10,000.00	\$ 1	\$ -	\$ 1

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

TRUE LEAF MEDICINE INTERNATIONAL LTD.

INTERIM STATEMENT OF CASH FLOWS

For the period from June 9, 2014 (Date of Incorporation) to December 31, 2014

(Unaudited)

(Expressed in Canadian Dollars)

	Period from June 9, 2014 (Date of Incorporation) to Dec. 31, 2014
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FINANCING ACTIVITIES	
Issuance of shares, net of issue costs	\$ 1
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CHANGE IN CASH DURING THE PERIOD	1
CASH, beginning of the period	-
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CASH, end of the period	\$ 1
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The accompanying notes are an integral part of these interim financial statements

1. ORGANIZATION AND NATURE OF OPERATIONS

True Leaf Medicine International Ltd. was incorporated under the Business Corporations Act of British Columbia on June 9, 2014. The Company's registered and records office is located at 1820 - 925 West Georgia Street, Vancouver, BC, V6B 2E2. The company is seeking to become a licensed producer and distributor of medical marijuana under Canada's Marihuana for Medical Purposes Regulations.

2. BASIS OF PRESENTATION

Statement of compliance:

The interim financial statements have been prepared in conformity with International Accounting Standard ("IAS") 34, Interim Financial Reporting, using the same accounting policies as will be detailed in the Company's annual financial statements to be prepared for the year-ended March 31, 2015 as well as summarized in Note 3. This interim report may not include all the information required for full annual financial statements in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). It is suggested that the interim financial statements be read in conjunction with the annual financial statements.

The financial statements were authorized for issue on February 5, 2015 by the directors of True Leaf Medicine International Ltd.

Basis of measurement:

These financial statements have been prepared on a historical cost basis except for financial instruments which may be measured at fair value.

Fuctional and presentation currency:

These financial statements are presented in Canadian dollars.

Use of estimates and judgments:

The preparation of financial statements requires management to make judgments, estimates and assumptions based on current available information that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the financial statements and reported amounts of revenue and expenses during the reporting period. Estimates and judgments 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 results could differ from those estimated. By their very nature, these estimates are subject to measurement uncertainty

TRUE LEAF MEDICINE INTERNATIONAL LTD.
NOTES TO THE INTERIM FINANCIAL STATEMENTS
For the period ended December 31, 2014

2. BASIS OF PRESENTATION (Continued)

and the effect on the financial statements of future periods could be material. In the process of applying the Company's accounting policies, management has made no such estimates, assumptions or judgments.

3. SIGNIFICANT ACCOUNTING POLICIES

a) Cash and cash equivalents:

Cash and cash equivalents comprise cash on hand and highly liquid temporary money market instruments with original maturities of three months or less that are readily convertible into cash and which are subject to insignificant risk of changes in value.

b) Property and equipment:

Property and equipment is stated at cost less accumulated depreciation and any accumulated impairment in value. The cost of equipment includes the purchase price, costs that can be directly attributed to bringing the asset to the location and condition necessary for its intended use and an initial estimate of the costs for dismantling, removal and restoration of the site on which it is located.

Depreciation is recorded over the estimated useful life of the asset on a declining balance.

An item of equipment is de-recognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal of the asset, determined as the difference between the net disposal proceeds and the carrying amount of the asset, is recognized in profit or loss.

c) Financial assets:

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

Financial assets classified as FVTPL are measured at fair value with unrealized gains and losses recognized through profit and loss.

Financial assets classified as loans and receivables and held-to-maturity are initially recognized at fair value less directly attributable transaction costs. After initial recognition these financial assets are subsequently measured at amortized cost using the effective interest method less any allowance for impairment. The effective interest method is a method of calculating the amortized cost of a financial asset and of allocating interest income over the relevant period.

Financial assets classified as available-for-sale are measured at fair value with unrealized gains and losses recognized in other comprehensive income (loss) except for losses in value that are

TRUE LEAF MEDICINE INTERNATIONAL LTD.
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For the period ended December 31, 2014

3. SIGNIFICANT ACCOUNTING POLICIES - (continued)

c) Financial assets: (continued)

considered other than temporary or a significant or prolonged decline in the fair value of that investment below its cost.

Transaction costs associated with FVTPL and available-for-sale financial assets are expensed as incurred while transaction costs associated with all other financial assets are included in the initial carrying amount of the asset.

Financial assets are assessed at each reporting date in order to determine whether objective evidence exists that the assets are impaired as a result of one or more events which have had a negative effect on the estimated future cash flows of the asset.

If there is objective evidence that a financial asset has become impaired, the amount of the impairment loss is calculated as the difference between its carrying amount and the present value of the estimated future cash flows from the asset discounted at its original effective interest rate. Impairment losses are recorded in earnings. If the amount of the impairment loss decreases in a subsequent period and the decrease can be objectively related to an event occurring after the impairment was recognized, the impairment loss is reversed up to the original carrying value of the asset. Any reversal is recognized in earnings.

d) Financial liabilities:

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

Financial liabilities classified as other financial liabilities are initially recognized at fair value less directly attributable transaction costs. After initial recognition, other financial liabilities are subsequently measured at amortized cost using the effective interest method.

Financial liabilities classified as FVTPL include financial liabilities held-for-trading and financial liabilities designated upon initial recognition as FVTPL. Derivatives are also classified as FVTPL unless they are designated as effective hedging instruments. Transaction costs on financial liabilities classified as FVTPL are expensed as incurred. Fair value changes on financial liabilities classified as FVTPL are recognized through the statement of comprehensive income (loss).

e) De-recognition of financial assets and liabilities:

Financial assets are de-recognized when the rights to receive cash flows from the assets expire or, the financial assets are transferred and the Company has transferred substantially all the risks and rewards of ownership of the financial assets. On de-recognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that has been recognized directly in equity is recognized in profit or loss.

3. SIGNIFICANT ACCOUNTING POLICIES - (continued)

e) De-recognition of financial assets and liabilities: (continued)

Financial liabilities are de-recognized when the obligation specified in the relevant contract is discharged, cancelled or expires. The difference between the carrying amount of the financial liability de-recognized and the consideration paid and payable is recognized in profit or loss.

f) Foreign currencies:

The financial statements for the Company and each of its subsidiaries, if any, are prepared using their functional currencies. Functional currency is the currency of the primary economic environment in which an entity operates. The presentation currency of the Company is Canadian dollars.

Foreign currency transactions are translated into the functional currency using exchange rates prevailing at the dates of the transactions. At the end of each reporting period, monetary assets and liabilities that are denominated in foreign currencies are translated at the rates prevailing at that date. Non-monetary assets and liabilities that are stated at fair value are translated using the historical rate on the date that the fair value was determined. All gains and losses on translation of these foreign currency transactions are charged to the statement of operations.

g) Income tax:

Income tax expense comprises current and deferred tax. Income tax expense is recognized in the statement of comprehensive income except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognized using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized on the initial recognition of assets or liabilities in a transaction that is not a business combination. In addition, deferred tax is not recognized for taxable temporary differences arising on the initial recognition of goodwill. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed

TRUE LEAF MEDICINE INTERNATIONAL LTD.
NOTES TO THE INTERIM FINANCIAL STATEMENTS
For the period ended December 31, 2014

3. SIGNIFICANT ACCOUNTING POLICIES - (continued)

g) Income tax: (continued)

at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

h) Share capital:

Common shares are classified as equity. Transaction costs directly attributable to the issue of common shares are recognized as a deduction from equity.

4. SHARE CAPITAL

The Company's share capital consists of an unlimited number of common shares without par value.

	Dec. 31, 2014
Issued:	
10,000 common shares	\$1

5. MANAGEMENT OF RISKS ARISING FROM FINANCIAL INSTRUMENTS

Discussions of risks associated with financial assets and liabilities are detailed below:

Credit risk

Credit risk arises from cash held with banks and financial institutions. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The Company's cash is held with a reputable Canadian bank. The credit risk related to cash is considered minimal.

Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The risk that the Company will realize such a loss is limited because of the short-term nature of the Company's interest bearing financial instruments.

Liquidity risk

The Company manages liquidity risk by maintaining sufficient cash to enable settlement of transactions as they come due. Management monitors the Company's contractual obligations and other expenses to ensure adequate liquidity is maintained.

6. PLAN OF ARRANGEMENT

The Company entered into an Arrangement Agreement and Plan of Arrangement (the "Arrangement") with Noor Energy Corporation ("Noor") and True Leaf Investments Corp. ("TL Investments") whereby TL Investments shall acquire all the issued and outstanding common shares of the Company from Noor for the purchase price of \$20,000 (the "Purchase Price"), \$19,900 of which shall be payable on signing and the balance of \$100 of which shall be payable upon closing the Agreement ("Closing").

TL Investments and the Company shall exchange securities on a one-to-one basis, such that all issued and outstanding common shares of TL Investments shall be exchanged by their holders for the same number of shares of the Company.

The Company shall issue 355,000 of its common shares (the "Distribution Shares") to Noor in exchange for 5,000 common shares of Noor (the "Exchange Shares").

The Distribution Shares shall be distributed to the shareholders of Noor on a pro-rated basis according to their shareholdings.

The Purchase Shares shall be cancelled.

Closing shall be conditional on: approval from the Canadian Securities Exchange prior to listing and the existence of a minimum of 150 shareholders in Noor holding a minimum board lot of 500 shares each.

On closing of the Arrangement, the Company shall become a reporting issuer in British Columbia and Alberta and TL Investments shall become the wholly-owned subsidiary of the Company.